

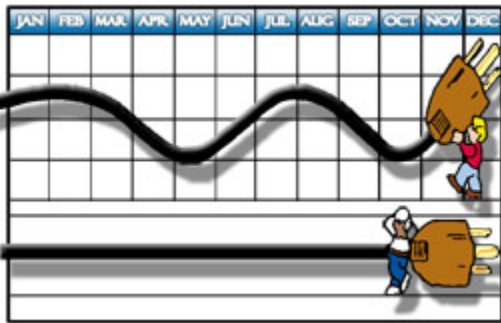


VILLAGE OF CHATHAM

Family. Community. Prosperity.

What is budget billing?

Budget billing is a program available to Village of Chatham residential utility customers to even out their utility costs by paying the same amount each month.



Your budget billing amount will be determined by averaging the bills from your previous 12 months and adding 15%. This 15% is an attempt to cover any fluctuations in the actual cost due to supplier rate changes or unexpected weather extremes.

Periodic reviews and year end settlement

Your monthly budget billing amount has been estimated as accurately as possible. However, to avoid a significant difference accumulating between the budget you are billed for and the cost based on the actual amount of utilities you have used, we will conduct periodic reviews of your account. These reviews will be conducted twice a year in the Spring and Fall.

Periodic reviews and year end settlement continued

After a periodic review, your budget billing payment amount could stay the same or it could be adjusted up or down, depending on the cost of your actual usage. A payment adjustment is designed to avoid a large over or underpayment at the end of your budget billing year.

The Village anticipates that these periodic reviews will eliminate the need for an annual settle-up month. If the Village chooses to impose a settle-up month it will occur in either the Spring or Fall. If the actual cost of your utilities is less than the amount you paid, your account will be credited. However, if the actual cost is more than what you have paid, you will be billed for the difference.

When may I sign up for budget billing?

In the months of April and October the Village will offer enrollment for the Budget Billing program. The budget billing calculations will be completed and budget amounts will be sent to customers the first week of the month following the sign-up period. If a customer does not wish to be on budget billing they will need to contact the office by the date indicated in the Budget Billing notification letter. The customer's first budget billing statement for the Fall sign-up will be mailed at the end of November and due December 15th. For the Spring sign-up the first budget billing statement will be mailed at the end of May and due June 15th.

What if I move during the year?

Budget billing payments are determined for your particular residence and are not transferrable. When service is terminated, the budget billing account is closed and a final bill will be created.

Who is eligible for budget billing?

Customers must meet the following criteria to be eligible for budget billing:

- Have a 12 month billing history at your current location
- Be a customer in good standing with the Village of Chatham, having no more than 2 late payment penalties within the past 12 months.
- Have a zero (\$0.00) balance on your account before your first budget billing statement is generated.
- Agree to pay the full budget amount each month and every month by the due date.
- Agree that any payment less than the budget amount will be subject to shut-off.
- Agree that after two delinquent payments the account is not eligible for budget billing for a minimum period of 12 months.
- Agree that budget billing accounts are ineligible for time extensions or payment arrangements.
- Agree that the Village may deem it necessary to impose an annual settle-up month. If the account has a credit balance it will be applied to the next month's bill, if the account has a debit balance, that balance along with the current bill, will be due by fifteen (15) days after the bill date.

How do I participate in budget billing?

You may participate in the budget billing program by completing the application form and returning it to the Village of Chatham Utility Office 116 E. Mulberry Street Chatham, IL 62629. The application form can be found at www.chathamil.net.

When can I discontinue budget billing?

Budget billing may be discontinued during the year by notification from the customer. The Village will choose to discontinue a customer's budget billing account if the customer is delinquent twice within the budget billing period.



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I, _____, request participation in the budget billing option for my residence located at _____.

I agree to the terms of participation in the Village of Chatham's Budget Billing Program.

I understand that this program will begin with either the bill due June 15th if enrolling in the Spring or with the bill due December 15th if enrolling in the Fall. I understand that if my payment is not received by the due date I will be subject to penalties.

The budget billing option will be terminated when:

- I elect to terminate this option by informing the Village Office. I understand that I cannot reapply for the budget billing option for a minimum period of one year.
- I move from this location
- Payment is delinquent two times within a 12 month period.

Should this option be terminated for any reason, the next bill produced will reflect the current charges, plus or minus the over or under payment to date, and must be paid in full by the due date to avoid late charges.

Signature

Date

Daytime Phone Number

E-Mail Address

OFFICE USE ONLY

Account #: _____

Date: _____

Received by: _____

Date: _____

Entered by: _____

Date: _____