

An aerial photograph of a suburban neighborhood. The houses have light-colored roofs and are arranged in a grid-like pattern. There are many trees and green spaces. A multi-lane highway runs diagonally across the right side of the image. The overall scene is bright and clear.

# SPECIAL DISTRICTS

THE MOST LOCAL OF LOCAL GOVERNMENTS



**What is a special district?**

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special district?



- Local governments created by the people.
- Deliver specialized services.
- Authorized through state's statutes.
- 30,000+ special districts in the United States.
- Districts can respond to a changing world.
- Maintain critical infrastructures and evolve.



# **Establishing & Governing Special Districts**



- Formed through a public process.
- Owned and overseen by the community.
- Governed by a public board of directors.
- Subject to state's sunshine laws.
- Audits and regulatory compliance.



## **A History of Special Districts**



- Date back to the 18<sup>th</sup> century with parks.
- Toll roads and irrigation in the 19<sup>th</sup> century.
- Originated to meet a need.
- First general statute passed in 1887.



## **Special Districts Funding**





- Share of property taxes.
- Rates for service.
- Most do not receive share of sales tax.
- Ballot initiatives.
- Maintaining infrastructure.
- Strategically develop financial reserves.



# **Enterprise and Non-enterprise Revenues**



- Enterprise revenues are fees for service.
- Non-enterprise revenues benefit the community.
- Examples of enterprise revenues include:
  - Water, sewer, and electricity rates.
- Examples of non-enterprise revenues include:
  - Property taxes and assessments.



# **Independent vs. Dependent Special Districts**



- **Separate from counties or cities.**
- **Independent obtains authority from community.**
  - Governing body serves independent from other governing agencies.
  - High degree of autonomy to fulfill the mission of the district.
- **Dependent tied to another unit of government.**
  - City or county appointees serve at the pleasure of the appointing body.
  - Appointees may serve in an ex-officio capacity.
  - Subject to the interests and influence of other governing bodies.



**Special Districts are Local Service Specialists**



- **Local:** Formed, governed, and owned by the community.
- **Service:** Designed to meet the essential needs of the families and businesses they serve.
- **Specialists:** Employ highly trained experts focused on a single mission.