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Who's Watching Florida's Special Districts?

By

Stan Bainter

Stan Bainter is a former state representative of 14 years from District 27, and later, District 25. He spent four years serving on the board of a special district and is now retired.

Florida has hundreds of Special Districts created with the best of intentions. However, instead of sunseting when their original mission and purposes are fulfilled, they take on a new direction to spend public funds without approval from those who were their creators. Special districts are limited-purpose governmental units, which provide services and infrastructure within defined boundaries, financed by taxes, assessments, fees, and bond issues. With more than 900 dependent and independent special districts in existence in Florida, they are the most numerous form of local government in the state.

The December 2006 issue of *Florida Trend* revealed the various Ad Valorem Tax Increases since 2000:

School Taxes	70%
County Taxes	80%
City Taxes	98%
SPECIAL DISTRICT TAXES.....	110%
Inflation + Population	32%
Personal Income.....	39%

DUPLICATION: We are all aware of government agencies duplicating services. Let's examine the duplication in one county of tax funded agencies to protect water:

1. Lake County Water Authority: Mission - A countywide taxing agency authorized for improvement, construction, and maintenance of all waterways within Lake County.
2. Lake County Water Resources Management Department: Mission - To manage, protect, and restore water resources in Lake County.

3. St. Johns Water Management District: Mission - To protect and preserve Florida's water resources, including flood control, water supply, and water quality.
4. Lake County Harris Chain of Lakes Restoration Council: Mission - Legislated to develop tasks to be undertaken by other entities for the enhancement of fish and wildlife habitat.
5. Florida Fish and Wildlife Commission
6. Federal Fish and Wildlife Commission: Mission - To protect Endangered Species and Fish Conservation.
7. Florida Department of Environmental Protection
8. Federal Environmental Protection Agency
9. Federal Corps of Engineers
10. Lake Soil and Water District

OVERSIGHT AND ACCOUNTABILITY: Special districts are created by local governments or the Legislature. By law, either can be the oversight agency of the special district. In statutorily-created entities, the trustees may only exercise such powers as have been expressly granted by the authority's enabling legislation. The implied powers accorded administrative agencies must be indispensable to powers expressly granted. During the 1970s, concerns surfaced regarding the lack of special district accountability. In 1979, The Special District Disclosure Act was enacted. In 1987, the Advisory Council on Intergovernmental Relations published a report on Special District Accountability and recommended a series of legislative actions. As a result of the recommendations, the Special District Accountability Act was passed in 1989. At the same time, Chapter 189 Florida Statutes was created, defining a special district as a local unit of special purposes.

Sounds good so far. But what if the trustees choose to ignore these rules? Normally, unless a citizen challenges the special district in operating or spending public funds outside the purposes that have been expressly granted, there is little oversight. To make matters worse, neither citizens nor legislators can request an opinion from the Attorney General defining the purposes of the special district. Only the special district can make such a request.

The Governing Trustees of the special district are responsible for making the Legislative finding that the expenditures of such funds or projects comply with the special district's expressed grant of powers. The Attorney General has stated that any reasonable doubt to the existence of such power must be resolved against the exercise thereof. But what if the trustees again choose to ignore the rules? Because there are no consequences, citizens have only one recourse: "A Court Opinion at the Citizen's Expense".

CITIZEN INVOLVEMENT: With all the publicity of government waste and corruption, where is the OUTRAGE? If a special district has a meeting with four citizens in attendance, it is

considered a landslide. Rarely does the press attend. This is a national problem as well as a state problem.

BUSINESS INVOLVEMENT: Business does not pay taxes. Taxes are a business expense passed on to the customers. However, business knows that the more taxes the customers pay, the less they have to spend. So they need to be concerned that special districts comply with the law as well as their customer concerns.

A recent conversation with a tax collector revealed that the top three property taxpayers in his county were private utilities. The next seven were private business. If business and citizen organizations would partner and start taking an interest in special district purposes and spending and attend the meetings, I believe the districts would improve or be replaced or dissolved.

SOLUTIONS:

- 1) Start an orderly sunset of all special districts.
- 2) Determine the degree to which the service of the special district is essential.
- 3) Determine the extent of the continuing need for the service.
- 4) Determine if there is a less costly alternative method of delivering the service.
- 5) Determine if there is a duplication of the service with other agencies.
- 6) Determine if the bureaucracy has outlived its time.

This may, of course, take years to accomplish. In the interim, the Attorney General could establish an arbitration committee with the Auditor General to settle many issues quickly. If we are serious about solving the problems of the past with special districts, then there must be consequences for the misappropriations of public funds. Every special district handling public funds must undergo an annual objective audit assuring that expenses match purposes.

I am sure there are many other ideas and solutions to bring these arrogant abuses to an end. Florida citizens and taxpayers deserve no less. New board members of these districts need to know the exact purposes of their districts, not just what's been done in the past. Most of all, our Legislators need to know exactly what they have created.

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