

Town of Howe, Oklahoma

Annual Financial Report (unaudited)

For the Fiscal Year Ended June 30, 2024



FY2024

Town of Howe
June 30, 2024

TABLE OF CONTENTS

Independent Accountant's Report	2-4
Summary of Changes in Fund Balances - Cash Basis	5
Budgetary Comparison Schedule – Cash Basis – General Fund	6
Schedule of Grant Activity – Cash Basis	7

Board of Trustees

Darren Williams	Chairman
James Phillips	Vice Chairman
Leslie Pierce	Board Member
Matt Miller	Board Member
Dewayne Oliver	Board Member

Management

Elizabeth Smith	Town Clerk
Codi Williams	Town Treasurer/Court Clerk
Corey Coats	Police Chief

Elfrink and Associates, PLLC

Member AICPA, OSCP, and GFOA

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Independent Accountant's Report

To the specified users of the report:

Board of Trustees, Town of Howe
PO Box 98
Howe, Oklahoma 74940

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 of Howe ("Town") in meeting its financial accountability requirements as prescribed by Oklahoma Statutes Title 11 §17-105 and Title 60 § 180.1 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2024. Management of the Town is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants (AICPA) and Generally Accepted Government Auditing Standards. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

As to the **Town of Howe ("Town")** as of and for the fiscal year ended June 30, 2024:

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

Findings: No fund balance deficits were noted.

2. **Procedures Performed:** From the Town's trial balances, we compiled budget and actual financial schedules (see accompanying Exhibit 2) for the general fund by comparing expenditures and encumbrances to authorized appropriations.

Findings: The town had no adopted budget for the Fiscal Year ending June 30, 2024.

Suggestion: The Town should have a board meeting annually to complete the adoption of a budget at least seven days before the beginning of the Fiscal Year per Oklahoma Statutes §17-209 and per the Town's ordinance Section 7-26.

Response: Prior to this engagement the Town's management had determined that this step had not been completed in the past and the board voted to adopt a budget for Fiscal Year 2025 on June 13, 2024.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements and traced significant reconciling items to subsequent clearance.

Findings: We noted that four payments in the general fund bank account, check #6205 in the amount of \$26.79; check #6228 in the amount of \$718.54; Electronic Payment in the amount of \$336.49; and check #7249 in the amount of \$57.50 were outstanding as of June 30, 2024, and they had been outstanding for over 4 years.

Suggestion: The Town should research these checks to determine if they should be reissued, escheated, or voided.

Response: Upon review, the Town's management determined that the checks should be voided. The financial schedules were updated to reflect this.

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

Findings: The Town's deposits were fully insured as of June 30, 2024 and the town has no pledged collateral.

5. **Procedures Performed:** We compared the use of material-restricted revenues and resources to their restrictions.

Findings: Materially restricted revenues consist of the Town's grants. No instances of noncompliance were noted regarding these restricted revenues.

6. **Procedures Performed:** We determined compliance with requirements for separate funds.

Findings: All required funds have been established.

7. **Procedures Performed:** We determined compliance with reserve account and debt service coverage requirements of bond indenture findings.

Findings: As of June 30, 2024, management reported that the Town had no debt of any kind.

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

8. **Procedures Performed:** From the Town's and Authority's trial balances, we compiled a schedule of grant activity – cash basis for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information.

Findings: No instances of noncompliance were noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination, or review, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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 these specified parties.

Elfrink and Associates, PLLC

Elfrink and Associates, PLLC
Tulsa, Oklahoma
October 31, 2024

EXHIBIT 1
TOWN OF HOWE, OKLAHOMA
SUMMARY OF CHANGES IN FUND BALANCES
CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2024

	Beginning of Year <u>Fund Balances</u>	<u>Revenues</u>	<u>Expenses</u>	End of Year <u>Fund Balances</u>
TOWN: General Fund	<u>\$ 62,865</u>	<u>\$ 196,523</u>	<u>\$ 200,109</u>	<u>\$ 59,279</u>

See accompanying accountant's report.

EXHIBIT 2

TOWN OF HOWE, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE-CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget (Positive) Negative
	Original	Final		
Beginning Budgetary Fund Balance:	\$ -	\$ -	\$ 62,865	\$ 62,865
Resources (Inflows):				
TAXES	-	-	128,536	128,536
INTERGOVERNMENTAL	-	-	17,840	17,840
FINES AND FORFEITURES	-	-	31,766	31,766
INVESTMENT INCOME	-	-	553	553
GRANTS	-	-	9,994	9,994
MISCELLANEOUS	-	-	7,834	7,834
Total resources and other financing sources	-	-	196,523	196,523
Amounts available for appropriation	-	-	259,388	259,388
Charges to Appropriations (Outflows):				
GENERAL GOVERNMENT	-	-	88,793	(88,793)
FIRE	-	-	37,767	(37,767)
POLICE	-	-	73,549	(73,549)
Total Charges to Appropriations	-	-	200,109	(200,109)
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,279</u>	<u>\$ 59,279</u>

See accompanying accountant's report

Exhibit 4

**TOWN OF HOWE, OKLAHOMA
SCHEDULE OF GRANT ACTIVITY - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2024
(Unaudited)**

	<u>FIRE OPERATIONAL</u>	<u>ARPA</u>
Awarding agency	Oklahoma Department of Agriculture	US Department of the Treasury
ALN (CFDA #)	N/A	21.027
Award Amount	\$ 9,994	\$ 138,456
Program Budget	-	-
Current Year Activity		
Current Year Receipts:		
Received from agency	<u>9,994</u>	<u>-</u>
Current Year Disbursements	9,994	9,804
Beginning of Year Unexpended Grant Funds	<u>-</u>	<u>9,804</u>
End of Year Unexpended Grant Funds	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying accountant's report