



CITY OF BUFFALO, MINNESOTA

Application for Budget Billing

Please put my account on Budget Billing, effective with my next utility bill. (check box)

Full Name (Last, First, Middle) _____

Service Address _____

City _____ State _____ Zip Code _____

Home Phone _____ Work Phone _____ Ext _____

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.
- Be current in your utility payments.

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

City of Buffalo Municipal Utilities
 212 Central Avenue, Buffalo, MN 55313
 Phone: 763-682-1001 e-mail: utilitybilling@ci.buffalo.mn.us
 Website: www.ci.buffalo.mn.us

BUDGET BILLING PROGRAM EXPLANATION:

The City of Buffalo Municipal Utilities understands that it can be challenging to pay a bill that was not anticipated. Variable utility consumption throughout the year can result in bills that are 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.

Our Budget Billing Program does not result in you being billed the exact same amount every month, but it still gives you a much more consistent bill, month to month. We would use a 12 month, rolling average to determine your utility bill. For example, suppose that over the last 11 months, your bills have averaged exactly \$100 per month. Now, in month 12, suppose you use \$200 worth of services. You would get a bill for \$108.33, because that is the new average over the last 12 months. Now suppose that in the next month, you use \$5 worth of services. You would then receive a bill for \$92.78, as that would be your updated 12-month average.

The program doesn't save you any money, overall; you pay the same amount, over the duration of enrollment, as you would have had you not been enrolled in the program, but your bills are much steadier 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.

