



# California Special Districts Association

*Districts Stronger Together*

## Special Districts 101

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# What are special districts?

- Characteristics:
  - A form of government
  - Governed by a board
  - Provides services and facilities
  - Defined service boundaries

# History and Background

- Formed to provide focused services where unavailable
- Started in the late 1800's
  - Some of the first were irrigation districts
- Spike in the 1950's and 60's, post World War II
  - Significant growth with population
  - Increased demand for services
- Recently, as population has grown, districts have adjusted without growing in number



# Special Districts Are Not...

- NOT - a part of state government
- NOT - city or county governments
- NOT - school districts
- NOT - “mello-roos” or benefit assessment districts
- NOT - redevelopment agencies

# Core Services

## Special Districts provide emergency and health services

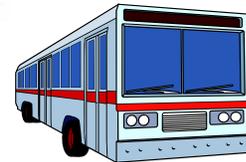
- Fire
- Ambulance
- Police
- Air Quality Management
- Healthcare/Hospital



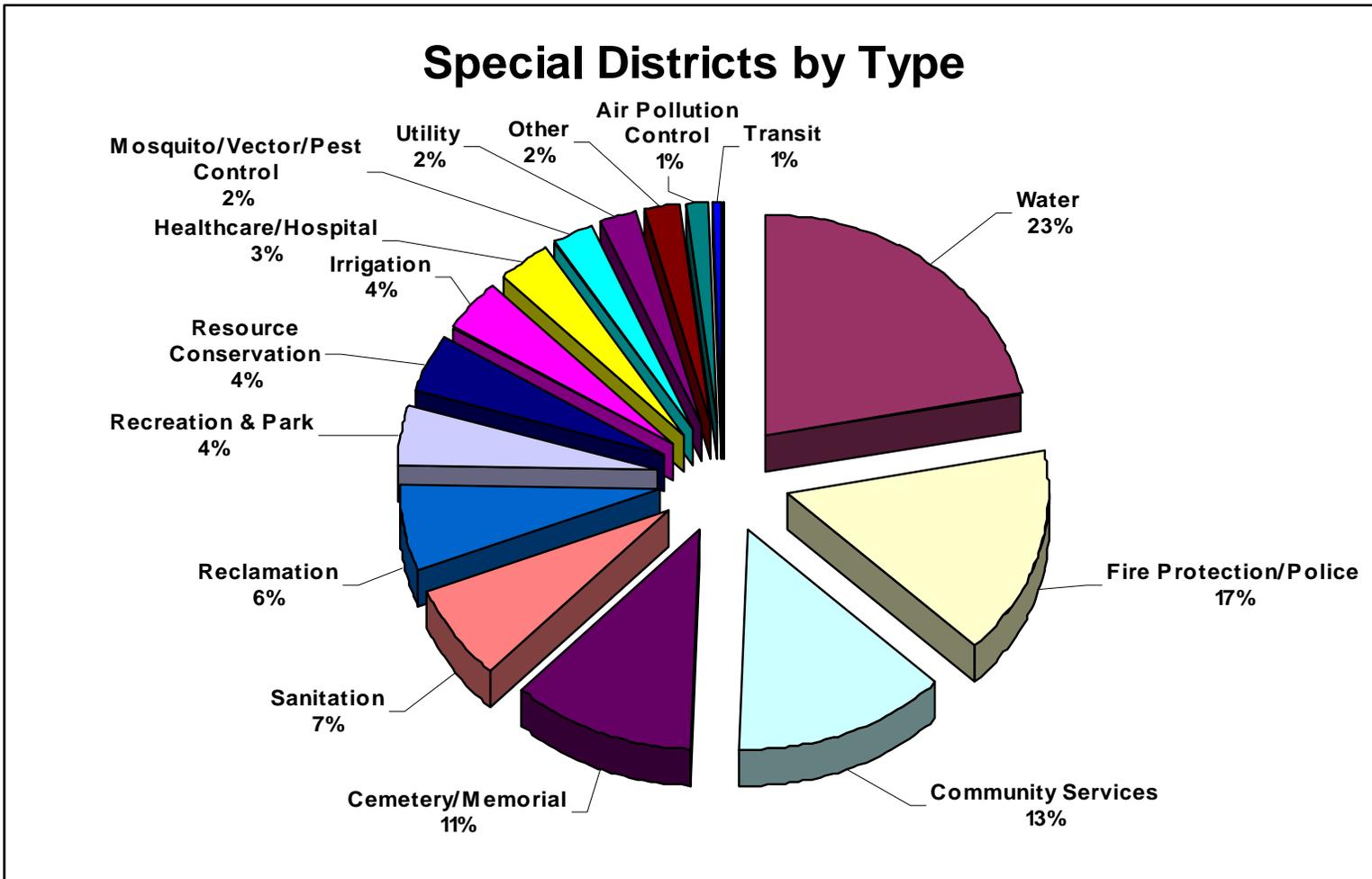
# Core Services, Cont'd

## Vital services communities need

- Water, Irrigation, Flood Control
- Sanitation
- Electricity
- Libraries
- Recreation and Parks
- Resource and Water Conservation



# Special Districts by Type



# Districts Range in Shape and Size

## **Special district boundaries conform to community and regional needs**

- Districts may expand across county lines
  - Not limited by political boundaries
  - May facilitate regional planning
  - Some of the largest public agencies in the state are special districts
- Districts may meet special needs within specific communities, even within city lines
  - May provide a responsive and focused service to a small area
- Cities may contract with districts to perform services on behalf of a city



# Independent vs. Dependent Districts

- **Independent districts (approximately 2200) :**
  - Governed by an independent board of directors elected directly by the district's voters or appointed to a fixed term of office by another governing body
- **Dependent districts (approximately 1200):**
  - Are governed by other existing legislative bodies like a city council or board of supervisors

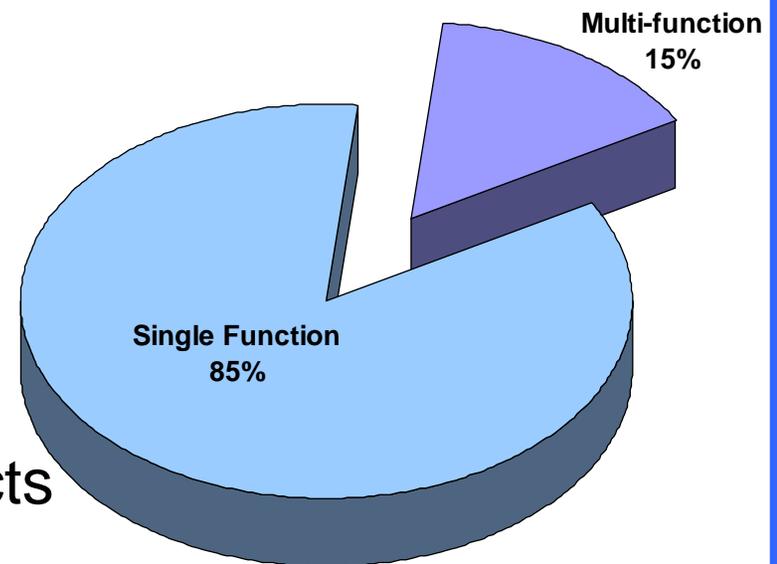
# Single Service vs. Multi-Service

- **Single Service**

- Fire protection districts
- Sanitation districts
- Rec. and parks districts

- **Multi-Service**

- Community services districts
- Municipal utility districts
- Some provide 10+ services



# Enterprise v. Non-Enterprise

## Enterprise

- Roughly  $\frac{1}{4}$  of districts are classified as “enterprise”
- Operate similar to a business or “enterprise”, charging ratepayers for service(s) and linking costs to benefits
  - Water districts charge water rates

## Non-Enterprise

- Services don't lend themselves to fees
- Rely primarily on property taxes to operate
  - Mosquito abatement and vector control districts
- Non-enterprise districts may have an enterprise component
  - Rec. and parks districts may charge for classes or lessons
- Enterprise districts may also provide non-enterprise services
  - Water districts may provide flood control services



# Statutory Authority and Enabling Legislation

- **Principle Act:** generic statute which applies to all special districts of that type
  - Fire Protection District Law of 1987 governs 386 fire districts
  - Community Services District Law updated in 2006
  - The Senate Local Government Committee has worked over the years to review and update these statutes
  - About 30 principle law statutes
- **Special Act:** tailored to the unique needs of a specific area (often regional)
  - Approximately 120 special act districts



# Accountability

First and foremost, districts are accountable to the voters who elect their board of directors AND customers who use their services.

- While not functions of the state, there is oversight:
  - Required annual financial and compensation reports to the State Controller, which are published
  - Annual independent audits, which are public documents
- Abide by same laws and regulations as apply to local government partners – cities and counties
- Key transparency laws include:
  - Ralph M. Brown Act (Government Code 54950)
  - Public Records Act (Government Code 6250)
  - Ethics Law (Government Code 53234)



# LAFCO's and Special Districts

- Background of local agency formation commissions (LAFCO's)
  - Formed by Legislature to guide orderly growth through cities and districts in the 1960's
  - Law was updated in 2000 (Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000)
- Role of LAFCO's
  - To oversee growth and development
  - To balance competing interests
    - monitoring suburban sprawl, preserving open space and prime agricultural land
  - To make provision of efficient community/government services
  - To review changes of jurisdictional boundaries and spheres of influence



# How are special districts created?

Special districts provide the services their communities desire:

1. Application to LAFCO by registered voters inside proposed district, or resolution to LAFCO by affected governing body
2. Review and approval of LAFCO staff; LAFCO schedules a public hearing; LAFCO can approve or deny the proposal
3. Protest hearings held by LAFCO to measure protests of the formation among voters; If a majority protest, the proposal is stopped
4. An election is held including only the voters inside the proposed district's boundaries; usually requires a majority voter approval; If a special tax is involved, 2/3 voter approval
5. Formal filing of documents if approved to start the district



# California Special Districts Association

CSDA is here to serve as a resource  
should you ever need information on  
special districts

916-442-7887

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

