

Brooklyn Policy and Procedure Manual

Deferred Payment Arrangement Policy

AUTHOR:		DIRECTIVE NUMBER	PAGE:
Clerk – Linda Kuhlman			1
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- I Purpose:** It is the intent and purpose of the Village of Brooklyn to provide a policy and procedures to assist customers who may be having trouble paying their bill in full.
- II Policy:** A customer can request a deferred payment arrangement to receive additional time to fulfill their payment obligation. Any deferred payment arrangement must be negotiated in such a way that it is acceptable to both parties, and a down payment will be required at the time of negotiation. Deferred payment arrangements will only be offered to residential customers. No payment arrangements shall be offered or given to non-residential accounts, including commercial or industrial properties.
- III Scope:** A deferred payment arrangement only protects the customer from disconnection of service for the delinquent balance at the time of creation and only through the agreed-upon date. All current billed charges must be paid in full by the listed due date; otherwise, any prior deferred payment arrangement will be considered void.
- IV Procedure:** A down payment is required to be paid at the time the deferred payment arrangement is created. Only two deferred payment arrangements will be allowed in a six-month period of time.
- If this is the customer's first deferred payment arrangement, the down payment will be at least one-half of the delinquent balance or a reasonable amount.
 - If you have defaulted on a deferred payment arrangement in the previous six months, the down payment will be at least three-quarters of the delinquent balance or a reasonable amount.

The remaining balance must be paid on an installment basis consisting of 20% of the delinquent balance each month, or another reasonable amount, plus the customer must pay the current month's bill in full each month.

- V Default:** An agreement will be considered in default and cancelled if any of the following occur:
- The deferred payment is not paid by the scheduled date
 - The deferred payment is less than the agreed upon amount
 - The current monthly bill is not paid in full by the due date shown on the billing statement
 - Any payment is returned/declined by the bank for any reason

If the customer defaults on the deferred payment arrangement, the agreement becomes void and the full past-due balance is due immediately. Default may result in the denial of any future deferred payment arrangements.

If any payment made by the customer is refused by the bank for any reason, any deferred payment arrangement held by the customer will immediately be considered in default. All future payments made by the customer must be made by cash, cashier's check or credit card for a period of six months.