

## Proposed Policy FAQ– Delinquent Accounts Property Tax Liens

Due to the rising number of delinquent accounts, EMWD is proposing a new policy adoption; this proposal is on calendar to present at the EMWD July 21<sup>st</sup> Board Meeting. If adopted, EMWD will file a property tax lien against delinquent accounts greater than \$500 that are more than 60 days past due. This type of lien would be collected on the subsequent property tax payment.

While the Governor’s Executive Order has placed a moratorium on shutoffs during the ongoing pandemic, “nothing in (the) Order eliminates the obligation of water customers to pay for water service, prevents a water system from charging a customer for such service, or reduce the amount a customer already may owe to a water system.” **Balances more than 60 days owing put customers at risk of shutoff for unpaid past due charges when the moratorium is lifted on September 30, 2021.**

EMWD is committed to working with its customers to resolve account delinquencies prior to a lien being filed. Payment plans are available and EMWD offers a variety of [payment assistance programs](#) to assist customers with their payments.

### **Q: Why is EMWD considering reporting delinquent amounts to the County of Riverside Tax Assessor’s Office?**

A: EMWD’s responsibility is to its ratepayers, many of whom are current on their bills. However, delinquent accounts can create operational challenges for EMWD. To ensure that all EMWD ratepayers are not burdened with additional costs because of delinquent accounts, EMWD has chosen to use this available mechanism to propose the collection of funds associated with past-due accounts.

### **Q: I thought the Governor’s Executive Order meant I did not have to pay my water bill?**

A: The Executive Order during the pandemic prevented EMWD and other utilities from shutting off service for past due balances. However, once the Executive Order is lifted on September 30, 2021, customers will be required to pay the **entirety** of their past due balance.

As a government agency, EMWD is bound by Proposition 218, which requires we charge individual customers for their cost of service. Should delinquent customers not pay, those costs would have to be passed along to other customers. EMWD is committed to providing a fair and equitable rate structure to all its customers.

### **Q: I was not aware EMWD could report delinquent amounts to the County of Riverside Tax Assessor’s Office.**

A: The California Water Code gives EMWD the authority to add unpaid charges for water and other services to the property tax bill. This is a common practice among special districts and is not unique to EMWD.

### **Q: I cannot pay the full amount owed. What are my options?**

A: To avoid past due balances as currently proposed from being added to the property tax bill, customers must make an initial payment of 20 percent of the balance due. The remaining balance will then be placed on a payment plan.

EMWD also has [payment assistance programs](#) available to assist customers with their bills.

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### **Q: What happens if I fail to pay the delinquent amount?**

A: The current proposal is set to add that balance due to your property tax bill.

### **Q: How much do I have to pay to prevent the property tax lien?**

A: The proposal indicates a minimum of 20 percent of the balance due will be required. Customers must then establish and maintain their payment plan. Should payment plans not be kept, the lien would be filed with the County of Riverside.

### **Q: How do I set up a payment plan?**

A: Payment plans may be established by contacting EMWD's Customer Service Department at 800-426-3693.

### **Q: How often will I be required to make installment payments?**

A: Customers who wish to avoid the proposed property tax lien for delinquent accounts must maintain their payment plan with payments each billing cycle, in addition to the current balance due on each monthly bill.

### **Q: Will establishing an installment plan prevent the proposed property tax lien for customers?**

A: Yes, the proposal outlines - provided all terms are met and maintained, including the 20-percent initial payment.

### **Q: How soon do I have to make the first payment to avoid the proposed property tax lien?**

A: An initial payment of 20 percent is due when the payment plan is established. After that, payments toward the outstanding balance due are due on the same date as the customers' monthly bill.