

# SPECIAL DISTRICTS 101

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Districts Association**  
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# SPECIAL DISTRICTS 101

- What is a special district?
- What services do special districts provide?
- How are special districts governed, and how are they funded?
- What makes special districts so “special”?



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What is a special district?



## History of special districts in California

- ❑ Started in the 1880s with irrigation districts
  - ❑ Turlock Irrigation District formed in 1887 following passage of the Wright Act
  
- ❑ Mosquito abatement districts first formed in 1915 in response to SF Bay salt marshes and spread of malaria
  
- ❑ Grew with population and demand for services in the 1950s and 1960s

## History of special districts in California

- ❑ Since 1997, the number of special districts in California has gone down by 5%, while the state's population has increased by 21%
  - ❑ The number of special districts nationwide has continued to grow by 10%
  
- ❑ Today, there are about 2,000 independent special districts serving communities throughout California

## What is a special district?

- A special district is:
  - Created by a community's residents;
  - Funded by a community's residents; and
  - Overseen by a community's residents

...for the purpose of providing a new or enhanced level of service and infrastructure to the community

- In other words, special districts are formed when it's something:
  - The community wants;
  - The community wants done well; and
  - The community wants done with local control

## Independent vs. Dependent

- ❑ **Independent special districts** are sanctioned under California Law and created by local voters for the performance of specified core services. Local residents govern the operation of their districts through locally elected or appointed boards of directors.

- Defined in Government Code Section 56044

- ❑ **Dependent special districts** have a “...legislative body that consists, in whole or part, of ex officio members who are the officers of a county or another local agency or who are appointees of those officers, and who are not appointed to fixed terms.”

- Government Code Section 56032.5

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## An Independent Special District is NOT:

- ❑ **NOT** a part of the state government
- ❑ **NOT** a part of a city or county government
- ❑ **NOT** a school or college district
- ❑ **NOT** a joint powers authority (JPA)
- ❑ **NOT** a non-profit corporation
- ❑ **NOT** a county service area (CSA)
- ❑ **NOT** an assessment district or special assessment district
- ❑ **NOT** a community facilities district or “Mello-Roos” district
- ❑ **NOT** an improvement district
- ❑ **NOT** a permanent road division





What services do special districts provide?

## Community's essential services

Districts protect health and safety:

- Fire Protection
- Healthcare
- Mosquito Abatement and Vector Control
- Police Protection

## Community's essential services

Districts provide local infrastructure:

- Water, Irrigation, and Flood Control
- Sanitation, Wastewater, and Water Recycling
- Resource, Land, and Water Conservation
- Electricity
- Airport, Port, and Harbor
- Transit



## Community's essential services

Districts improve quality of life:

- Recreation and Park
- Library
- Veterans Memorial
- Public Cemetery

## Single Service vs. Multi-Service

- Most special districts provide a **single service**. For example:
  - Fire protection districts
  - Port/harbor districts
  - Public cemetery districts
  
- Some special districts can perform as **multi-service districts**. For example:
  - Community services districts
  - Municipal water districts
  - Utility districts

How are special districts governed, and how are they funded?

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## Statutory authority and enabling legislation

- ❑ **36 principal act statutes** that apply to the different types of special districts such as:
  - ❑ Fire protection districts (Health & Safety Code §13800 et Seq.)
  - ❑ Community services districts (Government Code §61000 et Seq.)
- ❑ A **special act** passed by the Legislature can establish a special district to fulfill the highly unique needs of a specific area
  - ❑ Approximately 140 special act districts including the Santa Clara Valley Water District and Olivehurst Public Utility District
- ❑ Find CSDA's Laws Governing Special Districts at [www.csdanet.org](http://www.csdanet.org)



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## Governance and accountability

- Board of directors: Elected directly by the districts' voters or appointed for fixed terms by other locally elected officials
  
- Sunshine laws ensure special districts remain transparent and accountable to their communities:
  - Open and public meetings in accordance with the Brown Act
  - Public records
  - Regular audits with the county auditor
  - Finances and compensation reports posted online and provided to State Controller
  - Regular municipal service reviews by Local Agency Formation Commissions
  - Required ethics training



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## Governance and accountability

- ❑ The Special Districts Leadership Foundation is a non-profit, 501(c)3 that promotes good governance and best practices among California's special districts through certification, accreditation, and other recognition.
  
- ❑ Signature programs:
  - ❑ District Transparency Certificate of Excellence
  - ❑ District of Distinction
  - ❑ Recognition in Special District Governance
  - ❑ Special District Administrator Certification
  
- ❑ More information available at [www.sdlf.org](http://www.sdlf.org)



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## Funding for special districts

Special districts are funded through enterprise and non-enterprise revenues.

**Enterprise revenues** are fees for service(s) such as:

- Water rates
- Sewer rates
- Electricity rates

**Non-enterprise revenues** include:

- 1% ad valorem property taxes
- Parcel taxes/special taxes
- Benefit assessments

What makes special districts  
so “special”?



## What makes special districts so “special”?

- Focused “specialized” service
  - Perform a specific set of services
  - Innovation and prudent long-term planning
  - Deliver unmet service needs
  
- Voter driven
  - Formed with the consent of the voters
  - Raise taxes only with the consent of the voters
  - Governed by board members that represent the voters

## What makes special districts so “special”?

- Flexible and regional
  - Serve large regions or small neighborhoods
  - Boundaries based on need
  
- Clear cost-benefit
  - Offer level of service that residents want at the price they can afford
  - Responsive to desire for specific, new, or enhanced services

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## In summary

Central to the success of special districts, is their ability to connect:

- Governance;
- Revenue authority; and
- Specialized service delivery



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Learn more at:

[www.DistrictsMakeTheDifference.org](http://www.DistrictsMakeTheDifference.org)



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