

ITEM J – POLICY 5005 Billing

This brief is being provided to inform the Board, staff and public of the details of an agenda item that requires action from the Board. The President of the Board will provide board members, staff, and the public the opportunity to ask questions about this topic when this agenda item is announced.

Date: June 10, 2022

Originator: Cary Curtis and Kim Seney

Purpose: Proposed Amended Billing Policy (#5005)

Supporting Documents Included: Yes / No Yes – proposed amended policy included

Desired Action by the Board:

1. Initial reading by the board of amended Policy #5005 Billing Policy. Waive second reading so that Billing Policy is in alignment with Rate Case Resolutions 2021-22-17 and 2021-22-18 if those Resolutions are passed. Discuss and approve.
2. **Description:** Amended Policy #5005 (found on pages 2-3) serves to outline the Billing Policy for GMCSD. The proposed updates to the existing policy reflect the details contained in the Resolutions resulting from the 2022 Rate Case. A copy of the current Billing Policy can be found on page 4. The current policy was last updated on June 14, 2021.
3. **Reason for Recommended Board Action - (*Consider compliance, cost savings, fixing a problem*):** The current Billing policy framework must be updated to reflect the new quarterly billing for water usage as well as the changes in rate structure for water and sewer. Fire Tax billing has also been incorporated in the new policy as it was not included in the current version of the policy.
4. **Anticipated Impacts to the District (negative and/or positive) - (*Consider financial impact, change in procedures, customer and staff communication and effect if recommendations are not adopted*):** The Billing Policy reflects the changes recommended and reflected in the two resolutions considered in the Rate Case Public Hearing: Resolution No. 2021-22-17 and Resolution No. 2021-22-18.
5. **Anticipated Impacts to the Customer – *Standby, Residential, Commercial*:** The update of the Billing Policy will provide transparency and insight to customers about billing processes.

Recommendation (s): The Policy Review Ad Hoc Committee recommends review, discussion and approval of the policy as amended if the Rate Case Resolutions are passed.

Gold Mountain Community Services District

POLICY HANDBOOK

D-R-A-F-T

POLICY TITLE: Billing Policy
POLICY NUMBER: 5005

5005.1 Overview: Gold Mountain Community Services District (GMCS D) is responsible for water delivery; wastewater collection and disposal; fire prevention and suppression; and emergency medical response service (EMS) to the Gold Mountain CSD District. The District provides quarterly statements for water and sewer services and assesses a special fire tax included and collected on the Plumas County property tax roll for fire protection and prevention, and emergency medical services.

5005.2 Water and Sewer Billing: In accordance with California Government Code Section 61115, the following policy and procedures are in effect as of the date of the adoption of this policy regarding the collection of water and sewer service revenue for services rendered, including during on-site construction, for all customers.

5005.2.1 Quarterly Statements. Gold Mountain Community Services District (District) water and sewer service statements are sent to account holders by the 10th of the month prior to the end of each quarter. Balances are due and payable on the first day of each calendar quarter (January 1, April 1, July 1, and October 1).

5005.2.2 Quarterly statements will include the following Water and Sewer charge. Definitions and additional details regarding utility charges can be found in the Water Rate Policy (#5010) and Sewer Rate Policy (#5020):

Water Service Charge – flat quarterly fee for upcoming quarter as defined in Water Rate Policy (#5010)

Water Usage Charge - based on Metered Consumption, on the following schedule:

Statements Due January 1 include September, October, and November usage from prior year

Statements Due April 1 include December, January, and February usage

Statements Due July 1 include March, April, and May usage

Statements Due Oct 1 include June, July, and August usage

Sewer Service Charge – flat quarterly fee for upcoming quarter as defined in Sewer Rate Policy (#5020)

5005.2.3 Late Fees. A penalty late fee of 10% is added to any account with a balance owed on the first day of the subsequent month after due date. These charges will appear on the next GM CSD account statement.

5005.2.4 Interest Penalties. Additionally, on-going monthly interest penalties of 1% per month are added to the previous month's unpaid water and sewer balance on the first day of each subsequent month for which there is an outstanding balance. These charges will appear on the next GM CSD statement.

5005.2.5 The District may pursue collection of delinquent bills through the County tax roll or via a collection agency and may report the delinquency to any and all credit agencies. Liens require Board of Director approval.

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5005.2.6 Partial payments will be applied first to the accumulated late fees if any, then to the accumulated interest penalties if any, and last to outstanding water and sewer fees, oldest first.

5005.2.7 Customers in arrears: In addition to the fees and procedures described above, the District will not issue a "Will Serve" letter to property owners who are in arrears until account balance has been paid in full and current.

5005.3 Fire Tax Billing:

GMCSO Resolution 2006-15 dated March 11, 2006, requested the Plumas County Board of Supervisors (BOS) direct the Plumas County Clerk to authorize an All Mailed Ballot of Election for the purpose of approving a GMCSO Special Tax for Fire Protection and Prevention, Rescue Services, and Emergency Medical Services. District voters approved Tax Measure A., confirmed by Plumas County BOS Resolution 2006-07-01, which authorizes collection of the tax on the Plumas County Tax Roll and authorizes a 2% annual GMCSO Special Tax increase. The District Board of Directors adopted the special tax per GMCSO Resolution 2006-07-01 on July 18, 2006. The District direct bills the fire tax for certain combined parcels which are more efficiently collected in this manner.

5005.3.1 Bi-Annual Tax Statements. Plumas County tax statements for property within the GMCSO boundaries includes a specific line item under Voter Approved Taxes for the Gold Mountain Community Services District (District) Fire Taxes. Upon receipt of payment, Plumas County Tax Department remits payment to the GMCSO. Plumas County Tax Collector assesses a \$2.50 processing fee for each parcel billed.

5005.3.2 Uncollected Fire Tax Fees will incur a late fee of 10% for the unpaid fee in addition to County filing fees each quarter until balance is paid. These charges will appear on the next County tax bill for Fire Tax delinquencies.

5005.3.3 Customers in arrears. In addition to the fees and procedures described above, the District will not issue a "Will Serve" letter to property owners who are in arrears until account balance has been paid in full and current.

5005.4 Account Transfer due to Change in Property Ownership

When the Gold Mountain Community Services District is notified that a parcel is in escrow, District field staff will conduct a "final meter read" on the date of escrow. The District will use this data to prepare and distribute a final bill for water usage (consumption) to the existing Customer of Record.

It is the responsibility of the new owner to contact the GMCSO office to provide account information, including owner/s name, email address, mailing address and emergency contact information. Water and sewer and emergency fire response services begin the day following closing of escrow and costs will be prorated and billed in the subsequent regular billing cycle.

< EXISTING 5005 POLICY >

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Recurring Billing Policy

POLICY NUMBER: 5005

5005.1 Overview:

Gold Mountain Community Services District (District) bills all customers quarterly for water and sewer service fees. Water consumption charges are billed annually per the **Connected Rates Schedule**. These fees and charges are due and payable on or before their specified due date. Service Fee payments received after the designated due date are assessed late fees & interest penalties, as per Policy **3038. Water & Sewer Fee Collection**.

5005.2 Escrows:

When Gold Mountain Community Services District is notified that a connected parcel is in escrow, District field staff will take a “Final Meter Read” on the date of escrow. This data will be used to prepare and distribute a final bill for water usage (consumption) to the existing Customer of Record.