BUDGET BILLING QUESTIONS & ANSWERS

QUESTION: Why have it?

Answer: It is easier and more convenient for most people to plan on a set amount for their utilities each month, than to cope with the fluctuating costs of winter heating, summer cooling, and water bills.

QUESTION: What is the Budget Payment Plan?

Answer: The plan is designed so that you will pay a fixed monthly amount for your utilities that are equal to your average bill in a year's time. Your usage and charges are totaled and averaged over a year. Every 6 months a review process will automatically be performed. This will allow us to detect any significant increase or decrease in usage pattern during this review. If there is a need to change your payment amount, we will advise you before doing so. At your budget anniversary (12 months) we will issue a settlement billing and the difference will be charged or credited to your account at the time and your new budget payment amount will begin.

QUESTION: Is it cheaper?

Answer: No! There is no discount on your utility bill. The rate of charges will be the same as all other residential customers.

QUESTION: Will this cost me extra?

Answer: No, there is no cost for us to figure your plan for you. You will pay the same charges as you would if you were not on the plan, but they will be averaged out in a constant amount.

QUESTION: Do I have to pay the budget amount by the due date on the bill?

Answer: It is highly recommended. You will have until the 20th of each month to make your payment. If payment is not received by the 20th it will be considered missed and you will be removed from the budget bill program, full balance will be due and normal collection procedures will be applied.

QUESTION: What can I expect if I fail to make my payment by the time of the next meter reading?

Answer: If a payment is missed, the account will be delinquent and subject to disconnection of utilities. Payment arrangements will not be available for customers on a budget billing plan.

QUESTION: Is there an easy way to see that I get my payment in on time?

Answer: Yes! We can, with your permission, draft your bank account for the budget the next day so that you may enter it in your personal check register. Since this is done the day after billing, there will be no late payments. Should you desire more information about our draft service, please call or contact us.

QUESTION: What if something changes my usage from what my plan is based on?

Answer: We will conduct a 6 month review of the budget accounts. We should be able to detect any significant increase or decrease in usage pattern during this review. If there is a need to change your payment amount, we will advise you. You may assist us by bringing it to our attention, if you feel that the credit or debit balance is too large.

QUESTION: How can I join?

Answer: It's simple. Just fill out the attached form and return it. If this is the first time you have joined or were previously dropped from the last year's plan, your account must be paid in full before we can design your plan.

QUESTION: What if I decide I don't like the plan?

Answer: No problem. Just call us and we will remove you from the plan. However, the amount owing on your next bill will be due and payable in full by the due date of that bill. We will try to make reasonable arrangements should this amount be extremely large. Your decision to discontinue the plan will in no way affect your credit standing.

BUDGET BILLING POLICY

Residential consumers served by the City of Aztec may choose to pay monthly bills for utility service on a Budget Billing Plan subject to the terms and conditions set forth herein. The Budget Billing Plan may be selected by an eligible consumer and entered into during any month of the year after complying with requirements set forth in this section.

Any residential consumer electing the Budget Billing Plan must pay at least a monthly amount equal to one twelfth of the total of the most recent twelve months billing at that address. Budget Billings are evaluated twice a year and may go up or down based on your usage. The difference between the actual due and the budget payment will be used to adjust your payment for the following 6 months.

To be eligible to participate in the Budget Billing Plan, a consumer shall have met the following requirements:

- 1. There shall be a minimum of twelve months previous service by the City of Aztec to the consumer at the location where the Budget Billing Plan is to be implemented.
- 2. Your utility account must be paid in full to initiate the Budget Billing Plan.
- 3. Normal collection procedures shall be applicable if a consumer fails to have sufficient funds available for the budget payment amount in any month when due. (Refer to Section 10.0-10.5 of the Utility Administrative Policies for returned bank drafts) If the consumer elects not to cover the insufficient payment, the consumer shall be eliminated from the program. Once removed from Budget Billing, the service may not be reinstated for one year thereafter
- 4. If service is terminated to a consumer that is on the Budget Billing Plan, the consumer shall be removed from the plan and the entire outstanding amount shall be due and payable.
- 5. No other payment arrangements will be made while on Budget Billing. If a budget payment is missed and there was no written notification to our office, the customer will be removed budget billing program, full balance will be due and all collection procedures shall be applied. A payment shall be paid no later than the 20th of each month. If no payment is received by the 20th the payment will be considered a missed payment. Extenuating circumstances must be submitted in writing and will be reviewed by the Utility Office Supervisor and the Finance Director.
- 6. The monthly Budget Billing amount may be adjusted, at the option of the City of Aztec. Said monthly Budget Billing amount may be adjusted prior to the settlement month at the option of the City of Aztec if the consumer's use of electricity, water or sewer increases substantially.
- 7. The consumer may elect to terminate the Budget Billing Plan at any time by notifying the City of Aztec in writing and by paying in full the entire outstanding amount of the account.
- 8. The Budget Billing Plan will be evaluated twice a year by taking into consideration the following:
 - a. Current rates.
 - b. Credit or debit balances at adjustment time.
 - c. Prior 12 months usage.
- 9. The Budget Billing Plan will automatically continue from review period to review period unless terminated by either party.