



Executive Summary

Why We Conducted This Audit

We performed this audit at the request of the citizens of the Town of Dougherty, Murray County, Oklahoma, pursuant to 74 O.S. § 212(L). The scope of the citizen petition was July 1, 2016 through December 31, 2018. Read the full audit report at <https://www.sai.ok.gov>.

What We Found

- The Town of Dougherty's water rate increase in December 2017 appeared necessary and the implementation of the increase was handled properly. Water rates were increased to facilitate access to potable water. (Pg. 3)
- In a review of 31 utility billing accounts, one customer was underbilled by \$47.50 and one customer's account included a calculation error of \$80. The remaining accounts reviewed reflected properly recorded and deposited utility billing revenue. (Pg. 4-5)
- During the audit period the Town incurred an estimated water loss of 6,567,000 gallons, equating to an increased expense to the Town of approximately \$9,600 over a 30-month period. (Pg. 5)
- In a review of the Town and Authority's compliance with the Open Meeting Act, we noted eight violations of improper item discussions; two instances of the lack of recording of individual votes of board members; and in 65 of 68 meetings the presence or absence of each board member was not recorded. (Pg. 7-8)
- Open records requests for utility customer account information were not honored by Town officials. (Pg. 9)
- The Town currently employs only one individual who is responsible for all financial and recordkeeping functions, resulting in a lack of segregation of duties and internal controls sufficient to prevent or reduce errors or irregularities. (Pg. 10)