



***MEADOW VALLEY, MOHAWK VALLEY AND
QUINCY LAPORTE CEMETERY DISTRICTS
SPHERE OF INFLUENCE UPDATE
PUBLIC REVIEW DRAFT***

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Prepared for the
Plumas County Local Agency Formation Commission
by Policy Consulting Associates, LLC.

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1. INTRODUCTION

This Sphere of Influence (SOI) Study has been prepared for the Plumas Local Agency Formation Commission (Plumas LAFCo). Local Agency Formation Commissions (LAFCos) are quasi-legislative local agencies created in 1963 to assist the State in encouraging the orderly development and formation of local agencies. This SOI Study consists of a review of three cemetery districts in Plumas County with regard to the boundary recommendations for recreation services. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000 et seq.) is the statutory authority for the preparation of an MSR and periodic updates of the Sphere of Influence of each local agency.

A Sphere of Influence is a plan for the probable physical boundaries and service area of a local agency, as determined by the affected Local Agency Formation Commission (Government Code §56076). Government Code §56425(f) requires that each Sphere of Influence be updated not less than every five years as necessary, and §56430 provides that a Municipal Service Review shall be conducted in advance of the Sphere of Influence update.

SPHERE OF INFLUENCE UPDATES

An SOI is a LAFCo-approved plan that designates an agency's probable future boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services and prevent duplication of service delivery. Territory cannot be annexed by LAFCo to a city or a district unless it is within that agency's sphere of influence.

The purposes of the SOI include the following: to ensure the efficient provision of services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCo cannot regulate land use, dictate internal operations or administration of any local agency, or set rates. LAFCo is empowered to enact policies that indirectly affect land use decisions. On a regional level, LAFCo promotes logical and orderly development of communities as it considers and decides individual proposals. LAFCo has a role in reconciling differences between agency plans so that the most efficient urban service arrangements are created for the benefit of current and future area residents and property owners.

The Cortese-Knox-Hertzberg (CKH) Act requires LAFCos to develop and determine the SOI of each local governmental agency. They may do so with or without an application and any interested person may submit an application proposing an SOI amendment. LAFCo may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations.

In adopting or amending an SOI, LAFCo must make the following determinations:

- ❖ Present and planned land uses in the area, including agricultural and open-space lands;
- ❖ Present and probable need for public facilities and services in the area;

- ❖ Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
- ❖ Existence of any social or economic communities of interest in the area if the Commission determines these are relevant to the agency; and
- ❖ For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1st, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

By statute, LAFCo must notify affected agencies 21 days before holding the public hearing to consider the SOI and may not update the SOI until after that hearing. The LAFCo Executive Officer must issue a report including recommendations on the SOI amendments and updates under consideration at least five days before the public hearing.

PLUMAS LAFCO POLICIES AND PROCEDURES RELATED TO SPHERE OF INFLUENCE

Plumas LAFCo has adopted policies and procedures related to spheres of influence that are included as part of an overall Plumas LAFCo policy, standards and procedures document adopted on June 16, 2010.

Plumas LAFCo has discussed and considered the SOI process in open session and has adopted a schedule notwithstanding budget appropriations for completing the various municipal service reviews and sphere of influence updates for Plumas County.

PUBLIC PARTICIPATION PROCESS

Plumas LAFCo is authorized by the California Legislature and delegated powers as stated in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act). LAFCo proceedings are subject to the provisions California's open meeting law, the Ralph M. Brown Act (Government Code Sections 54950 et seq.)

The Brown Act requires advance posting of meeting agendas and contains various other provisions designed to ensure that the public has adequate access to information regarding the proceedings of public boards and commissions. Plumas LAFCo complies with the requirements of the Brown Act.

SOI ALTERNATIVES

LAFCo may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. Based on review of the guidelines of Plumas LAFCo as well as other LAFCos in the State, various conceptual approaches have been identified from which to choose in designating an SOI. These seven approaches are explained below:

1) Coterminous Sphere: A Coterminous Sphere means that the Sphere of Influence for a city or special district that is the same as its existing boundaries of the city or district.

2) Annexable Sphere: A sphere larger than the agency's boundaries identifies areas the agency is expected to annex. The annexable area is outside the district boundaries and inside the sphere of influence.

3) Detachable Sphere: A sphere that is smaller than the agency's boundaries identifies areas the agency is expected to detach. The detachable area is the area within the agency bounds but not within its sphere of influence.

4) Zero Sphere: A zero sphere indicates the affected agency's public service functions should be reassigned to another agency and the agency should be dissolved or combined with one or more other agencies.

5) Consolidated Sphere: A consolidated sphere includes two or more local agencies and indicates the agencies should be consolidated into one agency. While one of the goals of LAFCO is to consider consolidation of districts, this is not possible or advisable for the four recreation districts considered in this report.

6) Limited Service Sphere: A limited service sphere is the territory included within the SOI of a multi-service provider agency that is also within the boundary of a limited purpose district which provides the same service (e.g., fire protection), but not all needed services. Territory designated as a limited service SOI may be considered for annexation to the limited purpose agency without detachment from the multi-service provider.

This type of SOI is generally adopted when the following conditions exist:

- a) The limited service provider is providing adequate, cost effective and efficient services
- b) The multi-service agency is the most logical provider of the other services
- c) There is no feasible or logical SOI alternative

d) Inclusion of the territory is in the best interests of local government organization and structure in the area Government Code §56001 specifically recognizes that in rural areas it may be appropriate to establish limited purpose agencies to serve an area rather than a single service provider, if multiple limited purpose agencies are better able to provide efficient services to an area rather than one service district.

Moreover, Government Code Section §56425(i), governing sphere determinations, also authorizes a sphere for less than all of the services provided by a district by requiring a district affected by a sphere action to "establish the nature, location, and extent of any functions of classes of services provided by existing districts" recognizing that more than one district may serve an area and that a given district may provide less than its full range of services in an area.

7) Sphere Planning Area: LAFCo may choose to designate a sphere planning area to signal that it anticipates expanding an agency's SOI in the future to include territory not yet within its official SOI. There are no anticipated sphere planning areas within Plumas County at this time.

SOI UPDATE PROCESS

LAFCo is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCo must update those SOIs every five years, as necessary. In updating the SOI, LAFCo is required to conduct a Municipal Service Review (MSR) and adopt related determinations. This report identifies SOI determinations and recommends a SOI for the each of the four recreation districts.

LAFCo must notify affected agencies 21 days before holding a public hearing to consider the SOI and may not update the SOI until that hearing is closed. The LAFCo Executive Officer must issue a report including recommendations on the SOI amendment and update under consideration at least five days before the public hearing.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

LAFCo has the discretion to limit SOI updates to those that it may process without unnecessarily delaying the SOI update process or without requiring its funding agencies to bear the costs of environmental studies associated with SOI expansions. Any local agency or individual may file a request for an SOI amendment. The request must state the nature of and reasons for the proposed amendment, and provide a map depicting the proposal.

LAFCo may require the requester to pay a fee to cover LAFCo costs, including the costs of appropriate environmental review under CEQA. LAFCo may elect to serve as lead agency for such a review, may designate the proposing agency as lead agency, or both the local agency and LAFCo may serve as co-lead agencies for purposes of an SOI amendment.

Local agencies are encouraged to consult with LAFCo staff early in the process regarding the most appropriate approach for the particular SOI amendment under consideration.

Certain types of SOI amendments are likely exempt from CEQA review. Examples are SOI expansions that include territory already within the bounds or service area of an agency, SOI reductions, zero SOIs and coterminous SOI's. SOI expansions for limited purpose agencies that provide services (e.g., fire protection, levee protection, cemetery, and resource conservation) needed by both rural and urban areas are typically not considered growth-inducing and are likely exempt from CEQA. Similarly, SOI expansions for districts serving rural areas (e.g., irrigation water) are typically not considered growth inducing.

Remy et al. write:

“In *City of Agoura Hills v. Local Agency Formation Commission* (2d Dist.1988) 198 Cal.App.3d480, 493-496 [243 Cal.Rptr.740] (*City of Agoura Hills*), the court held that a LAFCO's decision to approve a city's sphere of influence that in most respects was coterminous with the city's existing municipal boundaries was not a “project” because such action did not entail any potential effects on the physical environment.”

DISADVANTAGED UNINCORPORATED COMMUNITIES

SB 244 requires LAFCos to consider disadvantaged unincorporated communities when developing spheres of influence. Upon the next update of a sphere of influence on or after July 1, 2012, SB 244 requires LAFCo to include in an MSR (in preparation of a sphere of influence update):

1) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere; and

2) The present and planned capacity of public facilities, adequacy of public services and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated community within or contiguous to the sphere of influence.

In determining spheres of influence, SB 244 authorizes LAFCo to assess the feasibility of and recommend reorganization and consolidation of local agencies to further orderly development and improve the efficiency and affordability of infrastructure and service delivery. The US Census Bureau shows the following information regarding Plumas County:

| U.S. Census Data Plumas County | | |
|------------------------------------|---------------|------------|
| | Plumas County | California |
| Population 2010 Census | 20,007 | 37,254,503 |
| Population 2020 Census | 19,790 | 39,538,223 |
| Percentage Change | -1.1% | 6.1% |
| Median Household Income, 2015-2019 | \$55,359 | \$75,235 |

Communities below 80 percent of the State Median Household Income, \$60,188, are considered disadvantaged. Thus, Plumas County could be considered disadvantaged because the median household income in Plumas County is \$55,359. However, the cemetery districts do not supply sewer, water or structural fire protection services, so no SOI Determinations are required.

CEMETERY DISTRICTS IN PLUMAS COUNTY

The principal act that governs cemetery districts is the Public Cemetery District Law.¹ The principal act authorizes the district to own, operate, improve, and maintain cemeteries, provide interment services within its boundaries, and to sell interment accessories and replacement objects (e.g., burial vaults, liners, and flower vases). Although the district may require and regulate monuments or markers, it is precluded from selling them. The principal

¹ California Health and Safety Code §9000-9093.

act requires the district to maintain cemeteries owned by the district.² The law allows the district to inter non-residents under certain circumstances.³

There are nine cemetery districts that serve Plumas County. Each of the districts has been covered in one of the five regional MSRs. All districts in the County are shown in Figure 1-1.

Each of the cemetery districts has faced similar struggles in providing transparent, adequate services within legal requirements while simultaneously challenged by limited public interest and insufficient financing. Specifically, all of the districts have suffered from hard to fill vacancies on the governing bodies. There is often a high turnover rate of the board members, and vacancies remain unfilled for long periods of time. The districts operate on minimal budgets and many reported that revenues were insufficient to provide an adequate level of services. As a result of these skeletal budgets, the districts often rely almost entirely on volunteer efforts on the part of the board members and other volunteer/community service programs for administration and maintenance. Due to the informal and small nature of these districts, there is a general lack of understanding of the legal requirements regarding a public agency and more specifically the detailed requirements of cemetery districts.

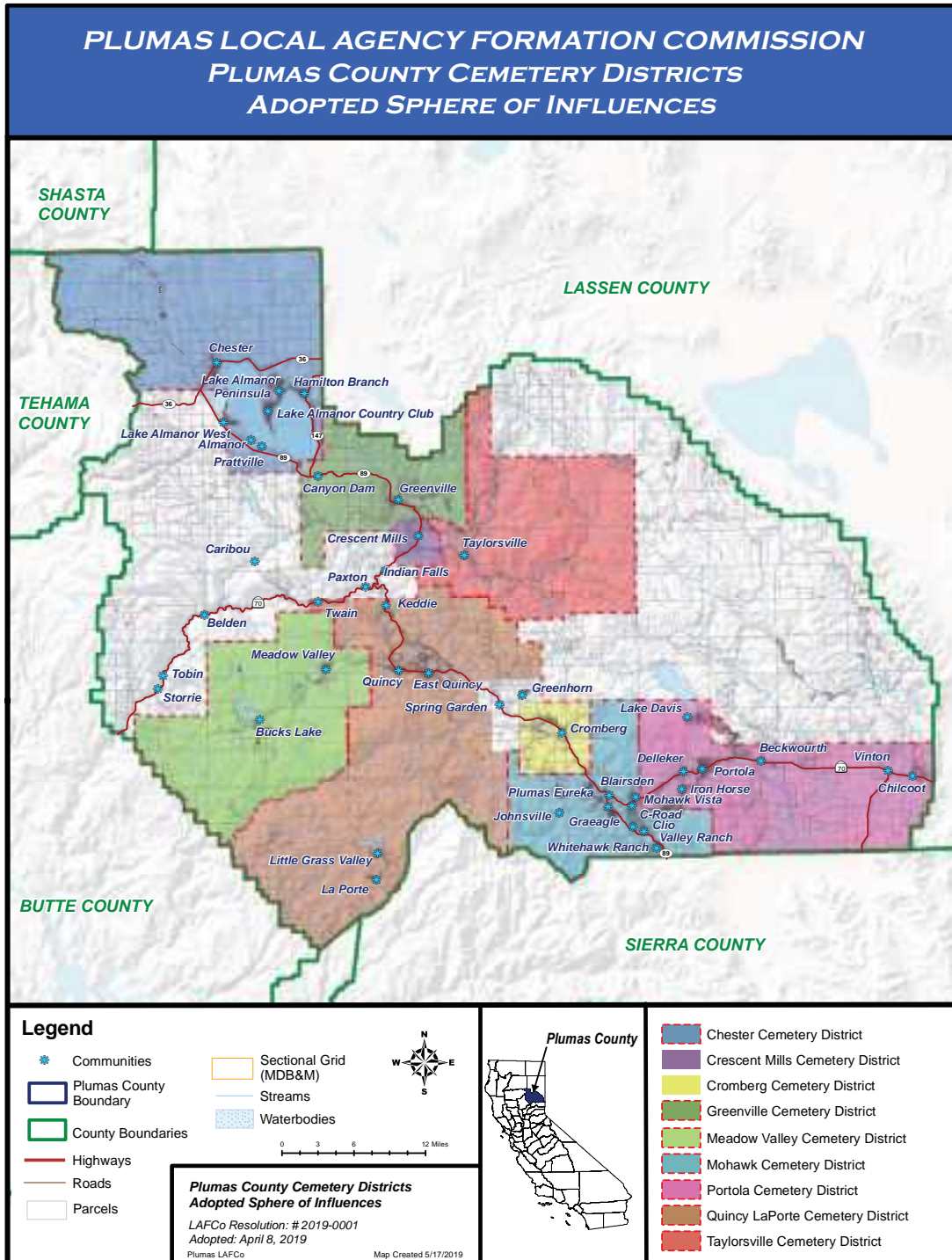
Given the constraints shared by all of the cemetery districts, reorganization of some form would be beneficial to the agencies in improving efficiency and thereby addressing many of the common challenges faced by these agencies. A larger district would eliminate excess governing bodies and administrative structures, enabling the cemetery district to draw from a larger population to fill the board seats. Additionally, the district would be able to best leverage the available resources and capitalize on personnel and equipment sharing to the greatest extent practicable. Finally, as a larger more visible agency, the district would be more likely to be placed under public scrutiny to ensure operations are appropriate for a public agency. Regional consolidation would offer smaller more short-term steps that may garner greater support from the public, as governance continues to be more local.

The previous cemetery district SOI update in 2019 identified several opportunities for regional reorganization of the cemetery districts. Over time, these options have evolved based on changing circumstances. The most immediate opportunities for reorganization include Mohawk Valley Cemetery District annexing the Cromberg Cemetery District, which would result in improved accountability for constituents in the area. Similarly, Crescent Mills Cemetery District annexed by Greenville Cemetery District would improve operations and governance of the cemetery in Crescent Mills. Finally, and most pressing is the potential for annexation of Meadow Valley Cemetery District by Quincy LaPorte Cemetery District. A district's SOI must be consistent with any change of organization, and as such the SOIs of these agencies must be updated to move forward with the proposed reorganizations.

² California Health and Safety Code §9040.

³ Non-residents eligible for interment are described in California Health and Safety Code §9061, and include former residents, current and former taxpayers, family members of residents and former residents, family members of those already buried in the cemetery, those without other cemetery alternatives within 15 miles of their residence, and those who died while serving in the military.

Figure 1-1: Plumas County Cemetery Districts



While many of the cemetery districts have expressed interest in consolidation to some degree, there are also concerns of loss of local control and representation. Discussions amongst the Indian Valley cemetery districts were met with mixed responses. In order for consolidation to be welcomed by the public, it is essential that the local districts identify the benefits that consolidation could offer locally, and at the same time, recognize the assistance that consolidation will bring to neighboring districts that are struggling to continue operations and maintain historical landmarks. Initial consolidation of neighboring districts may provide a template for others in moving forward with similar reorganizations. In order to initiate such a consolidation, it would require a resolution from either the Board of Supervisors, the boards of the affected districts, or the LAFCo commission. The cost of consolidation would likely be minimal if shared among multiple districts. Additionally, LAFCo has approved waiving of application fees for the cemetery district reorganizations.

RECOMMENDATIONS

Spheres of Influence

It is the intent of this report to make recommendations regarding the updated Spheres of Influence for three cemetery districts to streamline changes of organization that are under consideration. Since 2019, when the SOIs of all cemetery districts in the County were updated or adopted, the status/condition of a few districts has changed, leading to consideration of other reorganization options not previously contemplated. To that end, this report makes the following recommendations for each of the three cemetery district SOIs covered in this report.

In 2019, it was identified that Cromberg Cemetery District severely lacked transparency and provided minimal operations that do not warrant a surplus agency to provide the services offered. While Mohawk Valley Cemetery District (MoVCD) is the nearest cemetery provider to Cromberg, at that time MoVCD was facing challenges with accountability as well. Ultimately, a zero SOI was adopted for Cromberg Cemetery District (CCD) and the territory was included in Quincy LaPorte Cemetery District's SOI with the anticipation that Quincy LaPorte would annex Cromberg's territory and take over operations there. However, MoVCD has rectified many of the identified concerns in the four-year period and is now positioned as the most appropriate successor agency to MVCD given its proximity to the district, its ability to provide transparent services, and its willingness to take on services in the area. **It is therefore recommended that the area presently within Cromberg CD's boundaries be removed from Quincy LaPorte CD's SOI and added to Mohawk Valley CD's SOI, as shown in Figure 1-2, indicating eventual annexation of that territory and continuation of services in Cromberg CD's stead.**

As of 2019, Meadow Valley Cemetery District was considered well managed and well operated and a coterminous SOI was confirmed for the District, indicating no anticipated boundary changes in the near term. However, since that time, the Meadow Valley CD Board of Directors submitted a letter to the County Supervisor of District 4 indicating their struggles, and because of those struggles, the intent of the entire Board to retire as of November 1, 2020. The Board has since agreed to staying on until the end of 2022. The District's letter cited several issues of concern for a majority of cemetery districts in the State and highlighted struggles with maintaining a full and engaged board, particularly given the

degree to which these districts rely on the volunteer time of board members to operate. Meadow Valley CD approached Quincy LaPorte CD regarding reorganization, consolidation or a joint powers agreement between the two agencies, to ensure continued operations within Meadow Valley's cemetery. After three years of discussions, it appears that the two agencies have come to an agreement and intend to move forward with reorganization in the form of Quincy LaPorte CD annexing the territory presently within Meadow Valley's CD's boundaries and its subsequent dissolution. **In order to streamline the reorganization process and promote efficiency of services, it is recommended that a zero SOI be adopted for Meadow Valley CD and its territory included within Quincy LaPorte CD's SOI, as shown in Figure 1-3, indicating the anticipated annexation by Quincy LaPorte CD and subsequent dissolution of Meadow Valley CD.**

Figure 1-2: Mowhawk Valley Cemetery District’s Proposed Sphere of Influence

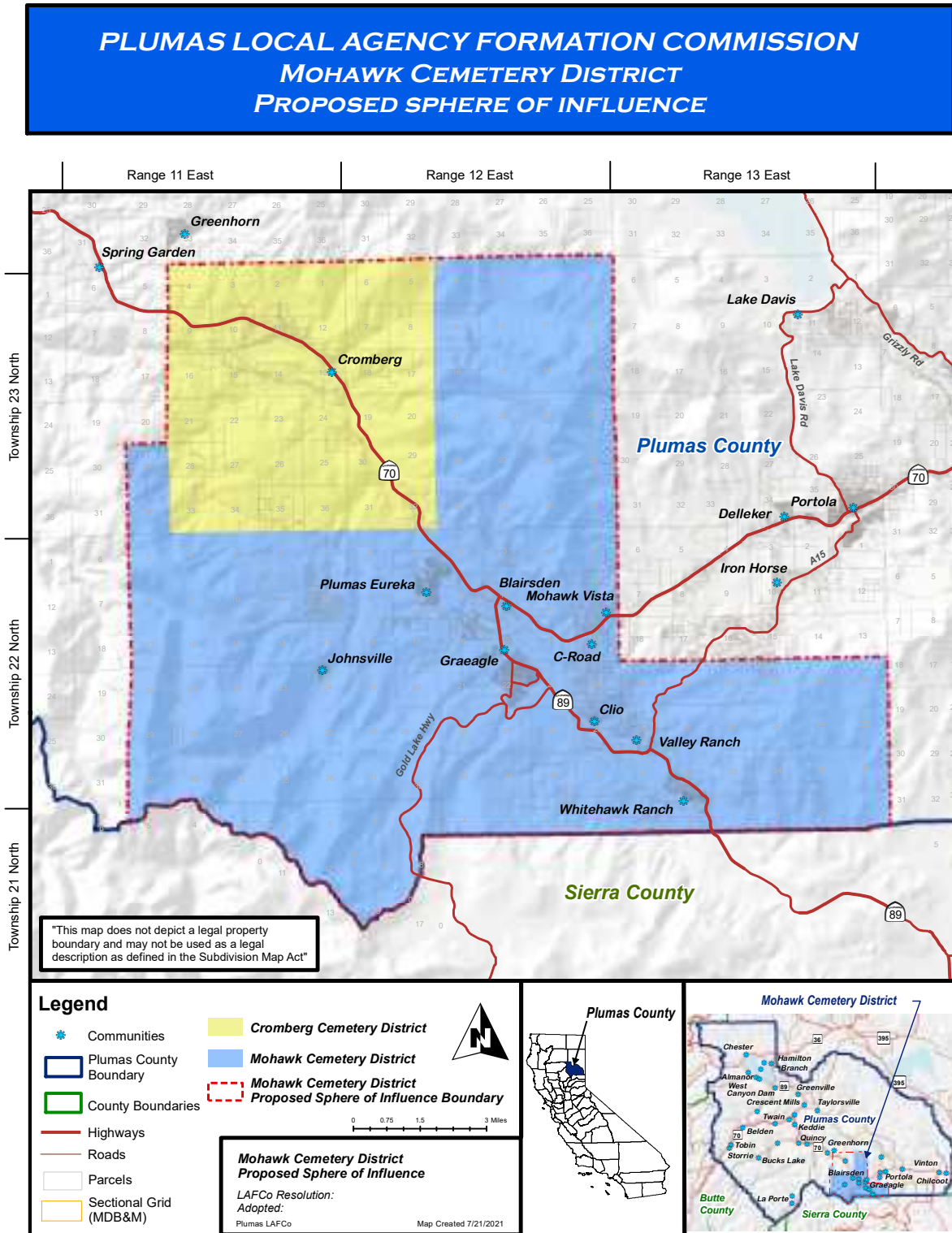
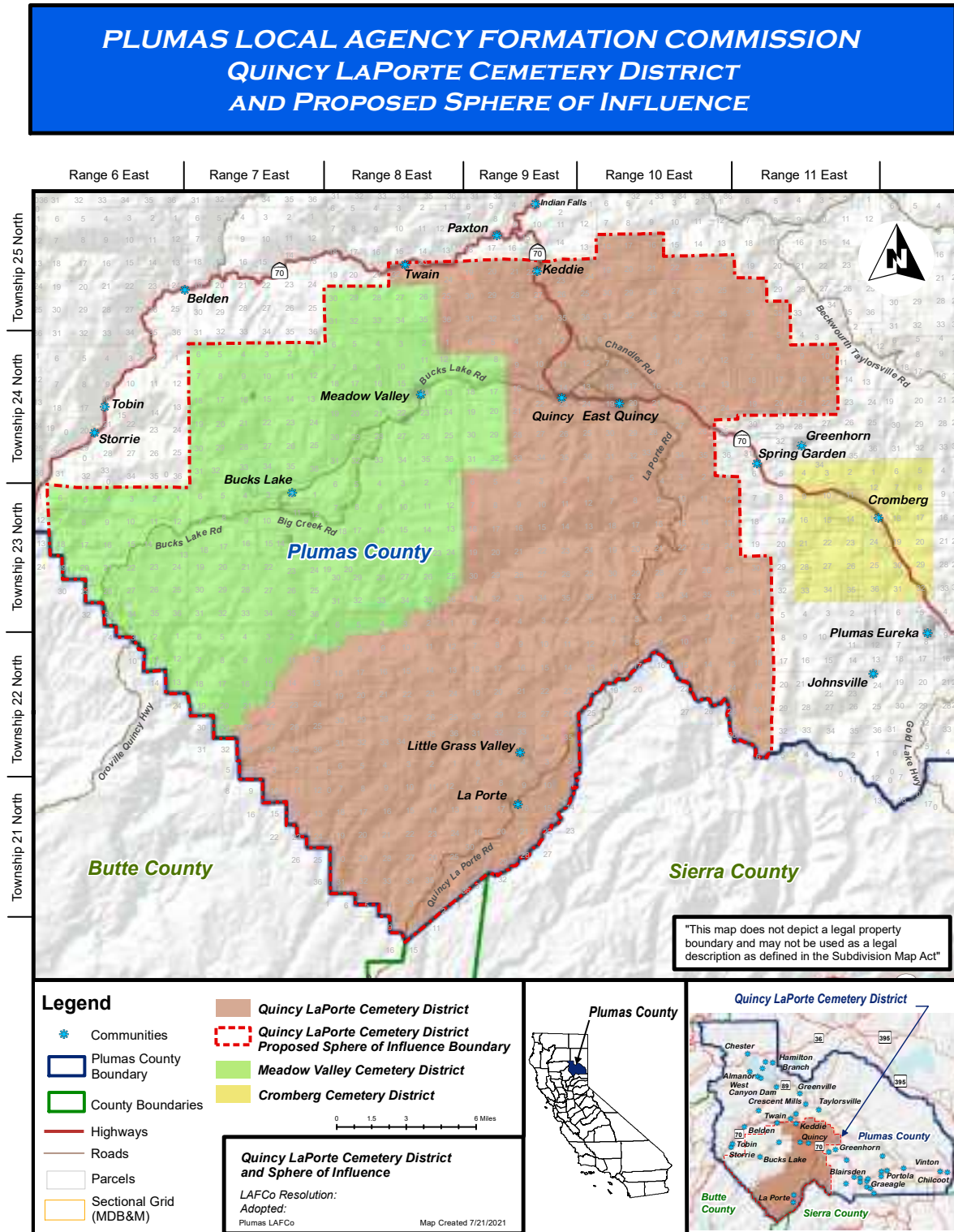


Figure 1-3: Quincy LaPorte Cemetery District's Proposed Sphere of Influence



2. MEADOW VALLEY CEMETERY DISTRICT

Meadow Valley Cemetery District (MVCD) is located in the southwest portion of Plumas County and encompasses the communities of Meadow Valley and Bucks Lake, as shown in Figure 2-1. MVCD is abutted by Quincy LaPorte Cemetery District to the east and south. MVCD's boundaries encompass 218 square miles. There have been no recorded changes to the District's boundaries since the formation. The territory within MVCD has a wide variety of zoning designations, including residential, commercial, recreation, agricultural preserve, general forest, and timberland production.

There were approximately 452 residents within the District as of the 2020 Census. The population of the area has remained the same or slightly declined in the last several years. Given historical trends of little to no growth within the District, MVCD expects continued slow growth in the area. The District is not a land use authority, and does not hold primary responsibility for implementing growth strategies. The land use authority for unincorporated areas is the County.

The District maintains and operates the Meadow Valley Cemetery, including sales of full sized and cremated remain plots, opening and closing of cremated remain plots, and regular maintenance of the property from May to October. The District has an agreement with Quincy LaPorte Cemetery District for the opening and closing of full-sized plots. Maintenance is provided by one part-time seasonal maintenance worker. The District occasionally hires private companies to do specialized services, such as tree trimming or plumbing. MVCD does not provide services at cemeteries outside of its boundaries but will bury any non-resident of the District for a higher fee.

Meadow Valley Cemetery is approximately 1.5 acres. The District reported that the developed portion of the cemetery is about 80 percent full and would likely be full in a few years. However, the undeveloped portion of the cemetery will be able to handle burials well into the future.

MVCD tracks the number of annual interments. The District averages about five to six burials per year. MVCD reported that aging of the population has led to greater demand for burials and there has been a general transition from full-body burials to burial of cremated remains.

The District reported that at present there are no significant needs at the cemetery. A site visit confirmed that the cemetery is regularly cared for and well maintained. The District would like to add a kiosk at the cemetery for posting of significant information and announcements. MVCD does not appear to face any particular challenges in providing adequate services.

MVCD considers its existing financing level to be sufficient to provide services. The District's primary revenue sources are property taxes, and burial and endowment fees. MVCD has a detailed list of fees for the lots, endowment care, vaults, administration, service set up, and cremation opening and closing. The District must meet the legally required minimum endowment fee of \$4.50 per plot square foot for all plot types. Additionally, the

principal act requires the District to charge non-resident fees that are at least 15 percent higher than fees charged to residents and property owners. MVCD is meeting these fee requirements. The District also has an endowment care fund and provides endowment care to its cemeteries, as required by law.

The principal act, however, also limits interments at cemetery districts to residents, former residents who purchased plots when they were residents, property taxpayers in district bounds, former property taxpayers who purchased plots, eligible non-residents, and the family members of any of the above. By allowing anybody to purchase a plot in its cemetery, MVCD is noncompliant with legal constraints on the burial of non-residents.

EXISTING SPHERE OF INFLUENCE BOUNDARY

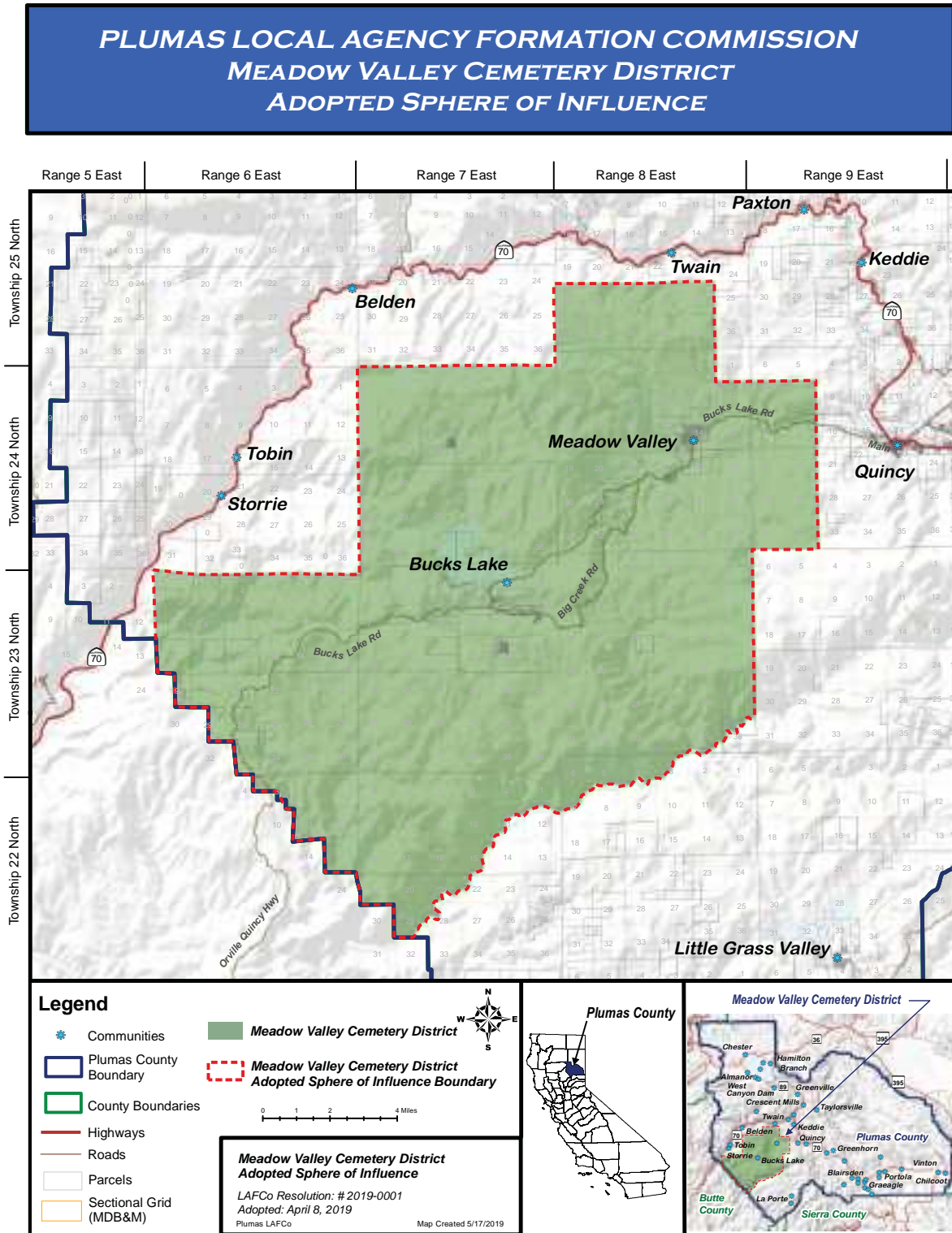
The District's SOI was last updated in 2019.⁴ The sphere of influence is coterminous with the District's boundaries, as shown in Figure 2-1.

RECOMMENDED SPHERE OF INFLUENCE BOUNDARY

It is recommended that the Commission adopt a zero SOI for Meadow Valley Cemetery District. The most recent MSR identified the option of MVCD consolidating with Quincy LaPorte Cemetery District since it provides contract burial services to MVCD; however, in 2019, because MVCD was considered well managed and operated it appeared preemptive to consider such a restructuring and the adopted SOIs did not reflect the potential reorganization. Additionally, it was unclear the extent of additional capacity Quincy LaPorte CD would have should it take on Cromberg CD, which is in critical condition and is a priority for dissolution. Because Mohawk Valley CD is capable and willing to be a successor agency to Cromberg CD, it appears that Quincy LaPorte CD has sufficient capacity to continue Meadow Valley CD's administration and services.

⁴ LAFCo Resolution 2019-01.

Figure 2-1: Meadow Valley Cemetery District Boundaries and Existing Sphere of Influence



PROPOSED SPHERE OF INFLUENCE DETERMINATIONS

The nature, location, extent, functions, and classes of services provided

- ❖ Meadow Valley Cemetery District (MVCD) is located in the southwest portion of Plumas County and encompasses the communities of Meadow Valley and Bucks Lake.
- ❖ The District provides cemetery related services, including sales of full-sized and cremated remain plots, opening and closing of cremated remain plots, and regular maintenance of the property from May to October. Maintenance is provided by one part-time seasonal maintenance worker.
- ❖ The District has an agreement with Quincy-La Porte Cemetery District for the opening and closing of full-sized plots.
- ❖ Services are provided at the Meadow Valley Cemetery within the District's boundaries.
- ❖ MVCD does not provide services at cemeteries outside of its boundaries but will bury any non-resident of the District for a higher fee.

Present and planned land uses in the area, including agricultural and open-space lands

- ❖ The District is not a land use authority, and does not hold primary responsibility for implementing growth strategies. The land use authority for unincorporated areas is the County.
- ❖ The territory within MVCD has a wide variety of zoning designations, including residential, commercial, recreation, agricultural preserve, general forest, and timberland production.
- ❖ There were approximately 452 residents within the District. The population of the area has remained the same or slightly declined in the last several years.
- ❖ Given historical trends of little to no growth within the District, MVCD expects continued slow growth in the area.

Present and probable need for public facilities and services in the area

- ❖ The District averages about five to six burials per year.
- ❖ Aging of the population has led to greater demand for burials. There has been a general transition from full-body burials to burial of cremated remains.
- ❖ Minimal change in service demand is anticipated in the short-term.

Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide

- ❖ MVCD appropriately tracks the number of annual interments and assesses the remaining capacity in the cemetery.
- ❖ The District reported that the developed portion of the cemetery is approximately 80 percent full and would likely be full in about five years. However, the undeveloped portion of the cemetery district will be able to handle burials well into the future.
- ❖ There are no significant needs at the cemetery. A site visit confirmed that the cemetery is regularly cared for and well maintained.
- ❖ While MVCD continues to provide adequate services and financing levels are appropriate to the services provided, the District faces capacity challenges at the Board level as it relies entirely volunteer time for administration. There has been a drain on the volunteers leading to a mass resignation of the Board and a need to identify a means to continue services.
- ❖ Cemetery districts are required by the Health and Safety Code §8738 to establish an endowment care fund and may only use the interest of the fund to finance the care of the facilities. The District has an endowment care fund and provides endowment care to its cemetery as required by law.
- ❖ The Health and Safety Code §9068 requires cemetery districts to have non-resident fees if services are offered to non-residents. MVCD is in compliance with this requirement.
- ❖ The cemetery district principal act limits interments at cemetery districts to residents, former residents who purchased plots when they were residents, property taxpayers in district bounds, former property taxpayers who purchased plots, eligible non-residents, and the family members of any of the above. By allowing anybody to purchase a plot in its cemetery, MVCD is noncompliant with legal constraints on the burial of non-residents.

Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency

- ❖ The District's communities of interest include the communities of Meadow Valley and Bucks Lake within the MVCD's boundaries, as well as residents that utilize District's services from outside of the District's bounds.

3. MOHAWK VALLEY CEMETERY DISTRICT

Mohawk Valley Cemetery District (MoVCD) was formed on January 1, 1947 to maintain and operate the Mohawk Valley Cemetery and the Johnsville Cemetery, including sales of full-sized and cremated remain plots and regular maintenance of the property eight months of the year when there is no snow. Maintenance is provided by one employee who also performs administrative duties. The maintenance employee is required to have their own truck for the regular hauling of pine needles, tree limbs, brush, earth, equipment, and other materials. A site visit confirmed that the cemeteries are well maintained. There are no structures on the cemetery grounds, such as vaults and mausoleums. Opening and closing of the burial plots is offered by contractors. MoVCD does not provide services at cemeteries outside of its boundaries; however, the District will bury any non-resident of the District for a higher fee.

The Mohawk Cemetery is approximately three acres and is broken into two parts (A and B). The cemetery is about 50 percent filled and anticipated to have capacity for at least the next 20 years. The District is continually looking for space to expand into neighboring properties.

The Johnsville Cemetery is about 2.5 acres. The developed portion of the cemetery is approximately half full, and the undeveloped property is not yet in use. The District estimates that overall, the cemetery space is 35 percent full. Based on existing burial rates, the Johnsville Cemetery is expected to have sufficient capacity for at least 30 years.

The District reported that at present there are no significant needs at the cemeteries. The primary capital need is to ensure sufficient expansion space in the future.

MoVCD is located in the south-central portion of Plumas County and encompasses the communities of Graeagle, Johnsville, Plumas Eureka, Whitehawk Ranch, Clio, and Blairsden, as shown in Figure 3-1. MoVCD is abutted by Portola Cemetery District to the east, Cromberg Cemetery District to the northwest, and Quincy LaPorte Cemetery District to the west. MoVCD's boundaries encompass 129 square miles. Since formation, the District's boundaries have undergone one change. In 1999, the Gold Mountain Reorganization adjusted MoVCD and other agency boundaries in the area.

The territory within MoVCD has a wide variety of zoning designations, including residential, commercial, recreation, open space, general agriculture, agricultural preserve, general forest, and timberland production. There were approximately 1,733 residents within the Johnsville, Plumas Eureka, Graeagle, Blairsden, C Road, Mohawk Vista, Valley Ranch, and Whitehawk Census Designated Places as of 2020. It is assumed, based on growth trends within Plumas County, that the population of the area has remained the same or slightly declined since that time. Given historical trends of little to no growth within the District, MoVCD expects continued slow growth in the area.

The District is not a land use authority, and does not hold primary responsibility for implementing growth strategies. The land use authority for unincorporated areas is the County.

Demand for services has reportedly been approximately the same from year to year with no significant changes or fluctuations. The District averages about 13 to 14 burials per year at both of its cemeteries combined. It is anticipated that aging of the population will lead to greater demand for burials. MoVCD tracks the number of annual interments, which is considered a best management practice.

MoVCD reported that its current financing level appears to be adequate at this time. The District's primary revenue sources are property taxes, and burial and endowment fees. The District has been able to develop a healthy reserve over the last few years, and fees are sufficient to cover operations and maintenance. The District has a management practice of maintaining a reserve account for capital needs and maintains a contingency fund for emergency needs. It is unclear, however, from the financial reports what portion of the cash balance is attributed to the endowment fund. Cemetery districts are required to establish an endowment care fund and may only use the interest of the fund to finance the care of the facilities. It is recommended that the District maintain a separate defined fund for endowment care fees as required by law.

The District has a detailed list of fees for the lots by cemetery location for residents and non-residents of the District. The principal act requires the District to charge non-resident fees that are at least 15 percent higher than fees charged to residents and property owners. MoVCD is meeting the fee requirements for non-residents.

The principal act also limits interments at cemetery districts to residents, former residents who purchased plots when they were residents, property taxpayers in district bounds, former property taxpayers who purchased plots, eligible non-residents, and the family members of any of the above. MoVCD reported that it was unsure of its past practice of burying any interested party regardless of residency. The District has made a commitment by adopting a resolution to ensure it is in compliance with burial requirements of non-residents.

Previously, there were concerns about the District's lack of transparency as it lacked training in the legal requirements and best management practices of public agencies, and the Board had ceased to meet and business was entirely conducted by the former President of the Board. The Board is now holding open public meetings and is making efforts to become informed regarding all legal requirements. The District is planning to adopt thorough policies and bylaws to ensure that operations are clearly defined and transparent.

EXISTING SPHERE OF INFLUENCE BOUNDARY

The District's SOI was last updated in 2019. The SOI is coterminous with the District's boundaries. The District's sphere of influence is shown in Figure 3-1.

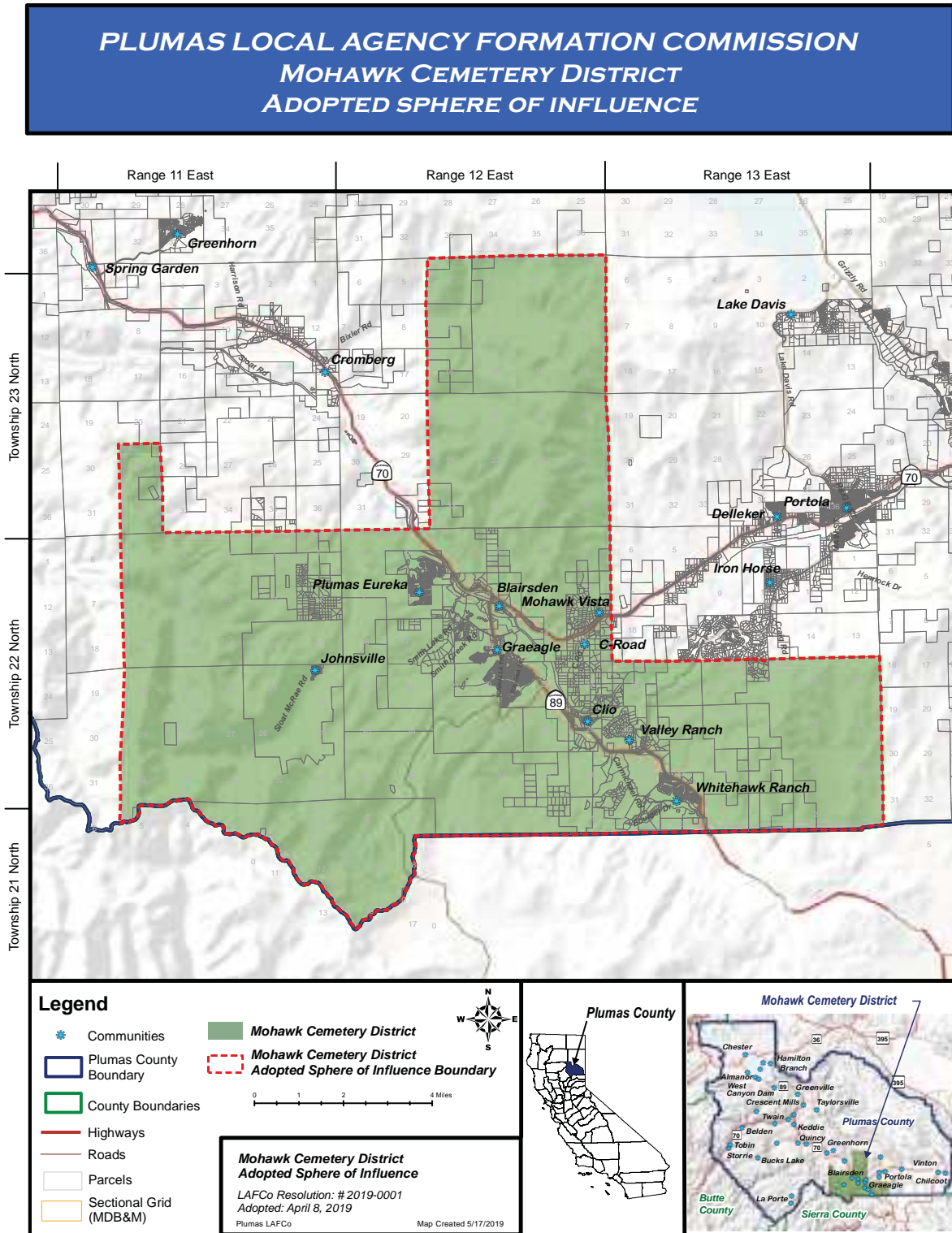
RECOMMENDED SPHERE OF INFLUENCE BOUNDARY

It is recommended that the Commission expand Mohawk Valley Cemetery District's SOI to include the territory within Cromberg CD's boundaries. Given the small size of Cromberg CD and its poor accountability and transparency practices, an opportunity exists to eliminate the duplication of government operations and increase service efficiency by dissolving CCD and annexing its territory to MoVCD.

The most recent MSR identified the option of MoVCD consolidating with Cromberg Cemetery District, as it is struggling and immediately adjacent to MoVCD, but because MoVCD faced its own challenges with accountability in 2019 when its SOI was last updated, it was considered premature to promote consolidation of the two agencies. However, changes have since been made at the staff and board level of MoVCD, which have enhanced accountability and transparency of the District. While there continue to be concerns regarding MoVCD's lack of board meetings, this is consistent with other cemetery districts. Unlike most other cemetery districts in Plumas, MoVCD maintains a website where information is readily available to the public. MoVCD is located in close proximity to CCD and appears to have sufficient capacity to take over additional cemetery services, especially given CCD's small size and its low service demand.

Given MoVCD's improvements to transparency, and Cromberg CD's absence of response and publicly available information, it is anticipated that MoVCD would greatly enhance Cromberg's governance, administration, and operations upon annexation. In order to reflect MoVCD's anticipated annexation of Cromberg's territory, the entirety of the area within Cromberg's Cemetery District would need to be included in MoVCD's SOI.

Figure 3-1: Mohawk Valley Cemetery District Boundaries and Existing Sphere of Influence



DISCUSSION AND DETERMINATIONS

The nature, location, extent, functions, and classes of services provided

- ❖ Mohawk Valley Cemetery District (MoVCD) maintains and operates the Mohawk Valley Cemetery and the Johnsville Cemetery, including sales of full-sized and cremated remain plots and regular maintenance of the property eight months of the year when there is no snow. There are no structures on the cemetery grounds, such as vaults and mausoleums. Opening and closing of the burial plots is offered by contractors.
- ❖ Services are provided within the District's boundaries to the communities of Graeagle, Johnsville, Plumas Eureka, Whitehawk Ranch, Clio, and Blairsden.
- ❖ MoVCD does not provide services at cemeteries outside of its boundaries; however, the District will bury any non-resident of the District for a higher fee.

Present and planned land uses in the area, including agricultural and open-space lands

- ❖ Mohawk Valley Cemetery District (MoVCD) is not a land use authority, and does not hold primary responsibility for implementing growth strategies. The land use authority for unincorporated areas is the County.
- ❖ The territory within MoVCD has a wide variety of zoning designations, including residential, commercial, recreation, open space, general agriculture, agricultural preserve, general forest, and timberland production.
- ❖ The District had approximately 1,733 residents as of the 2020 Census. It is assumed, based on growth trends within Plumas County, that the population of the area has remained the same or slightly declined since that time.
- ❖ Given historical trends of little to no growth within the District, MoVCD expects continued slow growth in the area.

Present and probable need for public facilities and services in the area

- ❖ Demand for services has reportedly been approximately the same from year to year with no significant changes or fluctuations. The District averages about 13 to 14 burials per year at both of its cemeteries combined.
- ❖ It is anticipated that aging of the population will lead to greater demand for burials.

Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide

- ❖ A site visit confirmed that the cemeteries are well maintained. The District reported that at present there are no significant needs at the cemeteries. There are also no equipment needs. The primary capital need is to ensure sufficient expansion space in the future.
- ❖ The Mohawk Cemetery is approximately 50 percent full and has about 20 years of remaining space. The Johnsville Cemetery is about 35 percent full and has sufficient capacity for at least 30 years.
- ❖ The District plans for its future demand and capacity needs by tracking its annual number of burials.
- ❖ MoVCD's current financing level appears to be adequate at this time. Revenues are appropriate to the services provided. The District has been able to develop a healthy reserve over the last few years, and fees are sufficient to cover operations and maintenance.
- ❖ Cemetery districts are required by the Health and Safety Code §8738 to establish an endowment care fund and may only use the interest of the fund to finance the care of the facilities. Although the District charges the required endowment fees, it is unclear what portion of the District's cash balance is attributed to the endowment fund. It is recommended that the District maintain a separate defined fund for endowment care fees as required by law.
- ❖ The Health and Safety Code §9068 requires cemetery districts to have non-resident fees if services are offered to non-residents. MoVCD appropriately charges non-residents service fees that are at least 15 percent higher than resident fees.
- ❖ The cemetery district principal act limits interments at cemetery districts to residents, former residents who purchased plots when they were residents, property taxpayers in district bounds, former property taxpayers who purchased plots, eligible non-residents, and the family members of any of the above. MoVCD adopted a resolution to ensure compliance.
- ❖ The District has experienced some accountability and transparency challenges, including a long stretch without public board meetings, delayed response to Public Records Requests, and business was entirely conducted by the former President of the Board. The While board meetings continue to be erratic, it is making efforts to become informed regarding all legal requirements and keep its constituents informed.

Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency

- ❖ The District's communities of interest include Graeagle, Johnsville, Plumas Eureka, Whitehawk Ranch, Clio, and Blairsdan within MoVCD's boundaries, as well as residents that utilize District's services from outside of the District's bounds.

4. QUINCY LA PORTE CEMETERY DISTRICT

Quincy LaPorte Cemetery District (QLPCD) was formed through the consolidation of Quincy Cemetery District and La Porte Cemetery District in 1994. QLPCD is located in the southwestern corner of Plumas County, and encompasses the unincorporated towns of Quincy, La Porte, East Quincy, Keddie, Massack, and Little Grass Valley. The District borders Meadow Valley Cemetery District in the west, Taylorsville CD in the northeast, and Mohawk CD in the southeast. The District's boundaries encompass approximately 378 square miles. Since the consolidation there have been no annexations to or detachments from QLPCD. A majority of the District is U.S. Forest Service land and the majority of the private land is agriculture, which limits opportunities for residential and commercial development. Residential, commercial and industrial uses are focused around the towns.

The District provides cemetery related services, including interment of caskets and cremated remains, funeral services associated with lowering of remains and settling of tombstones, provision of cremation niches, and maintenance of grounds on a year-round basis. Regular maintenance and administration activities are completed by a single full-time general manager. Seasonal part-time assistants are hired as needed.

The District offers services at three cemetery facilities within its boundaries, including Quincy Cemetery, La Porte Cemetery and East Quincy Cemetery. QLPCD tracks the number of annual burials in an informal report and assesses remaining capacity at its facilities. Quincy Cemetery consists of seven acres and is considered by the District to be in good condition. The District estimates that it will be filled to capacity in approximately three to five years. La Porte Cemetery is two acres in size and is reportedly in good condition, although there is no grass and it is maintained once a year. East Quincy Cemetery includes three acres and is in good condition. QLPCD estimates that it will have sufficient long-term capacity for approximately 100 years. The cemetery lies on a rocky bed, which makes it challenging to dig graves.

There is one potential improvement project to the Quincy Cemetery. QLPCD owns a parcel of land that once opened and developed, will add 128 vaults and an urn mausoleum to the existing Quincy Cemetery. The District reported that presently it does not have the necessary funds to start the project. The District identified financial challenges to provide adequate service levels. Another challenge is the size of the District and the significant distance to provide service between the Quincy and La Porte cemeteries.

The District serves non-residents of the District and charges them additional fees. Residency within the District is determined as reported by the potential customer. Additionally, QLPCD provides contract burial services to Meadow Valley Cemetery District, which is located outside of its bounds.

There are approximately 5,585 residents within the District. Demand for services had reportedly been mostly constant in the last several years. QLPCD reported that there is generally greater demand for the more picturesque cemeteries. There is also a current trend away from full-body burials to cremation burials. The District handles approximately 20

cremations and burials per year on average. At present, the District anticipates no significant change in demand in the short term.

There are no significant planned or proposed residential or commercial developments within The District's bounds. QLPCD is not a land use authority, and does not hold primary responsibility for implementing growth strategies. The land use authority for unincorporated areas is the County.

QLPCD reported that its financing level was constrained. With regard to internal controls over finances, QLPCD's audit stated that there are several deficiencies in internal control over financial reporting. Given the small nature of the District, it is essential that controls be in place to ensure proper use of public funds.

QLPCD, in addition to the regular fees, also charges endowment fees. By charging \$14.25 per plot square foot, the District meets the legally required minimum endowment fee of \$4.50 per plot square foot for all plot types. The District has an endowment care fund and provides endowment care to its cemeteries as required by law. The principal act also requires the District to charge non-resident fees that are at least 15 percent higher than fees charged to residents and property owners. The District's fee schedule includes additional fees for non-residents as required. The principal act, however, limits interments at cemetery districts to residents, former residents who purchased plots when they were residents, property taxpayers in district bounds, former property taxpayers who purchased plots, eligible non-residents, and the family members of any of the above. By allowing anybody to purchase a plot in its cemeteries, QLPCD is noncompliant with the legal constraints on the burial of non-residents.

EXISTING SPHERE OF INFLUENCE BOUNDARY

The District's SOI was established in 2019 to include all territory within its boundaries and Cromberg Cemetery District's boundaries.

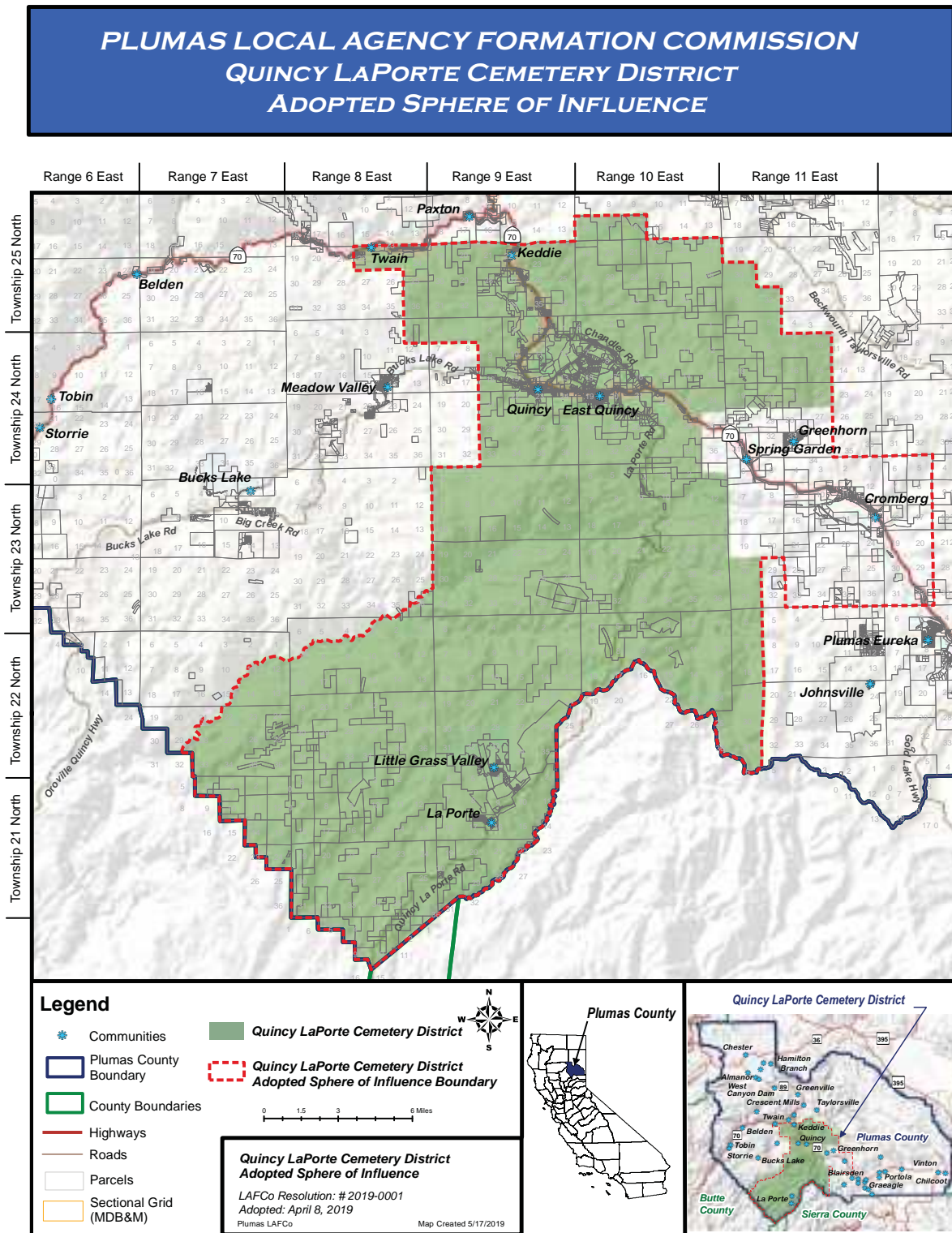
RECOMMENDED SPHERE OF INFLUENCE BOUNDARY

It is recommended that the Commission remove the area within Cromberg Cemetery District from QLPCD's SOI and expand QLPCD's SOI to include the territory within Meadow Valley Cemetery District. The most recent MSR identified the option of MVCD consolidating with Quincy LaPorte Cemetery District since it provides contract burial services to MVCD; however, in 2019, because MVCD was considered well managed and operated it appeared premature to consider such a restructuring, and the adopted SOIs did not reflect the potential reorganization. Additionally, it was unclear the extent of additional capacity Quincy LaPorte CD would have should it take on Cromberg CD, which is in critical condition and is a priority for dissolution. Because Mohawk Valley CD is capable and willing to be a successor agency to Cromberg CD, it appears that Quincy LaPorte CD has sufficient capacity to continue Meadow Valley CD's administration and services.

QLPCD is considered a well-managed agency that meets legal requirements, abuts MVCD, and appears to have sufficient capacity to take over additional cemetery services, especially given MVCD's low service demand. While QLPCD has challenges to address, as most special districts do, it has proven itself capable of successfully reorganizing with another district, as demonstrated by its consolidation with LaPorte Cemetery District. If the Commission finds

this governance structure option appropriate, it is recommended that the QLPCD's SOI be adjusted to exclude Cromberg Cemetery District's territory and include MVCD's boundary area. This SOI, combined with MVCD's proposed zero SOI, indicates anticipated annexation of MVCD's territory by QLPCD and subsequent dissolution of MVCD.

Figure 4-1: Quincy La Porte Cemetery District Boundaries and Existing Sphere of Influence



PROPOSED SPHERE OF INFLUENCE DETERMINATIONS

The nature, location, extent, functions, and classes of services provided

- ❖ Quincy-La Porte Cemetery District (QLPCD) is located in the southwestern corner of Plumas County, and encompasses the unincorporated towns of Quincy, La Porte, East Quincy, Keddie, Massack, and Little Grass Valley.
- ❖ The District provides cemetery related services, including interment of caskets and cremated remains, funeral services associated with lowering of remains and settling of tombstones, provision of cremation niches, and maintenance of grounds on a year-round basis. Maintenance is provided by a full-time general manager and seasonal part-time assistants.
- ❖ Services are provided at three cemetery facilities within the District's boundaries, including Quincy Cemetery, La Porte Cemetery and East Quincy Cemetery.
- ❖ The District will service any non-resident of the District for an additional charge. Residency within the District is determined as reported by the potential customer.
- ❖ QLPCD provides contract burial services to Meadow Valley Cemetery District, which is located outside of its boundaries.

Present and planned land uses in the area, including agricultural and open-space lands

- ❖ The District is not a land use authority, and does not hold primary responsibility for implementing growth strategies. The land use authority for unincorporated areas is the County.
- ❖ The majority of land uses in the District are U.S. Forest Service land and agriculture, which limits opportunities for residential and commercial development. Additionally, the District contains residential, commercial, and industrial uses.
- ❖ There are approximately 5,585 residents within Quincy-La Porte Cemetery District. Over the past decade the District has not experienced a significant increase in population.
- ❖ No or slow growth is anticipated within the District in the short-term. There are no significant planned or proposed residential or commercial developments within its boundaries.

Present and probable need for public facilities and services in the area

- ❖ The demand for services within the District has been constant. No change in demand is anticipated in the short term.
- ❖ QLPCD handles approximately 20 burials per year on average.

- ❖ Reportedly, there is generally greater demand for the more picturesque cemeteries. There is also a current trend away from full-body burials to cremation burials.

Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide

- ❖ All three cemeteries are in good condition. There are no significant infrastructure needs or deficiencies with regard to the three cemeteries.
- ❖ QLPCD tracks the number of annual burials in an informal report, and assesses remaining capacity at its facilities.
- ❖ Quincy Cemetery has the capacity to handle burials for approximately three to five years before expansion is necessary. East Quincy Cemetery has sufficient long-term capacity for approximately 100 years; however, it is challenging to dig graves due to rocky bed. It is unknown when La Porte Cemetery will be filled to capacity.
- ❖ The District identified financial challenges to provide adequate service levels. QLPCD should also ensure appropriate internal fiscal controls for the proper use of public funds. Another challenge is the size of the District and the significant distance to provide service between the Quincy and La Porte cemeteries.
- ❖ Cemetery districts are required by the Health and Safety Code §8738 to establish an endowment care fund and may only use the interest of the fund to finance the care of the facilities. The District has an endowment care fund and provides endowment care to its cemetery as required by law.
- ❖ The Health and Safety Code §9068 requires cemetery districts to have non-resident fees if services are offered to non-residents. QLPCD is in compliance with this requirement.
- ❖ The cemetery district principal act limits interments at cemetery districts to residents, former residents who purchased plots when they were residents, property taxpayers in district bounds, former property taxpayers who purchased plots, eligible non-residents, and the family members of any of the above. By allowing anybody to purchase a plot in its cemeteries, QLPCD is noncompliant with legal constraints on the burial of non-residents.

Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency

- ❖ The District's communities of interest include the communities of Quincy, La Porte, East Quincy, Keddie, Massack, and Little Grass Valley within QLPCD's boundaries, as well as residents that utilize District's services from outside of the District's bounds. Residents of Meadow Valley Cemetery District are also a community of interest for QLPCD, since the District provides contract services to MVCD.