



What is a Special District?





Contents

- 1 What is a Special District?
- 2 Fast Facts
- 3 Types of Special Districts / SDAO Member Profile
- 3 What a Special District is Not
- 4 Special Districts Provide Essential Local Services
- 5 Special District Advantages
- 6 By the Numbers
- 8 Profile of a Small District
- 8 Profile of a Large District
- 9 Oregon Special Districts Map

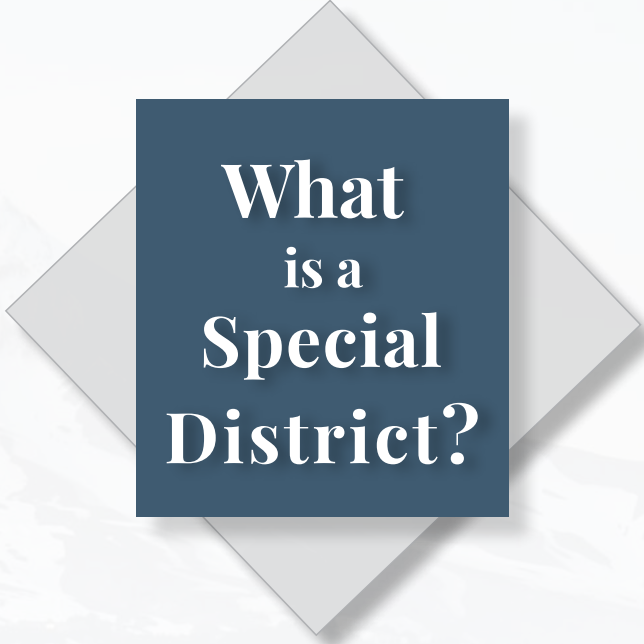
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What is a Special District?

Most of us do not know much about local governments; and we know less about special districts. Special districts are a form of local government created by a local community to meet a specific need. Inadequate revenue bases and competing demands for existing taxes make it difficult for cities and counties to provide all of the services that their constituents want. When residents or landowners want new services or higher levels of existing services, they can form a district to pay for them. Each special district focuses on a specific set of services, like fire protection, water, healthcare, parks and recreation, among many others. There are currently 34 different types of special districts in Oregon.

Special districts can cross city and county lines to provide focused services to communities of different sizes, allowing them to address their common needs. Special districts can be small, such as a fire protection district serving a rural unincorporated area. They can also cover multi-county regions. The boundaries of special districts are not dependent on the county or city that the residents live in. Instead, special district boundaries are defined by the common needs of the communities and the services they want to be provided.

Like cities and counties, special districts can sign contracts, employ workers and acquire real property through purchase or eminent domain. Following constitutional limits, they can also issue bonds, impose special taxes, levy assessments, and charge services fees. Like other governments, special districts can sue and be sued.

Most independent special districts have boards elected directly by the residents and landowners in the district, making special districts accountable to the people they serve. The special district board is the governing body of the special district. They set policies that are carried out by the district's employees. The special district's general manager is charged with overseeing the day-to-day operations of the district and reports directly to the board of directors.

Statutory Authority for Special Districts

All special districts are created based on laws passed by the State Legislature. These laws also determine which services the district can provide and how districts are managed and governed. Most special districts are created by laws that are applicable to specific types of special districts. These laws are known as "principal acts."

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Special Districts

Fast Facts

- 1,000+ special districts located in every region of the state
- 920 special districts are members of SDAO
- Over 4,350 locally elected/volunteer board members
- Special districts of some type provide services to nearly every Oregonian
- 350 districts operate exclusively with volunteers
- Special districts are fiscally responsible. 350+ operate with budgets under \$100,000
- Large, regional special districts solve regional challenges and provide for economics of scale, saving tax and rate payer money

Types of Districts / SDAO Member Profile



What a Special District is Not

• Special districts are not state government

Special districts are local agencies which deliver specific services to specific communities. Operating under state laws, special districts are autonomous government entities that are accountable to the voters or landowners they serve. State officials, however, oversee special districts. For example, special districts must send their annual financial reports to the Secretary of State Audits Division. Districts must also follow state laws for public meetings, public records, public contracting, bonded debt, and elections.

• Special districts are not county governments or cities

Counties and cities are general purpose governments. Counties and cities perform a broad array of services to protect the health, safety, and welfare of their citizens. Special districts are limited purpose governments. They can provide only the services allowed by state law and supported by their residents. Sometimes county commissioners are special district governing boards, but those districts are legally separate local entities.

• Special districts are not school districts

School districts exist to provide one service – public education. Special districts can deliver a variety of public services, excluding education. School districts get most of their money from the state government. Special districts rely mostly on local revenues.

Special Districts Provide Essential Local Services



- Airport districts manage airports and enhance local economies.
- Cemetery districts provide cost-effective burial services and preserve historical community information.
- County service districts offer over 22 different type of services, such as law enforcement, agricultural educational extension services, and street lighting.



- Diking and drainage districts protect lives and property from the threat of flooding.
- Fire protection districts protect homes, businesses, and the environment from fires and respond to medical emergencies.



- Port districts manage recreational, economic, and environmental coastal and river infrastructure.
- Health districts promote the physical and mental health of communities, which may include preventative care, nutrition education, health clinics, traditional hospitals, or other services.
- Library districts provide access to educational and informational resources, including collections of books, photographs, newspapers and videos.



- Park and recreation districts provide parks, open spaces, and community programs to improve quality of life.
- People's utility districts provide power.



- Sanitary districts treat and recycle wastewater.
- Soil and water conservation districts identify local conservation needs and support landowners in implementing solutions.



- Transit districts provide public transportation services that connect regions.
- Vector control districts control mosquito populations and reduce the spread of vector borne diseases.
- Water related districts deliver water to residential, commercial, and agricultural areas.

Special District Advantages

Special districts can...



- empower citizens to govern their own neighborhoods and community.



- provide opportunities for citizens to get involved in the governance of their community through service on the district's governing body and attendance of meetings, which are usually held near their homes.



- be a financing mechanism to help the private and public sectors govern, finance, construct, operate, and maintain essential public services and facilities.



- provide enhanced and specialized public services in response to citizen demand that a county or city is unable or unwilling to do.



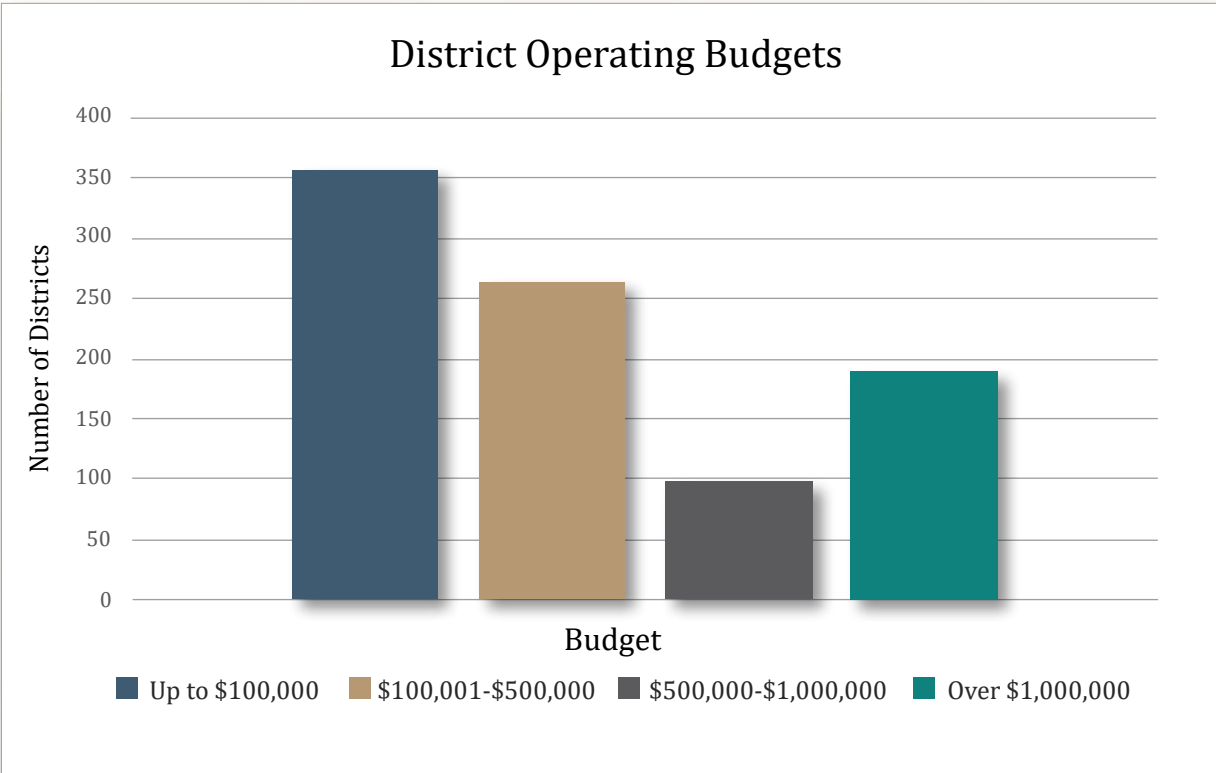
- allow cities and counties to focus more on general government issues.
- provide for a local special-purpose governmental agency with funding, employment, and missions separate from local general-purpose governments.
- provide governmental services when the need transcends the boundaries, responsibilities, and authority of individual counties and cities. This is one reason we have regional and multi-county special districts.



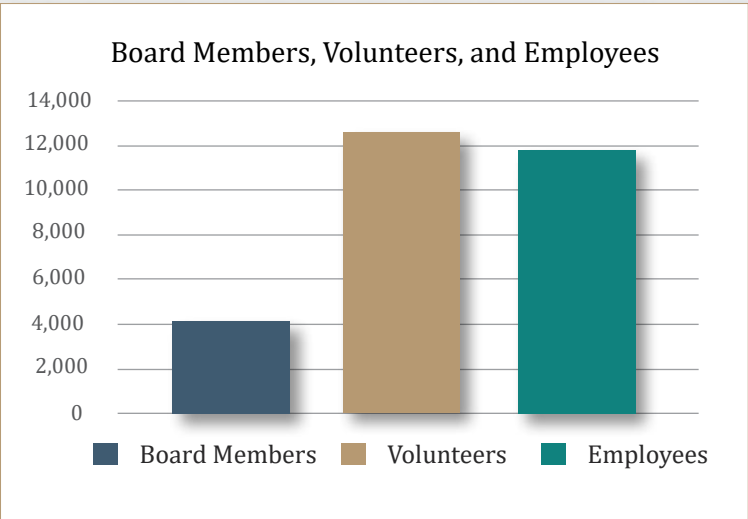
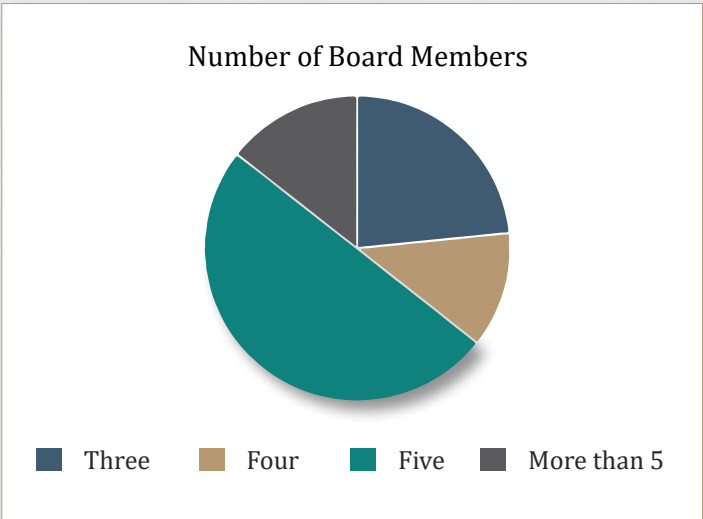
- ensure accountability of public resources, since they are held to the same high standard as cities and counties.

By the Numbers

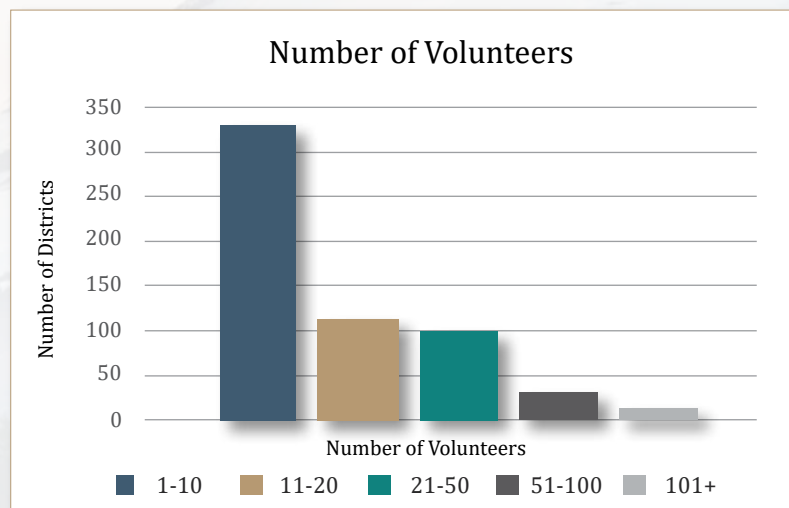
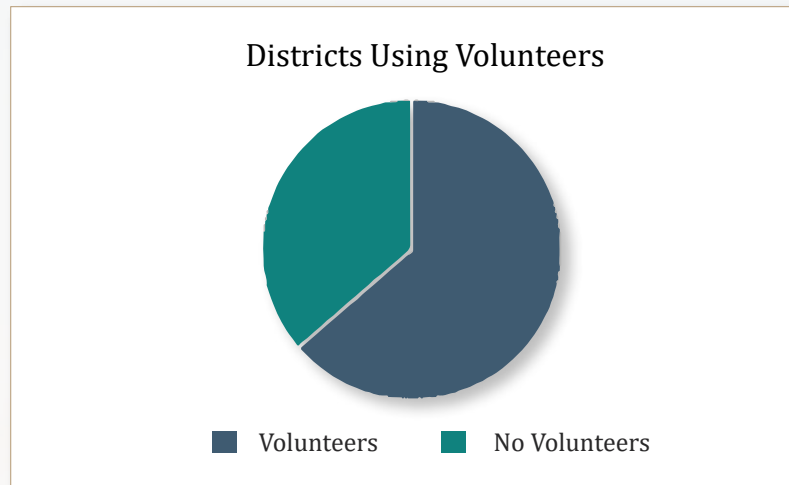
Special districts are funded by local property taxes and/or fees for service. The operating budgets of our members varies widely as do the services they provide. Amazingly, about 40% of SDAO members serve their communities with a budget of less than \$100,000 per year. The graph below shows the number of districts and the range of operating budgets.



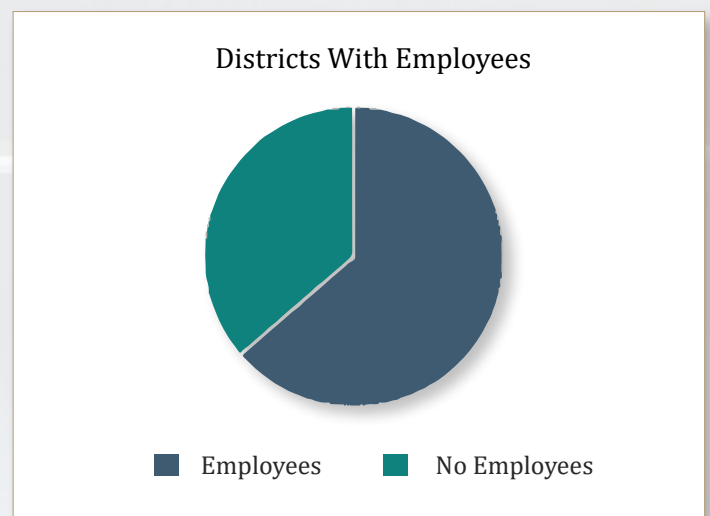
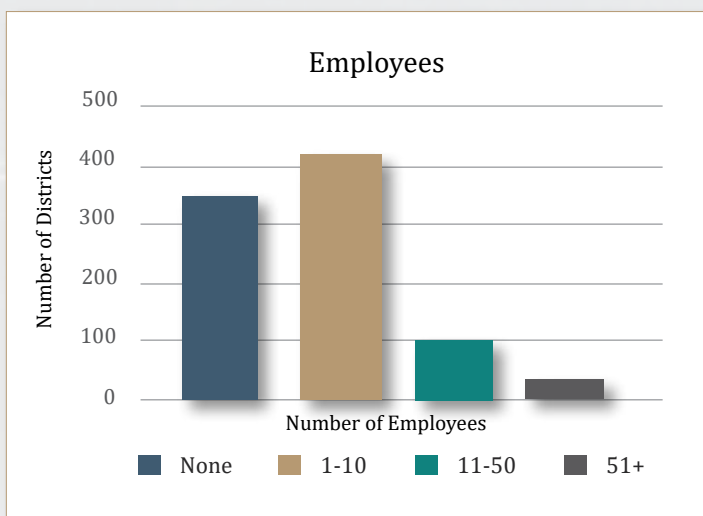
A strong board is essential to the successful governance of a special district. Board members must follow state requirements regarding public meetings, record keeping, ethics, and more. A minimum of three members is required to conduct business. The graphs below show the number of board members for our special districts.



Each day, thousands of Oregonians volunteer their time and efforts for special districts. They are a vital resource and often make it possible for districts to fully serve their communities. 64% of our district members have at least one volunteer.



The majority (62%) of our district members employ individuals to provide services to the community. However, most of them do so with a very small staff. In fact, 75% of our members that utilize staff have ten or fewer employees.



Profile of a Small District

JASPER KNOLLS WATER DISTRICT

- Domestic water supply to 53 metered properties
- 45-acre service area in Prineville
- Two 20,000 gallon concrete water reservoirs enclosed within a 1,300 square foot wood frame building and an 80 square foot filtration building
- Five volunteers, no paid staff
- 2017-18 Budget: \$16,000



Profile of a Large District

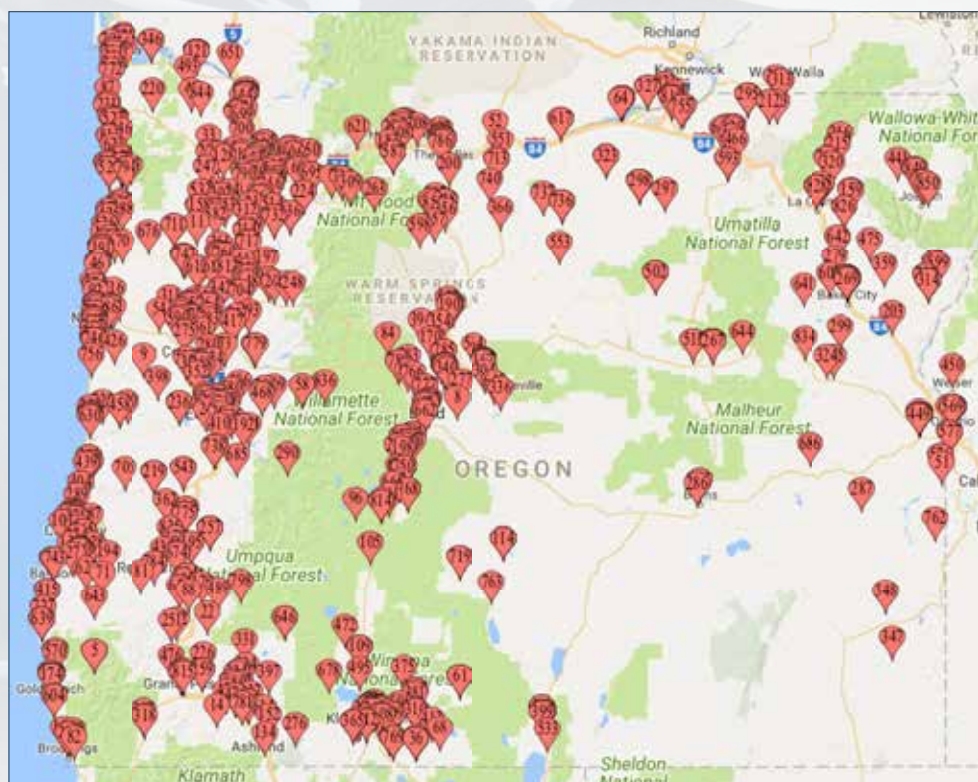
TUALATIN VALLEY FIRE & RESCUE

- Fire protection and emergency medical services to approximately 530,000 residents
- 390-square-mile service area includes 11 cities and unincorporated portions of Clackamas, Multnomah, and Washington counties
- 26 fire stations staffed by more than 400 career firefighters and 90 volunteers
- 2017-18 Budget: \$149,782,000





OREGON SPECIAL DISTRICTS MAP



Special districts are the most basic, grassroots form of government. Members of the public can feel like they can have a real impact on the direction, control and services they receive. Nationwide government satisfaction surveys show that special districts are the most popular type of government because they are focused on specific missions and engaged with the public they serve.

The number of special districts in Oregon has been on an upward trend for the last 70 years. Since 1942, this number has grown about 400% to just over 1,000. The State of Oregon estimates that the state's population will increase to approximately 5.5 million people by the year 2050. As our population grows, city and county resources will be stretched, causing a need for cities, counties and special districts to work together as a means of installing the infrastructure to support the growth.



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