

# SPECIAL DISTRICTS 101

## East Garrison CSD Town Hall Meeting

June 17, 2021

*presented by:*

**Charlotte Holifield, MPP**

CSDA Public Affairs Field Coordinator - Coastal Network

**Counties of:**

*Monterey*

*Santa Cruz*

*San Benito*

*San Luis Obispo*

*Santa Barbara*

*Ventura*



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## About CSDA

*Mission Statement: CSDA is the voice for all special districts, providing members with the resources necessary to best serve their communities.*

- Represents 1200+ / 2000 independent special districts in CA
- Established 1969
- Advocacy, Professional Development, Member Services
- Focus on good government



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## What is a special district?

- ❑ A special district is:
  - Created when residents vote to create it;
  - Funded by a community's residents; and
  - Overseen by a community's residents.
  
- ❑ A special district happens:
  - When a community wants it;
  - When they want a service done well; and
  - When they want it done with local control.

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**What is a Community Services District (CSD)?**



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A CSD is a special district that provides up to 32 different community services such as:

- drinking water / wastewater management
- garbage collection
- parks / open space / public recreation
- roads / streetlighting
- library services
- fire protection
- mosquito abatement

5-member Board of Directors elected by resident voters

- Staggered 4-year terms
- May be elected at large or by division (CVRA)



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## A Brief History of CSDs

- Since 1951, CSD Law (*Government Code §61000 et seq*) has been legal basis for CSDs
- Amended multiple times; overhauled in 2005
- Initial enactment coincided with tremendous post-war California population boom and communities requiring more services
- Between 1955-2005, voters in 300+ communities formed CSDs to achieve local governance, provide needed public facilities, and supply public services



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## Characteristics of Independent CSDs

- Approx. 321 CSDs in CA = 1,500+ Board members
- Most CSDs serve territory in just one county
- Most CSDs provide 1-2 public services, but many provide a wide range of services akin to a small city:
  - Templeton CSD (SLO Co.) – water, fire, parks
  - McKinleyville CSD (Humboldt Co.) – water, ww, parks, lighting
  - Helendale CSD (San Bern Co.) – water, ww, parks, lighting, trash



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## CSD Latent Powers

- No CSD uses all 32 powers authorized by the CSD Principal Act.
- Authorized powers that are unused are called ***latent powers***.
- Districts can choose to exercise a latent power if desired,  
**however**
- LAFCo approval is required before exercising a latent power



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## CSDs in Summary

- Provide a wide range of services depending on community needs
- Serve hundreds of communities in CA
- Long-standing form of community governance in CA



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**What does it mean to run a public agency?**



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- An important characteristic of local government in California is transparency and accountability to the public
- These goals are enshrined within the California Constitution and achieved through various state laws
- Let's review some of the most important laws applicable to independent special districts



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## Public Transparency Laws: The Brown Act

- Basis for open government procedures in CA
  - Public meeting requirements:
    - Allow for public comment
    - 72-hour public notice required (24 hours if special mtg)
    - Link to current agenda must be posted on homepage
  - Procedures for conducting special meetings, emergency meetings, and closed sessions
  - Limits the ability for a quorum of a legislative body to discuss certain matters outside a noticed public meeting.

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## Public Transparency Laws - Financial

### Regular Audits

- Special districts required to have regular, independent audits conducted by county auditor or a CPA (few exceptions)

### Annual Financial Transactions Report

- District must submit annual financial report to State Controller
- Annual compensation must be included.
- Link to SCO's public pay page should be on district Web site



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## Public Transparency Laws – Web sites Required

- All independent special districts must maintain a web site
- Site must display district contact info, agendas, state-mandated financial transaction and compensation reports
- Electronic & information technology must be accessible to people with disabilities



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## Public Transparency Laws – Records

### California Public Records Act (CPRA)

- Public has a right to inspect public records during the office hours of any government agency
- Public can request and obtain copies of records, subject to fees for duplication and any applicable statutory fees
- Few exceptions: privacy concerns, atty-client privilege



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## What are the Roles and Responsibilities of Special District Board Members?



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*As a board member for a special district, you have committed to represent the best interests of your community, ensure the delivery of essential local services and infrastructure, and faithfully serve the public good while upholding the law.*



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## Board Responsibilities – The Big 5

1. Setting direction for district
2. Establishing and supporting policies / structure of district
3. Overseeing financial resources necessary to fund district
4. Guiding employee relations policy, including hiring and supervising of the general manager
5. Serving as community leaders who communicate on behalf of the district



## Conflicts of Interest

### Conflicts of Interest

Special district officers and employees are prohibited from entering into, or participating in, making contracts in which they have a financial interest

### Statement of Economic Interest ([Form 700](#))

Required of all elected officials and public employees who make or influence governmental decisions

- Investments / Income / Assets / Gifts
- Demonstrates to public that officials are making decisions in best interest of public and not for personal benefit

## Required Board Trainings

- Board members required by law to complete ethics training (aka AB 1234) and sexual harassment prevention training at least once every two years.
- Sexual harassment prevention training is required within the first six months of taking office, and then at least once every two years thereafter.
- Number of ways to fulfill this requirement

## Board Compensation

- Board member compensation is set in statute
- Some districts have statutory authority to adjust compensation
- Most special district board members receive about \$100/mtg
- Unlike city council members and county supervisors, special district board members are not eligible for the California Public Employees' Retirement System

## General Managers

- Typically, only individual BOD hires aside from general counsel
- Very important hire
- GM responsible for hiring and supervising all other staff
- GM provides reports to BOD & recommendations for action
- Implements BOD policies & strategies

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**What Resources are Available to Board Members?**



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## CSDA Resources:

- Required Ethics & Sexual Harassment Prevention Training
- Webinars (free for members), workshops, conferences
  - Special District Board Secretary/Clerk Conference
  - General Manager Leadership Summit
  - Annual Conference
- CSDA Publications – *just a sampling*:
  - Brown Act Handbook
  - Board Member Handbook
  - Parliamentary Procedure
  - Special District Laws
  - Special District Revenues



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## CSDA Resources:

- Special District Leadership Foundation
  - Scholarships available for workshops & conferences
  - James Koenen Scholarship (for Board members)
    - Covers registration fees for the Special District Leadership Academy Conference or Governance Foundations
- Special District Leadership Academy
  - Certificate in Special District Governance
  - Transparency Certificate of Excellence & District of Distinction
- Institute for Local Government
- Online Open Forum



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## Contact Information:

**Charlotte Holifield, CSDA Public Affairs Field Coordinator**

**[charlotteh@cda.net](mailto:charlotteh@cda.net)**

**(805) 431-1249**

**[www.cda.net](http://www.cda.net)**

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



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