

Les Baugh
County Member

Larry Farr
City Member

Stan Neutze
City Member

Francie Sullivan
City Member Alternate

Irwin Fust
Special District Member

Mary Rickert
County Member Alternate

Brenda Haynes
Special District Member



Dick Fyten
Public Member

David Kehoe
County Member

Patricia A Clark
Special District Alternate

Bob Richardson
Public Member Alternate

George Williamson
Executive Officer

James M. Underwood
General Counsel

Kathy Bull
Office Manager

Agenda Item: 7b

Meeting Date: June 1 2017

From: George Williamson AICP, Executive Officer

Subject: Proposed District Consolidation

The Commission will consider a proposal submitted by resolutions of application by the Board of Trustees of the Pine Grove and Fall River Mills Cemetery Districts for a consolidated Pine Grove Cemetery District. Commission action would also include the dissolution of the Fall River Mills Cemetery District, the adoption of a Sphere of Influence for the consolidated district and waive protest proceeding if no protests received.

LAFCOs are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to regulate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving proposed changes of organization, such as boundary changes, consistent with adopted policies and procedures pursuant to California Government Code (G.C.) § 56375. LAFCOs are authorized with broad discretion in amending and conditioning changes of organization as long as they do not directly regulate land use, property development, or subdivision requirements.

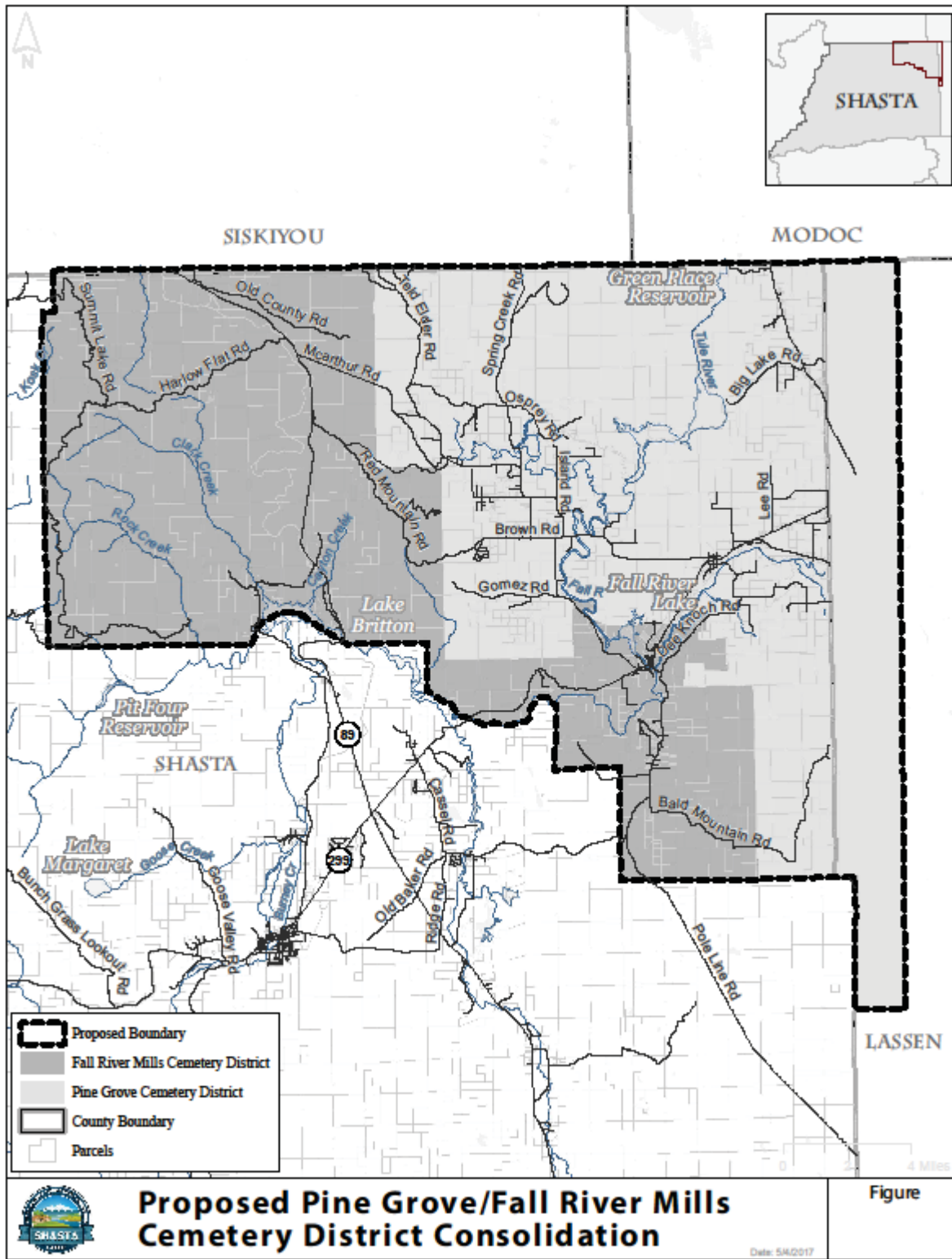
BACKGROUND

Proceedings for this consolidation were initiated by resolutions of application by the Board of Trustees of the Pine Grove and Pine Grove Fall River Mills Cemetery Districts. The proposal includes consolidation of approximately 113,393 acres of resource lands with several small unincorporated communities, generally located in northwestern Shasta County, and accessed via Hwy 299 and Hwy 89. (see Exhibit A). Existing land uses are agricultural with areas of open space dispersed along the edges. Several small communities are located along Hwy 299. Public notice of the proposed consolidation was provided through a legal notice published in the Mountain Echo newspaper on May 9, 2017, with a subsequent notice published in the Record Searchlight newspaper.

Reasons for Proposal

The reasons for the consolidation as set forth in the proposal to LAFCO are as follows:

The Fall River Mills Cemetery District cannot fiscally continue operating their sites with the revenue they receive. This has been an issue for many years but it has become acute the past few years. Both districts rely on property tax revenue with burial service fees providing a very small amount of revenue. Pine Grove Cemetery District receives substantially more tax revenue so it makes fiscal sense to consolidate like districts into one district. It is a cost saving solution while maintaining the same level of service with minimal disruption to all concerned. The boundary of the consolidated district would be the same as the two existing district boundaries, and the Sphere of Influence (SOI) would be the same as the consolidated district boundary (Exhibit A – Consolidated District Boundary and SOI)



Provision of Public Services

A Plan for Services has been prepared by the Cemetery Districts for the proposed consolidated district. As contemplated, the consolidated Pine Grove Cemetery District would be responsible for providing burial services and memorial garden maintenance to the Pine Grove, and Fall River Mills Cemeteries, and garden

maintenance to Winters Cemetery, upon consolidation. There would be no change in cemetery services provided by the Pine Grove Cemetery District beyond what is currently provided by the two districts.

Land Use Designations

Land uses within the proposed consolidated district are subject to the Shasta County General Plan and Zoning Regulations. Existing land uses are primarily agriculture with areas of open space dispersed along the edges. There is one irrigation reservoir that provides water to several small communities located along Hwy 299, the main transportation artery to the district. The current land use designations in the district are primarily a mix of Agricultural, Open Space, Commercial, Industrial, Limited Residential and Rural Residential.

ANALYSIS

The analysis of the proposal is organized into two sections. The first section considers the proposal relative to the factors mandated for review by the Legislature anytime LAFCOs review boundary changes. The second section considers issues required by other applicable State statutes in processing boundary changes, such as environmental compliance with the California Environmental Quality Act.

Required Factors for Review

G.C. § 56668 requires the Commission to consider 16 specific factors anytime it reviews proposals for a change of organization. No single factor is determinative. The purpose in considering these factors is to help inform the Commission in its decision-making process. An evaluation of these factors as it relates to the proposal follows.

1) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

The consolidated district area, as proposed is approximately 255,466 acres. The current population of the consolidated district is approximately 2,474 residents based on (2010 Census). The entire consolidated district may accommodate a population of approximately 2,802 by the year 2035.

2) The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

Pursuant to Government Code § 56653, the Plan for Services to evaluate the needs of the proposed consolidated district. The need for expanded community services within the affected territory includes cemetery services only. An analysis of the availability and adequacy of these services relative to projected needs of the proposal follows.

Cemetery Services

Interment services and memorial garden maintenance will be provided by the Pine Grove Cemetery District and follow the Pine Grove Cemetery District's policies and protocols.

Fire Protection

The proposed consolidated district receives fire protection and emergency response services from County Service Area #1 – Shasta County Fire Department (SCFD), the McArthur Fire Protection District, and the Fall River Mills Fire Protection District

Law Enforcement

The proposed consolidated district is currently served by the Shasta County Sheriff's Office. Increase in demand for law enforcement is not expected due to consolidation.

Road Maintenance

No additional requirements for road maintenance are anticipated as a result of the consolidation.

3) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

The consolidation as proposed would consolidate two districts, totally 255,466 acres of primarily agricultural and open space land uses. This area is within the Fall River Valley Community Services District and is analyzed in the Pine Grove Cemetery District MSR SOI update. No change to mutual social and economic interests, or county governmental structure are anticipated.

4) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in G.C. Section 56377.

The statutory goals of the LAFCO include the promotion of orderly growth and development by determining logical local boundaries [§56001], the preservation of open space by encouraging development of vacant land within cities before annexation of vacant land adjacent to cities [§56377(b)], and the preservation of prime agricultural land by guiding development away from presently undeveloped prime agricultural lands [§56377(a)]. The proposed uses that would be accommodated in the consolidated district comply with the statutory goals discussed above.

5) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.

Due to the primarily agricultural nature of the district, it is expected that some of the territory is subject to Williamson Act Contracts. The consolidation is not expected to have an adverse impact on the agricultural lands in the district.

6) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

A map and geographic description meeting applicable State Board of Equalization requirements will be required prior to filing a certificate of completion for the consolidation. The proposed consolidated district boundary follows existing district boundaries. Also, the proposed consolidated district would not create islands or corridors of unincorporated territory.

7) A regional transportation plan adopted pursuant to G.C. Section 65080.

The Shasta County Regional Transportation Plan was last updated in 2015 and is a long-range transportation planning document for Shasta County. The RTP identifies several minor projects involving the affected territory. These projects are not expected to take place until 2026 or later.

8) Consistency with city or county general and specific plans.

Land uses within the proposed consolidated district are currently designated as a mix of agricultural, open space, commercial, industrial and rural residential. The consolidation does not require zoning amendments and land use is expected to remain consistent with county and specific plans.

9) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.

The proposed consolidation district is located within the Fall River Valley CSD Sphere of Influence (SOI).

10) The comments of any affected local agency or other public agency.

The Cemetery Districts provided sufficient notice to interested and subject agencies of its intent to adopt a resolution of application, pursuant to GC Section 56654(c). LAFCO staff also provided notice of the proposed consolidation through a legal notice published in the Mountain Echo newspaper on May 9, 2017.

11) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

Both the Pine Grove and Fall River Mills Cemetery Districts rely on property tax revenue with burial service fees providing a very small amount of revenue. The Fall River Cemetery District cannot fiscally continue operating their sites with the revenue they receive. Pine Grove Cemetery District receives substantially more tax revenue so it makes fiscal sense from the county's perspective to consolidate like districts into one district.

12) Timely availability of water supplies adequate for projected needs as specified in G.C. § 65352.5.

No water supply capacity limitations have been identified and the need to increase system capacity as a result of the proposed consolidation is not anticipated.

13) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with § 65580) of Chapter 3 of Division 1 of Title 7.

The proposal would not impact any local agencies in accommodating their regional housing needs. The affected territory is currently developed with single family residential and agricultural uses. There are currently no residential development plans for the proposed consolidated district area.

14) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

Property owners were notified regarding the consolidation proposal and no comments received.

15) Any information relating to existing land use designations.

See discussion in section 8.

16) The extent to which the proposal will promote environmental justice. As used in this subdivision, “environmental justice” means the fair treatment of people of all races, cultures, and incomes with respect to the local of public facilities and the provision of public services.

The proposal will not result in inconsistencies with environmental justice safeguards. The consolidated district will result in expanded public services for residents. The residents within the two districts they now have a choice of where to be buried without incurring non-resident burial fees.

Other Considerations

Environmental Review

LAFCO has responsibility to comply with the environmental review process per CEQA Guidelines found in Public Resources Code Section 210000 et seq. The purpose of the environmental review process is to provide information about the environmental effects of the actions and decisions. It has been determined that this project is statutorily exempt from CEQA pursuant to Section 15262 – Feasibilities & Planning Studies and categorically exempt pursuant to Section 15306 – Information Collection. The consolidation is an administrative activity that will not bring about any physical changes to the environment. The proposed consolidation does not involve, authorize or permit the siting or construction of any facilities. A Notice of Exemption has been prepared.

Master Property Tax Agreement

The property tax allocations to the consolidated district will be the same as for the two districts, as shown in the attached Shasta County Auditors Tax Revenue Table.

Conducting Authority Proceedings

All proposed boundary changes approved by the Commission are subject to conducting authority proceedings (i.e., protest hearing) unless waived in accordance with criteria outlined under G.C. Section 56663. The proposal is not subject to conducting authority proceedings under G.C. Section 56663 unless written opposition is received from landowners or registered voters within the affected territory prior to the conclusion of the Commission’s proceedings on the proposal.

B. RECOMMENDATION

APPROVE SUBJECT TO CONDITIONS:

It is recommended the following conditions of approval be applied, with delegation to the Executive Officer to determine when sufficiently satisfied, before proceeding with recordation.

- Completion of the 30-day reconsideration period provided under G.C. § 56895.
- Submittal of a final map and geographic description of the affected territory conforming to applicable State Board of Equalization requirements.
- Payment of any outstanding fees as identified in the Commission’s adopted fee schedule.

Attachments: Plan for Services, Notice of Exemption, MSR/SOI Update, Resolution 2017-10

SHASTA LAFCO CHANGE OF ORGANIZATION/REORGANIZATION APPLICATION

This application must be completed in full and submitted with any petition or resolution of application to LAFCO for a change of organization or reorganization made pursuant to Government Code Section 56000 et seq.

1. **Nature of Proposal:** Check one of the following. Insert city or district name. If the proposal involves more than one concurrent change (i.e., annexation to one agency, detachment from another), check the appropriate "reorganization" box.

- Annexation only** to a city or special district
Affected city or district: _____
- Detachment only** from a city or special district
Affected city or district: _____
- Reorganization by concurrent** annexation to city, detachment from district(s)
Affected city and district(s): Pine Grove Cemetery District Consolidation
- Reorganization by concurrent** annexation to district, detachment from district
Affected districts: _____
- Formation** of special district
Type of district (i.e. CSD, CSA, FPD): _____
- Dissolution** of special district
Name of district: Fall River Mills Cemetery District

2. **Sphere of Influence:** If the proposal is for annexation to a city or district, is the area to be annexed within the sphere of influence of the affected city or district? Yes No. If no, there must be a concurrent sphere of influence amendment action.

3. **Tax Exchange Agreement:** Is the proposal subject to a tax exchange agreement? Yes No. If yes, see Shasta LAFCO's "Application Standards & Document Requirements for compliance information."

4. **Public Agencies in Proposal Area:** List all public agencies - including school districts - whose current jurisdictional boundary or sphere of influence boundary falls within the proposal area. Also note the effect on the proposal on each agency.

<u>Public Agency</u>	<u>Effect of Proposal (i.e. annex, detach, no change)</u>
Fall River Valley CSD	No Effect _____
Fall River Mills FPD	No Effect _____
FRJr.Sr. High School	No Effect _____
FR Elementary	No Effect _____

5. **Affected Territory is Legally (Check One):**

<input checked="" type="checkbox"/> Inhabited (more than 12 registered voters)	<input type="checkbox"/> Developed
<input type="checkbox"/> Uninhabited (fewer than 12 registered voters)	<input type="checkbox"/> Undeveloped

6. **Characteristics of Affected Area:** Insert totals and *check data source*.

	Total #	Assessor / Auditor	Elections Dept.	Field Survey	Other Source: (Name)
Acres	8				
Parcels	5				
Inhabitants					
Registered Voters					
Dwelling Units					
Commercial Units					
Industrial Units					
Assessed Value: Land					
Assessed Value: Improvements					
Total Assessed Value					

7. **General Location of Proposal Area:** Summary statement of general location in relation to nearest major roads and intersections, nearest city or district boundary, and/or other locational landmarks.

8. **Present Land Use Characteristics:** Summary statement of current land use and development characteristics, as well as prevalent topographic/geographic characteristics that influence land use and development.

Two main cemeteries in use are level, watered by well, powered by PGE and solar. Land is used for burial of persons within/outside of district (traditional and cremations). Third cemetery in Dana on 4% slope within oak woodland with no water or power.

9. **Proposed Development:** Summary statement of proposed development in the area, if any, and a statement of when development is expected to begin and/or be completed:
 No new development planned.

10. **General Plan and Zoning Designations:** List the current Shasta County General Plan land-use and zoning designations applied to the area, and the total acres under each designation. *Do not use abbreviations.* Attach maps showing the General Plan designations.

<u>General Plan Designation</u>	<u>No./Acres</u>	<u>Zoning Designation</u>	<u>No./Acres</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

11. **Pre-Zoning:** For proposals to *annex territory to a city*, §56375 requires that the annexation area be "pre-zoned". Please list zoning designations that will be applied by the city after

annexation. *Do not use abbreviations.* Attach a map depicting the zoning designations and a copy of the ordinance adopting the designations.

<u>Zoning Designation</u>	<u>No. of Acres</u>
_____	_____
_____	_____
_____	_____
_____	_____

12. **Chief Reasons for Proposal:** An agency resolution of application to LAFCO must include a summary recital of the chief reasons for the proposal (such as the desire by landowners and/or developers to acquire agency services). In the space below, discuss the chief reasons for the proposal. Identify alternatives and explain why the alternatives are not as feasible as the proposal.

1. reduce number of Special Districts duplicating services

2. Fiscally more sensible to combine the two duplicate cemetery districts

3. allows people in the area a choice of which cemetery to be buried.

13. **Terms and Conditions:** *For an application by a public agency,* the resolution of application may request terms and conditions on LAFCO's approval. In the section below, list and provide an expanded discussion of the terms and conditions requested in the resolution. If there are no terms and conditions, insert "None Requested".

None requested

14. **Boundary Modifications:** LAFCO is authorized to modify the boundary of a proposal to include or exclude territory. In the section below, explain how the proposed boundary was determined, the alternatives considered, and what the impacts would be if LAFCO were to modify the boundary. Attach any maps that would support the proposed boundary or would visually depict the impacts of any boundary modification. *(This section is critical to LAFCO's analysis; please provide a complete response.)*

The two districts are being combined into one district

15. **Plan for Providing Services (§56653):** Whenever a local agency or school district submits a resolution of application for a change of organization or reorganization, the local agency *shall* submit a plan for providing services within the affected territory. The applicant agency must also *complete the following table and attach a comprehensive narrative that includes the following information:*

- An enumeration and description of the services to be extended to the affected territory.
- The level and range of those services.
- An indication of when those services can feasibly be extended to the affected territory.
- An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.

- Information with respect to how those services will be financed.

(A) Service	(B) Current Provider <i>(e.g. County, Special District, Private, None)</i>	(C) Method to Finance Current Service <i>(See Key)</i>	(D) To be Provided by this Proposal? <i>(Yes or No)</i>	(E) If Yes to (D), Method to Finance? <i>(See Key)</i>	(F) If Yes to (D), Estimated Date Service Available
Law Enforcement					
Fire Protection					
Streets/Traffic					
Water					
Sewer					
Power					
Solid Waste					
Storm Drains					

Key: O=Owner; SC=Service Charges; AD=Assessment District; DA=Developer Agreement

16. **Water Service:** Pursuant to §56668(k), LAFCO must now consider, "Timely availability of water supplies adequate for projected needs . . ." Availability of water supply includes the fluid water itself (entitlements) and infrastructure (treatment capacity, storage capacity, regional transmission, and local distribution systems). Adequacy of water also means the ability of the agency to provide water to both existing and proposed development. In the space below, discuss water availability and adequacy in the context of the proposal set forth in this application.
- both cemeteries serviced by operating wells. no changes anticipated.
-
-

17. **Sphere of Influence Amendment as a Separate or Concurrent Action:**

- A. **Compliance with §56425(b):** For an application by a city for amendment of a city sphere of influence, city and county representatives are required to meet on matters pertaining to the proposed sphere change. (See §56425(b) for specifics.) *This meeting is to be held at least 30 days prior to submitting an application to LAFCO.* To verify compliance with the statute, complete the following:

Date(s) of City/County Meeting(s): _____

City Attendees (Name/Position): _____

County Attendees (Name/Position): _____

City/County Agreement: City and County Did Did not enter into an agreement with respect to the proposed sphere of influence boundaries, and

4.								
5.								
6.								
7.								
8.								

* DU = Dwelling Units; S= Support; O=Opposed; NR=No Response

19. **100% Consent Applications; Request Waiver of Public Hearing:** Pursuant to §56663, proceedings before LAFCO may be conducted without a public hearing, and Conducting Authority proceedings may be waived, provided (a) *the applying agency's resolution of application requests a waiver*, and (b) provided the resolution is accompanied by *proof that all of the owners of land within the affected territory have given their written consent* to the proposed change of organization or reorganization. The following is also to be completed and signed if the agency's resolution requests this waiver:

It is hereby certified that the signatures shown on the attached petitions and/or letters represent 100% of the owners of the territory included in the proposal presented in this application. It is further certified that these landowners consent to the proposal presented in this application.

Signature: _____

Print Name/Title: _____

Agency: _____

20. **Executive Officer's Report/Notice of Hearing:** Print or type the name and addresses of three officers or persons *in addition to the chief petitioners and/or clerk of each affected agency* who are to receive copies of the Executive Officer's Report and the notice of the public hearing:

1. _____

2. _____

3. _____

21. **Certification, Indemnification, Signature:**

1. In signing this document, **it is hereby certified**, that the statements made in this application and the attachments to this application are to the best of my knowledge complete and accurate.

2. The undersigned, as Applicant (agency and/or property owner), **agrees to indemnify, save harmless, and reimburse** LAFCO for all reasonable expenses and attorney fees in connection with the defense of LAFCO and for any damages, penalties, fines or other costs imposed upon or incurred by LAFCO should LAFCO be named as a party in any litigation or administrative proceeding in connection with the application, whether the application is maintained or withdrawn. Applicant further agrees that LAFCO shall have the right to appoint its own counsel to defend it and conduct its own defense in the matter it deems in its best interest, and that LAFCO's taking such actions shall not limit Applicant's obligations to indemnify and reimburse defense costs or relieve Applicant of such obligations.

Signature: Kelly Shuler Phone: (530) 336-6551
Print Name/Title: KELLY SHULER-MANAGER e-mail: pgcemetery@frontier.com
Agency: PINEGROVE CEMETERY DISTRICT Date: 5/2/2017

Pine Grove & Fall River Mills Cemetery Districts Proposed Consolidation

Attachment 2 - Plan For Service

Introduction

The intent of the Plan for Service (Government Code § 56653) is to describe how a proposed consolidation will be implemented if approved. The service provider for the consolidated district must document their ability to provide services, taking into account the services, capacity, cost and services adequacy and how those services would be affected by the proposed LAFCO action. A Plan for Service, accepted by the Executive Officer, is required for the application to be deemed complete.

A service district may provide a Facility Improvement Letter, or other written documentation verifying the ability to provide service. While this information can be useful it can only be considered as a supplement to the Plan for Service. Additional information may need to be obtained from the service provider in order to complete a Plan for Service.

Objective

The Plan for Service describes and explains the consolidated services, how and when the services will be needed and provided, how much the services will cost and how those costs will be paid. In addition, the Plan for Service demonstrates the anticipated benefits of consolidated service. The Plan for Service is reviewed by LAFCO staff, and additional information or clarification may be needed. The Plan for Service becomes a key part of the staff report and recommendation.

Cemetery Profiles

Pine Grove Cemetery District -

Formation of Pine Grove Cemetery District was approximately 1886 with formal recognition by Shasta County Board of Supervisors in 1925. Pine Grove Cemetery is located at 44631 Hwy299 East in McArthur, CA and has a 5 member board that meets monthly. District provides burial services and maintains memorial grounds on the 6 acre site with 2 part-time employees and currently averages between 15-25 interments per year. The cemetery has estimated enough space for 15 interments per year for the next 150 years. Pine Grove Cemetery District also maintains Dana Cemetery (2 acres) located in the community of Dana 13 miles northwest of McArthur. The total area of the District is 142,074 acres bordering the Siskiyou County line to the north and crossing into Lassen County to the East and has a population estimated at 1,660 persons. The district began an endowment fund in 2016. The fiscal year 2016-17 budget is \$65,663.00.

Fall River Mills Cemetery District -

Formation of Fall River Cemetery District was 1937. The District serves two cemeteries. Fall River Cemetery is located at 43331 Hwy 299 East in Fall River Mills, CA. The 3 acre site provides burial services and maintains grounds with one part time employee and averages 3-

6 interments per year. The cemetery is approximately half full with 718 plots available. A second 1.4 acre site called Winters Cemetery is located at 24742 Juniper Hill Drive within an area of the Fall River Golf Club. The site was deeded to the district in 1963 with a stipulation that there will be no new burials at that location. The total area of the district is 105,000 acres and has a population estimated at 814 persons. The endowment fund is \$21,714. The Fiscal Year 2016-17 fiscal budget is \$16,617.00.

The Need for Combining the Two Districts

Fall River Cemetery District cannot fiscally continue operating their sites with the revenue they receive. This has been a problem for many years but it has become acute the past few years. Both districts rely heavily on property tax revenue with burial service fees providing a very small amount of revenue. Pine Grove Cemetery District receives substantially more tax revenue so it makes fiscal sense from the county's perspective to consolidate like districts into one district. It is a cost saving solution while maintaining the same level of service with minimal disruption to all concerned. The residents within the two districts they now have a choice of where to be buried without incurring non-resident burial fees.

Plan for Services

This plan shall, at a minimum, respond to each of the following and be signed by the proponents of the change.

1. Level and range of consolidated cemetery services to be provided to the territory.

- *There will be one fulltime manager and one part time employee to service needs at cemetery locations.*
- *One phone number/email address will be maintained for merged district.*
- *The combined districts will be known as the Pine Grove Cemetery District.*
- *All burial needs, and ground maintenance of facilities will be handled based on protocol of Pine Grove Cemetery policy and all equipment shared equally.*
- *Prices will be the same at both cemeteries; and a resident of newly formed district may choose to be buried at location of choice.*

2. Indicate when service would be extended to the territory.

- *Service would begin immediately upon Shasta LAFCo issuing a Certificate of Completion. It is hoped this can be done by July 1, 2017 as that is the beginning of the new fiscal year.*

3. Identify any improvements, structures, other infrastructure, or other conditions the consolidated district would need to serve the territory.

- *No new infrastructure, structures, or improvements are anticipated.*

4. Estimated cost of consolidated services and description of how services or required improvements will be financed. A revenues sufficiency discussion for the consolidated service is also required.

- *Some of the costs such as the Audit, Worker's Comp., and Insurance will be eliminated or greatly reduced by combining the two districts. Also utility bill (PGE) will be greatly reduced due to Pine Grove installing solar panels. Please see attached projected 5 year revenue plan for consolidation of the two districts. Also attached are two past year audits from Pine Grove Cemetery District. Pine Grove also maintains a 410 account with a balance of \$399,000.*

5. Indicate whether the territory is or will be proposed for inclusion within a proposed improvement zone/district, assessment district, or community facilities district.

- *Not at this time.*

6. Outline of the proposed governing body structure and, at a minimum, a projected five-year budget for revenues and expenditures. The budget presented will need to indicate the source and amount of revenues and expenditures based upon services to be provided. Note any "share" of property tax revenues generated within the consolidated district boundaries. Identify any additional revenue source for any projected budget shortfall. No new taxes can be imposed by the District without two-thirds approval by voters.

- *Both districts maintain 5 member boards. No board members of Fall River Cemetery District want to continue serving.*
- *Pine Grove Cemetery District board members:*
 - 1. Arleen Earnest-President-term expires **March 2021****
 - 2. Calvin Carpenter- Vice president-term expires **March 2021****
 - 3. Marlene Van Staavren-term expires **March 2021****
 - 4. Robert Dye-term expires **March 2021****
 - 5. Jerry Dunckel- term expires **March 2021****

**We are in process of changing expiration dates so we maintain a staggered profile.*

Meetings conducted 2nd Wednesday of month at 4:00PM. Vacancy announcements are published in newspaper, Shasta County Public Library, and local public places for minimum of 3 weeks. Candidates are interviewed and voted by district board and selected name goes to Shasta County for Board of Supervisors for approval.

Resolution No. 2017-1

A RESOLUTION OF APPLICATION BY THE BOARD OF TRUSTEES OF THE PINE GROVE CEMETERY DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION INITIATE PROCEEDINGS FOR A CONSOLIDATION OF THE PINE GROVE CEMETERY DISTRICT AND THE FALL RIVER MILLS CEMETERY DISTRICT

WHEREAS, the Pine Grove Cemetery District (herein referred to as "PGCD") and the Fall River Mills Cemetery District (herein referred to as "FRMCD") both provide cemetery services pursuant to Public Cemetery District Law, Health and Safety Code §9000-9093; and

WHEREAS, the PGCD and the FRMCD have studied options for providing more efficient and cost-effective services to the community and concluded that consolidation of the two entities is both feasible and appropriate at this time; and

WHEREAS, the PGCD is willing to succeed to all the rights, duties and obligations of the two consolidating Districts, thereby accepting the transfer of all responsibility for the cemetery services now provided by the FRMCD, together with all assets currently held by FRMCD to provide those services; and

WHEREAS, Government Code §56853 establishes that if all districts proposing a consolidation adopt substantially similar resolutions of application, the Local Agency Formation Commission ("LAFCo") shall approve the proposal but may impose mitigating terms and conditions; and

WHEREAS, the Board of Trustees of the PGCD, supports the proposed application to Shasta LAFCo to consolidate the FRMCD with the PGCD.

WHEREAS, public notice of the proposed consolidation was provided through a legal notice published in the Mtn. Echo on Jan. 31, 2017; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees as follows:

1. The Board hereby requests that the Shasta LAFCo initiate proceedings to consolidate the PGCD and the FRMCD pursuant to Government Code §56650 et seq., thereby designating the PGCD to take responsibility for the services now provided by the FRMCD, together with all assets currently held by the FRMCD to provide those services and provide for allocation and payment of existing, contingent and future liabilities.
2. The PGCD is serving as Lead Agency for this proposal pursuant to the California Environmental Quality Act (CEQA). LAFCo is a Responsible Agency. The PGCD finds that the proposal is categorically exempt from CEQA pursuant to CEQA Guidelines §15320, which exempts special district consolidations where changes in organization of

local governmental agencies do not change the geographical area in which the previously existing powers are exercised.

3. Pursuant to Government Code §56700(a)(4), the Districts propose that LAFCo apply the following terms and conditions:

- a. Request that July 1, 2017 be set as the consolidation's effective date.
- b. The apportionment of property tax revenues shall be the same as currently exists for the two consolidating Districts, unless and until the County and the District agree to changes in the apportionment.
- c. The Board of Trustees of the consolidated PGCD shall maintain its existing governance structure, consisting of five elected at-large members, per Public Cemetery District law. Residents within the former boundaries of the FRMCD shall enjoy full rights to vote for, and serve as, members of the Board of Trustees of the post-consolidation District.

4. The District staff is authorized and directed to take all actions consistent with this resolution to apply for and process the consolidation request with Shasta LAFCo.

PASSED AND ADOPTED by the Board of Trustees of the Pine Grove Cemetery District, Shasta, California, at a meeting held on the 19th day of January 2017, by the following vote:

AYES, Directors:

Marlene Van Staaveren, Colin J. Carpenter, R. H. G. S. S. S.

NOES, Directors:

Robert J. Dyer, Aileen Earnest

ABSENT, Directors:

Approved: Aileen Earnest

Attest:

Kelly Shuler
P&C Manager

RECEIVED
SHASTA COUNTY

FEB 06 2017

AUDITOR-CONTROLLER

Resolution No. 2017-1

A RESOLUTION OF APPLICATION BY THE BOARD OF TRUSTEES OF THE FALL RIVER MILLS CEMETERY DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION INITIATE PROCEEDINGS FOR A CONSOLIDATION OF THE PINE GROVE CEMETERY DISTRICT AND THE FALL RIVER MILLS CEMETERY DISTRICT

WHEREAS, the Pine Grove Cemetery District (herein referred to as "PGCD") and the Fall River Mills Cemetery District (herein referred to as "FRMCD") both provide cemetery services pursuant to Public Cemetery District Law, Health and Safety Code §9000-9093; and

WHEREAS, the PGCD and the FRMCD have studied options for providing more efficient and cost-effective services to the community and concluded that consolidation of the two entities is both feasible and appropriate at this time; and

WHEREAS, the PGCD is willing to succeed to all the rights, duties and obligations of the two consolidating Districts, thereby accepting the transfer of all responsibility for the cemetery services now provided by the FRMCD, together with all assets currently held by FRMCD to provide those services; and

WHEREAS, Government Code §56853 establishes that if all districts proposing a consolidation adopt substantially similar resolutions of application, the Local Agency Formation Commission ("LAFCo") shall approve the proposal but may impose mitigating terms and conditions; and

WHEREAS, the Board of Trustees of the FRMCD, supports the proposed application to Shasta LAFCo to consolidate the FRMCD with the PGCD.

WHEREAS, public notice of the proposed consolidation was provided through a legal notice published in the Mt. Echo on February 7th, 2017; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees as follows:

1. The Board hereby requests that the Shasta LAFCo initiate proceedings to consolidate the PGCD and the FRMCD pursuant to Government Code §56650 et seq., thereby designating the PGCD to take responsibility for the services now provided by the FRMCD, together with all assets currently held by the FRMCD to provide those services and provide for allocation and payment of existing, contingent and future liabilities.
2. The PGCD is serving as Lead Agency for this proposal pursuant to the California Environmental Quality Act (CEQA). LAFCo is a Responsible Agency. The PGCD finds that the proposal is categorically exempt from CEQA pursuant to CEQA Guidelines §15320, which exempts special district consolidations where changes in organization of

local governmental agencies do not change the geographical area in which the previously existing powers are exercised.

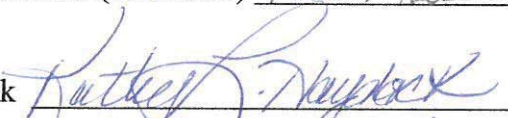
3. Pursuant to Government Code §56700(a)(4), the Districts propose that LAFCo apply the following terms and conditions:

- a. Request that July 1, 2017 be set as the consolidation's effective date.
- b. The apportionment of property tax revenues shall be the same as currently exists for the two consolidating Districts, unless and until the County and the District agree to changes in the apportionment.
- c. The Board of Trustees of the consolidated PGCD shall maintain its existing governance structure, consisting of five elected at-large members, per Public Cemetery District law. Residents within the former boundaries of the FRMCD shall enjoy full rights to vote for, and serve as, members of the Board of Trustees of the post-consolidation District.

4. The District staff is authorized and directed to take all actions consistent with this resolution to apply for and process the consolidation request with Shasta LAFCo.

PASSED AND ADOPTED by the Board of Trustees of the Fall River Mills Cemetery District, Shasta, California, at a meeting held on the 2nd day of February 2017, by the following vote:

AYES, Directors: Kenneth Hendrickson (Chairman) 


Kathy Haydock 

Kathy Ontano 

NOES, Directors: None

ABSENT, Directors: None

Approved: February 2nd, 2017

Attest: 
Kathy Ontano, Secretary

Fall River Mills Cemetery merger to Pine Grove Cemetery

2016/17 AB8 and Unitary tax revenue with an adjustment to the cemeteries for their portion of the ERAF Shift

Base Tax and Increment for Tax Rate Areas of Pine Grove Cemetery

Tax Code	Agency	Net Base Tax and Increment	ERAF shift percentage	ERAF shift amount	Revenue net of ERAF
00010	COUNTY GENERAL FUND	689,285.54			
00361	DEERGLADE 1323 PERM ROAD	1,069.04			
00371	SHASTA COUNTY WATER	2,819.94			
00386	CSA #15 STREET LIGHTING	4,341.42			
00391	FIRE PROT CO SERV AREA 1	23,363.61			
00408	PINE GROVE CEMETERY	23,284.88	0%	-	23,284.88
00424	FALL RIVER VALLEY CSD	28,851.94			
00450	MC ARTHUR FPD	38,831.04			
00461	PINE GROVE MAD	102,366.91			
00481	FALL RIVER RCD	1,101.44			
00497	MAYERS MEMORIAL HOSPITAL	153,452.68			
03010	SUPERINTENDENT OF SCHOOLS	69,171.99			
03410	FALL RIVER MILLS UNIFIED SD	850,408.27			
03610	S T & T JR COLLEGE	160,749.26			
Total		2,149,097.96			

Base Tax and Increment for Tax Rate Areas of Fall River Mills Cemetery

Tax Code	Agency	Net Base Tax and Increment	ERAF shift percentage	ERAF shift amount	Revenue net of ERAF
00010	COUNTY GENERAL FUND	218,579.58			
00386	CSA #15 STREET LIGHTING	14,678.87			
00404	FALL RIVER MILLS CEMETERY	9,164.45	22%	2,049.17	7,115.28
00447	FALL RIVER MILLS FPD	66,712.95			
00463	BURNEY BASIN MAD	1,670.68			
00497	MAYERS MEMORIAL HOSPITAL	48,661.01			
03410	FALL RIVER MILLS UNIFIED SD	269,663.64			
Total		761,006.52			

Estimated Pine Grove and Fall River Mills Cemeteries combined Property Tax Revenue	Net Base Tax and Increment	ERAF shift percentage	ERAF shift amount	Revenue net of ERAF
	32,449.33	6%	2,049.17	30,400.16

Les Baugh
County Member

Larry Farr
City Member

Stan Neutze
City Member

Francie Sullivan
City Member Alternate

Irwin Fust
Special District Member

Mary Rickert
County Member Alternate

Brenda Haynes
Special District Member



Dick Fyten
Public Member

David Kehoe
County Member

Patricia A. Clarke
Special District Alternate

Bob Richardson
Public Member Alternate

George Williamson
Executive Officer

James M. Underwood
General Counsel

Kathy Bull
Office Manager

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Thursday, June 1, 2017 during a regular meeting scheduled to begin at 9:00 a.m. in the Shasta County Board of Supervisors Chambers, at 1450 Court Street, Redding, CA 96001, Shasta Local Agency Formation Commission (LAFCO) will conduct a public hearings on the following matters:

The proposed consolidation of the Pine Grove and Fall River Mills Cemetery Districts involves consolidation of two east county Cemetery Districts into the Pine Grove Cemetery District, which would contain all of the territory of the Pine Grove and Fall River Mills Cemetery Districts and would have a sphere of influence the same as the current Pine Grove and Fall River Mills Cemetery Districts spheres, which are the same as district boundaries.

The Cortese Knox Herzberg Local Government Reorganization Act of 2000 (CKH Act), as amended, requires published notice in a general circulation newspaper within the affected area. Per CKH Act Section 56157(h), where the number of mailed notices exceeds 1,000, notice may be provided in a newspaper display advertisement at least 21 days prior to the hearing.

The Commission hereby gives notice that, unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of Commission hearing/proceedings, the Commission intends to waive protest proceedings, as authorized by California Government Code Section 56663.

At the above referenced public hearing, the Commission will consider all oral and written testimony of any interested persons or affected agencies. Pursuant to state law, only issues raised at the public hearing described in this notice or in written correspondence delivered to the Commission at, or prior to the public hearing may be raised in any legal challenge to Commission actions.

Written comments should be directed to the Local Agency Formation Commission, 1255 East Street, Suite 201, Redding, CA, 96001 or, via e-mail to Kathy Bull, Office Manager, at manager@shasta.lafco.ca.gov.

Information regarding this consolidation is available for public viewing at the office of Shasta LAFCO, 1255 East Street, Suite 201, Redding, CA, 96001, Monday through Thursday between the hours of 9:00 a.m. and 4:00 p.m., or online at www.shasta.lafco.ca.gov, or you may call 530-242-1112 for further information.

Les Baugh
County Member

Larry Farr
City Member

Stan Neutze
City Member

Francie Sullivan
City Member Alternate

Irwin Fust
Special District Member

Mary Rickert
County Member Alternate

Brenda Haynes
Special District Member



Dick Fyten
Public Member

David Kehoe
County Member

Patricia A. Clark
Special District Alternate

Bob Richardson
Public Member Alternate

George Williamson
Executive Officer

James M. Underwood
General Counsel

Kathy Bull
Office Manager

CERTIFICATE OF FILING
SHASTA LOCAL AGENCY FORMATION COMMISSION

I, Shasta Local Agency Formation Commission Executive Officer, do hereby certify that:

1. The application hereinafter referenced and described has been submitted and found to be in the form prescribed by the Commission.
2. The application contains the information and data requested and required by the Commission and provisions of state law.
3. The applicants provided sufficient notice of intention, by resolution, authorizing LAFCo to initiate district consolidation proceedings, to the Commission pursuant to Government Code § 56654(c).
4. The applicant has provided sufficient information for a plan for services.
5. The application has been accepted for filing and will be considered by the Commission at a meeting on Thursday, June 1 2017, at 9:00 a.m., or as soon thereafter as the matter can be heard, in the Shasta County Board of Supervisor Chambers 1450 Court Street, Redding, California.

Application Title: proposed Pine Grove and Fall River Mills Cemetery Districts consolidation

General Location: The proposal as submitted consists of 255,466 acres (142,073 acres for Pine Grove District, 113,393 acres for Fall River Mills District) of unincorporated territory, generally located in the Fall River Valley of eastern Shasta and western Lassen Counties.

Applicant: Pine Grove and Fall River Mills Cemetery Districts
P.O. Box 311 PO Box 699
Mc Arthur CA 96056 Fall River Mill CA 96028

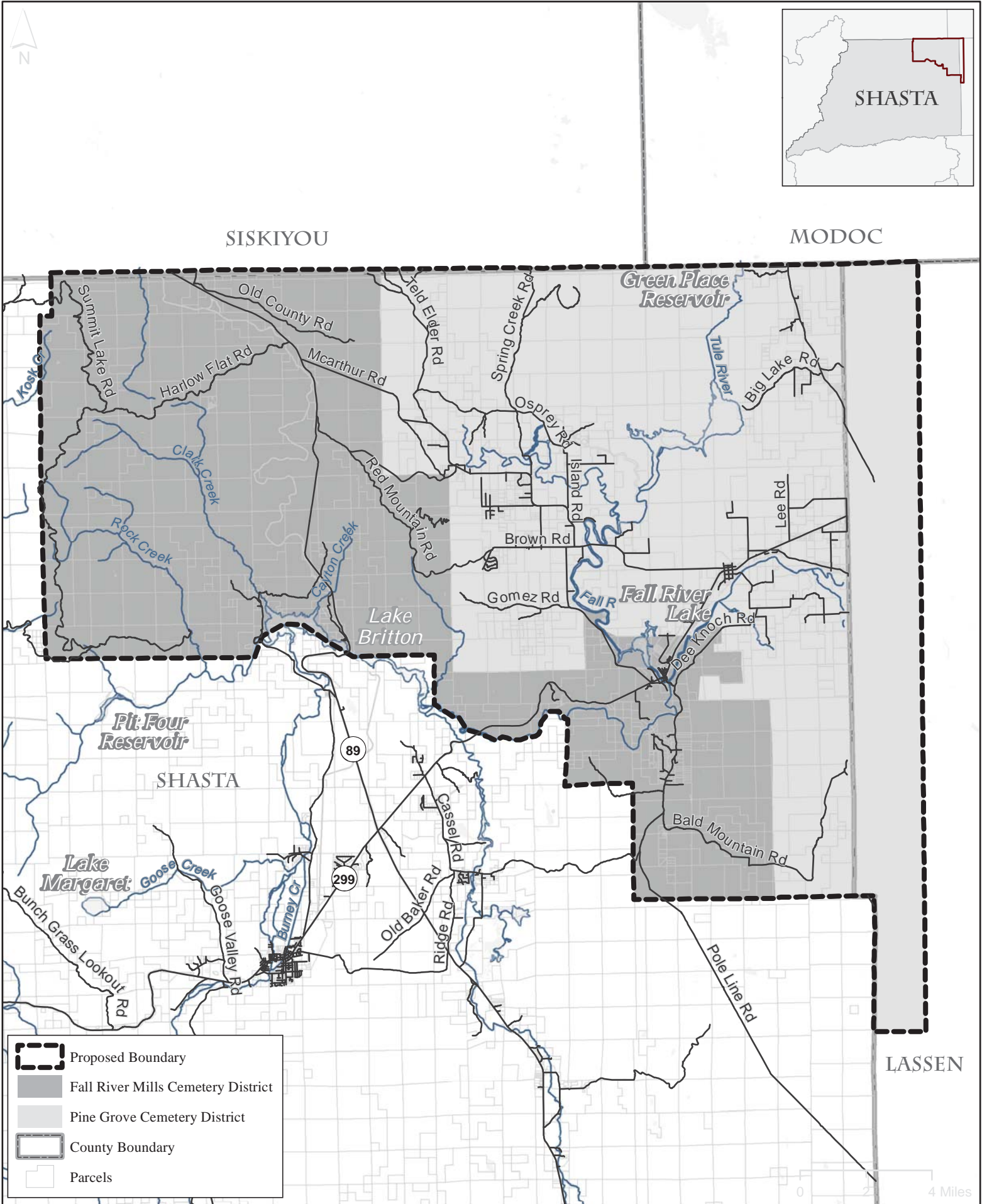
This Certificate of Filing is issued pursuant to authority and requirements of California Government Code § 56658(f). All time requirements and limitations for processing and consideration of aforementioned application specified by state law and/or rules and regulations of the Shasta Local Agency Formation Commission shall become effective and run from the date of issuance of this Certificate of Filing.






George Williamson AICP
Executive Officer

Dated: May 4, 2017

ATTACHMENT - Exhibit A Location Map & District Resolutions of Application

Cc Pine Grove & Fall River Mills Cemetery Districts
Shasta County Auditor Controller Office



-  Proposed Boundary
-  Fall River Mills Cemetery District
-  Pine Grove Cemetery District
-  County Boundary
-  Parcels

Proposed Pine Grove/Fall River Mills Cemetery District Consolidation

Figure



Resolution No. 2017-1

A RESOLUTION OF APPLICATION BY THE BOARD OF TRUSTEES OF THE PINE GROVE CEMETERY DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION INITIATE PROCEEDINGS FOR A CONSOLIDATION OF THE PINE GROVE CEMETERY DISTRICT AND THE FALL RIVER MILLS CEMETERY DISTRICT

WHEREAS, the Pine Grove Cemetery District (herein referred to as "PGCD") and the Fall River Mills Cemetery District (herein referred to as "FRMCD") both provide cemetery services pursuant to Public Cemetery District Law, Health and Safety Code §9000-9093; and

WHEREAS, the PGCD and the FRMCD have studied options for providing more efficient and cost-effective services to the community and concluded that consolidation of the two entities is both feasible and appropriate at this time; and

WHEREAS, the PGCD is willing to succeed to all the rights, duties and obligations of the two consolidating Districts, thereby accepting the transfer of all responsibility for the cemetery services now provided by the FRMCD, together with all assets currently held by FRMCD to provide those services; and

WHEREAS, Government Code §56853 establishes that if all districts proposing a consolidation adopt substantially similar resolutions of application, the Local Agency Formation Commission ("LAFCo") shall approve the proposal but may impose mitigating terms and conditions; and

WHEREAS, the Board of Trustees of the PGCD, supports the proposed application to Shasta LAFCo to consolidate the FRMCD with the PGCD.

WHEREAS, public notice of the proposed consolidation was provided through a legal notice published in the Mtn. Echo on Jan. 31, 2017; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees as follows:

1. The Board hereby requests that the Shasta LAFCo initiate proceedings to consolidate the PGCD and the FRMCD pursuant to Government Code §56650 et seq., thereby designating the PGCD to take responsibility for the services now provided by the FRMCD, together with all assets currently held by the FRMCD to provide those services and provide for allocation and payment of existing, contingent and future liabilities.
2. The PGCD is serving as Lead Agency for this proposal pursuant to the California Environmental Quality Act (CEQA). LAFCo is a Responsible Agency. The PGCD finds that the proposal is categorically exempt from CEQA pursuant to CEQA Guidelines §15320, which exempts special district consolidations where changes in organization of

local governmental agencies do not change the geographical area in which the previously existing powers are exercised.

3. Pursuant to Government Code §56700(a)(4), the Districts propose that LAFCo apply the following terms and conditions:

- a. Request that July 1, 2017 be set as the consolidation's effective date.
- b. The apportionment of property tax revenues shall be the same as currently exists for the two consolidating Districts, unless and until the County and the District agree to changes in the apportionment.
- c. The Board of Trustees of the consolidated PGCD shall maintain its existing governance structure, consisting of five elected at-large members, per Public Cemetery District law. Residents within the former boundaries of the FRMCD shall enjoy full rights to vote for, and serve as, members of the Board of Trustees of the post-consolidation District.

4. The District staff is authorized and directed to take all actions consistent with this resolution to apply for and process the consolidation request with Shasta LAFCo.

PASSED AND ADOPTED by the Board of Trustees of the Pine Grove Cemetery District, Shasta, California, at a meeting held on the 19th day of January 2017, by the following vote:

AYES, Directors:

Marlene Van Staaveren, Colin J. Carpenter, R. H. G. S. S. S.

NOES, Directors:

Robert J. Dyer, Aileen Earnest

ABSENT, Directors:

Approved: Aileen Earnest

Attest:

Kelly Shuler
P&C Manager

RECEIVED
SHASTA COUNTY

FEB 06 2017

AUDITOR-CONTROLLER

Resolution No. 2017-1

A RESOLUTION OF APPLICATION BY THE BOARD OF TRUSTEES OF THE FALL RIVER MILLS CEMETERY DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION INITIATE PROCEEDINGS FOR A CONSOLIDATION OF THE PINE GROVE CEMETERY DISTRICT AND THE FALL RIVER MILLS CEMETERY DISTRICT

WHEREAS, the Pine Grove Cemetery District (herein referred to as "PGCD") and the Fall River Mills Cemetery District (herein referred to as "FRMCD") both provide cemetery services pursuant to Public Cemetery District Law, Health and Safety Code §9000-9093; and

WHEREAS, the PGCD and the FRMCD have studied options for providing more efficient and cost-effective services to the community and concluded that consolidation of the two entities is both feasible and appropriate at this time; and

WHEREAS, the PGCD is willing to succeed to all the rights, duties and obligations of the two consolidating Districts, thereby accepting the transfer of all responsibility for the cemetery services now provided by the FRMCD, together with all assets currently held by FRMCD to provide those services; and

WHEREAS, Government Code §56853 establishes that if all districts proposing a consolidation adopt substantially similar resolutions of application, the Local Agency Formation Commission ("LAFCo") shall approve the proposal but may impose mitigating terms and conditions; and

WHEREAS, the Board of Trustees of the FRMCD, supports the proposed application to Shasta LAFCo to consolidate the FRMCD with the PGCD.

WHEREAS, public notice of the proposed consolidation was provided through a legal notice published in the Mt. Echo on February 7th, 2017; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees as follows:

1. The Board hereby requests that the Shasta LAFCo initiate proceedings to consolidate the PGCD and the FRMCD pursuant to Government Code §56650 et seq., thereby designating the PGCD to take responsibility for the services now provided by the FRMCD, together with all assets currently held by the FRMCD to provide those services and provide for allocation and payment of existing, contingent and future liabilities.
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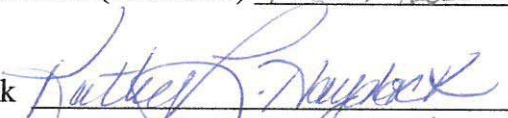
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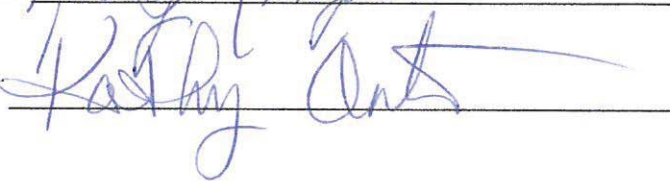
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- b. The apportionment of property tax revenues shall be the same as currently exists for the two consolidating Districts, unless and until the County and the District agree to changes in the apportionment.
- c. The Board of Trustees of the consolidated PGCD shall maintain its existing governance structure, consisting of five elected at-large members, per Public Cemetery District law. Residents within the former boundaries of the FRMCD shall enjoy full rights to vote for, and serve as, members of the Board of Trustees of the post-consolidation District.

4. The District staff is authorized and directed to take all actions consistent with this resolution to apply for and process the consolidation request with Shasta LAFCo.

PASSED AND ADOPTED by the Board of Trustees of the Fall River Mills Cemetery District, Shasta, California, at a meeting held on the 2nd day of February 2017, by the following vote:

AYES, Directors: Kenneth Hendrickson (Chairman) 


Kathy Haydock 

Kathy Ontano 

NOES, Directors: None

ABSENT, Directors: None

Approved: February 2nd, 2017

Attest: 
Kathy Ontano, Secretary



Pine Grove Cemetery District

Proposed Consolidation of Pine Grove and
Fall River Mills Cemetery Districts

Municipal Service Review &
Sphere of Influence Update

Draft
May 2017

Draft Hearing – June 1 2017
Final Adoption -

SHASTA LOCAL AGENCY FORMATION COMMISSION

Commissioners

Les Baugh, County Member - District 5 Supervisor
David Kehoe, County Member - District 1 Supervisor
Larry Farr, City Member - City of Shasta Lake
Stan Neutze, City Member - City of Anderson
Brenda Haynes, Special District Member - Anderson Cottonwood Irrigation District
Irwin Fust, Special District Member - Clear Creek Community Services District
Dick Fyten, Public Member

Alternate Members:

Mary Rickert, County Member - District 3 Supervisor
Francie Sullivan, City Member- City of Redding
Patricia A. Clark, Special District Member – Anderson Fire Protection District
Bob Richardson, Public Member

Staff:

George Williamson, AICP, Executive Officer
Colette Metz, Analyst
Kathy Bull, Office Manager
Sarah West, Service Specialist
Jason Barnes, GIS Analyst
Leslie Marshall, Administrator
Julie Thomas, Services Assistant
James M. Underwood, Legal Counsel

Acknowledgements:

LAFCO staff would like to thank the contributors to this Municipal Service Review and Sphere of Influence Update. Valuable assistance in completing this report was provided by: the boards of both Pine Grove and Fall River Mills Cemetery Districts and Shasta County Auditor Controller Brian Muir and Assistant Auditor Controller Nolda Short. This report was made possible with their assistance.

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INTRODUCTION

This Municipal Service Review (MSR) and Sphere of Influence (SOI) Update provides information about the services and boundaries of Pine Grove Cemetery District resulting from the 2017 consolidation of the Pine Grove and Fall River Mills Cemetery Districts. The report is for use by the Shasta Local Agency Formation Commission (LAFCO) in conducting a statutorily required process for setting the SOI for the consolidated district. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that the Commission conduct periodic reviews and SOI updates of all cities and special districts in Shasta County (Government Code § 56425). State law also requires that, prior to SOI adoption, LAFCO must conduct a review of the municipal services provided by that local agency (Government Code §56430). This report provides LAFCO with a tool to study current and future public service conditions comprehensively and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

Cemetery District Overview

Cemetery Districts are independent special districts under Public Cemetery District Law (Government Code § 9000-9093). They provide, cemetery services to unincorporated areas. In Shasta County, they are governed by an independent Board of Directors. The District staff provides staff support and administers District operations.

The Public Cemetery District Law was established in 1909 by the California State Legislature. This legislation authorized public cemetery district creation, to assume burial grounds ownership and operation, and to provide interment services from fraternal, pioneer, religious, social and other organizations unable to maintain those cemeteries. Cemetery districts give communities the means to publicly finance cemetery operations, and to provide respectful and reasonably priced interment services, particularly in California’s rural or semi-rural areas. Public cemeteries are among the earliest and oldest public facilities in California and did not exist before the 1909 public cemetery district law was enacted.

There are more than 200 public cemetery districts in California, including eight districts (seven after consolidation) in Shasta County. Statewide, the number of cemetery districts ranks fourth, behind water, fire and community services districts.

Principal Act

Cemetery districts operate pursuant to California Health and Safety Code Division 8 specifically, the Public Cemetery District Law. The Pine Grove Cemetery District is governed by an elected, five-member board of trustees to fixed, four-year terms of office and is responsible for district operations.

Cemetery districts are independent special districts and are legally separate from the County. However, the County Board of Supervisors may assume responsibility of these districts if it is determined to be in the public interest.

Service Review Determinations

Government Code § 56430 requires LAFCO to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following topics:

1. Growth and population projections for the affected area;
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
3. 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 communities within or contiguous to the sphere of influence);
4. Financial ability of agencies to provide services;
5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including governmental structure and operational efficiencies; and
7. Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review process. It also provides a basis to evaluate, and make changes to Spheres of Influence, if appropriate.

Sphere of Influence Determinations

A SOI is a LAFCO-approved plan that designates an agency's probable physical 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, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

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. For a SOI update, LAFCO is required to conduct a MSR and adopt related determinations. It must also make the following SOI determinations:

1. The present and planned land uses in the area, including agricultural and open-space lands;
2. The present and probable need for public facilities and services in the area;
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and

5. The present and probable need for public facilities and services related to sewers, municipal or industrial water, or structural fire protection of any disadvantaged unincorporated communities within the existing sphere of influence (effective July 1, 2012).

Review Methods

The following information was considered in the development of this service review:

- o Agency-specific data: responses to LAFCO Requests for Information from Cemetery Districts;
- o Shasta County General Plan and Zoning data: Shasta County Planning Division GIS webpage;
- o Demographic data: U.S. Census Bureau; Department of Finance; CA Water Resources Board;
- o Finances: budgets, rates and fees; and
- o Other Reports: status of other districts in the east county area.

Information gathered was analyzed and applied to make the required determinations. All information gathered for this report is filed by LAFCO for future reference.

California Environmental Quality Act

The California Environmental Quality Act (CEQA) is contained in Public Resources Code § 21000 et seq. Public agencies are required to evaluate the potential environmental effects of their actions. MSR's are statutorily exempt from CEQA pursuant to § 15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines § 15306 (information collection). CEQA requirements are applicable to SOI Updates. The CEQA lead agency for SOI Updates is most often LAFCO, unless an agency has initiated an SOI expansion or update.

PINE GROVE CEMETERY DISTRICT

Table 1: Pine Grove Cemetery District Agency Profile

Formation	
Agency Name	Pine Grove Cemetery District
Formation Date	July 1, 2017
Principal Act	Health & Safety Code, Sections 9000-9093
Contact	
Main Contact	Kelly Shuler-manager
E-mail & Website	pgcemetery@frontier.com
District Office Address	44631 HWY299E POB 311 mcArthur, CA 96056
Phone	(530)336-6551
Governance	
Governing Body	Board of Trustees
Board Meetings	Second Wednesday of every month at 4:00 PM.
Staffing	One part time manager and one part time employee
Services	
Services Provided	Burial Services and Memorial Garden Maintenance
Areas Served	The unincorporated areas of extreme northeast Shasta County and a portion of northwest Lassen County

District Overview

Pine Grove Cemetery District is organized as an independent special district under Cemetery District law (Government Code Section 9000-9093). The Pine Grove Cemetery District provides burial services and memorial garden maintenance within its boundaries. There are four cemeteries within the PGCD, they are: Pine Grove Cemetery, Dana Cemetery, Fall River Cemetery, and Winters Cemetery.

Formation

The Pine Grove Cemetery District was established on July 1, 2017 as a result a consolidation of two existing, adjacent cemetery districts. The original Pine Grove Cemetery District was formed in approximately 1886, however, documents pertaining to its formation were lost in a fire in the 1960s. The Fall River Mills Cemetery District was formed in 1937.

Boundary and Sphere of Influence

The current service area of PGCD is approximately 255,466 acres (399 sq. miles). The northern border of the district is adjacent to Siskiyou and Modoc counties and the eastern border straddles the Lassen and Shasta County line, with 31, 204 acres of the district existing in northwest Lassen County. See Figure 1.

Governance Structure

Pine Grove Cemetery District is governed by a five-member Board of Trustees. Candidates for the Board of Trustees are interviewed and voted on by a district board and the selected name goes to Shasta County Board of Supervisors for approval.

Table 2 Board Members

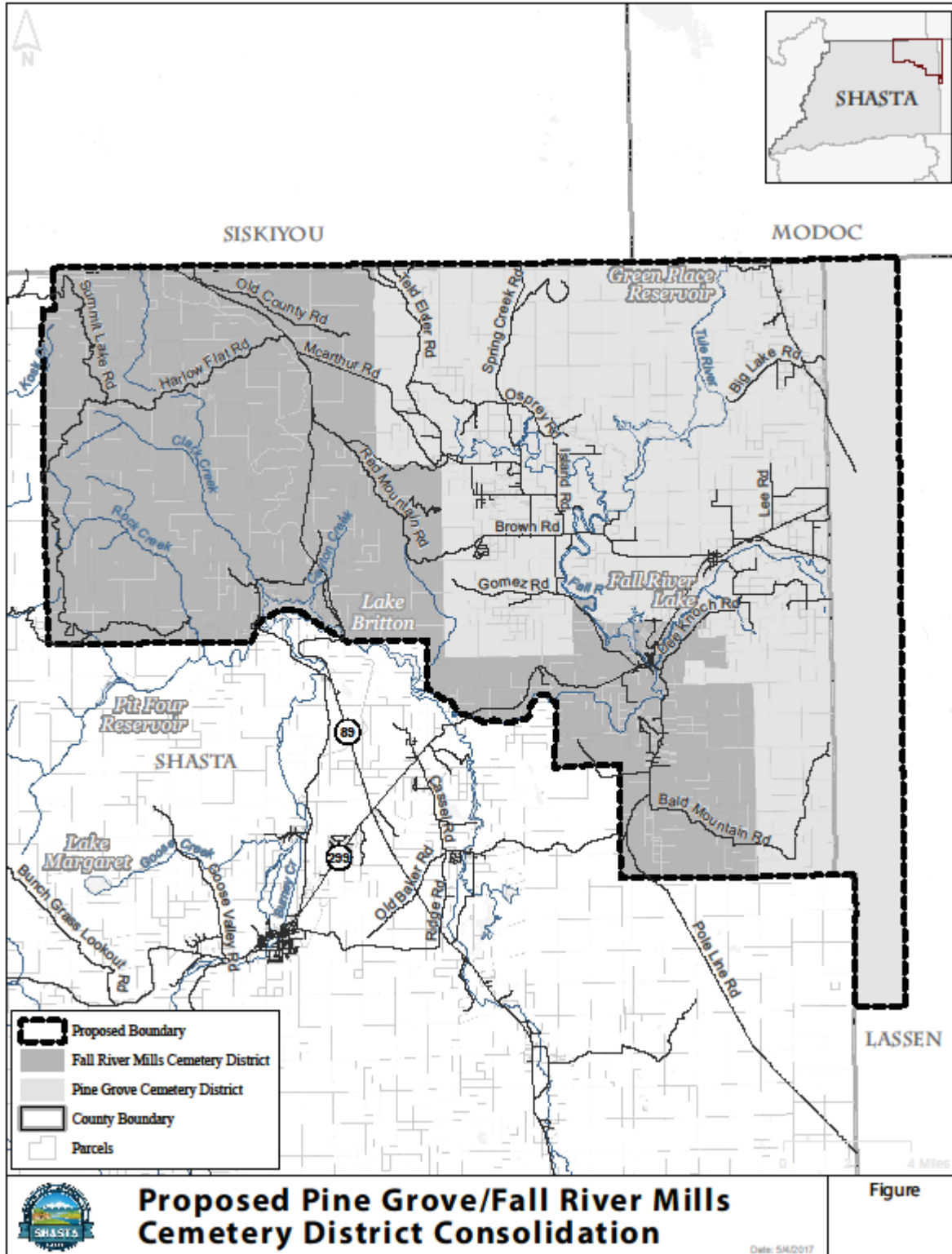
Board Member	Term Expiration*
Arleen Earnest-President	March 2021
Calvin Carpenter- Vice president	March 2021
Marlene Van Staaveren	March 2021
Robert Dye	March 2021
Jerry Dunckel	March 2021

*in process of changing expiration dates maintain a staggered profile

Management and Staffing

Level and range of consolidated cemetery services to be provided to the territory.

- one part time manager and one part time employee to service needs at cemetery locations.
- One phone number/email address will be maintained for merged district.
- The combined districts will be known as the Pine Grove Cemetery District.
- All burial needs, and ground maintenance of facilities will be handled based on protocol of Pine Grove Cemetery policy and all equipment shared equally.
- Prices will be the same at both cemeteries; and a resident of newly formed district may choose to be buried at location of choice.



Other Service Providers
Fire District

Fire protection and emergency response services are provided to the consolidated District by County Service Area #1 - Shasta County Fire Department (SCFD), the McArthur Fire Protection District, and Fall River Mills Fire Protection District.

Community Service District

The Cemetery District is in the Fall River Valley CSD, which provides potable water services.

Resource Conservation District

PGCD is in the Fall River RCD which supports private and public landowners in the use and management of natural resources.

Present and Planned Land Uses

Existing Land Uses

The existing land uses in the district are primarily agriculture with areas of open space dispersed along the edges. There are several small communities located along Hwy 299, the main transportation artery to the area. There is one irrigation reservoir that provides water to the district.

General Plan, Zoning, and Policies

Pine Grove Cemetery District is located within the unincorporated area of the county and is therefore subject to the Shasta County General Plan and Zoning Regulations. . The current land use designations in the district are primarily a mix of Agricultural, Open Space, Commercial, Industrial, Limited Residential and Rural Residential.

Future Development Potential

The primary infrastructure needed for public cemetery districts is sufficient land available for cemetery purposes. Interment capacities vary according to the way the land is developed. If more niches are purchased, more capacity can generally be developed than if only plots are purchased. The decision as to the mix of plots and niches depends on burial practices. As the districts has interment capacity for many years, there are no plans purchase additional land.

Population and Growth

Based on United States Census Bureau 2010 census blocks and geospatial analysis, the estimated population for PGCD is 2,474. Future population estimates show growth in the unincorporated areas of Shasta County to be negligible. A 2016 DOF report notes a recent decrease of 0.5 percent in the County's unincorporated population between 2015 and 2016, indicating a future potential for population loss in unincorporated areas including PGCD. However, population estimates for the county still predict an increase of between zero and 0.5 percent through 2035.³ Using the 0.5 percent annual growth estimate and the 2010 population, the PGCD population could increase to 2,802 by the year 2035.

Disadvantaged Unincorporated Communities

LAFCO is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community (DUC) is defined as any area with 12 or more registered voters where the annual median household income (MHI) is less than 80 percent of the statewide annual (MHI) (pursuant to Government

Code Section 56033.5 and Water Code Section 79505.5). The MHI, as reported by the United States Census is \$61,818. Within a DUC, three basic services are evaluated: water, sewage, and fire protection. PGCD does not provide these services – domestic water is provided by either the Fall River Valley CSD or private wells. Wastewater service is not provided by a local service provider, the community relies upon individual private septic tanks for sewage disposal. As mentioned above, CSA #1, McArthur Fire Protection District, and Fall River Mills Fire Protection District provide fire protection for PGCD.

Pine Grove Cemetery District is located in Shasta County Community Tracts 06089012701 and 06089012702. Both of which meet the definition of a Disadvantaged Community Tract. The combined average MHI for the Tracts is \$39,519, 64 percent of the state average, thereby qualifying the area as disadvantaged. Should territory in the surrounding area be evaluated for annexation in the future, disadvantaged communities in the area should be further considered.

District Service and Infrastructure

The Pine Grove Cemetery Districts provides burial services and memorial garden maintenance within its boundaries. There are four cemeteries within the PGCD, they are: Pine Grove Cemetery, Dana Cemetery, Fall River Cemetery, and Winters Cemetery. In total, the cemeteries accommodate approximately 18-31 interments per year, with the exception of Winters Cemetery, which has not provided new burial services as per a deed stipulation, since 1963. Pine Grove has an estimated capacity of 15 burials per year for the next 150 years, and the Fall River Mills has approximately 359 open plots which results in a capacity of approximately 6 burials per year for 59 years. Cremation is more commonly accepted today. If this trend continues, interment capacity for remaining land may be much higher than it is in older sections.

Financing Constraints and Opportunities

The primary revenue sources are service fees and a share of the 1% property tax. Cemetery service fees come from plot sales, required endowment funds contributions, sale of vaults and liners, and interment (opening and closing graves).

As a cemetery becomes full, the income from service fees declines, which can be a significant financial constraint as maintenance costs must be covered by property taxes and the endowment fund. This emphasizes the importance of carefully evaluating the fees charged for services, particularly the endowment fund fees.

Cost Avoidance Opportunities

Economies of scale in most organizations -- particularly small public entities -- are most readily apparent in management and administrative functions, where the marginal costs of adding additional responsibilities are not high. Most other economy of scale savings would arise from being able to afford specialized equipment to increase labor productivity. Capital factors involved in cemetery operations are typically not major. However, from a management and administrative perspective, these small cemetery operations are ideal candidates for the consolidation of managerial and administrative functions.

Financial Information

Table _ : Pine Grove Cemetery District Revenues & Expenditures

PROJECTED BUDGET AMOUNTS						
Object	DESCRIPTION	INFLATION 17/18	2.37% 18/19	2.49% 19/20	2.34% 20/21	2.16% 21/22
001000	CASH IN TREASURY	-	-	-	-	-
002000	BAD CHECK RECEIVABLE	-	-	-	-	-
007000	SALARY AND BENEFITS PAYABLE	-	-	-	-	-
009700	FUND BALANCE UNASSIGNED	-	-	-	-	-
009720	FUND BALANCE ASSIGNED	-	-	-	-	-
011000	REGULAR SALARIES	42,560	43,569	44,654	45,698	46,686
018100	EMPLOYER SHARE OASDI	2,000	2,047	2,098	2,147	2,194
018400	EMPLOYER SHR UNEMPLOYMENT INS	2,000	2,047	2,098	2,147	2,194
018500	WORKERS COMP EXPOSURE	3,500	3,583	3,672	3,758	3,839
032300	CLOTHING/PERSONAL SUPPLIES XP	115	118	121	123	126
032500	COMMUNICATIONS EXPENSE	1,350	1,382	1,416	1,450	1,481
032900	HOUSEHOLD EXPENSE	110	113	115	118	121
033100	INSURANCE EXPENSE	2,300	2,355	2,413	2,470	2,523
033500	MAINTENANCE OF EQUIPMENT	1,700	1,740	1,784	1,825	1,865
033596	ISF MNT EQP OUTSIDE FUEL	350	358	367	376	384
033700	MAINTENANCE OF STRUCTURES	3,200	3,276	3,357	3,436	3,510
034309	MISC XP PRIOR PERIOD REV ADJ	-	-	-	-	-
034500	OFFICE EXPENSE	350	358	367	376	384
034800	PROF & SPECIAL SERVICES	11,000	3,071	7,148	3,221	7,291
034893	CHGS AUD PROP TAX SVS	1,800	1,843	1,889	1,933	1,974
034900	PUBLICATIONS & LEGAL NOTICES	100	102	105	107	110
035100	RENTS & LEASES OF EQUIPMENT	100	102	105	107	110
035500	MINOR EQUIPMENT	1,200	1,228	1,259	1,288	1,316
035700	SPECIAL DEPARTMENTAL EXPENSE	840	860	881	902	921
035900	TRANSPORTATION & TRAVEL	300	307	315	322	329
036100	UTILITIES	2,957	3,027	3,102	3,175	3,244
050501	INTEREST PAYMENTS OTHER	20	20	21	21	22
051387	CONTR TO LAFCO	244	250	256	262	268
101000	CURRENT SECURED TAXES	69,160	70,799	72,562	74,260	75,864
101001	CURRENT UNITARY TAXES	1,162	1,190	1,219	1,248	1,275
101011	CURR SEC TAX DEL ADV TEETER	155	159	163	166	170
101100	SUPPLEMENTAL TAXES CURRENT	315	322	330	338	346
101111	SUPPLEMENTAL TAXES CURR TEETER	10	10	10	11	11
102000	CURRENT UNSECURED TAXES	3,400	3,481	3,567	3,651	3,730
103010	SUPPLEMENTAL TAXES PRIOR	2	2	2	2	2
104000	PRIOR YEAR UNSECURED TAXES	31	32	33	33	34
109100	TIMBER YIELD TAXES	550	563	577	591	603
420000	INTEREST	105	107	110	113	115
546000	STATE HOMEOWNERS EXEMPTION	700	717	734	752	768
563710	CONTRIBUTION FROM SHASTA CO	4,000				
692961	OPENING & CLOSING	100	102	105	107	110
792500	DONATIONS/CONTRIBUTIONS	1,000	1,024	1,049	1,074	1,097
797800	SALE OF LOTS/CEMETERY	2,655	2,718	2,786	2,851	2,912
797801	SALE OF VAULTS/LINERS	2,700	2,764	2,833	2,899	2,962
799300	MISCELLANEOUS REVENUE	1,825	1,868	1,915	1,960	2,002
799390	PRIOR PERIOD EXP ADJUSTMENT	100	102	105	107	110
	BUDGET					
	REVENUE	86,045	83,989	86,081	88,095	89,998
	EXPENSE	78,096	71,757	77,544	75,265	80,891
	NET TOTAL (REV-EXP)	7,949	12,232	8,537	12,830	9,107

Source: Shasta County

Governance Structure Options

No governance structure options are identified, due to small system size and distance from other systems offering similar service.

MUNICIPAL SERVICE REVIEW DETERMINATIONS

This section addresses determinations as specified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code § 56430). As part of the municipal service review process, LAFCO makes the following written determinations.

Growth and population projections for the affected area

Based on United States Census Bureau 2010 census blocks and geospatial analysis, the estimated population for PGCD is 2,474. Future population estimates show growth in the unincorporated areas of Shasta County to be negligible. Future population estimates show growth in the unincorporated areas of Shasta County to be negligible. Population estimates for the county still predict an increase of between zero and 0.5 percent through 2035.³ Using the 0.5 percent annual growth estimate and the 2010 population, the PGCD population could increase to 2,802 by the year 2035.

The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

Pine Grove Cemetery District is located in Shasta County Community Tracts 06089012701 and 06089012702. Both of which meet the definition of a Disadvantaged Community Tract. The Tracts have a combined average MHI of \$39,519, which is 64 percent of the state average MHI, thereby qualifying the area as disadvantaged.

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 disadvantage unincorporated communities within or contiguous to the sphere of influence.

Current capacity of public facilities is determined to be sufficient at this time.

Financial ability of agencies to provide services

The cemetery district provides burial and memorial garden maintenance to the 4 cemeteries within the district. It is determined that PGCD is financially able to adequately provide these services.

Status of, and opportunities for, shared facilities

No opportunities for shared facilities have been identified. There is no known overlapping or duplication of services within the Cemetery Districts boundaries.

Accountability for community service needs, including governmental structure and operational efficiencies

PGCD is governed by a five-member Board of Trustees. Meetings are held the second Wednesday of the month and are open to the public. PGCD demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

Any other matter related to effective or efficient service delivery, as required by commission policy
None beyond those listed above.

SPHERE OF INFLUENCE DETERMINATIONS

Shasta LAFCO makes the following written SOI determinations.

The present and planned land uses in the area, including agricultural and open-space lands.

The existing land uses in the district are primarily agriculture with areas of open space dispersed along the edges. There are several small communities located along Hwy 299, the main transportation artery to the area. There is one irrigation reservoir that provides water to the district.

The present and probable need for public facilities and services in the area.

The primary infrastructure needed for public cemetery districts is sufficient land available for cemetery purposes. As the district has interment capacity for many years, there are no plans to purchase additional land.

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

Pine Grove has an estimated capacity of 15 burials per year for the next 150 years, and the Fall River Mills has approximately 359 open plots which results in a capacity of approximately 6 burials per year for 59 years. Cremation is more commonly accepted today. If this trend continues, interment capacity for remaining land may be much higher than it is in older sections. The present capacity of public facilities provided by the City appear to be adequate to serve current demand.

The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The Fall River Valley provides for the daily local needs of the population within PGCD. The Cities of Anderson and Redding are approximately 70 miles away. They provide a major shopping and service industry hub for local residents in Shasta County.

For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present

and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

Communities located within PGCD and SOI are considered to be disadvantage unincorporated communities. There are no DUCs that should be considered for inclusion in the SOI.

Resolution 2017-10

Shasta Local Agency Formation Commission

A Resolution Making Determinations and Approving the Consolidation of the Pine Grove and Fall River Mills Cemetery District, the dissolution of the Fall River Mills Cemetery District and a Sphere of Influence Update for the consolidated district

WHEREAS, Concurrent Resolutions of Applications from the Pine Grove Cemetery District and Fall River Mills District for consolidation into the Pine Grove Cemetery District, as defined in the California Health and Safety Code Division 8 Section 9000 – 9093, Public Cemetery District Law, has been filed with the Executive Officer of the Shasta Local Agency Formation Commission (LAFCO) and said application complied with all the requirements of law and the Commission; and,

WHEREAS, The Pine Grove and Fall River Mills Cemetery Districts both circulated notices to agencies and interested parties including LAFCO and have adopted a notice of intention to adopt a resolution initiating LAFCO proceedings and have conducted public meetings based on their notification, and have received and considered comments presented at the public hearings; and

WHEREAS, the proceedings for the district consolidation (dissolution and formation) are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 as amended, Section 56000 et seq. of the Government Code; and

WHEREAS, it is the desire of the Fall River Mills Cemetery District and the Pine Grove Cemetery District that the territory currently served and within these two districts be included into the consolidated Pine Grove Cemetery District; and

WHEREAS, at the time and in the manner provided by law, the Executive Officer issued a certificate of filing which gave notice of the date, time, and place of a public hearing by the Commission upon said application; and

WHEREAS, the Shasta Local Agency Formation Commission has adopted a new Sphere of Influence for the consolidated Pine Grove Cemetery District; and

WHEREAS, the Executive Officer has reviewed the application and has prepared a report including staff recommendations thereon within the time required by law and has furnished copies of said report to the Commission and to all other persons required by law to receive it; and

WHEREAS, at a hearing on June 1, 2017, the Commission considered the proposal and the report of the Executive Officer; the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56668, and all other relevant evidence and information presented at said hearing, including the comments of all interested parties desiring to be heard; and

WHEREAS, LAFCO, on behalf of the two districts, prepared and certified as the Lead Agency a Notice of Exemption for the affected territory pursuant to the requirements of the California Environmental Quality Act (Section 21000 et seq. of the Public Resources Code).

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Shasta Local Agency Formation Commission as follows:

The foregoing recitals are true and correct.

1. The territory comprises approximately 255,466 acres more or less and is inhabited.
2. The change of organization is assigned the following distinctive short-term designation:
Pine Grove Cemetery District Formation.

3. The Commission has reviewed and considered the information contained in the Notice of Exemption prepared for the Pine Grove Cemetery District for this change of organization and makes a specific determination that this environmental determination adequately addresses this change of organization. The Commission hereby affirms and incorporates by reference the decision as part of the findings for this resolution.
4. The Commission adopts and affirms the Notice of Exemption prepared by Shasta LAFCO and directs the Executive Officer to file a Notice of Exemption as provided under the California Environmental Quality Act. Applicant shall be responsible for payment of any documentary handling fees required by the Shasta County Clerk or filing office.
5. The proposed Pine Grove Cemetery District is consistent with and coterminous with the existing Districts and does not conflict with any other agency providing similar services.
6. The Commission adopts the determinations regarding consistency with LAFCO policies contained in the staff report for this project and incorporates them by reference herein.
7. The Fall River Mills Cemetery District and the Pine Grove Cemetery District formed pursuant to California Health and Safety Code Division 8 Section 9000 et. seq. are hereby consolidated and the successor district shall be the Pine Grove Cemetery District.
8. This change of organization includes all the territory shown in Exhibit "A" Consolidated Pine Grove Cemetery District. The boundaries of the district, as set forth in the proposal, are hereby approved as shown in Exhibit "A" attached hereto and by this reference incorporated herein.
9. The effective date of formation shall be upon the recordation of the Certificate of Completion and after the completion of all proceedings.
10. The Pine Grove Cemetery District shall be the successor agency to all rights, responsibilities, properties, contracts, assets and liabilities, and functions of the Pine Grove Cemetery District and the Fall River Mills Cemetery District. Any professional service agreements and individual employments contracts will be evaluated consistent with the provisions as follows:
 11. Any full-time or part-time employees of the Pine Grove Cemetery District and the Fall River Mills District shall become full-time or part-time employees of the successor agency. Contract employees and professional service agreements will be evaluated, at the sole and exclusive discretion of the governing body of the consolidated Pine Grove Cemetery District, to determine whether they are essential to the ongoing operation of the District.
 12. The successor agency shall function under and carry out all authorized duties and responsibilities assigned to Fall River Mills District as outlined in Public Cemetery District Law and other applicable laws.
 13. As applicable, all income from taxes, assessments or any other source, which has been a continuing right to tax distribution, or historical distribution or allocation of funds to each of the Districts, shall continue to be distributed to the Pine Grove Cemetery District.
 14. The provisional appropriation limit of the Pine Grove Cemetery District shall be set in the amount as determined by the Shasta LAFCO for the first full fiscal year. This amount is to be set from the proceeds of taxes currently received by the Pine Grove Cemetery District and the Fall River Mills District. As stated in Government Code section 56811, the permanent appropriations limit of the district shall be set at the first district election that is held following the first full fiscal year of operation.
 15. All Assets, unrestricted, restricted or fiduciary, held by the Fall River Mills Cemetery District, shall be transferred to and become assets of the Pine Grove Cemetery District. The consolidated District shall be the successor agencies to both Districts. The assets

- include, but are not limited to vehicles, the watering system, office equipment, maintenance equipment and cash assets.
16. Any previously authorized charges, fees, assessments, and/or taxes currently in effect, now levied or collected by each district, including improvement or assessment districts thereof, shall continue to be levied and collected by the successor Pine Grove Cemetery District.
 17. All liabilities of the Districts shall be transferred to and become liabilities of the consolidated Pine Grove Cemetery District.
 18. Reorganization of these two (2) districts shall not change the rights of the lands in the respective district as they existed immediately prior to the consolidation.
 19. Pursuant to Health and Safety Code Sections 9020 et. seq. the Board of Trustees for the Consolidated Pine Grove Cemetery District shall be five (5) members and all Directors shall be elected to serve four-year terms and all directors shall be residents within the Pine Grove Cemetery District Boundaries.
 20. The district shall provide the range of services authorized by the Cemetery District Law, commencing at Section 9040 et. seq. of the California Health and Safety Code. The Board of Trustees of the Pine Grove Cemetery District shall authorize an annual work plan for services throughout the consolidated District.
 21. The Sphere of Influence adopted by Shasta LAFCO (Resolution 2017-21) on June 1, 2017 shall guide the Pine Grove Cemetery District and any Sphere of Influence Updates shall be required per Government Code 56425 (g).
 22. LAFCO is the conducting authority for this consolidation. In accordance with the provisions of Government Code Section 56000 et.seq. and Shasta LAFCO Policies, if the Commission does not receive written protests prior to the close of the public hearing on June 1, 2017, the protest-hearing requirement pursuant to Government Code Section 57000 et seq. shall be waived and the change of organization is ordered complete. If written protests are received at the public hearing, the proposal shall be subject to protest proceeding thresholds in Government Code Section 57077.2. As necessary the Commission hereby directs the Executive Officer to schedule a protest hearing for this matter after the expiration of the reconsideration period specified by Section 56895; to conduct the hearing for this reorganization; and, upon completion of the hearing, to take action as appropriate in accordance with LAFCO Policies and the requirements.
 23. All exhibit maps, and electronic copies shall be submitted to LAFCO prior to the recordation of the Certificate of Completion.
 24. Approval of this consolidation (reorganization) is conditioned upon the applicant's obligation to defend, indemnify, and hold harmless the Shasta Local Agency Formation Commission and its agents, officers and employees from any claim, action or proceeding against the Commission or its agents, officers, and employees; including all costs, attorney's fees, expenses and liabilities incurred in the defense of such claim, action, or proceeding to attack, set aside, or void the approval or determinations of this Commission concerning this annexation. Shasta LAFCO shall promptly notify the applicant of any such claim, action, or proceeding and be entitled to representation by counsel of its choosing.
 25. Unless otherwise waived, all LAFCO, Shasta County and State of California fees must be paid in full prior to Certificate of Completion filing. LAFCO will forward invoices and (or) a list of estimated required fees or deposits to the agency prior to Certificate of Completion filing.
 26. The Executive Officer is hereby directed to transmit a certified copy of this resolution to each affected agency, as provided in G.C. Section 56882.

- 27. The Executive Officer is directed to record a Certificate of Completion for this proposal upon completion of all proceedings.
- 28. Completion of proceedings shall be concluded within one year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated unless an extension is approved.

Adopted on June 1, 2017, by the following vote:

AYES:
NOES:
ABSTAINS:
ABSENT:

Dated: _____

Irwin Fust, Chairman
Shasta Local Agency Formation Commission

Attest:

Dated: _____

George Williamson, Executive Officer

Exhibit A – Map