

**Town of Milburn, Oklahoma**  
Independent Accountant's Report on Applying  
Agreed-Upon Procedures  
For Fiscal Year Ended June 30, 2024

*TOWN OF MILBURN, OKLAHOMA*  
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## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Milburn  
Milburn, Oklahoma

Trustees of the Milburn Public Works Authority  
Milburn, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have performed the procedures enumerated below which were agreed to by the specified users of the report as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. Management of the Town of Milburn (the Town) and the Milburn Public Works Authority (the Authority) are responsible for the Town's and the Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town and the Authority have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting their financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

### **Procedures and Findings**

As to the **Town of Milburn** as of and for the fiscal year ended June 30, 2024:

- 1. Procedures Performed:*** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

***Findings: No instances of fund balance deficits were noted.***

2. ***Procedures Performed:*** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund (see accompanying Exhibit B) and Grant Fund (see accompanying Exhibit B-1) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

***Findings: No instances of fund balance deficits were noted.***

3. ***Procedures Performed:*** We agreed the Town's bank account balances to bank statements and traced the timely clearance to report any reconciling items that have not cleared.

***Findings: All bank accounts appeared properly reconciled without exception.***

4. ***Procedures Performed:*** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

***Findings: The Town's deposits were fully insured or collateralized as of June 30, 2024.***

5. ***Procedures Performed:*** We compared the Town's use of restricted revenues and resources exceeding \$500 to their restrictions to report any noted instances of noncompliance.

***Findings: Materially restricted revenues and expenditures that exceeded \$500 consisted of General Fund's Street and Alley Department and Grant Fund. No instances of noncompliance were noted regarding these restricted revenues.***

6. ***Procedures Performed:*** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

***Findings: No exceptions were found as a result of applying the procedure.***

7. ***Procedures Performed:*** From the debt documents, we compiled the debt service compliance schedule to determine compliance with reserve accounts and debt service coverage requirement of bond indentures.

***Findings: This procedure was not performed. The Town of Milburn has no debt service or reserve account requirements.***

As to the **Milburn Public Works Authority** as of and for the fiscal year ended June 30, 2024:

1. ***Procedures Performed:*** From the Authority's trial balances, we prepared a schedule of revenues, expenses and changes in fund balances – modified cash basis for each fund

(see accompanying Exhibit C) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instances of noncompliance.

***Findings: No instances of fund balance deficits were noted.***

2. ***Procedures Performed:*** We agreed the Authority's bank account balances to bank statements and traced the timely clearance to report any reconciling items that have not cleared.

***Findings: All bank accounts appeared properly reconciled without exception.***

3. ***Procedures Performed:*** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

***Findings: The Authority's deposits were fully insured or collateralized as of June 30, 2024.***

4. ***Procedures Performed:*** We compared the Authority's use of restricted revenues and resources exceeding \$500 to their restrictions to report any noted instances of noncompliance.

***Findings: There were no materially restricted revenues and expenditures.***

5. ***Procedures Performed:*** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

***Findings: All required funds have been established.***

6. ***Procedures Performed:*** From the debt documents, we compiled the debt service compliance schedule to determine compliance with reserve accounts and debt service coverage requirement of bond indentures.

***Findings: This procedure was not performed. The Town of Milburn has no debt service or reserve account requirements as of June 30, 2024.***

As to the **Town of Milburn and Milburn Public Works Authority**, as of and for the fiscal year ended June 30, 2024:

1. ***Procedures Performed:*** From the Authority's Operating Account trial balance, we prepared a statement of revenues, expenses and changes in fund balance – modified cash basis (see accompanying Exhibit C) for the year ended June 30, 2024.

2. ***Procedures Performed:*** From the Town's and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit D) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

***Findings: No instances of noncompliance were noted.***

We were engaged by the Town of Milburn to perform this agreed-upon procedures engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed by Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Town and the Authority meeting their financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town and the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than those specified parties.

*Rahhal Henderson Willis, PLLC*

Rahhal Henderson Willis PLLC  
Ardmore, Oklahoma  
December 2, 2024

Town of Milburn  
Summary of Changes in Fund Balances – Modified Cash Basis  
For the Year Ended June 30, 2024

EXHIBIT A

	Fund Balances			Fund Balances
	<u>Beginning</u>	<u>Inflows</u>	<u>Outflows</u>	<u>Ending</u>
<b><i>TOWN:</i></b>				
General Fund	\$ 116,704	\$ 65,084	\$ 57,738	\$ 124,050
Grant Fund	<u>56,292</u>	<u>203</u>	<u>42,892</u>	<u>13,603</u>
Town Subtotal	<u>\$ 172,996</u>	<u>\$ 65,287</u>	<u>\$ 100,630</u>	<u>\$ 137,653</u>
<b><i>PUBLIC WORKS AUTHORITY:</i></b>				
PWA Fund-Operating Fund	\$ 74,065	\$ 176,277	\$ 151,284	\$ 99,058
Meter Deposit	16,834	1,917	-	18,751
Reserve Fund	<u>2,915</u>	<u>24</u>	<u>-</u>	<u>2,939</u>
Public Works Authority Subtotal	<u>\$ 93,814</u>	<u>\$ 178,218</u>	<u>\$ 151,284</u>	<u>\$ 120,748</u>
Overall Totals	<u><u>\$ 266,810</u></u>	<u><u>\$ 243,505</u></u>	<u><u>\$ 251,914</u></u>	<u><u>\$ 258,401</u></u>

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Town of Milburn  
 Budgetary Comparison Schedule – Modified Cash Basis  
 General Fund  
 For the Year Ended June 30, 2024

EXHIBIT B

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ 67,600	\$ 67,600	\$ 116,704	\$ 49,104
<b>Resources (Inflows):</b>				
Sales Tax	25,000	25,000	27,751	2,751
Use Tax	18,000	18,000	14,772	(3,228)
Franchise	7,000	7,000	10,123	3,123
Alcoholic Beverage Tax	8,000	8,000	6,455	(1,545)
Gasoline Excise	400	400	449	49
Tobacco Tax	200	200	167	(33)
Commercial Vehicle	1,800	1,800	1,870	70
Rent	1,000	1,000	1,725	725
Interest	500	500	1,056	556
Miscellaneous	500	500	716	216
Total Inflows	<u>130,000</u>	<u>130,000</u>	<u>181,788</u>	<u>51,788</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	<u>130,000</u>	<u>130,000</u>	<u>57,738</u>	<u>72,262</u>
Total Outflows	<u>130,000</u>	<u>130,000</u>	<u>57,738</u>	<u>72,262</u>
<b>Excess of Inflows over Outflows after Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>124,050</u>	<u>124,050</u>
<b>Ending Budgetary Fund Balance:</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,050</u>	<u>\$ 124,050</u>

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Town of Milburn  
 Budgetary Comparison Schedule – Modified Cash Basis  
 Grant Fund  
 For the Year Ended June 30, 2024

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Beginning Budgetary Fund Balance:</b>	\$ -	\$ -	\$ 56,292	\$ 56,292
<b>Resources (Inflows):</b>				
ARPA Proceeds	55,847	55,847	-	(55,847)
Interest	-	-	203	203
Total Inflows	55,847	55,847	56,495	648
<b>Charges to Appropriations (Outflows):</b>				
ARPA Expenditures	55,847	55,847	42,892	12,955
Total Outflows	55,847	55,847	42,892	12,955
<b>Excess of Inflows over Outflows after     Other Financing Sources (Uses)</b>	-	-	13,603	13,603
<b>Ending Budgetary Fund Balance:</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,603</u>	<u>\$ 13,603</u>

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Town of Milburn  
Statement of Revenues, Expenses and Changes in Fund Balances  
Modified Cash Basis  
Milburn Public Works Authority-Operating Account  
For the Year Ended June 30, 2024

EXHIBIT C

	Milburn Public Works Authority <u>Operating Account</u>
<b>Operating Revenues:</b>	
Water Revenue	\$ 94,672
Sewer Revenue	32,098
Trash Revenue	46,152
Penalties	2,555
Interest	<u>800</u>
 Total Operating Revenues	 <u>176,277</u>
 <b>Operating Expenses</b>	
Water Department	81,579
Sewer Department	28,630
Trash Department	<u>41,075</u>
Total Operating Expenses	<u>151,284</u>
 Operating Income (Loss)	 24,993
 Total Operating Income and Other Sources (Uses)	 24,993
 Fund Balance - Beginning	 <u>74,065</u>
 Fund Balance - Ending	 <u><u>\$ 99,058</u></u>

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Town of Milburn  
Schedule of Grant Activity  
Modified Cash Basis  
For the Year Ended June 30, 2024

<u>Grant Agency</u>	<u>Grant Number</u> <u>Purpose</u>	<u>Amount</u>	<u>Received</u> <u>Current Year</u>	<u>Expended</u> <u>Current year</u>
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NO GRANT ACTIVITY

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