

City of Rocky Mount Utilities Billing

Rocky Mount, NC



Information Systems Audit Report

July 2026

State Auditor
Dave Boliek

A Constitutional Office of the
State of North Carolina





North Carolina Office of the State Auditor

Dave Boliek, State Auditor

Auditor's Transmittal

The Honorable Josh Stein, Governor
The Honorable Phil Berger, President Pro Tempore
The Honorable Destin Hall, Speaker of the House
Honorable Members of the North Carolina General Assembly
Elton Daniels, City Manager, City of Rocky Mount
C. Saunders Roberson, Jr., Mayor, City of Rocky Mount

To all:

In March 2026, the North Carolina Office of the State Auditor released a performance audit of the City of Rocky Mount, finding a combination of poor personnel decisions and egregious overspending, which led the people of Rocky Mount to face increased property taxes and utility rates, pauses in capital improvement projects, and the elimination of city jobs.

That audit was launched in response to a series of inquiries, tips, and concerns received by the State Auditor's Office. Separately, there was tremendous concern and media reporting regarding Rocky Mount's utilities billing. Rocky Mount operates electric, gas, water, sewer, and stormwater utilities for over 31,000 customers. In late 2025, thousands of Rocky Mount utility customers received two utility bills within a single month, which understandably caused widespread confusion and complaints about being double billed.

The State Auditor's Office engaged on this matter to determine the chain of events and cause of the billing delays.

The delivery of two utility bills to customers occurred because the City of Rocky Mount was attempting to fix a long-running gap in billing timeliness. From at least January 2025 through December 2025, Rocky Mount's Business and Collections Services Department was printing bills late, sometimes up to 30 days after it had performed utility meter readings. This created a gap between when the City provided utility services to customers and when it billed those services to them. The Department Director made the decision to eliminate the gap by sending utility customers an additional bill in either December 2025 or January 2026.

The professional team found the cause of the gap was unauthorized and undetected modifications to the City's meter reading and billing schedules that occurred in an environment lacking sufficient change management, monitoring, and process controls.



North Carolina Office of the State Auditor

Dave Boliek, State Auditor

The audit determined that while customers received two bills, they were not double billed; in other words, they were only charged once for actual utility usage.

During the audit, the State Auditor's Office also discovered that City Council members accumulated unpaid utility bills. Charles "Verb" Roberson and T.J. Walker accumulated \$27,171.15 and \$3,060.13, respectively, in unpaid utility bills while continuing to receive utility services. Between the two individuals there were 31 accounts (30 for Roberson and one for Walker) with current unpaid balances mostly in excess of 60 days and extending up to 120 days.

This is similar to a 2020 finding by the State Auditor's Office, which noted that previous city managers and a former Finance Director prevented disconnection for nonpayment for a City Council member, Andre Knight, and wrote off \$47,704 in utility bills the Council member owed.

This audit points to an immediate need for those charged with fiscal leadership of the City of Rocky Mount to set an example for responsible financial management, especially as the city navigates an ongoing fiscal crisis. The State Auditor's Office included several recommendations that Rocky Mount should promptly implement. The response from the city is included in the audit

Respectfully submitted,

Dave Boliek
State Auditor

Introduction

In late 2025, thousands of Rocky Mount utility customers unexpectedly received two utility bills within a single month, triggering public confusion, complaints, and concerns that the City of Rocky Mount (City) had improperly charged residents during a period of ongoing fiscal distress. In response to these concerns, and at the request of the Mayor and City Council, the Office of the State Auditor (OSA) initiated a performance audit of the City's utility billing operations in accordance with Chapter 147, Article 5A of the North Carolina General Statutes.



Background

The City of Rocky Mount operates electric, gas, water, sewer, and stormwater utilities for over 31,000 customers in the incorporated and surrounding areas in Nash, Edgecombe, and Wilson counties. The Business and Collections Services Department (Department) supports the utility operations by providing customer service, call center support, billing, centralized collections, cashiering, customer assistance, and field service. The **Director of Business and Collections Services** (Director) reports to the Assistant City Manager and is responsible for ensuring the Department meets its customers' needs for quality service and accountability.

On December 15, 2025, while assisting with the utility billing workload after staffing reductions associated with the City's broader financial distress had reduced operational capacity within the Department, the Director identified a significant gap between meter reading dates and the billing dates.

Through further research, the Director determined that these billing delays did **not** just occur in December 2025 but **dated back to at least January 2025**. Additionally, the Director determined that during this period, the Department was printing bills 7 to 14 days, and **sometimes up to 30 days**, after it had performed utility meter readings. According to the Director, the delays were **noncompliant** with the City's preferred practice to adhere to the timeline set forth by the North Carolina Utilities Commission. The Commission's timeline directs utilities to bill customers within **approximately five days of the meter reading**.¹

After discovering the billing delay in December, the Director, in consultation with the City Manager, made the decision to eliminate the gap by sending utility customers an additional bill in either December 2025 or January 2026. The City took several steps to help customers understand the reason for the two bills sent in December and January. Nonetheless, upon receiving the additional bill, many utility customers **raised concerns they had been improperly billed** to the City Council, the Business and Collections Services customer call line, and news and social media.

¹ [North Carolina Utilities Commission Rules Chapter 12](#).

Objectives

The primary objectives of this audit were to determine:

- The cause of the utility billing delays in the City of Rocky Mount during the period January 1, 2025 through December 31, 2025.
- Whether the City of Rocky Mount's actions to correct the delays caused customers to be billed improperly based on the City's policies and procedures.
- The extent to which the City of Rocky Mount took corrective action to remediate the causes and impact of the utility billing delays.

Key Findings and Matters for Further Consideration

Cause of Utility Billing Delays

The cause of utility billing delays in the City of Rocky Mount was **unauthorized and undetected modifications** to the City's meter reading and billing schedules that occurred in an environment lacking sufficient change management, monitoring, and process controls.

Determination on Improper Billings

The City's December 2025 actions to correct the billing delays did **not** cause customers to be billed improperly (double billed).

City Council Members Accumulated Unpaid Utility Bills

City Council members, Charles "Verb" Roberson and T.J. Walker, under temporary measures to ease the impact of the bill schedule correction, accumulated **\$30,231.28 in unpaid utility bills** while continuing to receive utility services. This represented a furtherance of the officials' **own personal financial interests** at the expense of the City they were elected to govern while the City was in the midst of a fiscal crisis.

CITY COUNCIL UTILITY ACCOUNTS OVER 60 DAYS DELINQUENT

	# of Accounts ²	Unpaid Balance	Date of Last Payment
Charles "Verb" Roberson	30	\$27,171.15	December 30, 2025
T.J. Walker	1	\$3,060.13	February 7, 2026
Total	31	\$30,231.28	N/A

Source: CIS Infinity customer account data as of April 22, 2026.

As a result of the City Council members' accumulation of unpaid personal utility bills, the City Council's ability to lead the City through its ongoing fiscal crisis is diminished. While \$30,231.28 is immaterial to a City with a \$279 million total operating budget, the City's current state of financial distress, as documented in a March 2026 North Carolina Office of the State Auditor performance audit report, places it in a predicament with little margin for error.³

² Including accounts held by LLC's listing the Council member as the secondary account holder.

³ [City of Rocky Mount Financial Distress – Performance Audit Report](#), March 2026.

Key Recommendations

- The Director of Business and Collections Services (Director) should correct the utility meter reading and billing schedules to bring them into compliance with the City's Customer Service Policy and preferred business practices.
- The Director should combine the meter reading and billing schedules, protect them from unauthorized modification, and engage with the billing system vendor to automate bill scheduling.
- The City Council members with accumulated balances should arrange with the City Department of Business and Collections Services to pay their delinquent utility bills.

Note: This summary highlights the key findings and recommendations. The full report provides additional findings, context, and technical details.



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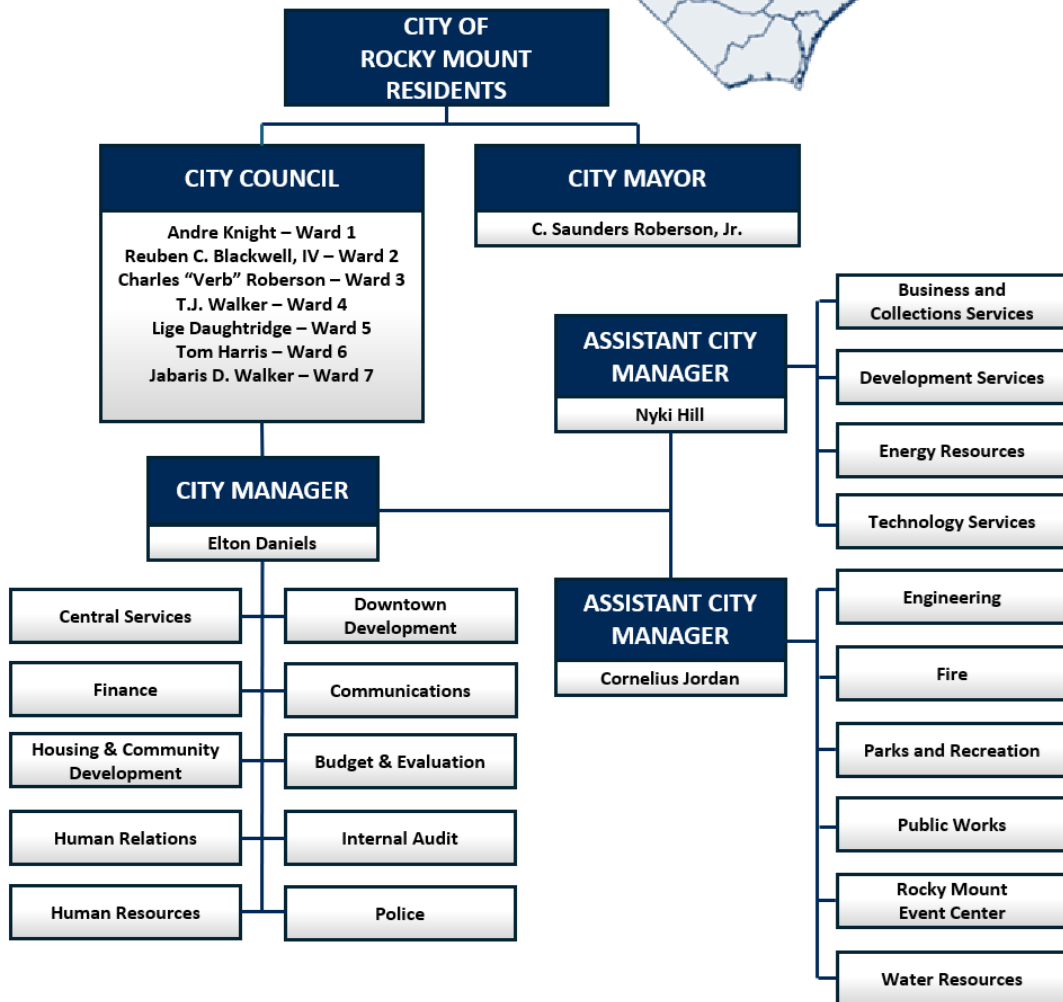
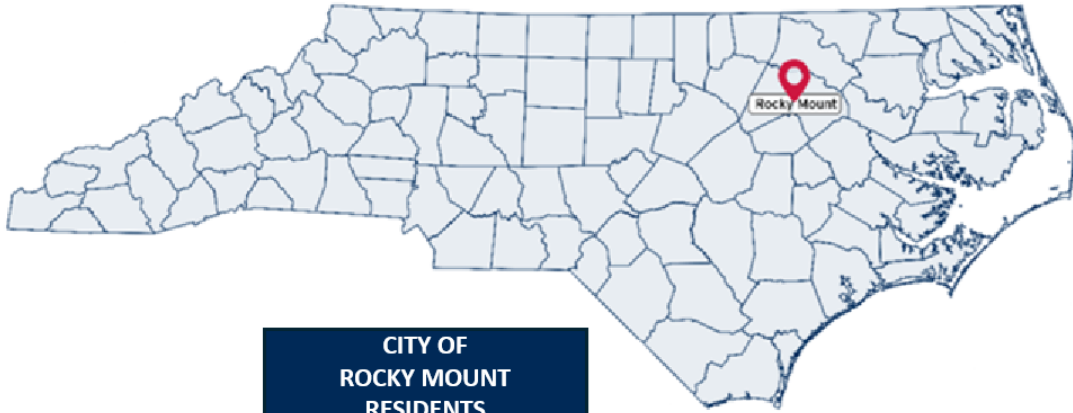
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Background

The City of Rocky Mount

The City of Rocky Mount (City) was incorporated on February 19, 1867, and is located in eastern North Carolina in the coastal plains region. The City has a population of approximately 54,943 and straddles the Nash County and Edgecombe County line.



The City operates under the council-manager form of government. The City’s legislative body consists of a **Mayor** and a seven-member **City Council**. This legislative body is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the **City Manager**.

The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of various City departments. Citizens elect the Mayor at-large to a four-year term and the Mayor is the presiding officer of the Council. Voters elect City Council members to four-year terms by the voters of the wards in which they reside. The seven City Council members represent each of the seven wards. The City holds elections every two years to ensure staggered terms of office.

The City provides a full range of services, including police and fire protection, sanitation, public improvements, planning and zoning, parks and recreation activities, transportation, general administrative services, and the construction and maintenance of highways, streets, and other infrastructure.

City of Rocky Mount Utilities and Business and Collections Services Department

Services Provided

The City of Rocky Mount operates electric, gas, water, sewer, and stormwater utilities for over 31,000 customers in the incorporated and surrounding areas in Nash, Edgecombe, and Wilson counties.

FIGURE 1: CITY OF ROCKY MOUNT ELECTRIC CUSTOMER MAP

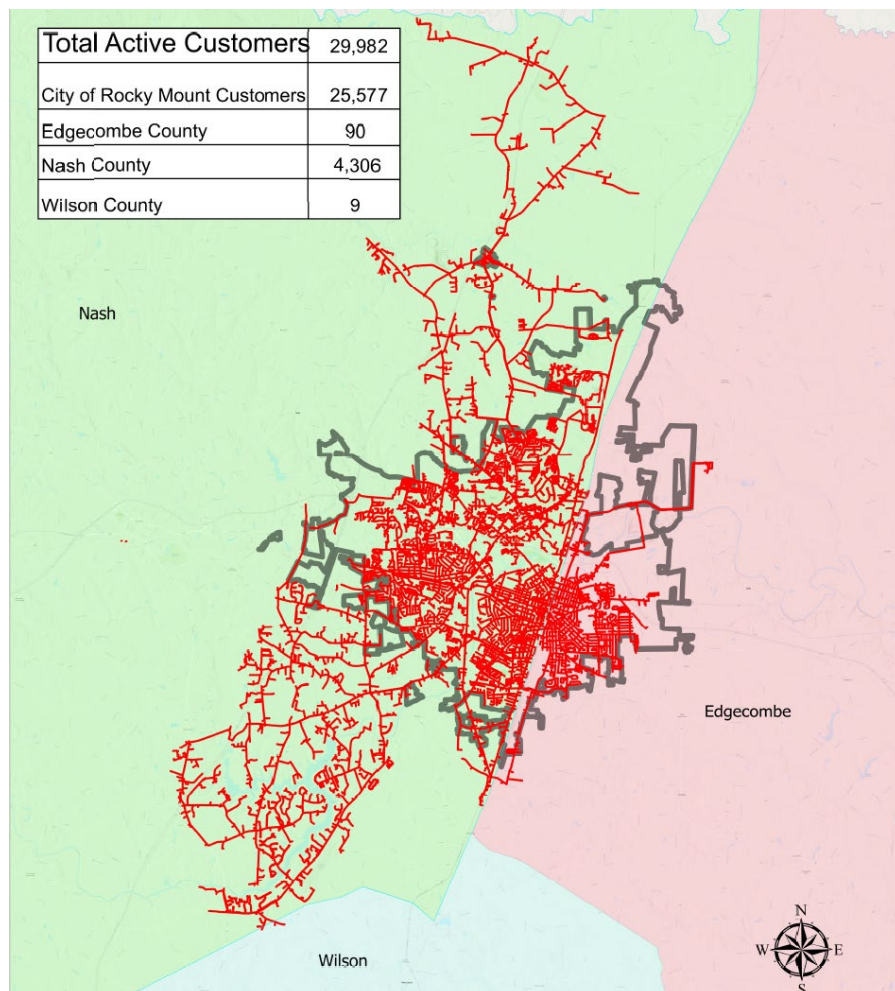


FIGURE 2: CITY OF ROCKY MOUNT NATURAL GAS CUSTOMER MAP

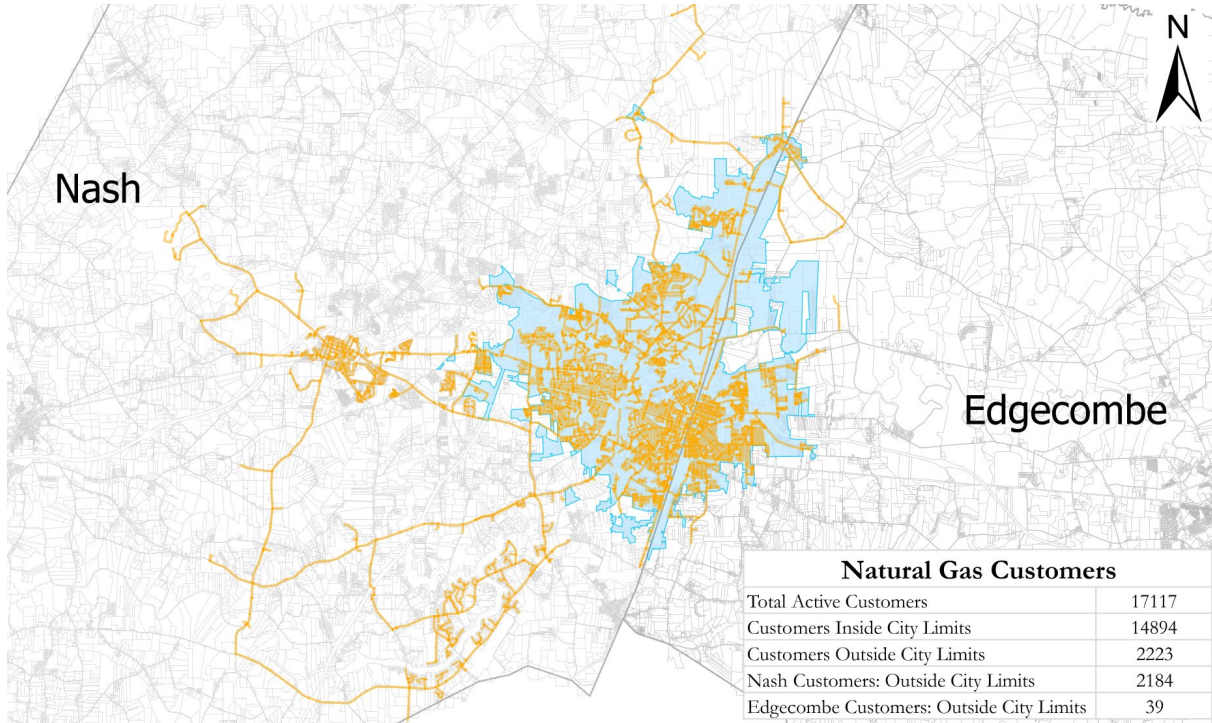


FIGURE 3: CITY OF ROCKY MOUNT WATER SERVICE AREAS & AGREEMENTS

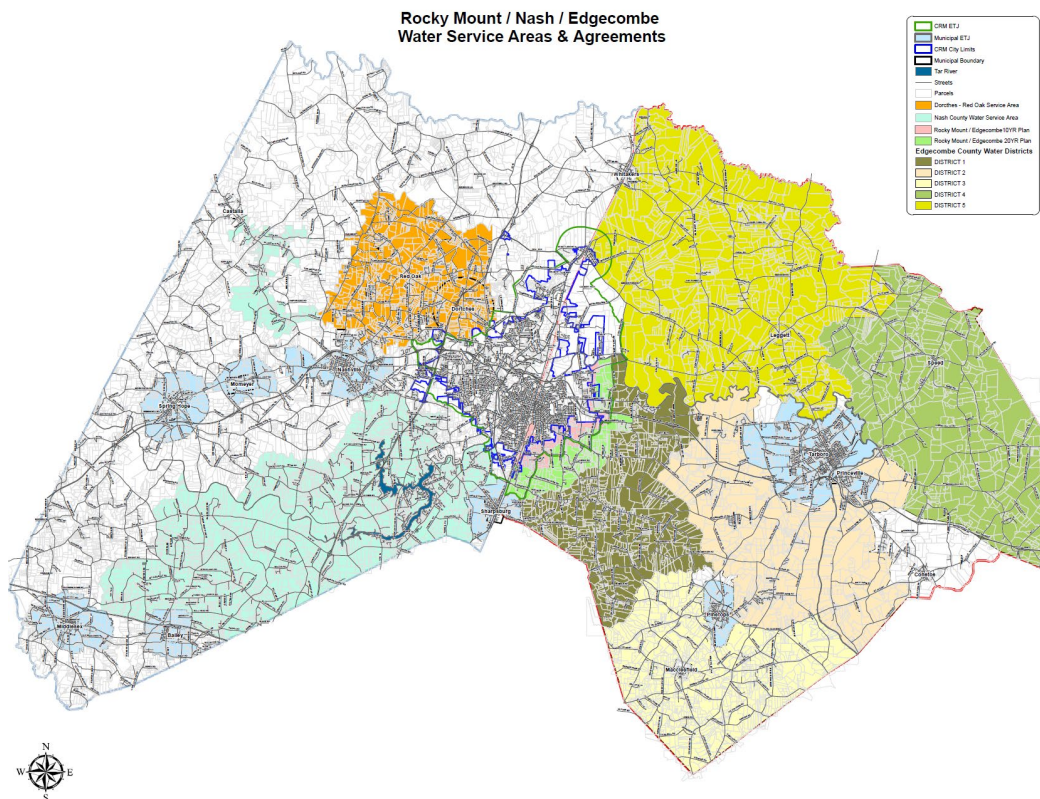
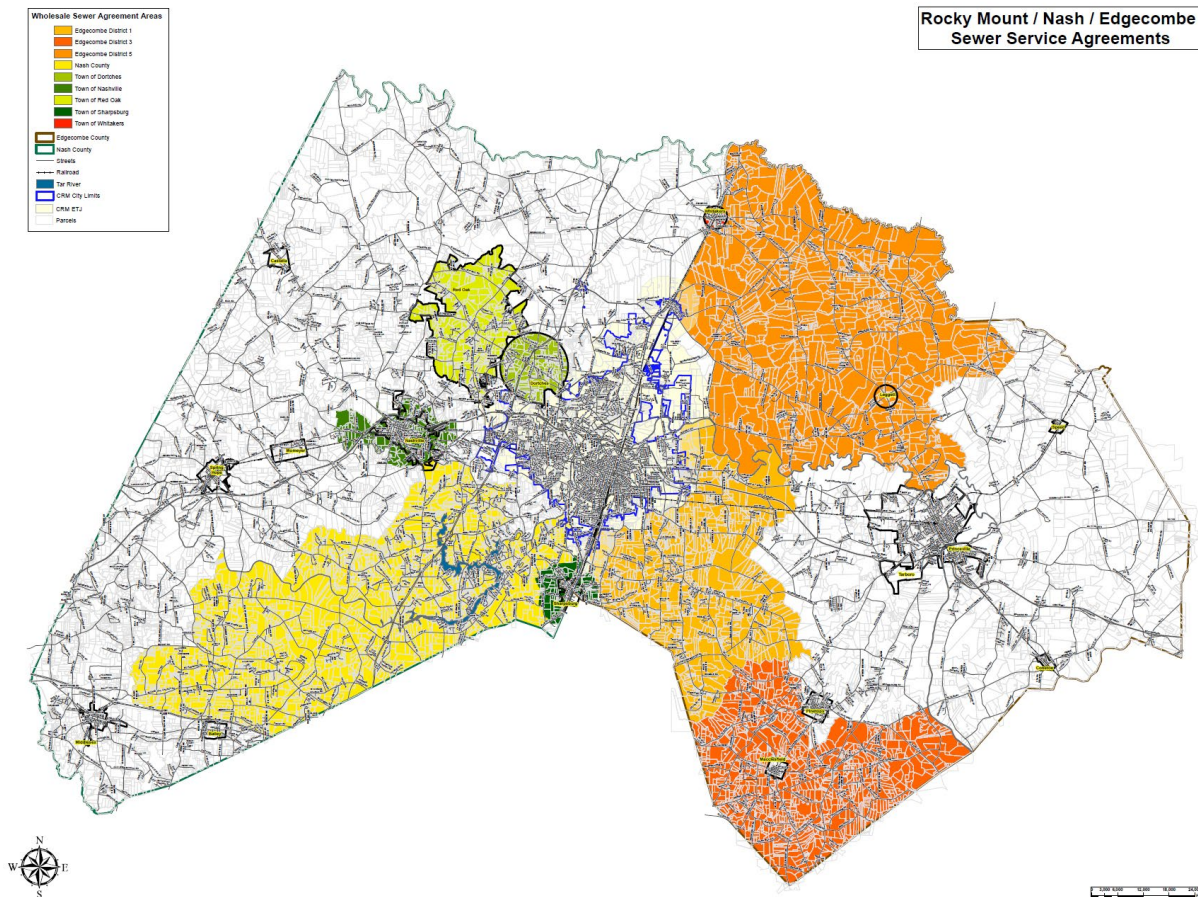


FIGURE 4: CITY OF ROCKY MOUNT SEWER SERVICE AREAS & AGREEMENTS

Source for Figures 1-4 is City of Rocky Mount Director of Energy Resources.

The Business and Collections Services Department supports the utility operations by providing customer service, call center support, billing, centralized collections, cashiering, customer assistance, and field service. The **Director of Business and Collections Services** reports to the Assistant City Manager and is responsible for ensuring the Department meets its customers' needs for quality service and accountability.

Utilities Billing Process

The Business and Collections Services Department uses CIS Infinity Version 4, a vendor-supported system, to bill customer utility accounts. **Billing** occurs in batch **cycles** throughout the month. Similarly, to support the billing, the Business and Collections Services Department schedules **utility meter readings** on a rolling basis throughout the month. According to City policy, any given meter reading date should fall approximately within the same weekly period each month.⁴

⁴ City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy, Section 6.1.

To initiate meter reading for all metered utilities, Business and Collections Services staff export account meter data from CIS Infinity to another software tool, ITRON, which in turn uploads the data into handheld meter reading devices. Consumption data populates automatically via an Automated Meter Reading (AMR) device. Alternately, for certain accounts and services, City meter readers will manually key consumption data into the devices from field inspection of utility meters. The devices time stamp all meter reading data with a **read completion date**, thereby significantly reducing the risk of any overlap in recorded utility consumption periods occurring. Meter readings generally occur simultaneously for all applicable utility service types.

As directed by an internally maintained billing schedule, Billing Technicians prepare batch jobs that run in CIS Infinity and produce an Electronic Bill Print (EBP) file based on consumption data uploaded to the system. After reviewing the EBP file information, the Technician sends the file to the vendor Output Services Group (OSG), which generates the printed bills for mailing to customers based on a predefined template. The City's *Customer Service Policy* stipulates that payment for bills is due twenty-eight days after the billing date for residential services and twenty-one days after the billing date for any other class of service.⁵

In addition to a print bill, customers can also obtain utility bill information through Interactive Voice Response (IVR) and through the city's online portal. The portal bill is a **system generated reproduction** of the customer's bill with real-time billing and payment information. Therefore, the information in the online bill does not necessarily match a customer's most recent print bill, and the online and print bills are not synchronized in appearance.

As stated on its public web page,⁶ the Department of Business and Collections Services accepts utility bill payments through a variety of options, including online, phone, mail, and in-person. The City's *Customer Service Policy* documents provisions for late fees on delinquent accounts⁷ and involuntary discontinuance of service for reason of nonpayment.⁸ Furthermore, the policy specifies that City will take all legal means of collection for an account in arrears, even if the account is not in "closed" status.⁹

December 2025 Utility Billing Incident

On December 15, 2025, while assisting with the utility billing workload after staffing reductions associated with the City's broader financial distress had reduced operational capacity within the Department, the Director of Business and Collections Services (Director) identified a significant gap between meter reading dates and the billing dates.

Through further research, the Director determined that these billing delays did **not** just occur in December 2025 but **dated back to at least January 2025**. Additionally, the Director determined that during this period, the Department was printing bills 7 to 14 days, and **sometimes up to 30 days**, after it had performed utility meter readings.

⁵ *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 8.3.

⁶ [Payment Options - City of Rocky Mount](#).

⁷ *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 8.2.

⁸ *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 13.

⁹ *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 12.1.

According to the Director, the delays were **noncompliant** with the City's preferred practice to adhere to the timeline set forth by the North Carolina Utilities Commission. The Commission's timeline directs utilities to bill customers **approximately five days of the meter reading**.¹⁰

Municipal utilities such as Rocky Mount are not under the jurisdiction of the North Carolina Utilities Commission. However, the Director still considers this rule from the Commission to be best practice and directs the Department of Business and Collections Services to adhere to it. (The City's *Customer Service Policy* does **not** document this directive, but the Director stated that this will be added upon updating the policy from the November 13, 2012 version currently in effect.)

Despite prolonged delays between meter reading and billing during 2025, customers continued to receive one bill each month for the services they consumed. However, after discovering the billing delay in December, the Business and Collections Services Director made the decision to eliminate the gap by sending utility customers an additional bill in either December 2025 or January 2026.

The City took several steps to help customers understand the reason for the two bills sent in December or January. Nonetheless, upon receiving the additional bill, many utility customers **raised concerns they had been improperly billed** to the City Council, the Business and Collections Services customer call line, and news and social media.

**FIGURE 5: UTILITY BILL COUNT BY CUSTOMER ACCOUNT
JANUARY 2025 THROUGH JANUARY 2026**

Date		Number of Utility Accounts Receiving...	
Year	Month	1 Bill	2 Bills ¹¹
2025	January	34,496	0
	February	34,533	1
	March	34,439	0
	April	34,510	0
	May	34,548	0
	June	34,471	0
	July	34,501	0
	August	34,368	2
	September	34,431	0
	October	34,415	0
	November	34,351	1
	December	4,781	30,081
2026	January	31,088	3,735

Source: Analysis of CIS Infinity billing data. For comparability, analysis includes **only** regular cycle billings and excludes final billings, cancelled billings, rebills, and manual billings.

¹⁰ [North Carolina Utilities Commission Rules Chapter 12](#).

¹¹ Accounts may rarely receive multiple bills in a month for valid reasons other than the December 2025 schedule change. One customer received 3 bills in December 2025 but is excluded to simplify presentation of table.



Objectives, Scope, and Methodology

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Objectives

The objectives of this audit were to determine:



The cause of the utility billing delays¹² in the City of Rocky Mount during the period of January 1, 2025, through December 31, 2025.



Whether the City of Rocky Mount's actions to correct the delays caused customers to be billed improperly based on the City's policies and procedures.



The extent to which the City of Rocky Mount took corrective action to remediate the cause and impact of the utility billing delays.

Scope

The audit scope covered the period from January 1, 2025, through May 31, 2026, but as suggested by the objectives, focused **primarily** on the December 2025 utility billing changes, the events leading up to them, and the immediate aftermath. Auditor analysis of utility meter reading and billing schedules included periods going back to January 2022 but is included only to provide broader context to the audit findings.

The audit scope included only utility **billing** activities. It did not assess related activities carried out by the City of Rocky Mount, including:

- The accuracy of utility meter **readings**.
- The accuracy of bills based on utility **rates** in place.
- The City's bill **collection** practices.

¹² As discussed in the January 7, 2026 special meeting of the city council. See Appendix B.

Due to the subject matter of the audit objectives, audit procedures described in methodology section below primarily relied on evidence obtained from CIS Infinity.



CIS Infinity

CIS Infinity Version 4 is the application currently used by the City of Rocky Mount to manage its utility billing process. CIS Infinity is supported by the vendor Advanced Utility Systems.

Methodology

To achieve our audit objectives, we performed the following:

- Interviewed key City leadership and staff, including the City Manager and the current Director of Business and Collections Services,
- Reviewed the *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*,
- Reviewed the North Carolina Utilities Commission Rules,
- Reviewed the City's current and previous utility meter reading and billing schedules,
- Analyzed CIS Infinity data for all meter readings and customer billings for the period of January 1, 2025 through February 1, 2026,
- Inspected late fee and involuntary service disconnection for non-payment data within CIS Infinity for the period of December 1, 2025 through February 19, 2026,
- Reviewed the North Carolina Office of the State Auditor [City of Rocky Mount](#) investigative report from May 2020, as well as supporting work papers,
- Inspected utility billing, payment, and write-off history within CIS Infinity for those charged with governance of the City, including the mayor and each member of the city council,
- Observed process controls related to objectives,
- Inspected documentation of controls and processes, and
- Evaluated processes and documentation against policy requirements.

Because of the test nature and other inherent limitations of an audit, together with limitations of any system of internal and management controls, this audit would not necessarily disclose all performance weaknesses or lack of compliance.

We designed the audit to identify, for those programs, activities, or functions included within the scope of the audit, deficiencies in internal control significant to our audit objectives. As a basis for evaluating internal control, we applied the guidance contained in professional auditing standards. However, our audit does not provide a basis for rendering an opinion on internal control, and consequently, we have not issued such an opinion.



Findings and Recommendations

1. Utility Billing Delays Caused by Schedule Modifications

The cause of utility billing delays in the City of Rocky Mount during the period of January 1, 2025, through December 31, 2025, was **unauthorized and undetected modifications** to the meter reading and billing schedules over the course of the year. In particular, changes to the **meter reading** schedule resulted in meter readings occurring **progressively earlier** each month, contrary to the City's policy of scheduling meter readings to fall **approximately within the same weekly period** each month.¹³

The City's Director of Business and Collections Services (Director) stated that when they began assisting with the utility collections workload in December 2025 following staff layoffs, they realized that the billing batch jobs were increasingly late in comparison with the meter readings. Working with the Business Operations Manager, they identified that the changes had occurred in the schedules.

The Director stated that they cannot determine for certain **who** modified the schedules or the **motive** for the changes. Business and Collections Services maintained the schedules separately in unprotected Excel spreadsheets on its internal network; thus, the schedules lacked version control or an audit trail that could serve as evidence to make this determination.

Resulted in Significant Lag in Billing Schedule and Delayed Revenue Collection

Lag in Billing Schedule

As a result of the unauthorized modifications to the schedules, the Department of Business and Collections Services **did not comply** with its preferred business practice of billing customers within five days of meter readings.¹⁴ Instead, the lag between meter readings and the Department billing customers, which **already exceeded** the five day target, increased **significantly** over the course of the year.

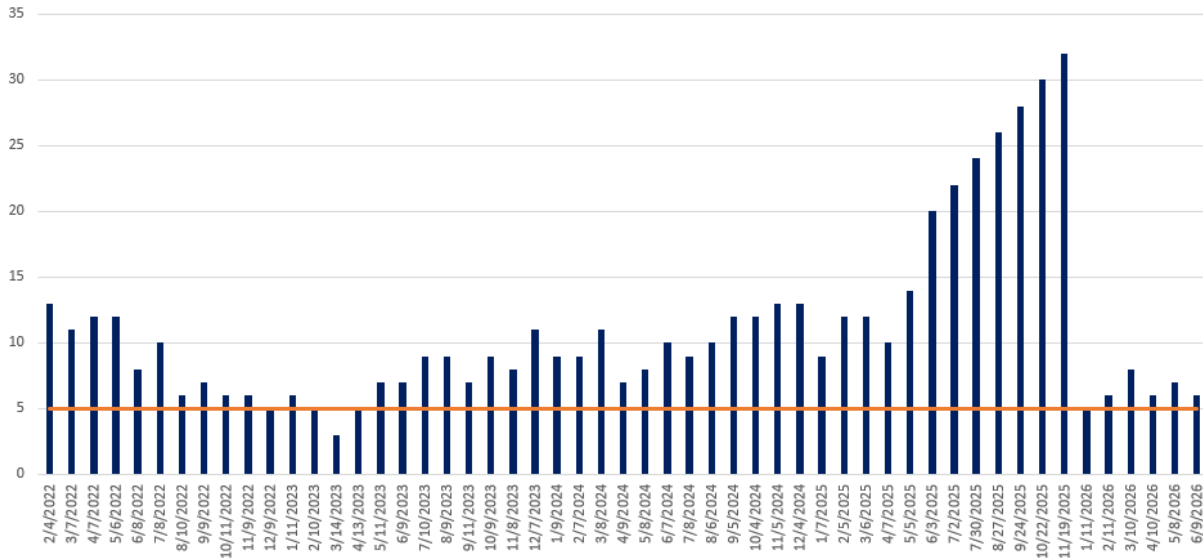
Analysis of the City's utility meter reading schedule and billing schedule over the period of February 2022 through June 2026 illustrates the extent to which this occurred. The figure below shows the number of days between the scheduled meter read date and scheduled billing date over time, measured against the City's stated target of five days.

¹³ *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 6.1.

¹⁴ [North Carolina Utilities Commission Rules Chapter 12](#).

**FIGURE 6: Lag Between Scheduled Meter Reading and Billing (In Days):
February 2022 through June 2026**

Cycle 13



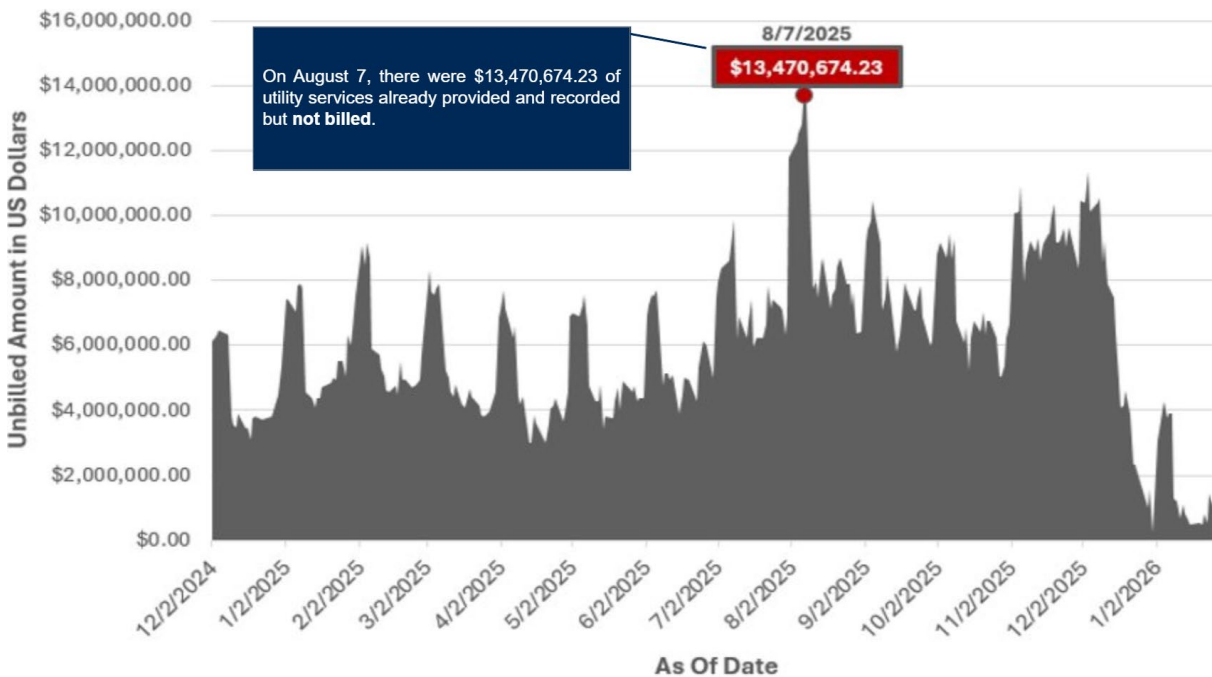
Source: Analysis of City utility meter reading schedule and billing schedule spreadsheets. Rocky Mount staggers its utility bills throughout each month by grouping customers into billing **cycles**. The figure shows the lag over time for Cycle 13 as a representative instance, but all cycles show a near-identical pattern. See Appendix C for all cycles.

As the figure shows, the lag time between meter reading and billing increased steadily over the course of 2025. By November 2025, just before the City aligned the schedules, it was billing customers **32 days, or over a month**, after the end of the associated service period.

Delayed Revenue Collection

As a result of this delayed billing, the City was **consistently up to a month behind** in collecting revenue from services already provided.

An analysis of utilities metered but not yet billed over the period of December 2024 to January 2026 showed a significant and upward trending balance of unbilled services as illustrated in the figure below.

FIGURE 7: Total Metered but Unbilled Utilities Over Time

Source: Billing and meter reading data for **all utility types** extracted from CIS Infinity for the period of December 2024 through January 2026.

As the figure shows, prior to aligning its billing and meter reading schedules, the City consistently ran a balance of at least \$4 million, and as much as nearly \$14 million, in unbilled utility services over the course of 2025. **This was a net relief to customers, who effectively received an extension on the due date for their utility payments.** However, it was an unsound business practice by any reasonable standard, particularly for a city such as Rocky Mount that was already under fiscal strain.¹⁵

Additionally, this **net benefit** to customers **ultimately reversed** amidst the public confusion when customers **received multiple bills in December 2025** after the City Manager directed the Director to take action to correct the ongoing delays.

Schedule Modifications Caused by Lack of Change Control

The modifications to the meter reading and billing schedules occurred because the City Business and Collections Services Department **did not enforce change control over the utility billing process.** Absent change control, anyone in the Department was potentially able to make undocumented, unauthorized, and undetected changes to the billing schedule that would ultimately result in billing delays. Similarly, without change control, the Director and other City management could not monitor the implementation of change activities and their impact.

¹⁵ [City of Rocky Mount Financial Distress, March 2026.](#)

Additionally, the City did not implement other internal processes which could have helped prevent the billing delays from occurring:

- The Department **did not implement user access and information security controls** over the schedules. The Department instead maintained the schedules in unprotected Excel workbooks stored on a shared drive, where anyone with access could modify the schedules without the modifications being subject to management review, authorization, or monitoring.
- The Department **did not automate utility billing processes**. Instead, Department employees manually updated and loaded data from the Excel schedule workbooks to the CIS Infinity utility billing system to complete each cycle billing. This rendered the billing process **dependent on the unprotected data** maintained in the schedule Workbooks.
- The Department stored the meter reading schedule and billing schedule in **separate** workbooks. Thus, there was **no single location** with data from both schedules where Department management could **monitor their synchronization**.

As a result, Department management lacked centralized visibility into whether billing operations remained synchronized with meter reading activities. This weakened the City's ability to identify operational drift before it became a significant customer service and financial issue.

Best Practices Recommend Protection Against Unauthorized Modification

Best practices from the Government Accountability Office (GAO) state that control activities should be designed to achieve:

Integrity – Guarding against information **modification** or destruction, which includes ensuring information's nonrepudiation and authenticity.¹⁶ (Emphasis added.)

The GAO further elaborates that:

Control activities for changing information technology prevent **unauthorized** or untested **modifications** to existing systems. To reasonably assure that changes to the configuration of information technology are necessary, work as intended, and do not cause loss of data or program integrity, changes go through a formal change management process in which they are authorized, documented, tested, and independently reviewed. This may involve requiring authorization of change requests; reviewing the changes, approvals, and testing results; and designing protocols to determine whether changes are made properly.¹⁷ (Emphases added.)

Recommendation

The Director of Business and Collections Services should correct the meter reading and billing schedules to bring them into compliance with the Department's *Customer Service Policy* and preferred business practices.

¹⁶ U.S. Government Accountability Office, Standards for Internal Control in the Federal Government GAO-25-107721, Principle 11 para. 7 (Washington, D.C.; May 21, 2025).

¹⁷ GAO, Green Book para. 11.15.

Additionally, to prevent future billing delays caused by unauthorized and undetected modifications to meter reading and billing schedules, the Director should:

- **Immediately** protect the meter reading and billing schedules from unauthorized modification using available Excel functionality.
- Implement **user access and security controls** to ensure future system changes to the billing process are made only by those authorized to do so and changes are logged and monitored.
- Develop and implement **change control processes** and monitor the impact of changes.
- Combine the meter reading schedule and the billing schedule into a **single workbook**.
- Engage with the CIS Infinity billing system vendor to **automate** the bill scheduling process to protect it against further unauthorized modification.

Refer to Finding #3 for the status of corrective actions currently taken by the Business and Collections Services Director.

2. Corrective Actions Did Not Cause Improper Customer Billing

The City of Rocky Mount's actions to correct the billing delays **did not** cause customers to be billed improperly.

Auditors analyzed CIS Infinity data for the full population of (1) meter readings and (2) customer billings of individual customer accounts for the period of January 1, 2025 through February 1, 2026. The analysis **confirmed** public statements issued by the City of Rocky Mount (City):

- At no point did the City charge any customer more than once for a given meter service period. In other words, customers **were not double billed**¹⁸ and were only charged for their **actual usage** (including both metered and non-metered services).
- At no point did the City assess **any late fees** after December 15, 2025.¹⁹
- At no point did the City carry out any **involuntary service disconnections for non-payment** after December 22, 2025.²⁰

However, although the City did not improperly bill customers during this period, it **did not completely fulfill its responsibility** laid out in its administrative policy to help its customers understand reasonable information regarding the utility billing and servicing process.

¹⁸ "Double billed" being defined as a **period of meter usage** being charged more than once for a customer account over time.

¹⁹ With one exception: The City continued to assess late fees for large industrial customers, as these customers were not affected by the December 2025 billing schedule change.

²⁰ The City continued to **complete** involuntary service disconnections for non-payment initiated **on or prior to** December 15, 2025. The last such disconnection occurred December 22, 2025.

The City took several steps to help customers understand the reason for the two bills sent in December or January and to address customer concerns about improper billing by:

- Notifying customers via the city website, social media, and text messaging.
- Meeting with individual customers to review their respective bills.
- Creating an updated billing statement in January with a message, as shown below, to correct verbiage insinuating a bill is past due if this is not the case.

FIGURE 8: EXAMPLE JANUARY BILL WITH UPDATED MESSAGE

Electric	E66586	02/04/2026	01/07/2026	28	86189	85011	1.1
Gas	G21739	02/04/2026	01/07/2026	28	6573	6413	1.1
Water	W81456-2	02/04/2026	01/07/2026	28	93	90	1.1

The previous and current read dates above represent the usage period billed in the Current Due section. While the number of billing days may vary each month the bill date should be on average five days after the current read date. Payment is due 28 days after the bill date. If your bill reflects a past-due amount and payment has been remitted, please disregard the past-due balance.

The City offers your monthly program to let usage or control you find ways 972-1250 to s

Please detach lower portion and remit with your payment



BUSINESS SERVICES CENTER
224 S FRANKLIN ST
ROCKY MOUNT NC 27804-5709

Customer # - Account #

Due Date

Current Due

Source: Director of Business and Collections Services.

Nonetheless, customer dissatisfaction with billing continued. Customers continued to call the City with questions, seeking understanding of why they had received two bills in December when the City attempted to correct its prior delayed billing. According to the City's Director of Business and Collections Services (Director), the City's telephone system and telephone staffing were **unable to efficiently handle** the call volume, and customers waited for extended time periods to talk to a representative. The City had previously begun assessing options such as implementing a call back feature to decrease customer waiting times but had **not yet procured and implemented** any technological upgrades to the phone system to ensure better customer service.

Similarly, despite the City's efforts to purposefully communicate with its customers about their respective bills, customers still expressed concerns in city council meetings and to the media about the City's seeming lack of transparency in its utility billing.

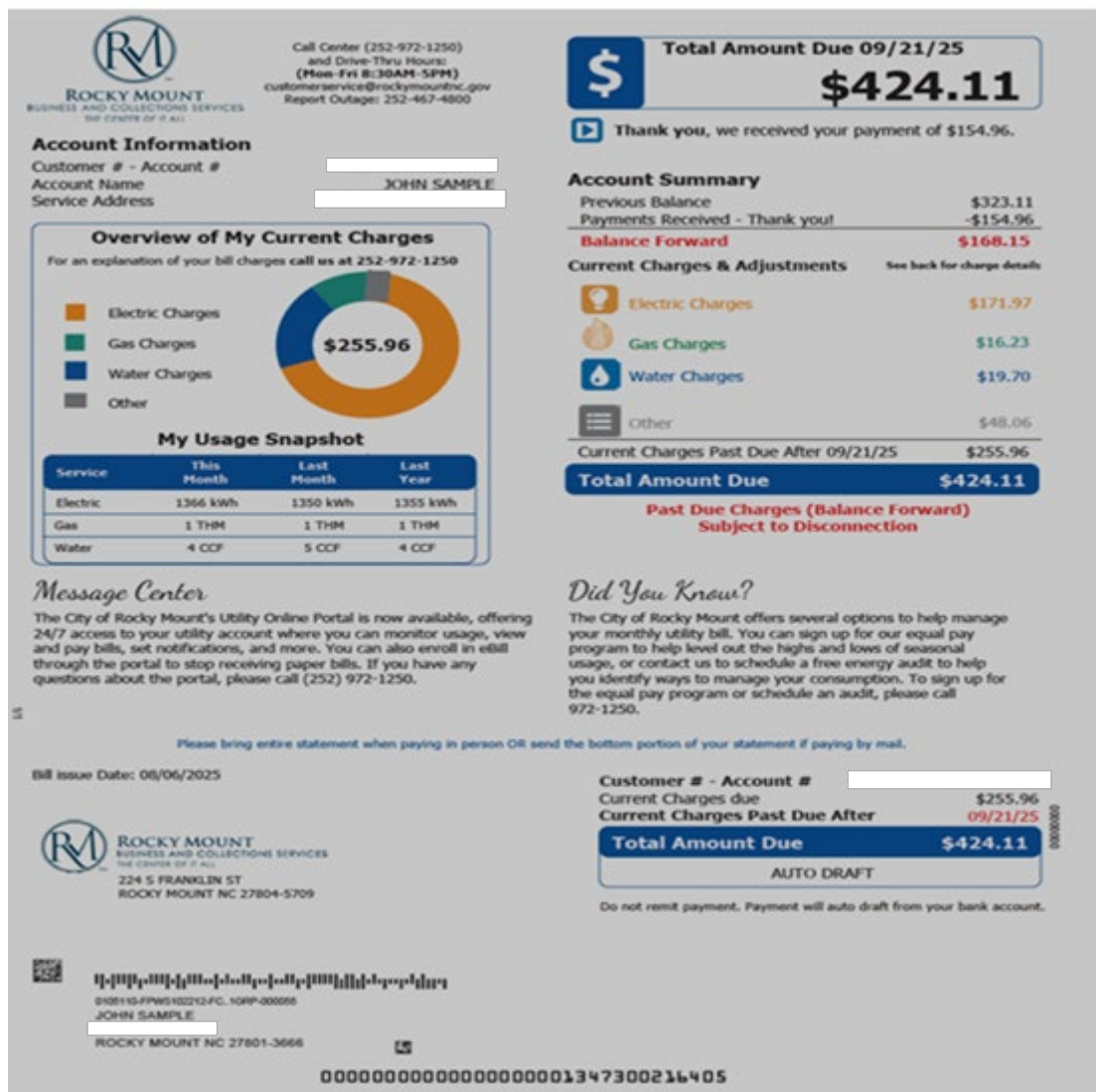
One recurring concern was the difference between customers' print and online bills. Customers experienced **confusion** when they viewed a bill in the city's online portal and a print copy of the same bill for the same cycle and saw different information. These inconsistencies, which the City **did not immediately address**, eroded customer confidence in the integrity of their respective bills and created further customer mistrust of the City and its billing system.

According to the Director, the **online portal bill** uses billing data as of the **point in time a customer accesses it**. Conversely, the **print bill** uses billing data **as of the date of the billing cycle**.

Prior to December 2025, the City had **initiated** a work request with Advanced Utility Systems, the vendor supporting CIS Infinity, to align the content and format of all bill information so that information from print and online portal bills were consistent. Additionally, in August 2025, the City began to design a new bill layout that included additional information, such as a summary of customer usage, which was not currently available on current bills, to help increase transparency. However, the City **did not complete** these initiatives prior to sending the two bills to customers in December 2025. Thus, the city was **less able** to clearly communicate the impact of the changes to customers.

As evidence of this effort to increase billing transparency, the Director provided a **draft copy** of the enhanced bill. See illustration below.

FIGURE 9: ENHANCED BILL – DRAFT COPY



Source: Director of Business and Collections Services.

Resulted in Customer Confusion and Distrust

Because, as verified through auditor data analysis, the City of Rocky Mount **did not** improperly bill customers while correcting its billing delays, the City did not **unfairly** subject its more than 31,000 utility customers to the potential stress and anxiety that can arise from pressure to pay for services **not utilized**.

However, the City more than offset this effect by **not completely fulfilling its responsibility** to help those customers understand the billing process. As a result, what could have been a win for the City in building public trust amidst an ongoing budget crisis instead led to further confusion and distrust among the numerous utility customers it serves.

Several local news media stories illustrated the confusion and distrust generated by the event in the months since the City corrected the billing delays, as well as a special meeting of the city council held January 7, 2026. In a January 5, 2026 article published on wral.com, the City Manager agreed that there were things he would have changed in hindsight, including some of the ways the City communicated the issue to the public.²¹

Immediate Action Prioritized Over Informing Customers

The City did not completely fulfill its responsibility to help its customers understand reasonable information regarding the utility billing and servicing process because:

- The Director and City Manager placed priority on the immediate need to align billing schedules and collections with the City's adopted best practices.
- The Director and City Manager underestimated the extent to which the corrective action would lead to customer confusion. According to the Director, there were no customers indicating they did not understand City billing until customers received the two bills in quick succession starting in December 2025.

Policy Establishes Bill Calculation, Customer Understanding Responsibility

The City's *Customer Service Policy* establishes how customer bills are to be calculated based on utility meter readings:

When meters are installed by the City to measure utility services used by its customers, all charges for units consumed, except certain base charges, shall be calculated from the readings of such meters.²²

The *Customer Service Policy* similarly establishes the City's responsibility for facilitating customer understanding:

The City has the responsibility of helping the customer understand...reasonable information regarding the utility billing and servicing process.²³

Recommendation

The Director of Business and Collections Services should work with the appropriate contacts to complete the telephone infrastructure upgrade and billing redesign and alignment initiatives the City has started.

²¹ [Rocky Mount officials hold special meeting to address ongoing billing issues :: WRAL.com](#).

²² *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 5.1.

²³ *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 4.2.

The Director of Business and Collections Services should work with the City Manager and City Council members to identify and establish improved methods of receiving and addressing customer utility billing concerns to improve customer confidence in City billing practices.

3. Corrective Actions Taken to Remediate Cause and Impact

The City of Rocky Mount (City) took several corrective actions to remediate the cause and impact of the utility billing delays.

Corrective Actions Already Implemented

Billing Schedule Changes

The Director of Business and Collections Services (Director) updated the City's utility billing schedule by:

- Protecting the Excel workbook containing the billing schedule with a password to prevent unauthorized modification.
- Combining the meter reading and billing schedules into a single workbook to more easily monitor synchronization between the two schedules.
- Correcting the schedule to bring it into compliance with the Department's preferred business practice.

Auditors inspected the updated billing schedule and verified that the schedule incorporated each of the changes described above.

Late Fee and Service Disconnection Suspensions

The City temporarily suspended utility late fees and involuntary utility service disconnections for non-payment on December 15, 2025.²⁴ Auditors verified these suspensions occurred through analysis of CIS Infinity billing data.

Corrective Actions in Progress

Automation

The Director of Business and Collections Services is engaging with the CIS Infinity vendor to automate the City's bill **scheduling** process. The Director also submitted a proposal to the City Manager's Office in November 2025 for consideration in the city council agenda for the vendor to **perform a review** of key utility cycle billing processes, **identify and implement improvements** such as process automation, and **upgrade** CIS Infinity. Auditors verified these actions were underway through inspection of the submitted vendor service ticket and proposal document.

Synchronization and Update of Bill Content and Layout

The Director is working with the CIS Infinity vendor to align the **format** and **content** of bills from the City's online portal to the paper bills the City mails to utility customers.

Currently, the City's online portal presents an image of a bill reflecting data as of the point in time it is **accessed**. Conversely, the City's print bills reflect consumption and payment data as

²⁴ The city continued to **complete** involuntary service disconnections for non-payment initiated **on or prior to** December 15, 2025. The last such disconnection occurred December 22, 2025.

of the point in time they are **printed**. According to the Director, the City began designing a new bill layout that would include additional information to make billing more transparent in August 2025.

Auditors verified this action was underway through inspection of the submitted vendor service ticket requesting the changes.

Corrective Actions Initiated (Just Begun)

Upgraded Phone Technology

The Director met with the City's Network Administrator to explore phone technology upgrades that could help the City more effectively address increased customer service call volume such as occurred during the December 2025 utility billing incident. The Director is evaluating the options the Network Administrator presented, including a call back feature, but has not yet selected one to implement. Auditors verified this ongoing communication between the Director and Network Administrator took place through review of email records.

Change Management Process

The Director stated intention to work with the Utility Business Operations Manager to implement change management through creation of a documented cycle billing escalation process. This would establish a protocol for city employees to systematically identify and report utility billing issues, concerns, and requests for changes.

Corrective Actions Align with Auditor Recommendations

The corrective actions taken by the City to remediate the cause and impact of the utility billing delays align with auditor recommendations documented elsewhere in the report. This includes the following:

The Director should correct the billing schedule to bring it into compliance with the Department's *Customer Service Policy* and preferred business practices.

The Director should **immediately** protect the meter reading and billing schedules from unauthorized modification using available Excel functionality.

The Director should develop and implement **change control processes** and monitor the impact of changes.

The Director should combine the meter reading schedule and the billing schedule into a **single workbook**.

The Director should engage with the CIS Infinity billing system vendor to automate the bill scheduling process to protect it against further unauthorized modification.

The Director should work with the appropriate contacts to complete the telephone infrastructure upgrade and billing redesign and alignment initiatives the City has started.

Recommendation

The Director should fully implement all of the planned and ongoing corrective actions, collaborating with utility billing staff and City leadership²⁵ as necessary.

²⁵ Including, but not limited to, the City Manager, the Mayor, and the City Council.



Matter for Further Consideration

During an audit, Office of the State Auditor staff may uncover potential issues that are outside of the audit objective. Although the issues may not have been part of the planned objective, the issues need to be presented to those charged with governance of the organization under audit. Below is one such issue.

City Council Members Accumulated Unpaid Utility Bills

Individuals charged with governance²⁶ of the City of Rocky Mount (City), Charles “Verb” Roberson and T.J. Walker, under temporary measures to ease the impact of the December 2025 bill schedule correction, accumulated a total \$30,231.28 in unpaid utility bills while continuing to receive utility services. This represented a furtherance of the officials’ **own personal financial interests** at the expense of the City they were elected to govern while the City was in the midst of a fiscal crisis.

Background

A May 2020 investigative report²⁷ from the North Carolina Office of the State Auditor found that previous city managers and a former Finance Director prevented disconnection for nonpayment for a City Council member, Andre Knight, and wrote off \$47,704 in utility bills the Council member owed.²⁸ Given the topical relevance of this matter to the December 2025 utility billing incident that precipitated this audit, and continued receipt of related allegations through the NC State Auditor Tipline, auditors elected to follow up on this finding by:

- Inquiring with the current Director of Business and Collections Services (Director) about the status of the \$47,704 that was written off.
- Inspecting utility billing, payment, and write-off history within CIS Infinity for those charged with governance of the City, including the mayor and each member of the city council, for the period of January 1, 2025 through April 22, 2026, and evaluating them against requirements from the City’s *Customer Service Policy*.

Results

The Director stated, and auditors corroborated through billing account review, that there had been no change in the status of the \$47,704 written off since 2020. The individual identified in the 2020 investigative report, Andre Knight, remains on the City Council. Over the course of 2025, the Department of Business and Collections Services wrote off a total of \$313.85 owed by this Council member over two utility accounts. In each case, the Council member **paid the balance originally due** after the write off occurred.

More troublingly, inspection of the utility billing, payment, and write off histories revealed 31 accounts, collectively held by two **other** City Council members, with **current** unpaid balances mostly in excess of 60 days and extending up to 120 days.

²⁶ “Individuals responsible for overseeing the strategic direction of the entity and obligations related to the accountability of the entity.” GAO, Yellow Book, para. 1.04.

²⁷ [City of Rocky Mount – Investigative Report](#), May 2020.

²⁸ Consisting of write-offs of \$11,096 in May 2013 and \$36,608 in March 2017.

FIGURE 10: CITY COUNCIL UTILITY ACCOUNTS OVER 60 DAYS DELINQUENT

	# of Accounts ²⁹	Unpaid Balance	Date of Last Payment
Charles “Verb” Roberson	30	\$27,171.15	December 30, 2025
T.J. Walker	1	\$3,060.13	February 7, 2026
Total	31	\$30,231.28	N/A

Source: CIS Infinity customer account data as of April 22, 2026.

The Council members were able to accumulate large unpaid utility balances without penalty because the City initiated a temporary pause on **late fees** and **involuntary service disconnections for nonpayment** effective December 15, 2025. The Director stated that the City took these actions to offset financial burdens customers may have experienced from receiving an extra utility bill over the December 2025 through January 2026 timeframe. Because the temporary pause applied to **all utility customers**, the limited action on the part of the Department of Business and Collections Services to collect payment from the City Council members **did not** demonstrate that those individuals received preferential treatment.

Nonetheless, the fact that the City Council members with recurring unpaid balances continued to not post payment through April 2026, long after the event triggering the temporary pause occurred, suggests that they took advantage of this decision to further their own personal financial interests.

Resulted in Diminished Ability to Lead City Through Ongoing Financial Crisis

As a result of the City Council members’ accumulation of unpaid personal utility bills, the City Council’s ability to lead the City through its ongoing fiscal crisis is diminished.

While \$30,231.28 is immaterial to a City with a \$279 million total operating budget, the City’s current state of financial distress, as documented in a March 2026 North Carolina Office of the State Auditor performance audit report, places it in a predicament with little margin for error.³⁰

In a March 12, 2026 [letter](#) to the Mayor and City Council members, the Secretary of the North Carolina Local Government Commission (LGC) directed the addressees:

You must adopt an austere, structurally sound, balanced budget for FY 2026-27 that is built on accurate revenue estimates and that improves the cash position of every fund.

As Rocky Mount’s governing body, you are required by the North Carolina General Statutes to manage public funds prudently and safeguard the City’s fiscal health. **You are failing to uphold your responsibility under the statutes and to your citizens.**

As the City Manager indicated in the subsequent April 1, 2026 LGC meeting, such a budget will by necessity incorporate increases in rates for revenue sources, including utility billing rates. Thus, the City Council in fact approved a 15% utility rate increase in a special session on March 30, 2026.

While such measures are likely necessary, they can be unpopular with the public, and therefore it is incumbent on the governing body to reinforce the public understanding of the City’s commitment to its priority of sound management of public funds. Thus, private actions that lend even an **appearance** contrary to that understanding put this priority at risk.

²⁹ Including accounts held by LLC’s listing the Council member as the secondary account holder.

³⁰ [City of Rocky Mount Financial Distress – Performance Audit Report](#), March 2026.

Caused by Culture Prioritizing Individual Gain Over Public Interest

The accumulated unpaid City Council utility bills resulted from a longstanding culture among individuals charged with governance of the City that prioritized individual gain over the public interest. As stated in the March 2026 performance report:

According to interviews conducted with each City Councilmember, City Councilmembers have allowed personal agendas and internal rivalries to dominate their decision-making rather than focusing on the long-term interests of the community. This dysfunction has hindered collaboration and accountability and led Council members to neglect or avoid critical oversight functions.

Similarly, the May 2020 investigative report stated that much further in the past, “Multiple City officials involved themselves in...[a]...Council Member’s account collection outside the normal process.”

Thus, within the pre-existing culture, the temporary pause on late fees and involuntary service disconnections for nonpayment provided **opportunity** for Council members to achieve advancement of personal financial interests through nonpayment.

Timely Utility Bill Payment Required by City Customer Service Policy

The City *Customer Service Policy* sets expectations for timely payment of utility bills, stating:

- All bills are due and payable upon receipt.³¹
- Any bill for residential services not paid within twenty-eight days of the billing date is considered delinquent. The delinquent amount will appear on the current month’s bill as a previous balance with a notice that the previous balance must be paid within seven days of the billing date or service will be discontinued.³²

Best Practices Recommend Oversight Body Reflect Integrity, Ethical Values

Additionally, best practices from the Government Accountability Office (GAO) lay out expectations for an oversight body such as the City Council:

The oversight body’s and management’s directives, attitudes, and behaviors reflect the integrity and ethical values expected throughout the entity. The oversight body and management **reinforce the commitment to doing what is right**, not just maintaining a minimum level of performance necessary to comply with applicable laws and regulations, so that these **priorities are understood** by all stakeholders, such as regulators, service organizations, employees, and the **public**. (Emphases added.)³³

Recommendation

The City Council members should make arrangements with the City Department of Business and Collections Services to pay their delinquent utility bills, thereby reinforcing their commitment to sound management of public funds to the public they serve.

³¹ *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 8.1.

³² *City of Rocky Mount Administrative Policy No. III.2 Customer Service Policy*, Section 8.3.

³³ U.S. Government Accountability Office, *Standards for Internal Control in the Federal Government*, GAO-25-107721, Principle 1, para. 4 (Washington, D.C.; May 21, 2025).



Response from the City of Rocky Mount



June 15, 2026

The Honorable Dave Boliek.
State Auditor
State of North Carolina
20601 Mail Service Center
Raleigh, NC 27699

Dear Auditor Boliek:

In accordance with Government Auditing Standards, the City provides the following Responses to the Agency Audit findings and recommendations presented in the draft report of the Utilities Billing Process Background, which was sent to the City by email on June 5, 2026.

Audit Finding

Objective #1: City of Rocky Mount Utility Billing Delays

Recommendation

The Director of Business and Collections Services should correct the billing schedule to bring it into compliance with the Department's Customer Service Policy and preferred business practices.

Additionally, to prevent future billing delays caused by unauthorized and undetected modifications to meter reading and billing schedules, the Director should:

- Immediately protect the meter reading and billing schedules from unauthorized modification using available Excel functionality.
- Implement user access and security controls to ensure future system changes to the billing process are made only by those authorized to do so, and changes are logged and monitored.
- Develop and implement change control processes and monitor the impact of changes.
- Combine the meter reading schedule and the billing schedule into a single workbook.
- Engage with the CIS Infinity billing system vendor to automate the bill scheduling process to protect it against further unauthorized modification.

Refer to Finding #3 for the status of corrective actions currently taken by the Billing and Collections Services Director.

Agency Response

The City agrees with the findings and recommendations.

The Director of Business and Collections Services (Director) acknowledges the finding, and the nature of the security controls needed would have prevented the modification of the schedule.

The Director worked with the Business Operations Manager to ensure that the billing schedule addressed each of the recommendations. There is a process workflow in place that has restricted the capability of staff, where there are no modifications to the schedule without final approval from the Director. If the modification requires a significant change to the schedule, the change must receive final approval from the City Manager's Office and awareness and engagement from City Council.

The Director also meets with the Business Operations manager monthly to review all schedules to ensure there are no major delays between reading and billing, while ensuring that delays related to staffing, weather, and office closings are in line with the scheduling expectations. All recommendations have been addressed, and the Director is working closely with the vendor to ensure an automated scheduling process moving forward.

Audit Finding

Objective #2: The City of Rocky Mount's Actions to correct Utility Billing Delays did not cause Customers to be Improperly Billed

Recommendation

The Director of Business and Collections Services should work with the appropriate contacts to complete the telephone infrastructure upgrade and billing redesign and alignment initiatives the city has started.

The Director of Business and Collections Services should work with the City Manager's Office and City Council members to identify and establish improved methods of receiving and addressing customer utility billing concerns to improve customer confidence in City billing practices.

Agency Response

The City agrees with the findings and recommendations.

The Director of Business and Collections Services is working with the Network Administrator on existing phone features, needs (future and current), and costs associated with the telephone ACD structure. She is currently working with fellow department heads (Electric/Gas, Water, Refuse, Stormwater) to collaborate on a new bill design to ensure bill layouts address every area of service and can effectively deliver a transparent "easy to understand" bill.

Audit Finding

The City of Rocky Mount took Several Corrective Actions to remediate the Cause and Impact of Utility Billing Delays

Recommendation

The Director should fully implement all the planned and ongoing corrective actions, collaborating with utility billing staff and City leadership as necessary.

Agency Response

The City agrees with the findings and recommendations.

The Director has taken the following corrective actions as outlined in the findings document:

Corrective Actions Already Implemented*Billing Schedule Changes*

The Director of Business and Collections Services (Director) updated the City's utility billing schedule by:

- Protecting the Excel workbook containing the billing schedule with a password to prevent unauthorized modification.
- Combining the meter reading and billing schedules into a single workbook to more easily monitor synchronization between the two schedules.
- Correcting the schedule to bring it into compliance with the Department's preferred business practice.

Auditors inspected the updated billing schedule and verified that the schedule incorporated each of the changes described above.

Late Fee and Service Disconnection Suspensions

The city temporarily suspended utility late fees and involuntary utility service disconnections; for non payment on December 15, 2025. Auditors verified that these suspensions occurred through analysis of CIS Infinity billing data.

Corrective Actions in Progress*Automation*

The Director of Business and Collections Services is engaging with the CIS Infinity vendor to automate the City's bill scheduling process. The Director also submitted a proposal to the City Manager's Office for consideration in the council agenda for the vendor to perform a review of key utility cycle billing processes, identify and implement improvements such as process automation, and upgrade CIS Infinity. Auditors verified these actions were underway through inspection of the submitted vendor service ticket and proposal document.

Synchronization and Update of Bill Content and Layout

The Director is working with the CIS Infinity vendor to align the format and content of bills from the city's online portal bill with that of the paper bills the city mails to utility customers. Currently, the City's online portal presents an image of a bill reflecting data as of the point in time it is accessed. Conversely, the City's print bills reflect consumption and payment data as of the point in time they are printed.

According to the Director, the city began designing a new bill layout that would include additional information to make billing more transparent in August 2025. Auditors verified this action was underway through inspection of the submitted vendor service ticket requesting the changes.

Corrective Actions Initiated (Just Started)

Upgraded Phone Technology

To enhance customer service capabilities and improve responsiveness during periods of elevated call volume, the Director met with the City's Network Administrator to evaluate potential upgrades to the City's telephone system. The discussion focused on identifying technology solutions that would better equip the city to manage increased customer inquiries, such as those experienced during the December 2025 utility billing incident. Options under consideration include the implementation of a call-back feature and other customer service enhancements. As of June 15, 2026, the Director is actively evaluating the alternatives presented and has not yet selected a final solution for implementation. Auditors verified that these discussions occurred through a review of relevant email communication between the Director and the Network Administrator.

Change Management Process

The Director has also committed to working with the Utility Business Operations Manager to formalize a change management process through the development of a documented Cycle Billing Escalation Procedure. This process will establish clear protocols for City employees to identify, communicate, and escalate utility billing issues, concerns, and requested system changes in a structured and consistent manner.

As of June 15, 2026, corrective actions have been initiated and are actively progressing. These efforts are intended to strengthen customer service delivery, establish formal workflows and accountability measures, prevent operational changes from occurring without appropriate review and approval through the established chain of command, and increase transparency and oversight of the utility billing process. As part of the City's commitment to continuous improvement, staff are currently updating related policies and procedures to better align with modern business practices, operational needs, and evolving customer expectations. The revised framework will streamline internal processes, enhance organizational effectiveness, and maintain compliance with applicable regulatory and governance requirements.

Audit Finding

Rocky Mount City Council Members continue to accrue Unpaid Balances on their Utility Bills and receive Services

Recommendation

The City Council members should make arrangements with the City Department of Business and Collections to pay their delinquent utility bills, thereby reinforcing their commitment to sound management of public funds to the public they serve.

Agency Response

The City concurs with the findings and recommendations outlined in the report. As of June 15, 2026, all Council members identified in the draft report as having outstanding utility account balances have either satisfied their delinquent obligations in full or entered into approved payment arrangements.

Elected officials' utility accounts are administered in accordance with the same collection policies and procedures applicable to all customers with delinquent accounts. Accounts that are not brought current or placed on an approved payment plan will be subject to disconnection and standard collection processes, including debt setoff and referral to third-party collection agencies, as permitted by applicable law.

The Department will continue to monitor these accounts and provide status updates to the City Manager's Office until all outstanding balances have been paid in full or otherwise resolved.

Conclusion

These responses reflect the City's good-faith efforts to address the findings and recommendations contained in the draft report. Collectively, they demonstrate the City's commitment to implementing meaningful corrective actions, strengthening governance and utility billing practices, enhancing internal controls, and ensuring compliance with applicable laws, policies, and industry best practices.

The city believes that the actions already taken, along with those currently underway, will improve operational effectiveness, promote accountability, and support the continued restoration and enhancement of public confidence in City operations.



Elton Daniels, ICMA-CM
City Manager - Rocky Mount, North Carolina



Appendices



City of Rocky Mount Administrative Policy

Policy: Customer Service Policy

Section:	Finance	Policy No. III.2
Prepared By:	Amy Staton, Finance Director	
Approved By:	City Council	
Effective Date:	11/13/2012	Page 1 of 28
Supersedes:	11/01/2007	

SECTION 1. Purpose

The City of Rocky Mount (the "City") wants to treat its citizens in a fair and nondiscriminatory manner, while recognizing the distinct needs and requirements of each customer. To provide some uniformity of service, the City has adopted a customer service policy. This most recently adopted version of the Customer Service Policy will serve as a reasonable response to customer needs while meeting the requirements of good business practices for the City.

The intent of this policy is to provide uniform procedures and policies for utility service provided to utility customers of the City.

Policy will refer to the most recently adopted version of the Customer Service Policy as being the guiding principle of customer contact. These policies apply to every customer or applicant for utility service. Copies of these policies are available at the City's offices and on the city website

This policy may be revised, amended, supplemented, or otherwise changed from time to time by action of the City Council. Customers are encouraged to seek answers to any questions by calling the Business Office or visiting the Customer Service website at www.rockymountnc.gov

SECTION 2. Definitions

For the purpose of this section, the following definitions shall apply:

- a. Applicant is any person, group of persons, association, partnership, firm or corporation, requesting from the City electricity, natural gas, water, or sewerage.
- b. City means the City of Rocky Mount, North Carolina.
- c. Utility is one or more of the following services: electricity, natural gas, water, sewerage or stormwater.
- d. Customer is any person, group of persons, association, partnership, firm or corporation, purchasing utilities from the City.
- e. Delivery Point is the point where the City's lines for supplying utilities are connected to the customer's lines for receiving utilities, unless otherwise specified in the agreement with the customer for the purchase of utilities.
- f. Lines mean the City's conductors (i.e. wire, pipe, etc.) for supplying and/or the customer's conductors for receiving (i.e. wire, pipe, etc.) utilities.

SECTION 3. Applications for Utility Services

The City's Business Office is located in Rocky Mount in the Frederick E. Turnage Administrative Complex. The City is open from 8:30 a.m. to 5:00 p.m. Monday through Friday. Routine and regular service work will be performed from 8:30 a.m. to 5:00 p.m. Monday through Friday, except for municipal holidays. Service work for unusual conditions may be arranged at other times upon request. The

drive-in window is open from 8:00 a.m. to 5:30 p.m. weekdays. The Business Office Call Center is open from 8:30 a.m. to 7:00 p.m. Monday through Thursday, and 8:30 a.m. to 5:00 p.m. on Friday.

Emergency restoration work is performed 24 hours a day, seven days a week. Please call us at 467-4800 for emergency service.

3.1 Each applicant for utility services shall execute an application or agreement for the purchase of utilities and provide the documentation or information required by this Section. The information required will be authentic and complete documentation and/or verification that the applicant is the owner of the property or authorized by the owner of the property to obtain utility service. A licensed realtor or property manager who is acting on behalf of an owner of property may execute a *City of Rocky Mount Public Utilities Master Property Management Agreement* which will allow them to make application for utility services for any and all properties for which they have been retained to manage without requiring the owner of the property to make application. An applicant must be legally competent in order to establish an account with the City. Whether or not a written application or agreement is executed, any person, by accepting the utilities, agrees to be bound by the applicable schedule of rates and the terms and conditions of this Policy in effect at the time service is received.

- a. Residential Accounts - The City recognizes a joint application for utility service which allows credit to be established for all parties determined to be financially responsible. Each applicant shall be jointly and severally liable for all utilities supplied to the premises listed on the application. A separate application will be required if more than one connection is requested.

The Federal Privacy Act of 1974 prohibits municipalities from denying "to any individual any right, benefit or privilege provided by law because of such individual's refusal to disclose his or her social security account number." The City requests a social security card to verify an applicant's identity, to perform a credit check, and to participate in the North Carolina debt setoff program. An applicant is not required to provide the City with a social security card in order to receive utilities. If an applicant does not provide a social security card he or she will be required to provide an alternative method of identification. If the City cannot perform an adequate credit check by using the information furnished and the applicant

does not furnish an acceptable letter of credit from a public utility company or other documentation that will enable the City to perform an adequate credit check, then the applicant will be required to post a maximum deposit.

- b. Non-Residential Accounts - Accounts established for non-residential service will require a Federal Tax ID number and a signature by a duly authorized representative of a business entity. For a business not operated by a recognized legal entity, the account will be listed in the name of a responsible person (owner, manager, etc.). The person in whose name the account is listed shall be personally liable for payment of the account. The requirements for residential accounts shall apply for a non-residential account listed in the name of an individual.

3.2 The following procedures apply to residential and non-residential accounts:

- a. The billing department will search the files to determine if there is an existing account for a new applicant. If there is an existing account it must be settled prior to starting a new service.
- b. A customer may move from one address to another and still remain on City utilities. If the customer's account is current, the balance will be transferred to his or her new account. If the account is delinquent, it must be brought current before the new service is turned on.
- c. In accordance with House Bill 1330 (SL 2009-302), the City of Rocky Mount may not suspend or disconnect service to a customer due to an unpaid balance for service incurred by another person who resides with the customer after service has been provided to the customer's household, unless one or more of the following apply:
 - a) The customer and the person were members of the same household at a different location when the unpaid balance for the service was incurred; or

- b) The person was a member of the customer's current household when the service was established, and the person had an unpaid balance for service at that time; or
- c) The person is or becomes responsible for the bill for the service to the customer

Also in accordance with House Bill 1330, the City may not require that in order to continue service, a customer must agree to be liable for the delinquent account of any other person who will reside in the customer's household after the customer receives the service unless one or more of the following apply:

- a) The customer and the person were members of the same household at a different location when the unpaid balance for the service was incurred; or
- b) The person was a member of the customer's current household when the service was established, and the person had an unpaid balance for service at that time.

Lastly, House Bill 1330 enables the city to use existing remedies and powers to collect debts, irrespective of whether the new provisions described above apply, if a person misrepresents his or her identity in a written or verbal agreement for service or receives service using another person's identity.

- d. At time of connection of service, the customer shall be charged a connection fee as set forth in Section X.3.1 in the Fees and Charges Schedule. This charge will be billed for each service address regardless of the number of services being connected at such address.
- e. The City is not responsible for any damage caused by connecting or disconnecting utility services unless caused by the sole negligence of the City.
- f. In order for the City to protect the identity of its utility customers, the City will not discuss or disclose any account information to anyone other than the account holder or his/her designee. In order for the

City to disclose any account information, the City will require verification of identity. Any disclosure of account information to outside agencies will require those agencies to provide a release signed by the customer or his/her designee authorizing release of their utility account information. The exception to this policy will be for authorized agencies providing financial assistance or in response to assisting law enforcement, public safety, fire protection, rescue, emergency management, or judicial officers in the performance of their duties as required by law.

SECTION 4. Selection of Rates

- 4.1 The City's rates are set by its City Council and are designed to be fair, reasonable, just, uniform and non-discriminatory. Setting rates locally offers rate regulation responsive to the customers of the system. The City's goal is to provide the best possible utility service to all customers at a rate which is competitive with other utility providers.
- 4.2 The City has the responsibility of helping the customer understand its rate schedules, the terms and conditions under which each utility service is supplied, the meter reading process and other reasonable information regarding the utility billing and servicing process.

The City, upon request, will provide any applicant or customer with a copy of the rate schedule, the Customer Service Policy, or the billing and usage history from their account. All current residential rates are available on the City's website.

- 4.3 The City will select the appropriate rate schedule of those available, under which the customer will be billed for each service. Any customer who feels he/she is being billed under an inappropriate rate schedule may appeal to the Business Manager for reconsideration.
- 4.4 When the customer notifies the City in writing of changes in the customer's operating conditions or other factors which may affect the selection of the rate schedule, an investigation will be made by the City and the customer will be advised if a change in the rate schedule is appropriate.
- 4.5 The City cannot guarantee that the customer will be served under the most favorable applicable schedule, and no refund will be made by the

City to the customer of the difference in the charge made under the schedule assigned and another more favorable schedule.

- 4.6 New and potential business customers are encouraged to provide the City utility department with the load characteristics of their facility. The City may require special conditions and contracts for utility services.

SECTION 5. Metering

- 5.1 When meters are installed by the City to measure utility services used by its customers, all charges for units consumed, except certain base charges, shall be calculated from the readings of such meters.
- 5.2 All metering devices installed for the purpose of metering utility service shall be located on the exterior of structures so that they will be accessible for reading. The type of meter installed at the location shall be determined by the City based on applicable industry standards. (See Policy III.2.1 Electric, Gas or Water Meter Obstruction.)
- 5.3 The customer shall provide suitable space for the installation of the necessary metering apparatus which space shall be:
- a. Substantially free from vibration or obstruction.
 - b. Readily accessible and convenient for testing, servicing, and viewing.
 - c. Such that apparatus will be protected from injury by the elements or the negligent or deliberate acts of persons.
 - d. Located by the City prior to wiring installation. Meter location will be normal point of delivery, which is the side of the structure on which the transformer or pedestal is located that is designated to serve that structure. It may also be located on the back of the structure within eight feet on the corner on the side of the point of normal delivery. The Utility Director or his designee shall be authorized to make reasonable exceptions to this rule if he finds that compliance will create a substantial hardship or is otherwise impractical.

- 5.4 When a residence is being built on zero lot lines, and the meter is located on the side of the structure that abuts the property line, the City shall provide conduit from the meter base to City's transformer or secondary pedestal that is designated to serve it and the customer will pay for cost of conduit.
- 5.5 All electrical metering devices currently installed inside structures for the purpose of metering utility service shall be relocated to the exterior of the structure upon the happening of any of the following events:
- a. When a building, regardless of use, becomes vacant, the owner of such building shall cause the electric meter to be relocated to the exterior prior to electric service being provided to the new occupant.
 - b. When an owner proposes alterations, repairs, or improvements to a structure in the amount of one thousand (\$1,000) dollars or more, the owner shall cause any interior electric meter to be relocated to the exterior in order to continue to receive electric service.
 - c. The City Manager, or his designee, shall be authorized to make reasonable exceptions to this policy where:
 - 1. Because of the location of the structure on the lot, there is not a location on the exterior where the meter could be located without encroaching on another owner's property, or
 - 2. When a single owner has multiple structures on the same premises, such as a planned building group, the City Manager, or his designee, shall develop an agreement with the owner providing for the planned relocation of the electric meters in lieu of using the change of occupancy criteria as stated in Section 5.3 of the Customer Service Policy.
- 5.6 The customer shall be responsible at all times for the safekeeping of all City property installed on the customer's premises, and to that end, shall give no one except authorized City employees access to such property.
- 5.7 The customer shall be liable for the cost of repairs or damage to the City property on the customer's property resulting from the negligence or misuse by other than City employees.

- 5.8 Utilities are supplied by the City and purchased by the customer upon the express condition that after it passes the delivery point it becomes the property of the customer to be used only as herein provided; and the City shall not be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse, or presence of said utility after it passes the delivery point; or for any loss or damage resulting from the presence, character or condition of the lines, equipment of the customer, or for the inspection or repair thereof.
- 5.9 The customer shall be responsible for the maintenance and repair of the customer's lines and equipment.
- a. Water meters larger than 1 inch in diameter will be installed in a standard vault approved by the City of Rocky Mount. The customer is responsible for constructing and maintaining the vault so that meter readers and maintenance personnel will have safe and easy access to the meter and valves housed inside the vault. The customer will reimburse the City for the meter and the City will install and maintain the meter.
 - b. Should the customer fail to maintain the vault as specified above, the City will notify the customer in writing that repairs are needed. This notice shall include an estimate of the cost of the repairs. If the customer does not repair the vault within thirty (30) days after receipt of the written notification, the City reserves the right to make the necessary repairs and bill the customer for the cost.
 - c. Should the customer report trouble with the supply of utilities, the City will endeavor to respond with reasonable dispatch to such call with the purpose only of correcting such trouble as may be in the City's equipment supplying the customer. If the trouble appears to be in the customer's lines or appliances, the City's employees may, if requested by the customer, make such inspection of the customer's lines or equipment as the City's employees are prepared to make, but any inspection of the customer's lines or equipment by the City's employees is made upon the express condition that the customer assumes the entire and sole risk, liability and responsibility for all acts, omissions and negligence of the City's employees. The City retains all responsibility only with respect to the action of its employees in connection with property owned by the City.

SECTION 6. Meter Reading

- 6.1 It is the City's policy to read every utility meter each month. The reading dates are scheduled to fall approximately within the same weekly period each month.
- 6.2 If the reading schedule is interrupted (by inclement weather, unusual illness, etc.) to the extent that the reading cycle is as much as three or four days behind, consumption may be estimated. If the cycle has been interrupted the previous month, the policy is not to estimate the same meters two consecutive months.
- 6.3 There are a number of meters inside dwellings and businesses. If the meter reader cannot gain entry, a returnable card is left on the premises requesting that the customer contact the City to establish a time to allow meter reading personnel access to the meter. If the customer does not contact the City, the meter is automatically estimated.
- 6.4 Because the metering system is based on "continuous read" meters, estimating consumption for a one-month period will not affect total consumption over a two-month period.
- 6.5 If a customer requests a rereading of the meter, one free reread will be granted during a 12-month period. If a customer requests additional rereads, a charge will be levied in accordance with Section X.3.1 in the Fees and Charges Schedule. If in the opinion of the Business Manager, the rereading confirms the accuracy of the prior reading, the fee shall be charged. If the Business Manager determines the prior reading was in error, the fee will be waived for the customer. In lieu of requesting a reread, a customer may furnish a current reading in a format acceptable to the City. If the customer supplied reading, in the opinion of the Business Manager, indicates an error in the prior reading, an appropriate adjustment will be made. There shall be no charge for correcting bills as a result of customer supplied readings.

SECTION 7. Customer Deposits

- 7.1 The City requires applicants or customers to make an initial deposit based on the current Utility Deposit Charges Schedule (see Policy No. X.3.2 of Fees and Charges) as a guarantee of the payment for utilities used. Deposit requirements are as follows:

	Minimum	Maximum
Water and/or Sewer	\$15.00	\$25.00
Electric (basic)	\$75.00	\$150.00
Electric (total home)	\$150.00	\$300.00
Gas	\$75.00	\$150.00

7.2 Residential Customer Deposits

- a. Residential customers will have their credit rating determined by a credit risk assessment made at the time of application for their utilities.

-- **Acceptable credit** shall be defined as established, reported credit history with acceptable pay history for the past twelve months and shall require no deposit.

-- **Minimal credit** shall be defined as no reported credit history or minimal history with questionable payment records and requires the minimum set deposits as specified in Section 3.2 of the Fees and Charges Schedule (minimum deposit shall not exceed \$165.00).

-- **Unacceptable credit** shall be defined as established, reported credit history with an associated history of delinquent collections or unpaid balances. Customers who are determined to have unacceptable credit will be required to pay a deposit equal to 2 times the minimum deposit as specified in Policy No. X.3.2 of the Fees and Charges Schedule (maximum deposit shall not exceed \$325.00).

- b. Residential customers applying for utility service who make a cash deposit may request to have their deposit credited to their utility account after establishing twelve consecutive months of acceptable credit on the City's system.

- c. Residential customers with acceptable credit on the City's system for the past twelve months will not be required to provide an initial deposit at the time of application.
- d. In lieu of a cash deposit, new residential customers subject to the minimum customer deposit will be allowed to furnish an acceptable letter of credit from a public utility providing electric, water and/or gas service stating that the customer's pay history during a recent twelve month period was acceptable. If the letter is not available at the time application for service is requested, the customer may make a temporary deposit, as required in above sections. This deposit will be refunded following the receipt of the letter of acceptable credit by the City.
- e. When a utility customer of the City has a good pay history for at least twenty four months and desires to accept financial responsibility for the utility bills of a new customer, the deposit requirement will be waived. This waiver is subject to the proper execution of the "Acceptance of Financial Responsibility for Utility Bills" form.

7.3 Commercial Customer Deposits

- a. Commercial customers shall, at the time of application for service, pay a deposit equal to two months average bill as estimated by the City. Six billing periods after initial deposit, the customer's usage and billing may be reviewed and either an additional deposit may be required or a partial refund may be made to reduce the deposit to an average of two months billing. A commercial customer that qualifies as a small business may pay a deposit equal to two months average bill or \$400, whichever is less. After two and one half (2 ½) years of good pay history, a commercial customer and small business customer is allowed and may request a reduction in the amount of the deposit required that will be equal to one months average bill.
- b. In lieu of a cash deposit, commercial customers may provide the City with a surety bond or irrevocable letter of credit in the amount

of the specified deposit, written by an insurance company or bank authorized to do business in North Carolina.

- c. Existing City non-residential customers who were not required to make an initial deposit who convert from City electric to City natural gas HVAC systems at the same premise and for the existing premise usage shall not be required to pay a deposit for the new gas service provided:
 - (1) they have good credit standing with the City,
 - (2) Their combined energy usage/consumption at the premise is not increased by more than 25%.
- d. If an existing commercial customer which does not have a deposit on hand equal to two (2) months average bill and has five (5) years of good pay history relocates to a new premise, then no additional deposit is required provided the new premise is generally equivalent to and used for the same purpose as the previous premise. This exception will not apply to existing customers who wish to add an additional premise. In the case of an additional premise, the full deposit is required. However, if the existing customer has a deposit on hand and has two and one half (2 ½) years of good pay history, the deposit may be reduced to (1) one month average bill for the additional location.
- e. Section 7.3 (a) and (d) is not applicable to commercial customers on a large general service (LGS) rate or Coordinated Demand Control (CDC) rate.

7.4 Industrial Customer Deposits

- a. Industrial customers, manufacturers, or processors shall pay a deposit at the time of application for service as specified for commercial customers. Section 7.3(a) and (d) is not applicable to industrial customers.

7.5 Deposits and Service Disconnects

- a. A customer who is involved with more than one premise at one time may be allowed to provide only one master deposit for several service locations.
- b. Notwithstanding the initial deposits specified in the above sections, any customer whose credit history becomes unacceptable shall pay such deposit as required to protect the City from loss of revenue. Within ten days of written notice, any customer who fails to make required deposits or provide surety bonds, when specified, shall be subject to disconnection of service until such deposit has been made or surety bond provided.
- c. Any customer whose service has been disconnected because the meter, wires, or other apparatus have been tampered with in any manner shall pay such deposit as required to protect the City from loss of revenue, in addition to penalties and reconnection fees.

7.6 Final Disposition of Deposit

- a. When a customer who furnished a deposit to guarantee payment discontinues service, the deposit will be applied to any unpaid charges due the City and the balance will be refunded.
- b. The deposit will not be refunded if the customer has another account with a past due balance. The remaining credit on the account will be transferred to the account(s) with a balance.

SECTION 8. Payment Requirements for Utility Services

- 8.1 All bills are due and payable upon receipt. (See Section 13 of the Customer Service Policy for exceptions to these requirements.)
- 8.2 On the date a bill becomes delinquent, the account is charged a 1-1/2% late fee on the unpaid balance.
- 8.3 Any bill for residential services not paid within twenty-eight days of the billing date is considered delinquent. Any bill for any other class of service not paid within twenty-one days of the billing date is considered delinquent.

The delinquent amount will appear on the current month's bill as a previous balance with a notice that the previous balance must be paid within seven days of the billing date or service will be discontinued.

- 8.4 Bills are payable at the business office of the City, online at the City website, or by telephone or to any collector or collection agency duly authorized by the City; except that, when service has been discontinued due to nonpayment, payment must be made at the City office or online at the City website or by telephone. Payments shall be made without regard to any set off or counterclaim whatever.
- 8.5 The City reserves the right to apply any payment or payments made by the customer in whole or in part to any account due the City by the customer in connection with the furnishing of utility services.
- 8.6 Any customer disputing the correctness of the bill shall have the right to a hearing as stated in Section 13 of the Customer Service Policy.
- 8.7 Only questions of proper billing will be considered. Requests for delay or waiver of payment will not be considered except under the requirements specified in Section 13 of the Customer Service Policy.

SECTION 9. Credit History

- 9.1 The City will maintain a confidential credit history on all customers based on payment of utility bills. A customer's credit history shall be classified "acceptable" unless the customer has appeared on the cut off list, though not necessarily cut off, once during any preceding twelve month period or had a check returned to the bank. A credit history of "unacceptable" shall be recorded for customers appearing twice on the cut off list or having more than one check not honored by the bank on which it is drawn in a twelve month period.
- 9.2 The cut-off list will be prepared by the City each month from customers who fail to pay utility accounts within seven days of the second notice mailing.
- 9.3 Contact with a Customer Service Representative prior to disconnection is always preferable to making arrangements after service is involuntarily interrupted. Payment options may be available prior to disconnection

which will save the customer from additional higher deposit amounts and additional fees.

SECTION 10. Returned Checks

- 10.1 When a customer's check is returned by the bank on which it is drawn because the bank will not pay or honor the check, for any reason, the customer will be notified by mail that the check was not honored and that a fee will be charged and service will be terminated, on a specified date, unless the check is made good. The full amount of the check plus fees must be remitted in cash, money order or certified check to make the check good.
- 10.2 On the first occasion that a check is returned, the customer will be given five days in which to make the check good. After receipt of two or more returned checks within the previous twelve month period, notification will be given that service will be terminated in five days and the check will be turned over to the proper authorities. If a customer's utility service has been terminated for nonpayment and payment for restoration is made with a check which is subsequently returned, service will be terminated without notification.
- 10.3 When a customer has a check returned, a service charge will apply in addition to any other charges and fees. (See Policy No. X.3.1 of the Fees and Charges Schedule.)
- 10.4 The City reserves the right to require a customer to pay utility bills in cash when two or more returned checks are received during the previous twelve month period.
- 10.5 The City reserves the right to require a deposit equal to two months of a customer's estimated highest utility bills, when two or more returned checks are received in the previous twelve month period.

SECTION 11. Draft Accounts

- 11.1 The City makes available a plan that will insure that a bill is never delinquent and that a customer will never have to pay a delinquent charge. At the customer's option, the City will draft his/her bank account

each month for the amount of his bill. The draft will occur within 5 days of the due date on the bill. By allowing the draft, a customer does not forego his right to contest a bill or to have a correction for a billing error. The correction would be made in the form of a refund, a credit, or a charge to the account.

SECTION 12. Voluntary Discontinuance of Service

12.1 In order to insure discontinuation of service at a time requested by the customer, notice to the City in advance is required. When a customer desires to discontinue service, notice must be given to the City at least twenty four hours in advance on a work day and the customer will be responsible for all service consumed within the twenty four hours following the time of his/her notice to the City.

a. Any customer requesting discontinuance of service will inform the City's employee of the location, date service is to be disconnected and the forwarding mailing address for the final bill.

b. Within one month after termination of utility service, the account will be closed. All fees and credits are then added to the balance and a "final" bill will be issued to the customer. Any balance owed to the City will remain open until the balance is paid.

c. All legal means of collection for an account in arrears will be taken regardless, even if the account is not in "closed" status.

SECTION 13. Involuntary Discontinuance of Service.

13.1 It is the policy of the City to discontinue utility service to customers by reason of nonpayment of bill only after proper notice and a meaningful opportunity to be heard on disputed bills.

a. If the City plans to interrupt the customer's service due to failure to pay, and if the customer can show that he/she is unable to pay the account in full at once, the customer may make installment payments designed to pay the delinquent account in full within 3 months and to keep all present and future accounts current. Under extraordinary circumstances, the Director of Finance may extend this period to 6

months. Under special circumstances, the City will not interrupt service during the winter [between November 1 and March 31]. (See Section 14 of the Customer Service Policy.)

- b. The City will not interrupt the customer's service after 1:00 p.m. on a Friday or on a weekend or a holiday.
 - c. If any customer disputes the accuracy of his/her bill, they have a right to a hearing at which they may be represented in person or by any other person of their choosing and may present, orally or in writing, their complaint and contentions.
 - d. Any customer desiring a hearing should contact the Business Office Manager at the Frederick E. Turnage Administrative Complex, 331 S. Franklin Street, Rocky Mount, North Carolina. Hearings are held between 8:30 a.m. and 5:00 p.m., Monday through Friday. The Business Office Manager is authorized to make a final determination of the complaint and has the authority to order that service not be discontinued.
 - e. A customer who feels the staff has not followed the Customer Service Policy as defined in Section III.2 of the Administrative Policy Manual may appeal to the Utility Services Review Board. If the case is eligible for consideration in accordance with City Code Section 2-178a (1 and 2), the Board will review it and render a decision.
- 13.2 The City reserves the right to discontinue furnishing utility services to a customer, at any time without notice, upon the occurrence of any one or more of the following events:
- a. Whenever the City, in its opinion, has reason to cause to believe that the customer is receiving utilities without proper application or that its meter, lines, or other apparatus have in any manner been tampered with.
 - b. Whenever, in the City's opinions, the condition of the customer's lines, equipment and appliances are either unsafe or unsuitable for receiving service, or is a potential safety or health hazard to the City's property or personnel, or to the public, or when the customer's use of utilities or equipment interferes with or may be detrimental to the City's utilities' systems or to the supply of utilities by the City to any other customer.

- c. Whenever, in the City's opinion, utilities that are being furnished with a line that is not owned or leased by the City is either not in a safe and suitable condition or is inadequate to receive utilities.
 - d. Whenever the customer has denied an authorized City representative access to the City's meter, wires, or other apparatus installed on the customer's premises.
 - e. Whenever, in the City's opinion, it is necessary to prevent fraud upon the City.
 - f. For failure of the customer to make a deposit or guarantee payment of charges or to increase a deposit as required.
 - g. For failure to comply with any of the City's terms and conditions, or with any of the conditions or obligations of any agreement with the City for the purpose of utilities.
- 13.3 When it becomes necessary for the City to discontinue utility service for any reason, the City reserves the right to require payment of all bills for service due, any deposit required by Section 7 of the Customer Service Policy, and the reconnection fee in effect at the time of discontinuance of service.
- 13.4 If a customer is receiving service at more than one location, service at any or all locations may be discontinued if bills for service at any one or more locations are not paid within the time specified by Section 8 of the Customer Service Policy.
- 13.5 The City will discontinue the supply of utilities to a customer whenever instructed by any public authority having jurisdiction.
- 13.6 The City reserves the right to discontinue the supply of utilities under any of the above conditions irrespective of any claims of a customer pending against the City, or any amounts of money on deposit with the City as required in Section 7 of the Customer Service Policy.
- 13.7 Whenever the supply of utilities is discontinued in accordance herewith, the City shall not be liable for any damages, direct or indirect, that may result from such discontinuance. In all cases where the supply of utilities is discontinued by reason of violation by the customer of any of the provisions hereof or of any agreement with the City for the purchase of

utilities, there shall then become due and payable, in addition to the bills in default, an amount equal to the monthly minimum charges for the unexpired term of the agreement, not as a penalty, but in lieu of the income reasonably to be expected during the unexpired term of the agreement.

- 13.8 The City will follow the Federal bankruptcy law when terminating and reestablishing utility service to customers who are in bankruptcy or have filed for bankruptcy with the Bankruptcy court. The City has the right to demand assurance of payment (a deposit or other security) for future service for any customers in bankruptcy proceedings.

SECTION 14. Moratorium on Discontinuance of Utility Service

- 14.1 During the period from November 15 to March 15, the City will place a limited moratorium on the discontinuance of electric and/or gas service to a residential household when such electric and/or gas service is necessary to provide the primary source of heat in the residence if all of the following conditions are met:
- a. There is a member of the household who is age 65 or over or a member of the household who is physically or mentally handicapped.
 - b. The persons in the household are unable to pay the electric and/or gas bill in full.
 - c. The person or persons in the household have been certified as eligible for aid under an energy assistance program by the appropriate County Social Services Department or the WARM Program whether such person is receiving aid or not.
 - d. The person responsible for the account agrees to terms for payment in full of the account on an installment basis with the last such installment being due and payable by the last day of October of the same year for which the moratorium period ended.
- 14.2 To receive this limited moratorium, the person responsible for the utility account must satisfy all conditions as stated above and apply for the limited moratorium with the Business Manager, or his designee, and have

such application approved. The burden of proving the need is placed upon the person responsible for the utility account.

- 14.3 The City may not exercise its right to disconnect service for non-payment of any bill due to extreme weather conditions. Winter temperatures that stay below 30 degrees for several days or summer temperatures that exceed 90 degrees for multiple days are considered extreme weather conditions.
- 14.4 The customer has the responsibility of notifying the City if there is someone in his/her household who is either chronically or seriously ill, handicapped or on a life support system. The notification must be supplied in writing by the attending medical personnel and must specify the medical need for the utility service. The notification must be renewed annually. The City will flag the account and tag the meter as medical but this does not prevent the disconnection of service. In that case, the customer has the responsibility of careful handling of his/her account should service become subject to interruption for failure to pay. With the medical alert designation, the City will make a good faith effort to make personal contact with the customer or member of the customer's household before service is terminated. After the City has notified a customer with a medical alert designation that service will be interrupted, the customer has 24 hours before the City will turn off services once notified of the City's intent to interrupt services.

SECTION 15. Reconnection of Utility Service

- 15.1 If utility services have been discontinued for any of the reasons covered by Section 12 or 13 of the Customer Service Policy, the City shall have a reasonable period of time in which to reconnect the customer's service after the conditions causing discontinuance have been corrected.
- 15.2 If utilities have been discontinued because of improper use, or in the City's opinion, its meters or lines or other apparatus have been tampered with, the City may refuse to reconnect the customer's service until the customer has done the following:
- a. Paid all delinquent bills.

- b. Paid to the City an amount estimated by the City to be sufficient to cover the utilities used but not recorded by the meter and not previously paid for, plus a special reconnection charge. (See Policy No. X.3.1 of the Fees and Charges Schedule.)
 - c. Made such changes in lines or equipment as may be, in the opinion of the City, proper for its protection.
- 15.3 If utility service has been discontinued by the City, at the request of any public authority having jurisdiction, the customer's service will not be reconnected until authorization to do so has been obtained from said public authority.
- 15.4 If utility service has been disconnected by the City for nonpayment of past due bills, the customer's service will be re-instated after payment of the applicable reconnection fee. (See Policy No. X.3.1 of the Fees and Charges Schedule.)

SECTION 16. Adjustments to Prior Billings

- 16.1 Whenever it is found that, for any reason other than incorrect calibration, the metering apparatus has not registered the true amount of utilities that have been used by the customer or if nonmetered services are incorrectly billed, billing adjustments will be made as follows:
 - a. Overcharge - Payment will be made for the entire interval of the overcharge, if it can be determined, up to the available 24 months of history retained by the City and subject to applicable statutes of limitations. If the interval cannot be determined, payment will be made for the prior 24 months. Usage and demand (when applicable) will be estimated if exact usage cannot be determined.
 - b. Undercharge - If the interval can be determined, the City can collect the deficient amount for up to a maximum of 12 months. If the interval cannot be determined, the City can collect the deficient amount for 12 months preceding the billing date that the error was discovered. If exact usage cannot be determined, usage and demand (when applicable) will be estimated.
 - c. The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods during which the undercharge occurred.

- 16.2 If, during the term of agreement for furnishing utilities to a customer, the customer is unable to operate his facilities in whole or in part, because of an accident, act of God, or fire occurring at the location where utilities are supplied, the charge for units during the period reasonably necessary to correct any such conditions may, in the City's discretion, be reasonably adjusted in accordance with all pertinent facts and conditions.
- 16.3 A customer who feels he/she has been overcharged for utilities consumption may appeal to the Utilities Review Board. If the case is eligible for consideration in accordance with City Code Section 2-178a (1 and 2), the Board will review it and render a decision.

SECTION 17. Requests for Meter Tests

- 17.1 Meter tests requested by customers will be made in accordance with the following:
- a. The City will test the customer's meter for accuracy upon request and charge the fee to the customer's account. (See Policy No. X.3.1 of the Fees and Charges Schedule.)
 - b. Meters in service may be tested by the City, or any other lawfully constituted authority having jurisdiction. When, as the result of such a test, a meter is found to be no more than two percent fast or slow, no adjustment will be made in the customer's bill. If the meter is found to be more than two percent fast or slow because of incorrect calibration, the City will re-bill the customer for the correct amount as calculated for a period of such inaccuracy but not more than 12 months and no fee is charged.
 - c. The customer, or his representative, may be present when his/her meter is tested.
 - d. Upon request, a written report of the results of the test will be made to the customer within ten days after the completion of the test.

SECTION 18. Meter Tampering

18.1 Tampering with utility meters is prohibited by N.C. General Statute 14-159.1 as follows:

- a. It shall be unlawful for any unauthorized person to alter, tamper with, or bypass a meter which has been installed for the purpose of measuring the use of electricity, gas, or water bypassing a meter provided by an electric, gas, or water supplier for the purpose of measuring and registering the quantity of electricity, gas, or water consumed.
- b. Any meter or service entrance facility found to have been altered, tampered with or bypassed in a manner that would cause such meter to inaccurately measure and register the electricity, gas, or water to be diverted from the recording apparatus of the meter shall be prima facie evidence of intent to violate and of the violation of this section by the person in whose name such meter is installed, or the person or persons so using or receiving the benefits of such unmetered, unregistered, or diverted electricity, gas, or water.
- c. Any person violating any of the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than five hundred dollars or imprisoned longer than two years, or both fined and imprisoned, at the discretion of the court.
- d. Whoever is found in a civil action to have violated any provision hereof shall be liable to the electric, gas, or water supplier in triple the amount of losses and damages sustained or five hundred dollars, whichever is greater.
- e. Nothing in this policy shall be construed to apply to licensed contractors while performing usual and ordinary services in accordance with recognized customs and standards.
- f. The minimum penalty for meter tampering shall be twenty-five dollars (\$25.00).

SECTION 19. Equal Pay Program

- 19.1 The purpose of Equal Pay program is to spread the cost of utility services as evenly as possible on a monthly basis over an annual period. This program is designed for those customers who wish to ease the impact of fluctuations in seasonal billings and level their monthly payments. The

- program does not raise or lower your annual utility billings; it does allow you to plan ahead by establishing a fixed monthly payment amount.
- 19.2 Only qualified residential customers may enroll in the program. In order to qualify, the customer must have an acceptable payment history.
- 19.3 Due to the seasonal nature of utility billings, customers may enroll in the program in the months of April through November. Requests to enroll in the program during other months will be evaluated by the Business Office Manager subject to the customer's credit history.
- 19.4 The City will calculate the Equal Pay Program amount by taking the customer's past 12 months' consumption, apply the current rates plus any expected increases, and divide the result by 11 months. The result is the fixed, equal pay amount due for the utility account for 11 months. If 12 months of consumption is not available, the City may estimate using available historical data.
- 19.5 The 12th month of the program is the settlement month. During the 12th month, the account will be evaluated and any overpayment will be credited to the customer's account or any underpayment must be paid by the customer.
- 19.6 Utility billings will continue to show the actual consumption and dollar amounts, but the amount due shown will be the Equal Pay program amount. There will be a summary of Equal Pay to actual billing that the customer should closely monitor as this is the running settlement amount. If the customer anticipates that the 12th month settlement amount may be large, they may make payments beyond the equal pay amount at any time and/or contact our office for further evaluation and arrangements.
- 19.7 Should an equal pay program customer move to another location within the City of Rocky Mount service area, the customer may continue in the program; however, the equal pay program amount may be adjusted to compensate for additional services or expected changes in consumption.

- 19.8 The program is voluntary. To discontinue in the equal pay program, the customer may call Customer Service at 972-1250. Once discontinuing in the program, the customer's next utility bill is the settlement month bill.
- 19.9 Equal pay program customers will automatically be re-enrolled in the program annually unless the customer gives notice to discontinue.
- 19.10 Any late penalty authorized by City Council will be applicable to Equal Pay program customers in the same manner that it applies to non-Equal Pay program customers.
- 19.11 If the customer becomes eligible for disconnection, they may no longer be eligible to participate in the program and all charges including the settlement balance become due and payable before utility service(s) is(are) restored. If the customer has a payment returned for insufficient funds, they may no longer be eligible to participate in the program.
- 19.12 The City will monitor Equal Pay program accounts and reserves the right to adjust any equal pay amount where circumstances warrant. The customer will be notified of any necessary change.

SECTION 20. Records and Data

- 20.1 All customer billing and account data is the property of the City. Information may be shared at the discretion of the City with another agency that is included under the limitation of the privacy legislation.
- a. Residential customers. Billing and account information will not be provided to the media, businesses, agencies or individuals not included on the account without the permission of the account holder. Current billing information may be released (without any account history) when it is deemed in the best interest of the City and the individual account holder in order to aid the account holder in paying the current bill. The City will share information with assistance agencies for the purpose of assisting the customer with payment on a City of Rocky Mount utility bill.
 - b. Commercial customers. Billing and account information will not be disclosed to the media, other businesses, agencies or individuals without the expressed consent of the individual business account holder.

Section 21. North Carolina Setoff Debt Collection Act

- 21.1 The North Carolina Setoff Debt Collection Act ("Act")⁷ provides an administrative procedure for the City to collect amounts due for utility service from the state tax refunds of its customers.
- 21.2 The Act only applies to debts and refunds of at least fifty dollars. The debt to be paid can be one debt owed the City or the sum of any number of valid debts owed the City. Before submitting the debt for collection, the City must first give the customer notice of its intent and the claim for offset must be finally determined as provided in the Act. The notice must explain the basis for the claim and that the City intends to apply the customer's state tax refund against the amount owed for utility service. The Notice must inform the customer of his rights to contest the matter by filing a request for hearing with the City within thirty (30) days after the date the notice is mailed. The notice must also state that the failure to request a hearing within thirty (30) days will result in setoff of the customer's debt.
- 21.3 If the customer timely files a written request for a hearing the governing body of the City, or a person designated thereby (Finance Director), must hold a local hearing. If the customer wishes to dispute the decision following a local hearing, the customer must file a petition for a contested hearing under Article 3 of the Administrative Procedures Act, within thirty (30) days of receiving a copy of the local decision. Further appeals shall be in accordance with the Administrative Procedure Act, except that the place of initial judicial review will be the Superior Court for the county in which the customer resides.
- 21.4 If the City has complied with the notice provisions and the debt has been finally determined to be owed, the City may submit the debt for collection by setoff. The debt must be submitted through a clearing house established pursuant to an inter-local agreement or through the North Carolina League of Municipalities. A collection assistance fee of no more than fifteen dollars (\$15.00) is imposed on the customer on each debt collected through setoff. The claimant agency must notify the Department of Revenue in writing and supply information necessary to identify the customer. If the Department of Revenue determines that the customer is entitled to a refund of at least fifty dollars, then the Department of
-

Revenue must setoff the debt owed the City against the refund. The City must notify the Department of Revenue when a debt has been paid or is no longer owed. The amount to be setoff is subject to the priorities and claims of other agencies, with the Department of Revenue having priority over all other claimants and State Agency having priority over local agencies.

- 21.5 While the Act provides an alternative way to collect past due utility bills, it is suggested that it be a remedy used together with other debt collection methods. The collection proceedings under the Act do not toll the statute of limitations covering the collection of the debt. Therefore, alternative debt collection efforts must still be pursued in a timely fashion.

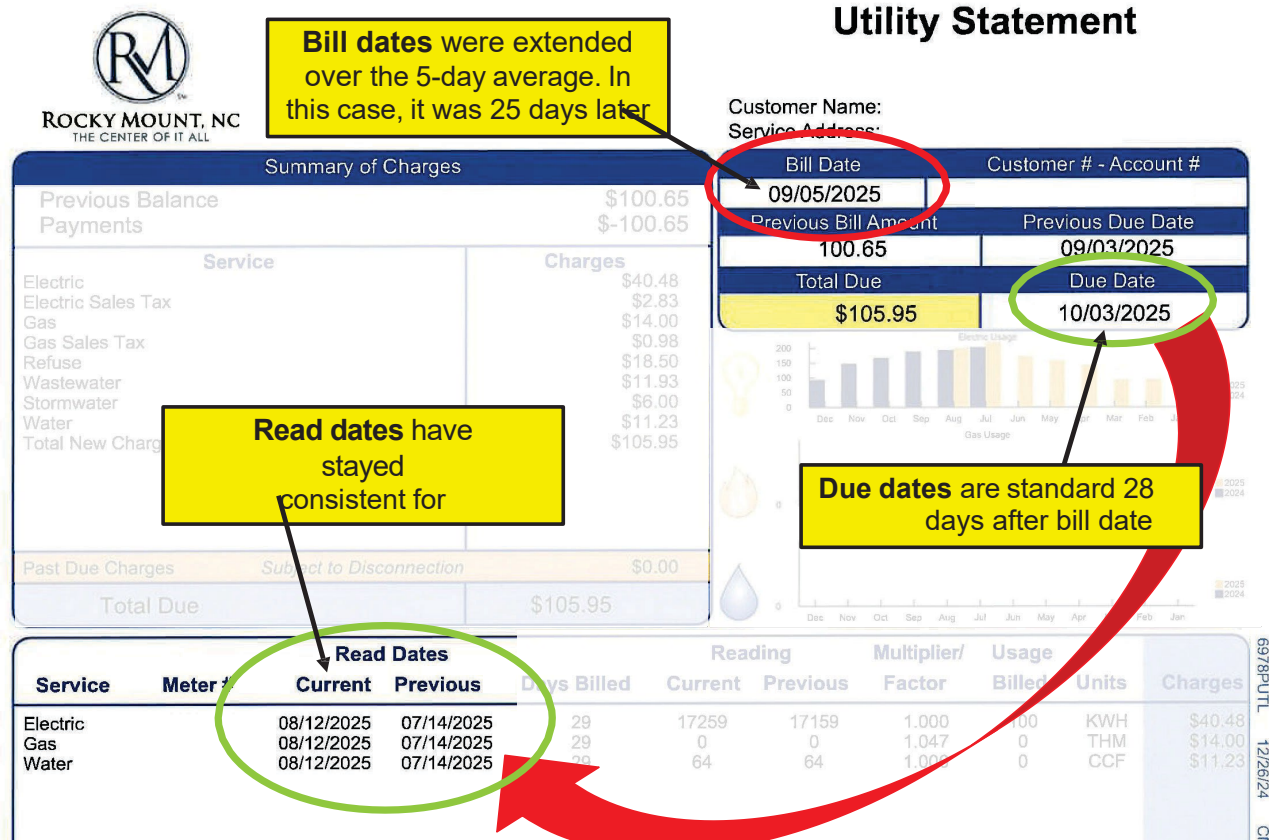
Utility Billing Update



January 7, 2026

Overview

- In early December 2025, staff recognized an increase in timing between meter reading dates and billing dates.
- While this is not uncommon on a small scale, upon further investigation, a consistent pattern became apparent dating back to the first quarter of 2025.
- This issue resulted in a disruption in the timeframe for utility billing.
- Approximately 26,000 accounts were impacted.



Customer Impact

- Customers may receive two bills for two separate billing cycles, days or weeks apart.
- Printed bills may reflect past due amounts that are not actually past due.
- Customers using Interactive Voice Response (IVR) and the online portal may notice different bill amounts than printed bills.

Staff Response

- To address the issue, staff adjusted the billing schedules to align with internal processing standards.
- Citizens were notified via city website, social media and text messaging.
- Staff are meeting with customers individually to review their bill.

Facts

- This issue was not associated with the city's current financial position.
- Customers were not double billed.
- Customers were only charged for their actual usage.
- Customers will not be charged late fees related to this issue.
- Customers will not be disconnected due to this issue.

Customer Options

- Customers may request payment arrangements.
- Customers can temporarily cancel bank drafts to avoid the full amount being drafted at once.
- All previous assistance programs are still available (WARM, UAP-Crisis, DSS).

Moving Forward

The following safeguards are now in place to maintain billing integrity:

- On average bills will be generated within 5 days of the meter reading.
- Meter reading and billing are now in sync; any changes require management approval.
- Automated checks and alerts are being implemented to identify issues.

Contacts

Staff are available and committed to addressing any ongoing customer concerns.

- Customer Service Number - (252) 972-1250
- Customer Service Email - customerservice@rockymountnc.gov
- Utility Assistance Email - cas@rockymountnc.gov

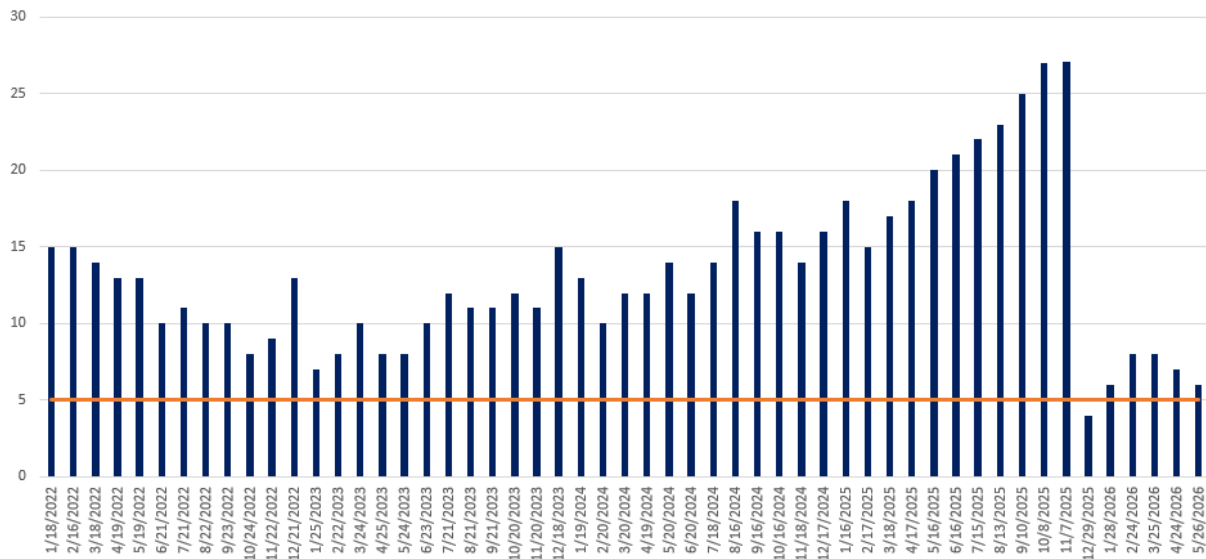
Questions?



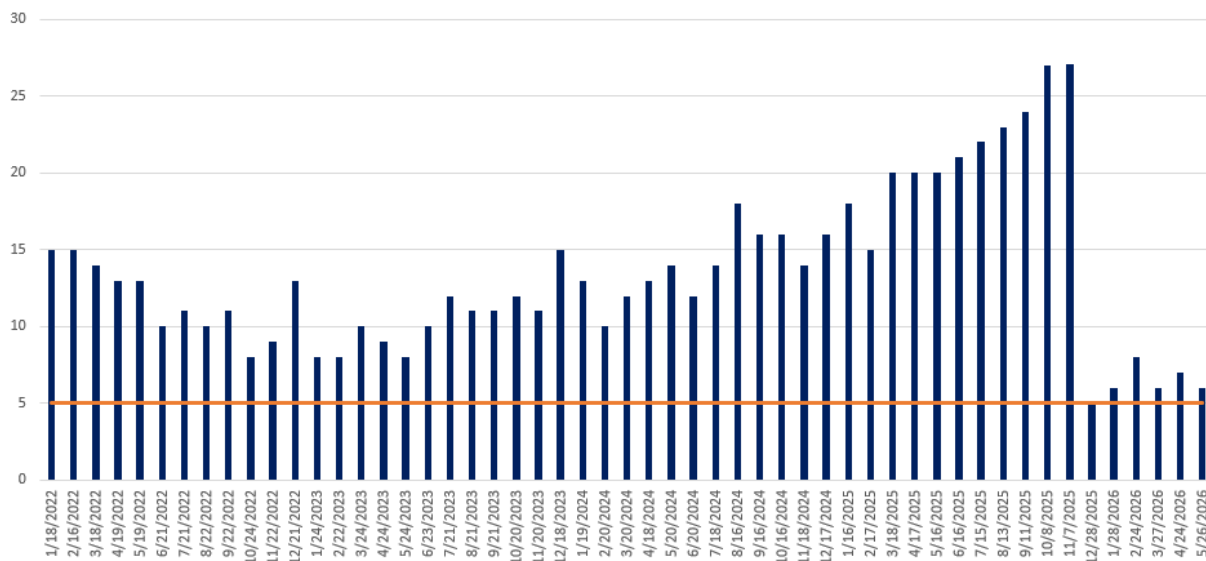
Appendix C: Lag Between Meter Reading and Billing Schedules – Cycles 1-19

Lag Between Scheduled Meter Reading and Billing (In Days): February 2022 through June 2026

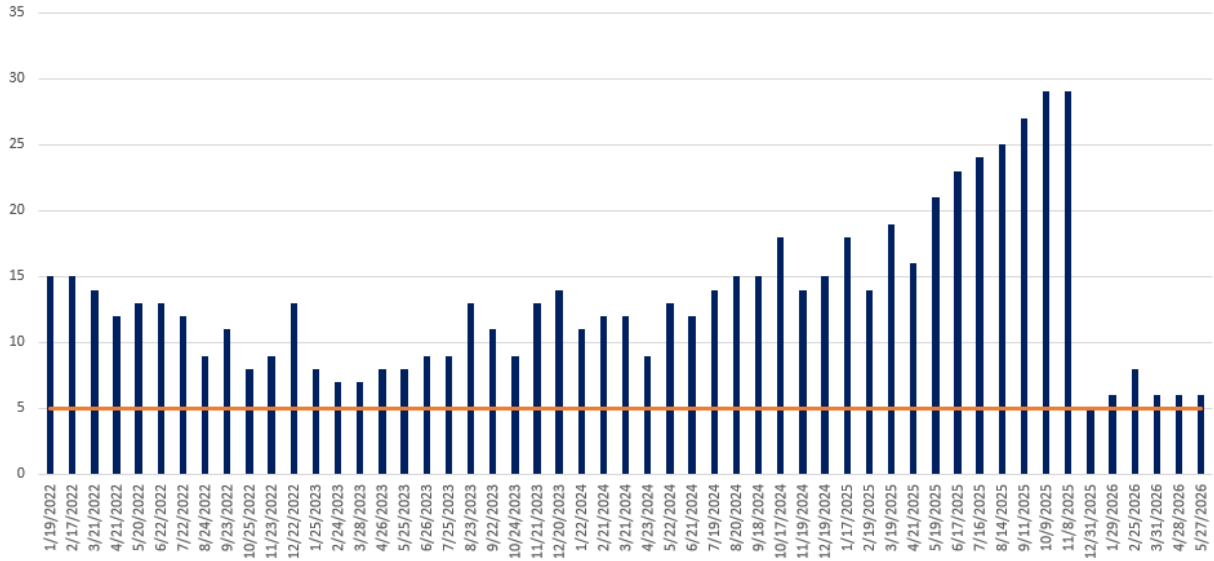
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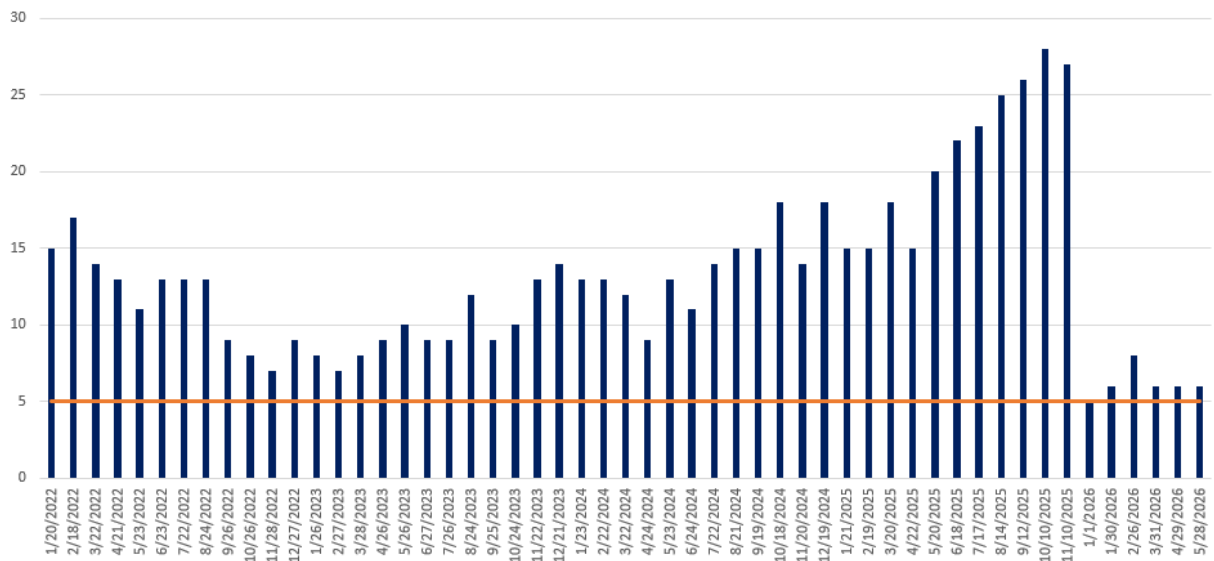
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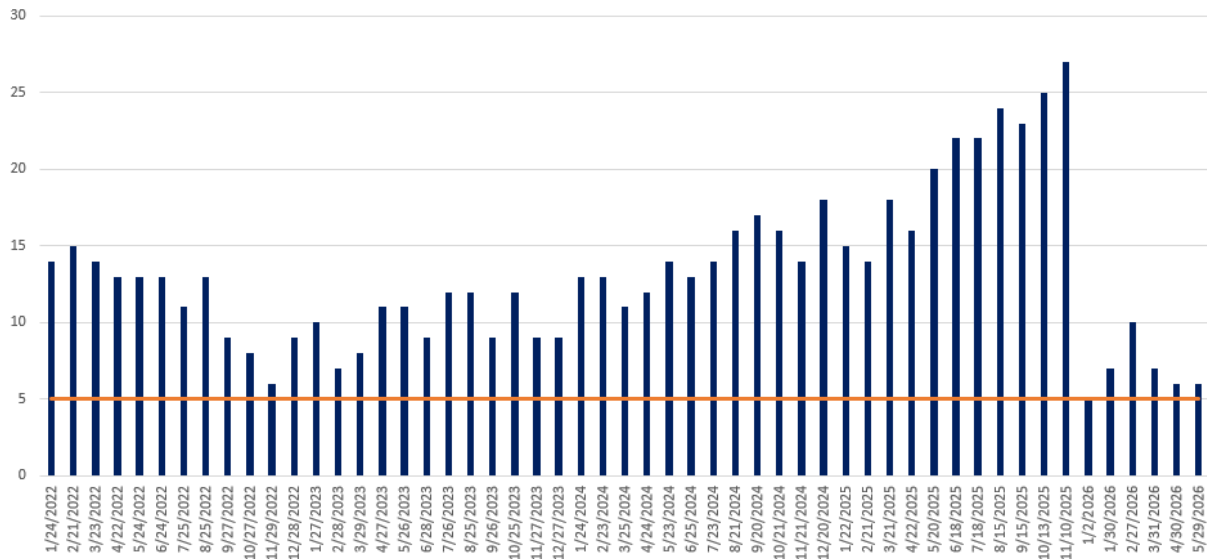
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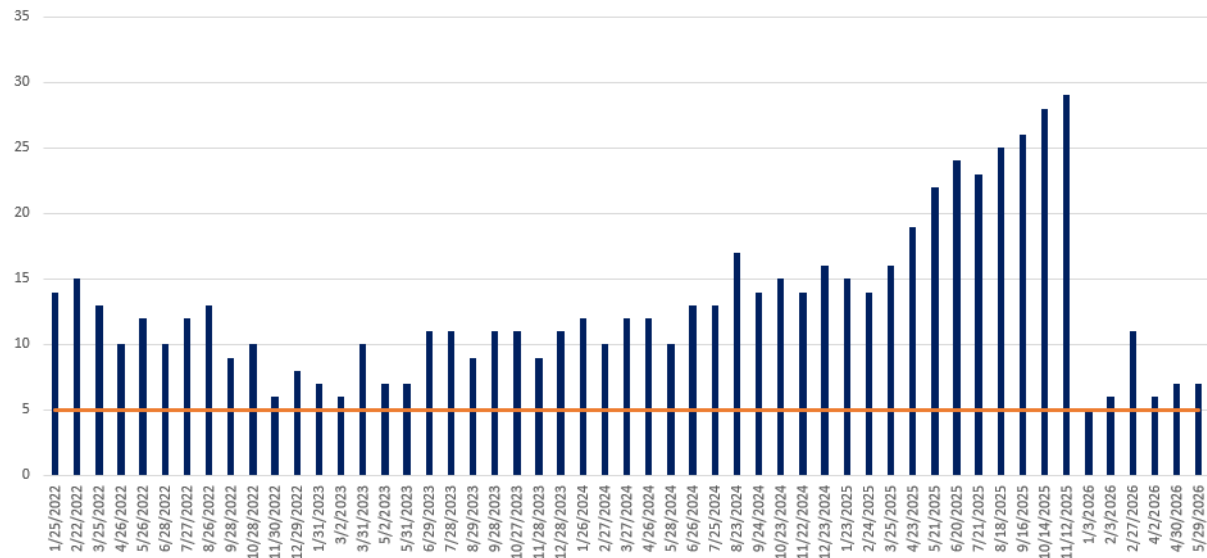
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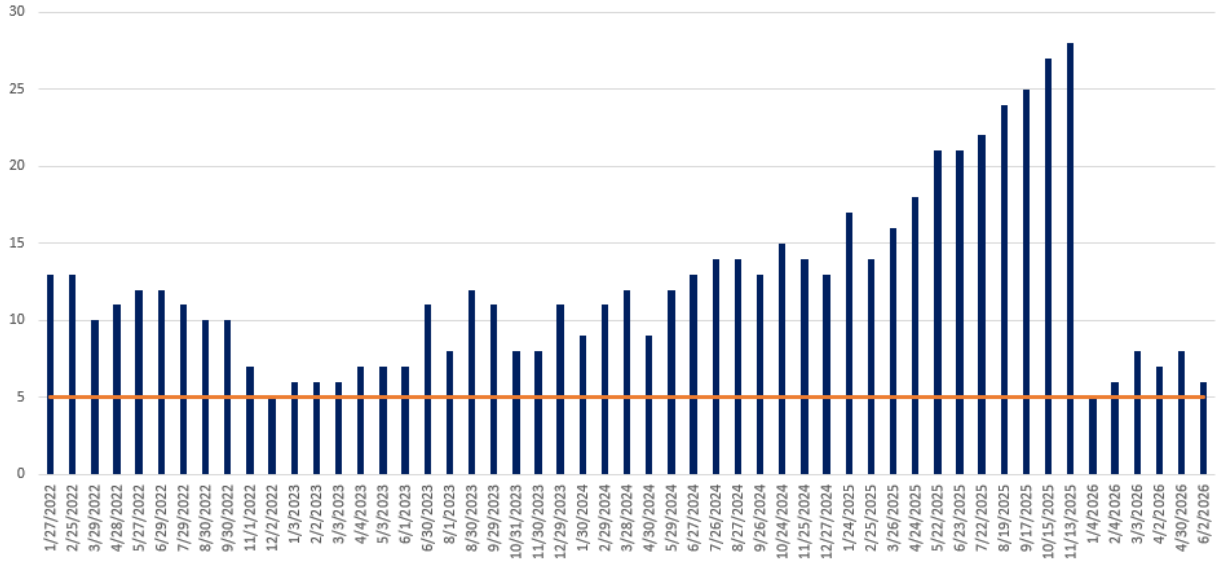
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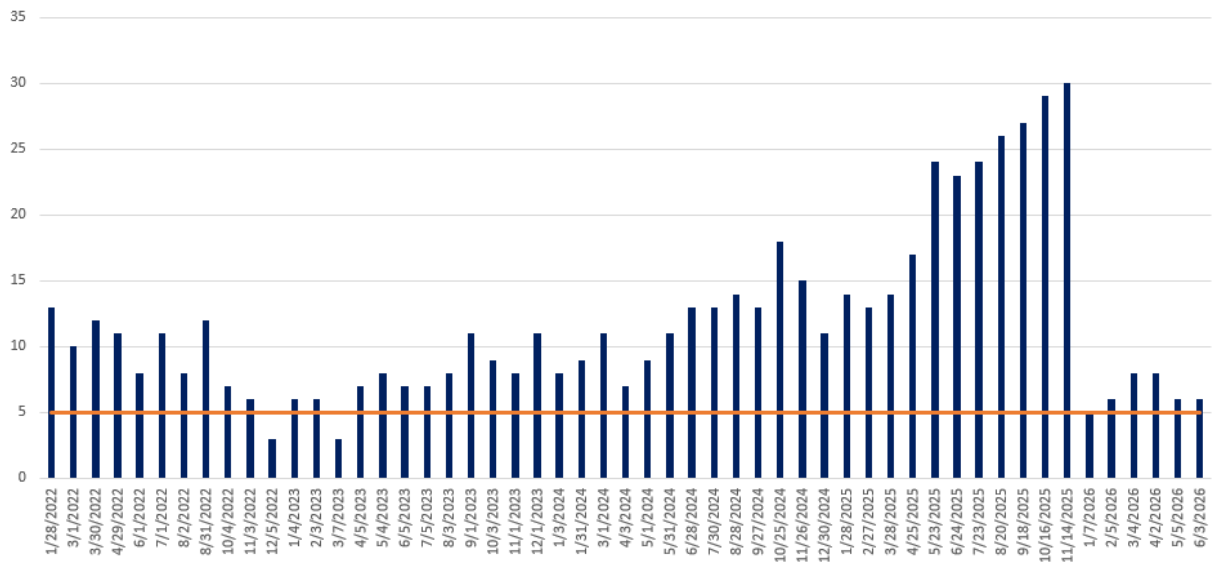
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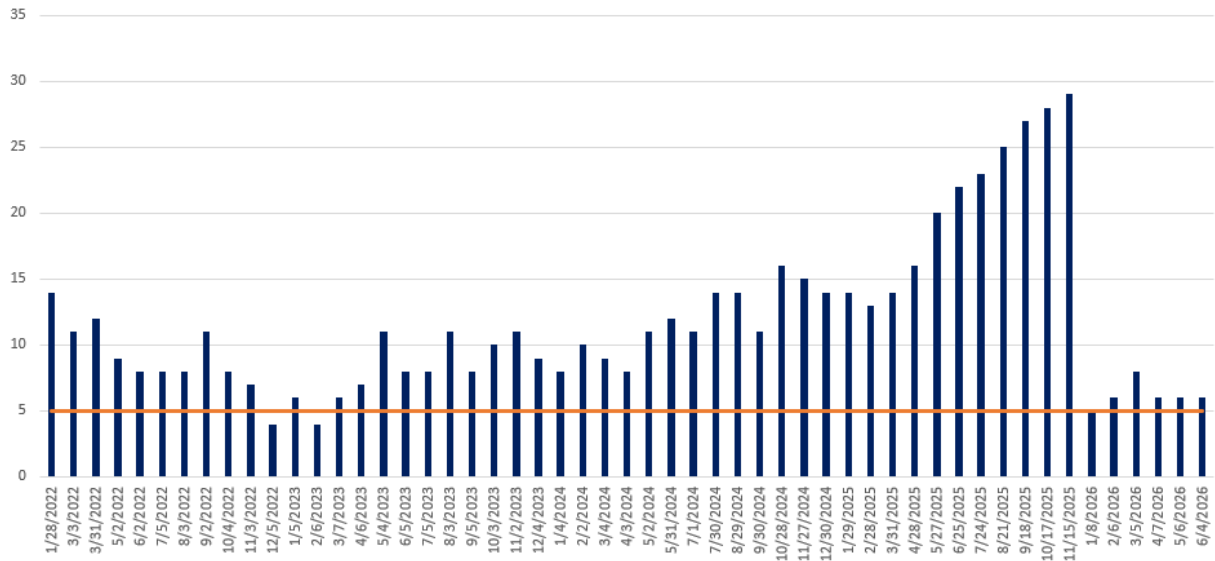
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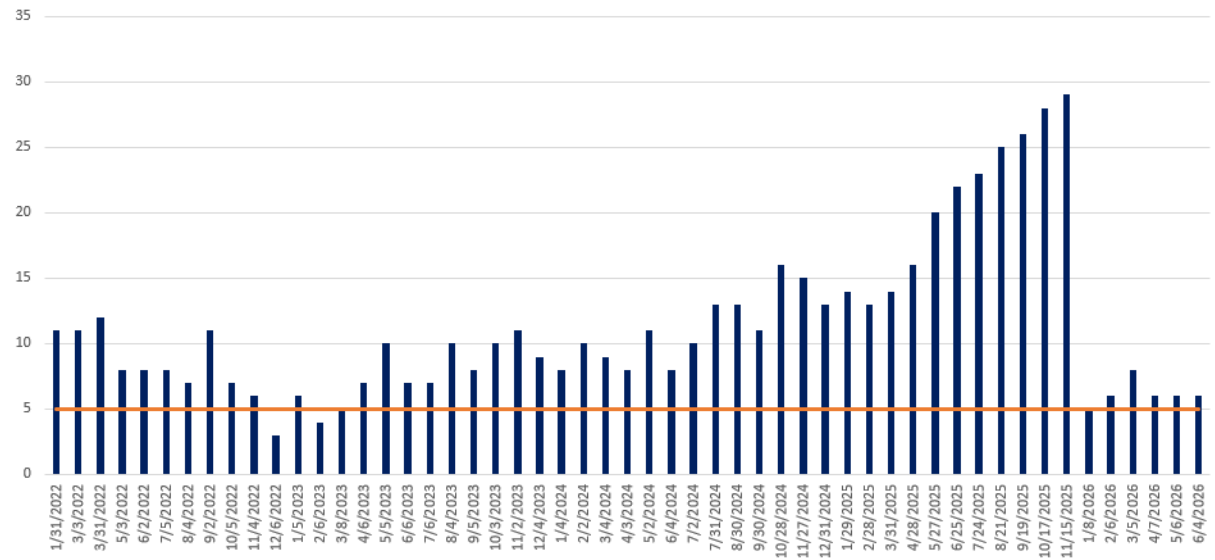
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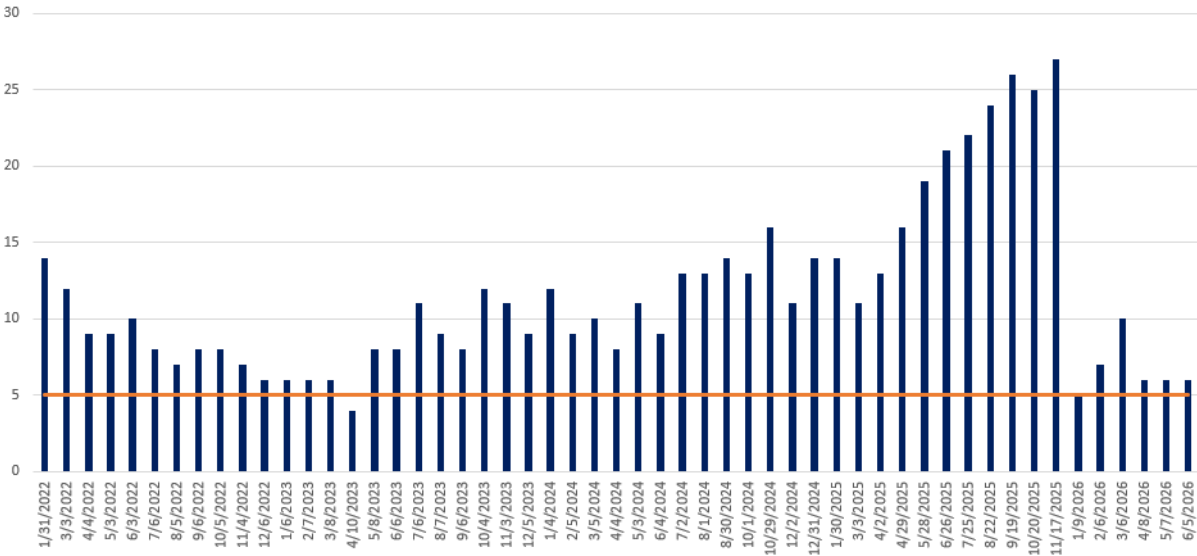
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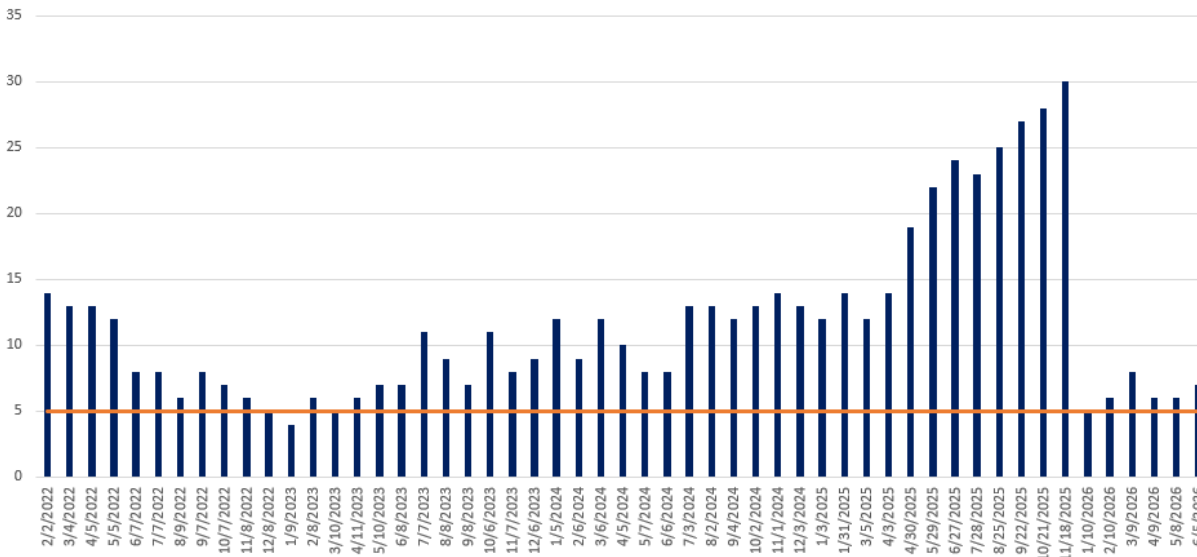
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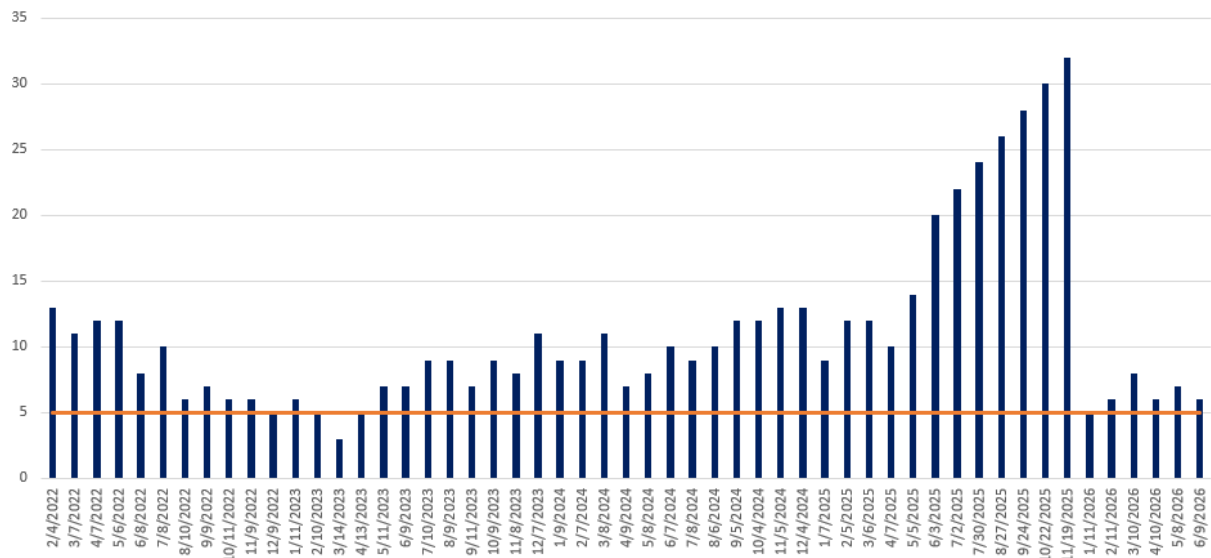
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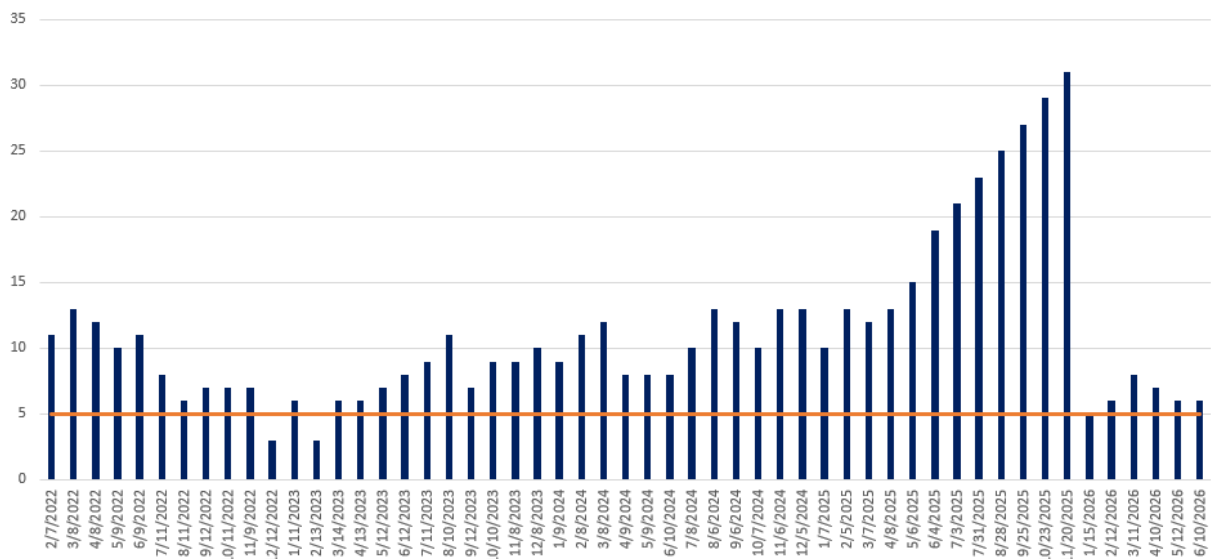
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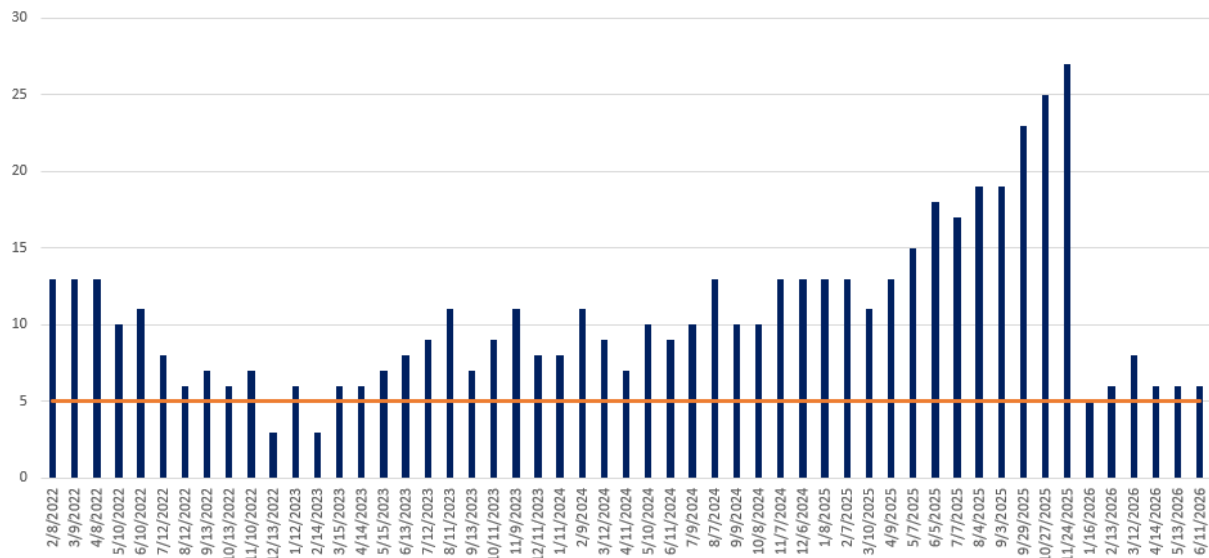
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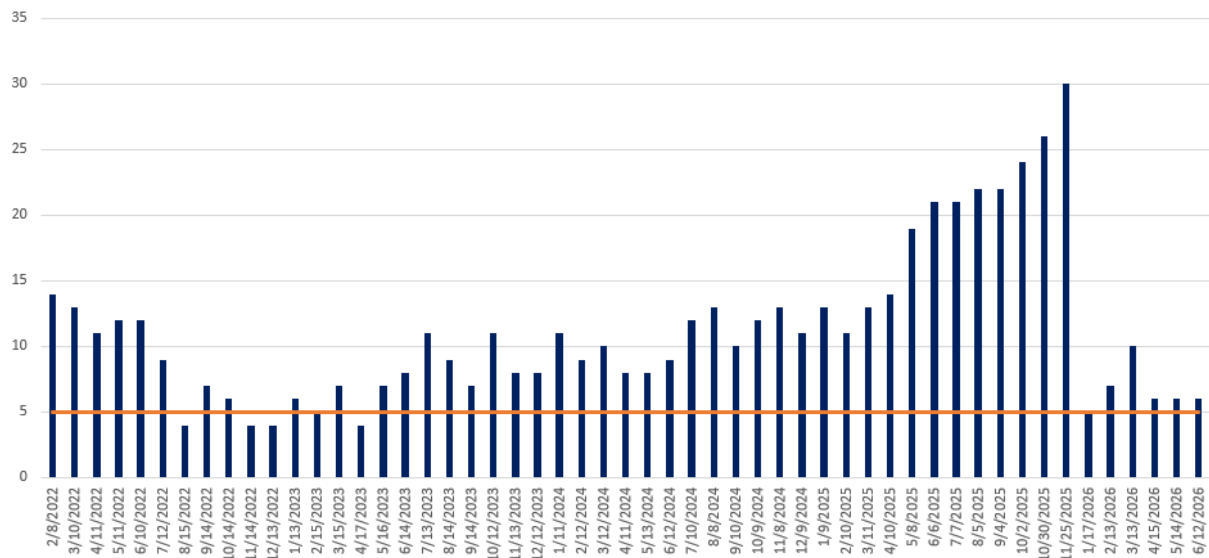
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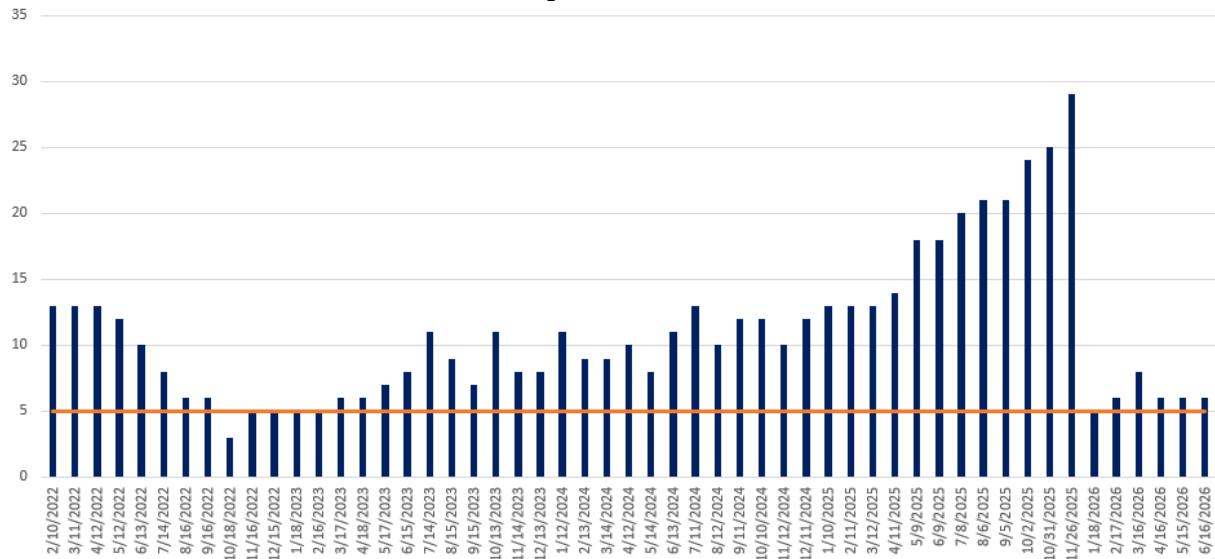
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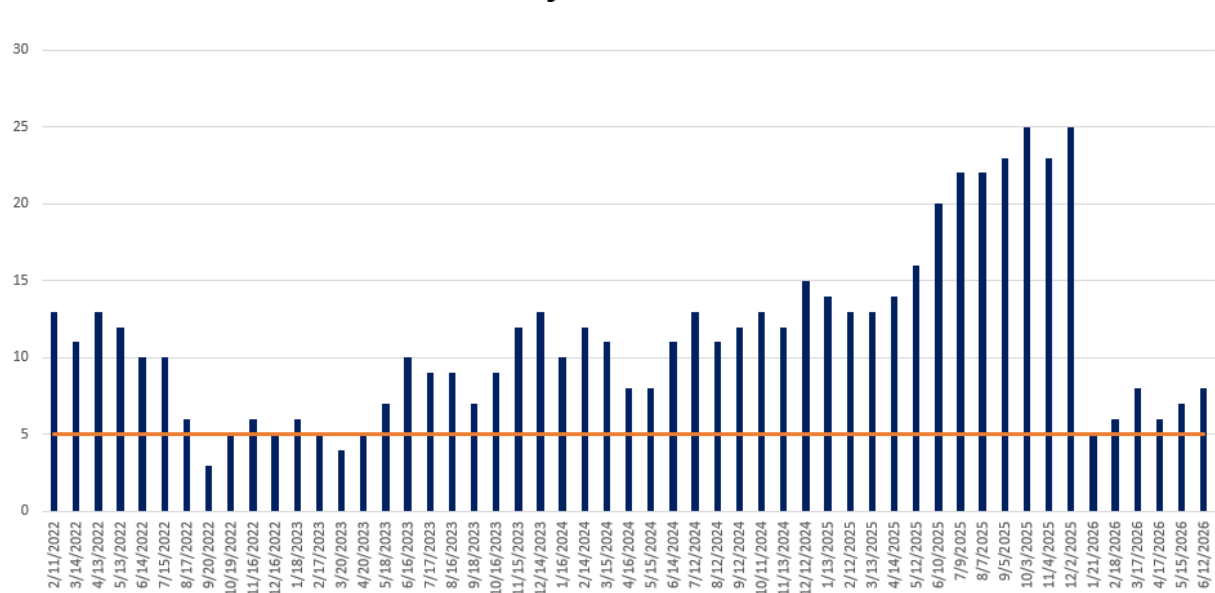
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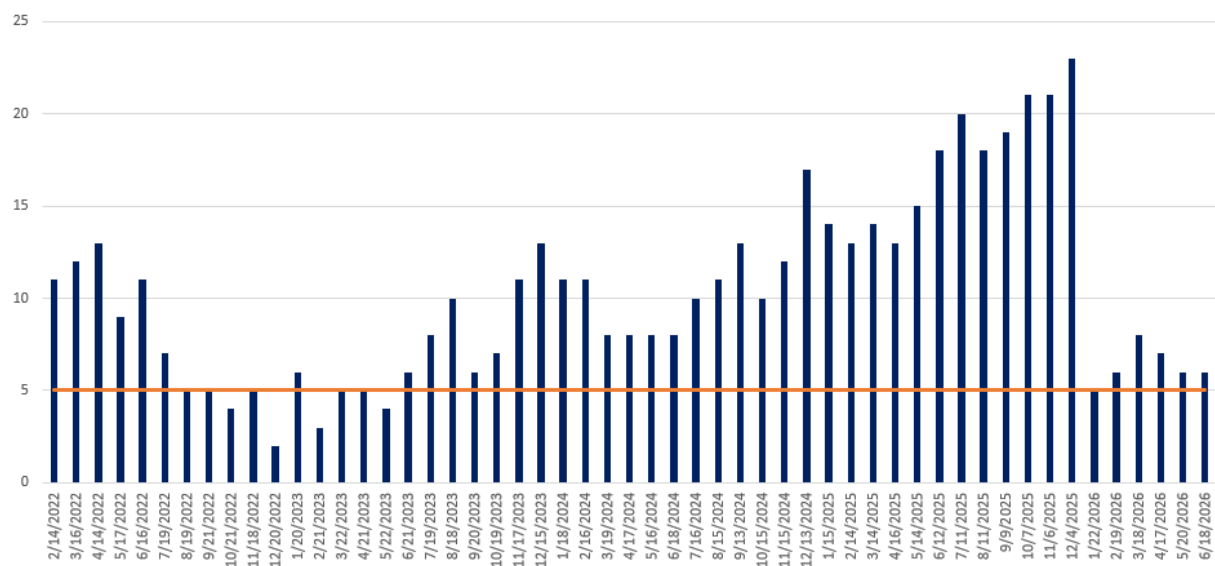
Cycle 17



Cycle 18



Cycle 19



Contact Information

Copies of this report may be obtained by contacting:



Office of the State Auditor
State of North Carolina
20601 Mail Service Center
Raleigh, North Carolina 27699

Telephone: 919-807-7500
Fax: 919-807-7647
Internet: www.auditor.nc.gov



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Internet: www.auditor.nc.gov/about-us/state-auditors-tipline