

# Donner Summit Public Utility District

## Common Questions About the Proposed Community Facilities District No.1

### **Who controls CFD No.1?**

The DSPUD Board of Directors will direct the activities of CFD No.1.

### **What is the special tax levied by CFD No.1?**

The maximum special tax that may be levied is \$593 per sewer EDU\* per year collected by the county with property tax bills†. A one-time special tax of \$1,070 per sewer EDU will also be levied only on properties needing future capacity in the plant that have not paid a DSPUD connection fee prior to July 1, 2011.

### **Will I be taxed if I do not yet own a sewer EDU?**

No. If your property does not have sewer service, and you have not either previously purchased an EDU for future use or responded to DSPUD desiring capacity in the plant and intent to pay for an EDU by April 1, 2012, your property will be exempt from the special tax until a sewer EDU is paid for and assigned to your property.

### **What is the basis for the special tax amount?**

The special tax is based on cost estimates for WWTP improvements in 2011 and assigned to sewer EDUs using data and property records from 2011.

### **How long do I have to pay the tax?**

The first levy of the special tax will appear on fiscal year 2012-13 property tax bill. First installment is due Dec. 2012. The tax may be levied until fiscal year 2050-51 but only for as long as necessary to pay for WWTP improvements.

### **Can I prepay my special tax?**

Yes. You can prepay any time after creation of CFD No.1. Prepayment amount is determined upon request.

### **What happens if I don't pay the tax?**

The CFD No.1 special tax constitutes a lien against your property just as property tax does. Delinquency and penalty charges will accrue and the county will pursue actions to collect accrued special taxes including, if necessary, foreclosure.

### **What if CFD No.1 does not garner a two-thirds vote?**

The required capital financing will be paid for through customer charges (rates) and will not be tax deductible.

*\*Most residential homes have one sewer EDU.*

*† Special taxes may be an appropriate deduction for income tax purposes. Property owners should confirm the deductibility status with a qualified tax preparer.*

**DONNER SUMMIT**  
PUBLIC UTILITY DISTRICT

PO Box 610  
Soda Springs, CA 95728

**Important Information  
About the Proposed  
CFD No. 1**

**What is a CFD? Is this a new agency?**

A Community Facilities District (CFD) is a special financing district created for the purpose of financing the wastewater treatment plant (WWTP) improvements required by the State to meet water quality standards.

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