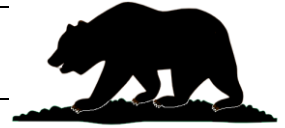




SPECIAL DISTRICT FACT SHEET

Senate Governance and Finance Committee, September 2016



What is a special district?

California has nearly **3,300** special districts. Special districts are limited purpose local governments – separate from cities and counties. Within their boundaries, special districts provide focused public services such as fire protection, sewers, water supply, electricity, parks, recreation, sanitation, cemeteries, and libraries.

How big are special districts?

Districts’ service areas range from a few acres to thousands of square miles crossing city and county lines.

- The Metropolitan Water District of Southern California serves over **19 million people** in more than **5,200 square miles** in six counties.
- By contrast, the Arden Manor Recreation and Park District in Sacramento County covers only **21 acres**; and,
- Stallion Springs Community Services District in Kern County serves about **2,500 people**.

Are there different types of special districts?

There are about **50** major types of special districts (and many subcategories) ranging from airport to cemetery to water conservation districts. All types of districts operate under either a principal act or a special act.

- A **principal act** is a generic state law that applies statewide to all special districts of that type. There are about 60 principal acts. The chart below shows the five most common principal act districts.



- A **special act** is a law that the Legislature tailored to the unique needs of a specific area. There are about 120 special act districts. Examples include Kern County Water Agency, Fairfield-Suisun Sewer District, and Humboldt Bay Harbor, Recreation, and Conservation District.

SPECIAL DISTRICT FACT SHEET

Senate Governance and Finance Committee, September 2016

What else do special districts do?

One way to understand special districts is to look at their *activities, funding, and governance*.

Activities

Nearly 85% of California's special districts are **single function** districts, which provide only one service such as fire protection, mosquito abatement, or waste disposal. The remaining districts are **multi-function** districts providing two or more services. For example:

- Several *municipal utility districts* provide fire protection and park services in addition to utility services.
- *Fire protection districts* often provide ambulance services too.
- *County Service Areas (CSAs)* can provide any service that a county can provide.

In short, **a district's name does not always indicate which services it provides, or is authorized to provide.**

Funding

Special districts generate revenue from several sources including property taxes, special assessments, and fees.

	Enterprise district	Non-enterprise district
Definition	Runs much like business enterprises and provides specific benefits to their customers.	Delivers services that provide general benefits to entire communities.
Funding mechanism	Primarily, fees that customers pay for services.	Primarily property taxes.
Revenue	In 2013-14, enterprise districts generated about \$21 billion in operating revenues.	In 2013-14, non-enterprise districts generated about \$16.5 billion in total revenues.
Examples	Airport, harbor, hospital, transit, waste disposal, and utility districts.	Fire protection, flood control, cemeteries, and road maintenance.

Governance

There are two forms of special district governance, independent and dependent districts:

- About 2/3 of special districts are independent districts with independently elected boards or appointed boards whose directors serve for fixed terms. Most have five-member boards but they vary with the size and nature of the district. For example, cemetery, fire protection, and community services districts are mostly independent districts.
- The other 1/3 of special districts are dependent districts governed by either a city council or county board of supervisors. For example, county service areas are dependent districts.