

FAQs - Transition of Sewer Service Charges to County Tax Roll

The City of Millbrae is in the process of moving the collection of sewer service charges for all parcels to the County property tax bills in Fiscal Year 2023-24, starting effectively July 1, 2023. There will be a public hearing held on June 13, 2023, during the City Council Meeting to review a resolution to incorporate these charges. Two community hearings will be held on April 27, 2023, at the Millbrae Recreation Center and on May 2, 2023, at MQ Healthy Fast Food, from 6:30-7:30 PM. Below are answers to some Frequently Asked Questions (FAQ) that will help parcel owners and the Millbrae community better understand how they will be affected by the planned changes.

1. Why is the City collecting sewer service charges through the tax roll?

Billing through the County property tax roll is anticipated to provide benefits to both ratepayers and the sewer enterprise fund. As the collector of general taxes, the County of San Mateo guarantees payment for any charges collected on the tax roll. This guarantee of payment allows staff to project revenue with more accuracy and plan any future expenditures required to maintain the City's sewer collection system, including any long-term debt obligations. Having a consistent, guaranteed revenue stream also has the potential to increase the City's bond rating, which would lead to the City receiving lower interest rates when financing capital improvement projects or contractual obligations for wastewater operations. Lower interest rates result in lower overall costs that will ultimately be factored into future rate studies. Any beneficial cost savings for the sewer enterprise would positively impact ratepayers in the areas of sewer rate setting, system capital improvements, and service delivery.

2. Are there other agencies that currently bill sewer service charges through the County tax roll?

The majority of agencies in San Mateo County collect sewer service charges on the tax roll.

3. Which customers will have sewer service charges collected on the County tax roll?

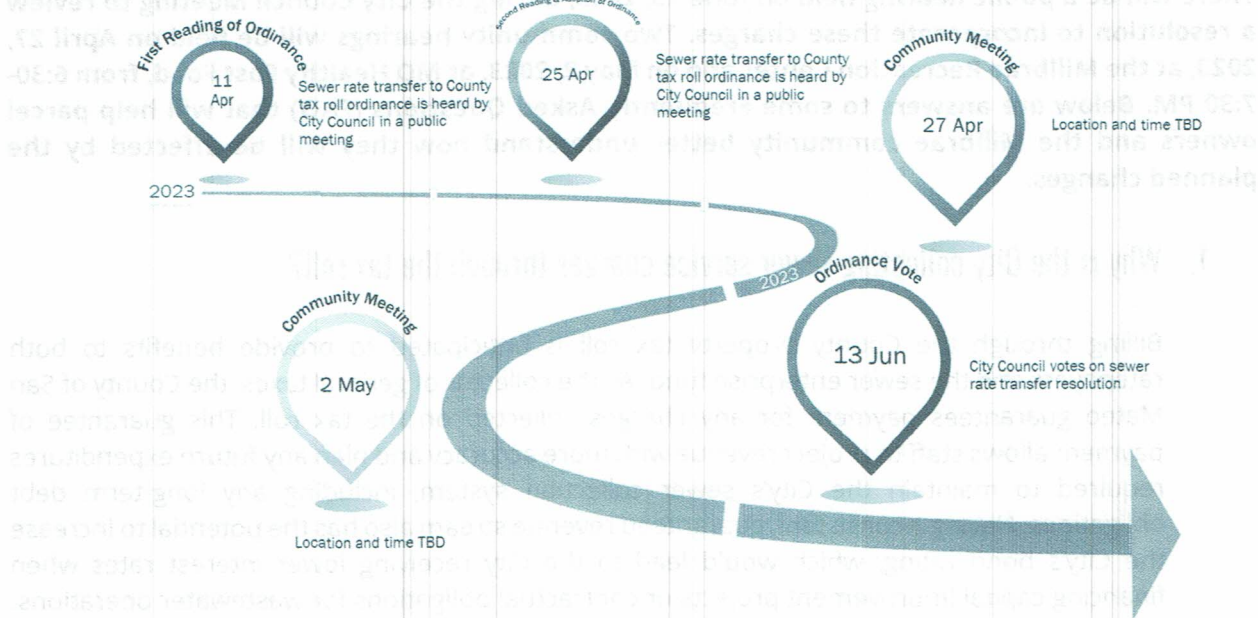
The City is in the process of transferring the collection of sewer service charges for all parcels onto the tax roll in Fiscal Year 2023-24. On June 13, 2023, the City Council will vote on the proposed resolution to incorporate the charges onto the tax roll. For water/sewer service customers, any bills received from the City after August 1, 2023, will have sewer charges prorated to reflect the transition to County billing.

4. Can customers choose to opt-out of the transition to County billing?

Customers do not have the ability to opt out of this transition. City staff did consider an opt-out option, but it was determined not to be an efficient approach to administering the

program as added administrative costs would negate the benefits the City is aiming to achieve for ratepayers.

5. What is the timeline for this process?



6. Who is responsible for paying the sewer service charges on the tax roll?

Charges collected through the tax roll are the responsibility of the parcel owner, who pays the entire property tax bill.

7. What if I am a tenant and the current customer on record?

Tenants of parcels that will have charges collected through the tax roll will not see a sewer service charge on their City of Millbrae utility bill after the transition takes place. Customers who receive a utility bill in August will have a prorated portion of their sewer bill reflecting the June sewer service charge. All sewer service charges after July 1, 2023, will be transitioned to the tax roll.

8. What should I do if my account is transitioned to the tax roll, and I still receive a bill for sewer service from the City?

You may contact the Finance Department at (650) 259-2350, and staff will be able to assist you.

9. How will I pay my bill if my sewer service charge is collected through the tax roll?

Sewer service charges collected through the tax roll will appear on the parcel owner's tax bill the same way they do for property taxes. Charges are paid in the same manner and at the same time as property taxes. This means property owners will be responsible for paying charges by the due dates listed on their property tax bill.

10. If my sewer charges are collected on the tax roll, when will my payment be due?

Sewer service charges collected through the tax roll will be subject to any deadlines or penalties set by the San Mateo County Tax Collector's Office.

11. What happens if you miss the payment deadlines?

The infographic below outlines the County's payment and penalty processes for bills issued through the tax roll.

December 2023 - First Half of Tax Payment Due

- If payment is not made on time there will be a 10% penalty added to the total amount of the bill for the first half.

- Example:

Total Tax Bill : \$6,000

First Half Due: \$3,000 + Late Penalty: \$300 = \$3,300 Total Due

April 2024 - Second Half of Tax Payment Due

- If payment is not made on time there will be a 10% penalty as well as a \$40 Administrative fee added to the total amount of the bill for the second half.

- Example:

Total Tax Bill : \$6,000

First Half Due: \$3,000 + Late Penalty: \$300 + Administrative Fee = \$3,340 Total Due

June 2024 - Parcels are Enrolled on "Redemption Roll"

- Unpaid balances incur 1.5% monthly interest

- Parcel owners may enroll in payment plan if they can pay 20% of the outstanding balance

- Parcels on Redemption Roll for 4 consecutive years, will receive an Intent to Auction from the county, and the property will be auctioned unless the balance is paid in full within a year from the notice

Click here to visit: <https://tax.smcgov.org/secured-property-taxes>

12. Will this change increase my current sewer service rates?

No. Current rates will not increase as a result of collecting charges through the tax roll. The City will continue to follow the same public notification process for adopting rates.

13. Will the charges be tax deductible?

Sewer service charges are not tax deductible.

14. Will I still be receiving a bill from the City for my water service?

Yes, the City will continue to bill customers for water services.

15. Will my property tax increase?

Sewer service charges collected through the tax roll will not change a parcel owner's property-related taxes. The parcel owner will see an increase in the overall tax bill received, as it includes other fixed charges that are not tied to the property's value.

16. Can I still apply for the Lifeline Program if sewer service charges are billed through the tax roll?

Yes, City of Millbrae water/sewer customers can still apply for the Lifeline Program if sewer service charges are billed through the County tax roll. Applicants can contact the Finance Department at (650) 259-2350 or utilitybilling@ci.millbrae.ca.us for information regarding the Lifeline program.

17. Will customers on the tax roll still be eligible for sewer charge reduction through Lifeline?

Yes, eligible customers may still receive a sewer charge reduction through Lifeline provided that they timely submit the required materials to the Finance Department.

18. If my sewer charges are transferred to the tax roll, will I still be charged the reduced sewer rate if I am accepted into the Lifeline program?

The reduced sewer service charge will be applied to the tax roll. The water portion of the Lifeline program will not change, and participants will continue to receive a reduced water service charge on their bi-monthly utility statement.

19. Who can I contact if I have additional questions?

All questions may be directed by email to UtilityBilling@ci.millbrae.ca.us or by calling the Finance Department Director Mike Sung at (650) 259-2433.

Select Language ▼

Wastewater to County Questions and Answers

Effective July 1, 2021, single-family residential wastewater service charges have moved to your property tax bill.

On April 13, 2021, City Council conducted a Public Hearing on the collection of single-family residential wastewater service charges on the Ventura County Property Tax Roll. City Council unanimously approved to move forward with the collection of single-family residential wastewater service charges on the fiscal year (July 1, 2021 through June 30, 2022)'s property tax roll.

The list of parcels affected by this change in billing method can be found by clicking the following link:

[LIST OF PARCELS WITH WASTEWATER \(SEWER\) CHARGES ON PROPERTY TAX FISCAL YEAR 21-22](#)

or by calling 805-449-2201.

Questions and Answers:

Q. What changed?

A. The City of Thousand Oaks no longer directly issues single-family residential wastewater service bills. Charges for wastewater services are collected on an annual basis (July 1st through June 30th) as part of the Ventura County property tax bill. This will be a separate line-item charge on your tax bill with the City's phone number listed adjacent to the charge. This is not a new charge, just a different way of collecting the same amount due. Apartments, commercial properties, industrial properties, and duplexes (or greater) are still billed directly by the City of Thousand Oaks.

Q. What do I need to do?

A. Wastewater charges will arrive via the annual property tax bill. Property owners who pay property taxes through two annual installments, will pay wastewater charges as a part of the property tax bill due date in December and in April. The wastewater charges will cover service from July 1st through June 30th.

Property owners that pay property taxes through an impound account may need to adjust their monthly payments to cover wastewater charges. If you pay your property tax bill through an escrow account, you are encouraged to contact your bank / mortgage account holder to withhold enough funds to cover the wastewater services added to the property tax bill.

Q. Why did the City make this change?

A. Cost-savings. Collecting residential wastewater charges on the secured property tax roll results in a significant cost-savings for the City. The City's overall wastewater utility billing expenses will be reduced by an estimated \$72,500 per year (postage and materials), as well as reduce an additional 3,000 hours of staff time per year spent processing the bills and performing account maintenance. This savings would allow staff to begin analyzing the feasibility of moving from bi-monthly to monthly water billing which will help in the City's overall water conservation efforts. Also, customers requesting City services or customer service will realize increased productivity and customer response time by staff.

Q. How will I know if there is a future a rate increase?

A. Pursuant to the California Constitution Article XIID (also known as "Proposition 218"), the City is required to notify property owners of proposed changes to property-related fees such as water and wastewater services. Any proposed changes to utility rates would follow legal requirements; including property owner notifications.

Q. I'm planning on selling my home. How do I notify the City to stop my wastewater service charges?

A. Single-family residential customers no longer need to contact the City to start or stop wastewater service. Appropriations of property tax bills amongst owners happens automatically when a change of ownership is recorded with the County. The division and credit of any tax bill payments, including the future wastewater fees, is part of the process already conducted during the final calculation of escrow fees.

Q. Isn't the wastewater service charge actually a tax on my property?

A. No. Article 13D of the California Constitution (Proposition 218, passed by initiative in November 1996) differentiates between taxes, assessments, and property related fees. Proposition 218 provides that the charge imposed for wastewater is a "fee" rather than a "tax." State law allows fees to be shown on property tax bills and collected with property taxes.

Q. How will this affect my renters?

A. Property owners will need to collect wastewater charges directly from renters, as warranted through rental agreements.

Q. If I haven't paid my wastewater bill due to being affected by COVID-19, will my previous balance be transferred to the tax roll?

A. All wastewater bills with service charges prior to July 1, 2021 will still need to be paid to the City; however, to help ease any potential immediate financial burden that customers may experience as a result of COVID-19, customers with accounts in arrears are encouraged to contact the City's Finance department at 805-449-2201 to discuss a payment plan.

Q. Will this affect my water bill?

A. No.

[Click here to access your wastewater bill](#)

[Click here to view the City's sewer rates](#)

For more information, please contact us at 805-449-2201 or by email at finance@toaks.org.

Questions and Answers:

Q. What changed?

A. The City of Thousand Oaks no longer directly bills residential wastewater services and collected on an annual basis (July to August) from the City of Thousand Oaks. This will be a separate bill from your water bill with the City's phone number listed adjacent to the charge. The new wastewater bill will be billed to the same address that your water bill is billed to. The City of Thousand Oaks will continue to bill for sewer service charges on residential properties, industrial properties, and other properties that are not billed through the City of Thousand Oaks.

Q. What do I need to do?

A. Wastewater charges will appear on the annual property tax bill property owners will receive through the annual mailings. The wastewater charges will be included in the annual property tax bill. The wastewater charges will be included in the annual property tax bill through an escrow account. You are encouraged to contact your bank's mortgage servicer to ensure that the wastewater charges added to the property tax bill through an escrow account will be properly credited to your bank's mortgage servicer. If you have a property tax bill through an escrow account, you will not receive a separate bill for wastewater charges.

Q. Why did the City make this change?

A. Consolidating billing for residential wastewater services on the annual property tax bill results in a significant cost savings for the City. The City's overall wastewater utility billing expenses will be reduced by an estimated \$2.5 million per year. This cost savings will be used to fund other water services, including the City's water conservation program. The City's water conservation program is a key component of the City's water conservation strategy. The City's water conservation program will reduce the City's water consumption and reduce the City's water treatment costs. The City's water conservation program will also reduce the City's water treatment costs. The City's water conservation program will also reduce the City's water treatment costs.

Q. How will I know if there are future rate increases?

A. Pursuant to the California Constitution, Article XIII D, the City is required to provide notice to property owners of proposed changes to property-related fees such as water and wastewater services. The proposed changes to the property-related fees would be included in the annual property tax bill mailings.

Q. I'm planning on selling my home. How do I notify the City to stop my wastewater service charges?

A. Single-family residential owners no longer need to notify the City to stop or suspend their wastewater service charges. The City will automatically suspend the wastewater service charges when a change of ownership is recorded with the County. The City will also suspend the wastewater service charges when the property is sold. The City will also suspend the wastewater service charges when the property is sold. The City will also suspend the wastewater service charges when the property is sold.

Q. How will the wastewater service charges affect my property?

A. The Ad Valorem Property Tax (AVT) is the primary source of revenue for the City. The AVT is levied on the assessed value of property. The City's wastewater service charges are included in the AVT. The City's wastewater service charges are included in the AVT. The City's wastewater service charges are included in the AVT.

Q. How will this affect my taxes?

A. Property owners will need to collect wastewater charges directly from their water bills. The City will continue to collect wastewater charges directly from their water bills.

Q. If I haven't paid my wastewater bill due to being affected by COVID-19, will my previous balance be transferred to the tax rolls?