



CITY OF BUFFALO, MINNESOTA

### Application for Budget Billing

Please enroll my account in Budget Billing effective on my next utility bill.  (check box)

Full Name (Last, First, Middle) \_\_\_\_\_

Service Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Home Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_

Utility Account Number \_\_\_\_\_

E-mail Address \_\_\_\_\_

Please e-mail my bill.  (check box)

**To be eligible for Budget Billing, you must:**

- Have a 12-month billing history at your current location.
- Your utility account needs to be current.

**Important terms of Budget Billing Program:**

- Full balance must be paid by due date each month. If not, account may be removed from Budget Billing program, and/or service may be disconnected.
- If service is disconnected, the account is not eligible for Budget Billing for one year.
- Budget Billing accounts are ineligible for time extensions or payment arrangements.
- If you are removed from the Budget Billing Program for any reason, any credit or deficit accrued on your account will appear on your next statement. **THIS MAY RESULT IN A LARGE AMOUNT DUE.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## **BUDGET BILLING PROGRAM DESCRIPTION:**

The City of Buffalo Municipal Utilities understands it can be challenging to pay a bill that was not anticipated. Variable utility consumption throughout the year can result in bills much higher or lower than expected. We offer a Budget Billing Program that aims to spread your utility costs more evenly, month to month, over the year.

The Budget Billing Program does not mean you will be billed the exact same amount every month but it will offer a more consistent bill each month. Budget Billing uses a 12-month rolling average to determine your monthly utility charges. For example, if over the last 11 months your bills averaged exactly \$100 per month and in month 12 you used \$200 worth of services you would be billed \$108.33 in month 12, because that is the average over the last 12 months. Or if in month 12 you used \$5 worth of services you would be billed \$92.78 in month 12, because that is the average over the last 12 months.

The Budget Billing program doesn't save you money, you pay the same amount over the duration of enrollment as you would have had you not been enrolled in the program but the amount you are billed each month is more consistent than not being enrolled in Budget Billing.

It is important to note that in each month of enrollment, you will be over- or under-charged, relative to the actual cost of your consumption. During peak consumption periods (For most people, this would be the winter and summer months) you may be "under-charged" several months in a row. This can result in the accrual of a large deficit on your account, meaning that you have been charged far less than the actual cost of services used. That's excellent, as steady charges are the purpose of the Budget Billing Program. However, if you are removed from Budget Billing for any reason, or if you request to be removed from Budget Billing for any reason, the full amount of that deficit would become due with your next utility statement. This can result in an abnormally large utility bill. **You should check with Utility Billing staff to make sure you understand your balance before removal from the Budget Billing Program.**

To help illustrate the difference between being enrolled in the Budget Billing program or not, please take a moment to view the chart below. Assume that \$150.00 was the 12-month average prior to the year shown.

