



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

BOARD OF SUPERVISORS AGENDA LETTER

Department Name:

Auditor-Controller

Department Number:

061

Agenda Date:

July 14, 2026

Placement:

Administrative Agenda

Estimated Time:

Continued Item:

No

If Yes, date from:

Vote Required:

Majority

TO: Board of Supervisors

FROM: Department Director(s): Betsy M. Schaffer, CPA, CPFO, CFE; Auditor-Controller

DS
BS

CONTACT: Joel Boyer, CPA; Internal Audit Chief

SUBJECT: Independent Special Districts Compliance Report for FY 2023-24 Audits and FY 2025-26 Budgets

Concurrences:

County Counsel Concurrence:

As to form: N/A

Auditor-Controller Concurrence:

As to form: Yes

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file the Independent Special Districts Compliance Report for FY 2023-24 Audits and FY 2025-26 Budgets.
- b) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(4) of the CEQA Guidelines because they

consist of the creation of government funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

The Independent Special Districts Compliance Report for FY 2023-24 Audits and FY 2025-26 Budgets provides an overview of statutory compliance by the Independent Special Districts located in the County of Santa Barbara. All districts that submitted FY 2023-24 audit reports received an unmodified (“clean”) opinion, indicating that their financial statements were fairly presented. The last request for FY 2023-24 audits and FY 2025-26 budgets occurred in September 2025, while the most recent outreach to special districts occurred in early June 2026 and was related to compliance requirements for the upcoming FY 2024-25 audit reporting period and FY 2026-27 budget reporting period.

Background:

There are 40 independent special districts that deliver essential public services within the County of Santa Barbara. Governed by elected or appointed boards, these districts operate with fiscal and administrative independence while serving both rural and urban communities. These districts provide essential public services such as water delivery, wastewater treatment, fire protection, parks and recreation, and cemetery operations.

California Government Code §26909 requires the County Auditor-Controller to either perform, or contract with a certified public accountant or public accountant to perform an annual audit of every special district within the county for which an audit is not otherwise provided. The audit report must be submitted to both the State Controller and the County Auditor-Controller within twelve months following the end of the fiscal year or years under examination. Similarly, California Government Code §53901 requires every local agency to submit a copy of its annual budget to the County Auditor-Controller within sixty days after the beginning of its fiscal year. This reporting requirement applies to every local agency, including every special purpose assessing or taxing district within the County, unless exempted by the County Auditor-Controller.

Special Instructions:

N/A

Attachments:

Attachment A – Independent Special Districts Compliance Report for FY 2023-24 Audits and FY 2025-26 Budgets

Attachment B – Summary Slide Deck - Independent Special Districts Compliance Report for FY 2023-24 Audits and FY 2025-26 Budgets

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