

WHAT YOU SHOULD KNOW ABOUT

California Public Cemetery Districts

California Association of Public Cemeteries

**Facts About a Little
Known But Vital
Public Service**

MEETING A NEED...YESTERDAY

- In the early years of the state, small cemeteries simply grew by the need of communities for burial grounds. By the turn of the century, however, many had fallen into disrepair; citizens became outraged over the gross neglect suffered by many of these unfunded cemeteries.
- So, in 1909 the enabling act creating public cemetery districts was adopted. The purpose was to assure the respectful and cost-effective interment of human remains to meet the cultural, economic, religious and social needs of California's diverse communities. Today over 256 communities are served by public cemetery districts throughout California.

...AND TODAY

- Public cemetery districts provide two essential public services: maintaining the gravesites of tens of thousands of California's citizens, and continuing to provide burial services – often in small communities where no private cemeteries exist.
- Public cemetery districts are faced with difficult challenges, especially financial. To meet these challenges, public cemetery districts have made many changes in the way they operate. But there remain two areas where legislative help is needed: stabilizing property tax support and making changes to the Health and Safety Code.

Public cemetery districts have been formed by over 256 California communities.

Public cemetery districts have made many cost-effective improvements, but there remain two areas where legislative help is needed.

CHALLENGES AND RESPONSES

Public Cemetery Districts are Restricted from Providing Desired Services

- The State's Health and Safety Code was written to avoid competition between public and private cemeteries. For example, public cemetery districts cannot operate mortuaries, conduct funeral activities, build crematoriums, construct mausoleums, or sell memorial markers. In a word, public cemetery districts are precluded from providing the very services & products that could help them become more financially sound.
- Located in remote areas – In addition, most public cemetery districts are located in small communities and rural areas where private cemetery cannot operate profitably.
- Providing services for which no charge can be made – public cemetery districts are able to charge for a few services such as interment rights, or opening and closing of graves. However, there is no way to charge fully for all the services provided. For example, public cemetery districts have inherited tens of thousands of unendowed plots that must be cared for and hundreds of acres of land with no way to charge for their maintenance.
- Without the ability to compete on equal ground with private cemeteries, public cemetery districts must rely on property tax support to maintain services.

There is no way to charge fully or directly for many services.

Public Cemetery Districts Are Working to Become Self Sufficient

- **Becoming more entrepreneurial**

California's public cemetery districts are doing more than ever to maximize operational revenue and decrease costs. They are marketing, advertising and merchandising, and are increasing fees where possible. Public cemetery districts pursue opportunities to consolidate when it can increase efficiency and decrease costs.

- **Endowments**

Since 1985, all public cemetery districts have been required to collect endowment contributions to fund long-term maintenance. It will be many years before these endowment funds reach the point where they can make a significant contribution to maintenance costs.

While public cemetery districts are becoming more entrepreneurial, they continue to require property tax support.

HOW THE LEGISLATURE CAN HELP

1 Support Tests to Determine Which Agencies Merit Tax Support

The California Association of Public Cemeteries supports the following four tests to determine which districts merit tax support:

1. They should be non-enterprise as determined by the State, although there may be enterprise functions.
2. They should be unable to assess fees on a rational and consistent basis to each house or business.
3. They should demonstrate a historical, rational, and logical dependence on property tax revenue.
4. They should have characteristics – such as the high maintenance costs of old plots – that make self sufficiency impossible.

Public cemetery districts that meet these four tests should continue to receive a base of property tax support.

Public cemetery districts must continue to receive a minimum level of tax revenue.

2 Allow Public Cemetery Districts to Become More Self Sufficient

The California Association of Public Cemeteries urges legislators to support these two changes in the State Health and Safety Codes:

- **Section 9060** currently prevents public cemetery districts from providing above-ground mausoleums. Allowing above-ground interments would provide a choice of the type of services desired, save expensive ground space, and increase cemetery revenues.
- **Section 9053** currently restricts public cemetery districts from selling monuments or markers. Changing this article would allow us to meet customer needs and create an additional source of revenue.

Two code changes that would permit public cemetery districts to become more self sufficient.

LOOKING TO THE FUTURE

What Does the Future Look Like for Public Cemetery Districts?

- Public cemetery districts continue to provide critical community services, interment of the dead, and dignified care for the interment of past generations – often in locations far from private cemeteries.
- Public cemetery districts have successfully cut costs, increased efficiency, established endowment funds, increased prices as much as possible and achieved cost-effective consolidations so as to be able to operate with diminished State support.
- It is not possible for public cemetery districts to generate enough revenue to operate without some property tax support. Public cemetery districts are seeking two code changes that would allow us to provide the services desired by our customers and to generate additional needed revenue.

California Public Cemetery Districts at a Glance

- Public cemetery districts were formed by a vote of citizens to perform necessary services others did not provide.
- There are 256 public cemetery districts located throughout California.
- Public cemetery districts maintain and care for thousands of old burial plots for which there is no way to charge fees.
- The California Association of Public Cemeteries has 162 members that operate 317 cemeteries.
- Our members bury about 20,000 people per year.
- Today, public cemetery districts receive about \$11 million annually in property tax revenue, a 34 percent cut since 1991.
- Non-enterprise districts, on average, rely on the property tax for 70 percent of their revenue. By cutting costs and pushing for maximum revenues, public cemetery districts have cut reliance on the property tax to only 50 percent of income.

Public cemetery districts have found many ways to cut costs and increase revenues. However, they must continue to receive some property tax support.

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California Association of Public Cemeteries

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Publication updated October 2015.