



## Folsom City Council Staff Report

<b>MEETING DATE:</b>	7/8/2025
<b>AGENDA SECTION:</b>	Public Hearing
<b>SUBJECT:</b>	Resolution No. 11425 - A Resolution of the City Council of the City of Folsom Approving and Confirming the Report of Delinquent Utilities Charges and Requesting Sacramento County to Collect Such Charges on the Tax Roll
<b>FROM:</b>	Finance Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

Staff recommends, that the City Council review the attached Report of utilities delinquencies, hold a public hearing on the Report and accept any oral or written public comment, and adopt Resolution No. 11425- A Resolution of the City Council of the City of Folsom Approving and Confirming the Report of Delinquent Utilities Charges and Requesting Sacramento County to Collect such Charges on the Tax Roll.

### **BACKGROUND / ISSUE**

The City provides various utilities services to properties throughout the City, including sewer, water, and solid waste services, for which the City charges a fee for service. While most accounts within the City are current, there are some delinquent utilities accounts. A Delinquent Utilities Charge Report (“Report”) specifying the delinquency by parcel number and type of property is attached showing delinquencies totaling \$278,431.20.

Following notice and a public hearing, the City Council may pass a resolution, by at least a two-thirds vote, requesting that the County Auditor/Tax Collector transfer the City’s delinquent utilities charges to the property tax roll for collection with property taxes. Staff recommends the City Council consider the attached Report, hold a public hearing, and accept public comments on this matter, and authorize transfer of any delinquent utilities’ charges to the County for collection on the property tax roll.

Despite some delinquencies, the City has had remarkable success in utility collections. Utility billing collections average \$59,800,000 annually. These collections include water, city sewer, and solid waste services, for a current total of 27,800 open municipal utility accounts. The delinquent amount of \$278,431.20 is less than .5% of our annual collections.

## **POLICY / RULE**

Folsom Municipal Code and state law provide that, following notice and a public hearing, the City Council may adopt a resolution transferring delinquent utilities charges to the County tax roll for collection with property taxes. (Cal. Gov't Code 25831, 38790.1; Cal. Health and Safety Code §§ 5470 et seq.; Folsom Municipal Code Chapters 3.20 (collection of municipal service charges generally) 13.12 (collection of sewer charges). The resolution authorizing the transfer must be passed by the City Council by a two-thirds vote. (Cal. Health & Safety Code § 5473).

## **ANALYSIS**

The City provides sewer, water, and solid waste services to properties within the City, for which it charges the users. While the vast majority of accounts throughout the City are current, there are some accounts that are more than 60 days delinquent in payment and appropriate for transfer to the County tax roll for collection. The total amount of these eligible delinquent accounts is \$278,431.20 as indicated on the attached Report. The Report captures accounts that were noticed with a delinquent amount of \$100 or greater. The last time a request was made to transfer delinquent utilities to the tax roll was July of 2024.

State law authorizes the City Council, by resolution adopted by at least a two-thirds vote, to request that the County Auditor/Tax Collector transfer these delinquent amounts to the property tax roll for collection with general property taxes. Prior notice of the hearing is to be mailed to the property owners not less than ten days before the hearing. (Cal. Gov't Code §§ 38790.1, 25831). Notice is also to be published in a newspaper of general circulation for two consecutive weeks prior to the hearing. (Cal. Health & Safety Code § 5473.1; Cal. Gov't Code § 6066). City staff has satisfied these notice requirements by mailing notice to affected property owners on June 4, 2025. A public hearing notice was published in the Folsom Telegraph on June 20, 2025, and June 27, 2025.

Following a public hearing, the City Council has discretion to adopt the Report as presented, modify the Report, or decline to adopt the Report. However, if the City Council finds that valid protests are made by the owners of a majority of separate parcels of property described in the Report, the Council may not adopt the Report and may not transfer the delinquencies to the tax roll. (Cal. Health & Safety Code § 5473.2). Upon passage of the resolution confirming the Report of delinquencies, as presented, or modified, the Revenue Division will transmit the Report to the Auditor/Tax Collector for placement of the charges on the tax rolls

for collection with property taxes. County staff has advised City staff that in order to have the matters placed on the tax roll for this year, the Report must be transmitted to the County no later than *August 4, 2025*.

### **FINANCIAL IMPACT**

The City currently has \$278,431.20 in delinquent charges that are appropriate for transfer to the tax rolls. Approving this item and authorizing the transfer will help toward collection of these amounts. Should the County accept these amounts, the City will receive payment directly from the County for these amounts and the County will pursue collection through the tax rolls.

### **ENVIRONMENTAL REVIEW**

This action does not constitute a “project” under the California Environmental Quality Act (“CEQA”) and does not require environmental review.

### **ATTACHMENT**

1. Resolution No. 11425 - A Resolution of the City Council of the City of Folsom Approving and Confirming the Report of Delinquent Utilities Charges and Requesting Sacramento County to Collect such Charges on the Tax Roll

Submitted,

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Stacey Tamagni, CPA  
Director of Finance