

**Nov. 2, 2024: City of Billings signs contract, work on utility billing audit will begin first week of November**

The City of Billings has signed a contract with a firm to audit the utility billing system.

A representative from independent contractor SL-serco Inc. will travel to Billings and begin examining residential meters on Wednesday, Nov. 6, 2024.

The firm randomly selected residential customers they would like to visit to conduct an electronic review of the home's water meter and began scheduling appointments on Friday.

Other facets of the audit include determining the accuracy of software calculations, fees, data, automatic payments, and charges for water, solid waste, wastewater, and stormwater services.

SL-serco will select accounts at random to thoroughly examine every detail of the billing process.

The number of meters and accounts examined will be determined by the firm to provide the necessary statistically valid data needed for the audit.

The firm will also review our efforts to keep residents informed during the utility billing transition and identify areas for improvement.

The audit will include a review of the current billing summary, along with online access to compare industry best practices.

Findings will be available once the entire audit is complete.

In the contract, signed on Oct. 31, 2024, the audit is set to conclude by Jan. 31, 2025. Upon completion, a representative of SL-serco will present the audit results to the Billings City Council during a public meeting.

They will also go over the processes used throughout the review.

The price of the audit service, as previously described, is \$33,000.

The City also decided to proceed with additional meter testing, which will cost an estimated \$42,500. This optional step brings the audit's total to \$75,500.

During the additional meter testing, residential water meters will be randomly selected, and with the property owner's approval, will be physically removed and tested for accuracy.

SL-serco will hire a third party to conduct the water meter testing and will compile the results into a secondary report.

Since the firm selection process began, residents have been understandably concerned about who will pay for the audit's cost.

At this moment, the payment will come from utility finances. If the audit reveals that another entity is responsible for any errors, the city will pursue a remedy.

Right now, we are focused on working with our software vendor to ensure future bills are accurate and received in a timely manner.

City administration will update our community on SL-serco's progress via social media and the City website. Although the results won't be shared until the report is complete, we will announce when the firm reaches significant audit milestones.

During the firm selection process, the City researched several agencies and requested additional information from three finalists. SL-serco was selected because they can analyze everything from meter to bill, whereas other companies specialized in a subset of the desired audit.

Headquartered in Minneapolis, MN, SL-serco has offered utility consulting for over 60 years. They specialize in field troubleshooting, data analysis, project management, and industry training for water, electric, and gas utilities.

With time, we hope to regain the public's trust and anticipate providing greater transparency.