

**YOLO LOCAL AGENCY FORMATION COMMISSION**

**Resolution № 2017-04**

**Adopting the Municipal Service Review (MSR) for the Public Cemetery Districts and Determining that an Update to the Districts' Spheres of Influence is Not Necessary (LAFCo No. S-048)**

**WHEREAS**, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 set forth in Government Code Sections 56000 et seq. governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code Sections 56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and,

**WHEREAS**, Section 56425 et seq. provides that the local agency formation commission in each county shall develop and determine the sphere of influence of each local governmental agency within the county, and enact policies designed to promote the logical and orderly development of areas within the spheres of influence, as more fully specified in Sections 56425 et seq.; and,

**WHEREAS**, Section 56430 requires that local agency formation commissions conduct a municipal service review (MSR) prior to, or in conjunction with, consideration of actions to establish or update a sphere of influence (SOI) in accordance with Sections 56076 and 56425; and,

**WHEREAS**, in 2016, the Yolo County Local Agency Formation Commission (LAFCo) undertook to conduct a review of the municipal services and sphere of influence of the six public cemetery districts in Yolo County: Capay, Cottonwood, Davis, Knights Landing, Mary's, and Winters; and,

**WHEREAS**, based on the results of the MSR, staff recommends that the SOI for each district does not need to be updated; and,

**WHEREAS**, staff has reviewed the Municipal Service Review pursuant to the California Environmental Quality Act (CEQA) and determined that a Municipal Service Review is not a "project" per CEQA Guidelines Section 21065 because an MSR is not an activity which may cause a direct or indirect physical change to the environment; and

**WHEREAS**, the Executive Officer set a public hearing for July 27, 2017 for consideration of the draft Municipal Service Review and caused notice thereof to be posted, published and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and,

**WHEREAS**, on July 27, 2017, the draft Municipal Service Review came on regularly for hearing before LAFCo, at the time and place specified in the Notice; and,

**WHEREAS**, at said hearing, LAFCo reviewed the draft Municipal Service Review, and the Executive Officer's Report and Recommendations; each of the policies, priorities and factors set forth in Government Code Sections 56430; LAFCos Guidelines and Methodology for the Preparation and Determination of Municipal Service Reviews; and all other matters presented as prescribed by law; and,

**WHEREAS**, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and,

**WHEREAS**, the Commission received, heard, discussed, and considered all oral and written testimony related to the sphere update, including but not limited to protests and objections, the Executive Officer's report and recommendations, the environmental documents and determinations and the service review.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** that the Local Agency Formation Commission of Yolo County hereby:

1. States that each of the foregoing recitals is true and correct.
2. Adopts Resolution 2017-04 adopting the Municipal Service Review for the Public Cemetery Districts as set forth in Exhibit A attached hereto and incorporated herein by this reference, subject to the following finding and recommendations for each district:

### **FINDINGS**

1. Finding: Approval of the Municipal Service Review is consistent with all applicable state laws and local LAFCo policies.

Evidence: The project was prepared consistent with the requirements in the Cortese-Knox-Hertzberg Act for a MSR and all applicable Yolo LAFCo policies and adopted Standards for Evaluation. The MSR includes written determinations for each district as required by Section 56430 of the Cortese Knox Hertzberg Local Government Act.

### **RECOMMENDATIONS**

#### Capay Cemetery District

1. The District should create a checklist to verify and document the eligibility for burials at the cemetery (i.e. district resident or criteria for eligible non-resident) per Health and Safety Code.
2. Consider adopting policies for District operations and financial management (see templates in the MSR appendices).
3. The District should not waive or discount fees unless it has an adopted policy to support the waiver/discount.
4. When seeking new contract services for landscape maintenance, consider shared contracts with nearby cemetery districts or requesting a bid for landscape services from the Esparto CSD.
5. The Capay Cemetery District has not been audited or had a financial review since fiscal year 2008/09. The Cemetery District Board should ensure that audits are performed of the Cemetery District's accounts, records, and endowment care fund, as required by law, and provide any necessary documentation to the auditor. Yolo County should arrange for financial reviews of the Cemetery District in accordance with Government Code Section 26909. An audit should occur annually, unless the Cemetery Board and Board of Supervisors authorize alternative financial reviews, with audits occurring no less frequently

than every five years. The county auditor should either conduct the audit, or contract with a public accountant to do so. If the Yolo County Department of Financial Services (DFS) determines that it does not have the resources to continue providing such audits, the County should solicit proposals from qualified CPAs or accounting firms to provide the audit or agreed upon procedures review for the five cemetery districts that do not provide their own. Contracts can be batched in 3 or 5 year increments for cost savings, as determined by County policy and approved by the Cemetery District and Board of Supervisors. The costs should be apportioned to the districts participating in the audit/review by a formula determined by DFS in consultation with the districts (i.e. by total revenue, for example).

6. Consider the best methods for the District to create a backup of computer files and create a safe place to secure District records. It is common practice with small districts to keep its records in private homes, which makes the District records potentially vulnerable to damage, loss, or lack of access with staff/board changes. Also consider worst-case scenario and succession planning in case of an unexpected loss of a staff and/or board member.
7. The District should consider establishing a website to provide transparent information to the public regarding board members, meetings, financial information, audits, etc. The California Special Districts Association has partnered with StreamlineWeb who provides a fully supported and hosted website template for special districts. For the Capay Cemetery District the cost would be \$50 if as a CSDA member or \$75 as a non-member. More information is available at [www.getstreamline.com/web/](http://www.getstreamline.com/web/)

#### Cottonwood Cemetery District

1. The District should create an internment agreement and authorization form in the case of a transfer of internment rights, if it hasn't already done so (see MSR attachments for sample forms). The District should keep and maintain copies of all deeds and burial documents.
2. The District should create a checklist to verify and document the eligibility for burials at the cemetery (i.e. district resident or criteria for eligible non-resident) per Health and Safety Code.
3. There are two public cemetery associations in California that the District may want to consider joining: The California Association of Public Cemeteries (CAPC) and/or the Public Cemetery Alliance (PCA). With Cottonwood's number of internments per year, the cost for CAPC would be \$30 per year and the cost for PCA is \$25 per year. Both associations could provide helpful resources to the District.
4. The District should develop a capital improvement plan for a new automatic sprinkler system and needed improvements to the existing bathrooms; and begin funding the plan.
5. Consider raising the District's fees to be more in line with rates countywide and better fund its services.
6. Consider adopting policies for District operations and financial management (see samples provided in the MSR appendices).
7. When a vacancy occurs with the District's part-time landscape maintenance person, it should consider sharing staff with another nearby cemetery district or other nearby agency, such as the Madison CSD, if it would reduce costs.

8. The Cemetery District Board should ensure that audits are performed of the Cemetery District's accounts, records, and endowment care fund, as required by law, and provide any necessary documentation to the auditor. Yolo County should arrange for financial reviews of the Cemetery District in accordance with Government Code Section 26909. An audit should occur annually, unless the Cemetery Board and Board of Supervisors authorize alternative financial reviews, with audits occurring no less frequently than every five years. The county auditor should either conduct the audit, or contract with a public accountant to do so. If the Yolo County Department of Financial Services (DFS) determines that it does not have the resources to continue providing such audits, the County should solicit proposals from qualified CPAs or accounting firms to provide the audit or agreed upon procedures review for the five cemetery districts that do not provide their own. Contracts can be batched in 3 or 5 year increments for cost savings, as determined by County policy and approved by the Cemetery District and Board of Supervisors. The costs should be apportioned to the districts participating in the audit/review by a formula determined by DFS in consultation with the districts (i.e. by total revenue, for example).
9. The District should consider establishing a website to provide transparent information to the public regarding board members, meetings, financial information, audits, etc. The California Special Districts Association has partnered with StreamlineWeb who provides a fully supported and hosted website template for special districts. For the Cottonwood Cemetery District, the cost would be \$25 if as a CSDA member or \$50 as a non-member. More information is available at [www.getstreamline.com/web/](http://www.getstreamline.com/web/).

#### Davis Cemetery District

1. The District should develop a capital improvement plan for periodic building improvements, facility upgrades and equipment replacement; and begin funding the plan.
2. The District should complete its comprehensive policy update that is already underway. There are templates and samples included in the MSR appendices for reference.
3. The District should consider posting more information on its website to improve public access to documents and public transparency. The California Special Districts Association has a recommended checklist of items to post, however, at a minimum the board meeting schedule, adopted budget and audits should be posted.

#### Knights Landing Cemetery District

1. There are two public cemetery associations in California that the District may want to consider joining: The California Association of Public Cemeteries (CAPC) and/or the Public Cemetery Alliance (PCA). With Knights Landing's number of interments per year, the cost for CAPC would be \$30 per year and the cost for PCA is \$25 per year. Both associations could provide helpful resources to the District.
2. The burial permit records for indigent burials should be reconciled by the County Public Administrator so that the Knights Landing Cemetery District records are accurate. The Public Administrator should provide the District with an affidavit form when cremated indigent remains are released to family members.
3. The District's receipts for payments should be cross-referenced to the deed book to identify proof of payments of the plot. Cash receipts should be inventoried to control all

used, unused and voided receipts in the receipt book to that it can be reconciled against the financial records. The District should record revenue transactions in the general ledger for adequate documentation and reporting

4. Due to the small number of individuals involved in the District bookkeeping, the District should include a report of all claims and purchase card transactions for the prior period at a Board of Trustees meeting to ratify the expenditures and receivables (to promote multiple individuals being involved in transactions) if not already done so.
5. The District may want to consider eliminating the separate fee for internments from the community of Robbins and have all eligible non-district services pay the same fees.
6. The District should not waive fees without an adopted policy and procedure regarding how waivers are handled.
7. The District may wish to consider adopting policies beyond the County's handbook, which focuses on transactions and required reporting to the County (see samples attached in the MSR appendices).
8. When a vacancy occurs with District staff, it should determine if it would be more cost effective to share staff with another nearby cemetery district or other nearby agency, such as the Knights Landing CSD or FPD.
9. The Board of Trustees cannot take action on agenda items when only one member is present. The board should consider coordinating its meetings with other local special districts so that a community member could more easily serve on multiple boards.
10. The Cemetery District Board should ensure that audits are performed of the Cemetery District's accounts, records, and endowment care fund, as required by law, and provide any necessary documentation to the auditor. Yolo County should arrange for financial reviews of the Cemetery District in accordance with Government Code Section 26909. An audit should occur annually, unless the Cemetery Board and Board of Supervisors authorize alternative financial reviews, with audits occurring no less frequently than every five years. The county auditor should either conduct the audit, or contract with a public accountant to do so. If the Yolo County Department of Financial Services (DFS) determines that it does not have the resources to continue providing such audits, the County should solicit proposals from qualified CPAs or accounting firms to provide the audit or agreed upon procedures review for the five cemetery districts that do not provide their own. Contracts can be batched in 3 or 5 year increments for cost savings, as determined by County policy and approved by the Cemetery District and Board of Supervisors. The costs should be apportioned to the districts participating in the audit/review by a formula determined by DFS in consultation with the districts (i.e. by total revenue, for example).
11. Consider the best methods for the District to create a backup of computer files and create a safe place to secure District records. It is common practice with small districts to keep its records in private homes, which makes the District records potentially vulnerable to damage, loss, or lack of access with staff/board changes. Also consider worst-case scenario and succession planning in case of an unexpected loss of a staff and/or board member.
12. The Knights Landing Cemetery District board should consider creating a website for the District for public transparency purposes. For a special district with an annual budget less between \$15k - \$50k per year, the California Special Districts Association offers a website

template through streamlineweb.com for \$25 per month (if CSDA member, \$50 per month if not). This fee includes unlimited technical support and hosting services.

### Mary's Cemetery District

1. The District may wish to consider adopting policies beyond the County's handbook, which focuses on transactions and required reporting to the County (see samples attached in the MSR appendices).
2. When a vacancy occurs with District staff, it should consider sharing staff with another nearby cemetery district or other nearby agency (only if it is more practical and cost effective), such as the Cacheville CSD or Yolo FPD.
3. For future consideration, the Mary's Cemetery District board should contemplate holding its meetings in a public building to encourage public participation.
4. The Cemetery District Board should ensure that audits are performed of the Cemetery District's accounts, records, and endowment care fund, as required by law, and provide any necessary documentation to the auditor. Yolo County should arrange for financial reviews of the Cemetery District in accordance with Government Code Section 26909. An audit should occur annually, unless the Cemetery Board and Board of Supervisors authorize alternative financial reviews, with audits occurring no less frequently than every five years. The county auditor should either conduct the audit, or contract with a public accountant to do so. If the Yolo County Department of Financial Services (DFS) determines that it does not have the resources to continue providing such audits, the County should solicit proposals from qualified CPAs or accounting firms to provide the audit or agreed upon procedures review for the five cemetery districts that do not provide their own. Contracts can be batched in 3 or 5 year increments for cost savings, as determined by County policy and approved by the Cemetery District and Board of Supervisors. The costs should be apportioned to the districts participating in the audit/review by a formula determined by DFS in consultation with the districts (i.e. by total revenue, for example).
5. The Mary's Cemetery District board should consider creating a website for the District for public transparency purposes. For a special district with an annual operating revenue between \$50k - \$250k per year, the California Special Districts Association offers a website template through streamlineweb.com for \$50 per month (if CSDA member, \$75 per month if not). This fee includes unlimited technical support and hosting services.
6. Consider the best methods for the District to create a backup of computer files and create a safe place to secure District records. It is common practice with small districts to keep its records in private homes, which makes the District records potentially vulnerable to damage, loss, or lack of access with staff/board changes. Also consider worst-case scenario and succession planning in case of an unexpected loss of a staff and/or board member.

### Winters Cemetery District

1. The Winters Cemetery District should initiate conversations with the City regarding how to mitigate impacts to cemetery capacity and services from future development.

2. The District should develop a capital improvement plan (including connecting the office building to City water or otherwise provide a backup system for the existing well that occasionally goes out, complete needed office building upgrades, and potentially installing more niches and shade structures), and begin funding the plan.
3. Prior to its next fee update, the District should compare its rates to other urban cemeteries in Woodland and Davis and determine if it would be appropriate to raise fees.
4. The Cemetery District Board should ensure that audits are performed of the Cemetery District's accounts, records, and endowment care fund, as required by law, and provide any necessary documentation to the auditor. Yolo County should arrange for financial reviews of the Cemetery District in accordance with Government Code Section 26909. An audit should occur annually, unless the Cemetery Board and Board of Supervisors authorize alternative financial reviews, with audits occurring no less frequently than every five years. The county auditor should either conduct the audit, or contract with a public accountant to do so. If the Yolo County Department of Financial Services (DFS) determines that it does not have the resources to continue providing such audits, the County should solicit proposals from qualified CPAs or accounting firms to provide the audit or agreed upon procedures review for the five cemetery districts that do not provide their own. Contracts can be batched in 3 or 5 year increments for cost savings, as determined by County policy and approved by the Cemetery District and Board of Supervisors. The costs should be apportioned to the districts participating in the audit/review by a formula determined by DFS in consultation with the districts (i.e. by total revenue, for example).
5. The Winters Cemetery District board should consider creating a website for the District for public transparency purposes. For a special district with an annual operating revenue between \$250k - \$500k per year, the California Special Districts Association offers a website template through streamlineweb.com for \$75 per month (if CSDA member, \$100 per month if not). This fee includes unlimited technical support and hosting services.

**PASSED AND ADOPTED** by the Local Agency Formation Commission, County of Yolo, State of California, this 27<sup>th</sup> day of July, 2017, by the following vote:

Ayes: Arnold, Cowan, Woods  
Noes: None  
Abstentions: None  
Absent: Rexroad, Saylor

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Olin Woods, Chair  
Yolo County Local Agency Formation Commission

Attest:

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Christine Crawford, Executive Officer  
Yolo County Local Agency Formation Commission

Approved as to form:

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Eric May, Commission Counsel