

OFFICE OF THE STATE AUDITOR REPORT NOTE:

Section 7-7-211, Mississippi Code Annotated (1972) gives the Office of the State Auditor the authority to audit, with the exception of municipalities, any governmental entity in the state. In the case of municipalities, *Section 21-35-31, Mississippi Code Annotated (1972)* requires municipalities to obtain an annual audit performed by a private CPA firm and submit that audit report to the Office of the State Auditor. The Office of the State Auditor files these audit reports for review in case questions arise related to the municipality.

As a result, the following document was not prepared by the Office of the State Auditor. Instead, it was prepared by a private CPA firm and submitted to the Office of the State Auditor. The document was placed on this web page as it was submitted and no review of the report was performed by the Office of the State Auditor prior to finalization of the report. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

CITY OF DURANT, MS
AUDITED FINANCIAL STATEMENTS
AND OTHER INFORMATION

SEPTEMBER 30, 2019

CAROLYN HINTON DUPRE'
CERTIFIED PUBLIC ACCOUNTANT

**City of Durant, MS
Audited Financial Statement
September 30, 2019**

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Carolyn DuPre'

**Certified Public
Accountant**

INDEPENDENT AUDITORS REPORT

Honorable Mayor and Board of Alderman
City of Durant, MS

I have audited the accompanying modified cash basis financial statement of the governmental activities, the business type activities, each major fund and aggregate remaining fund information of the City of Durant, MS, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A; this includes determining that the modified cash basis of accounting is acceptable for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluation the appropriateness of accounting policies used and the

reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Durant, MS, as of September 30, 2019, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

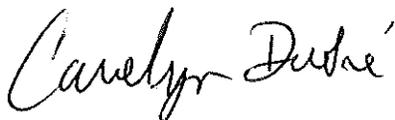
Basis of Accounting

I draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. My opinions are not modified with respect to this matter.

Other Matters

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the City of Durant, MS's basic financial statements.



Jackson, MS
June 15, 2022

FINANCIAL STATEMENTS

City of Durant Mississippi
Statement of Cash Receipts and Disbursements
Governmental and Business-type Activities
For the Year Ended September 30, 2019

	Governmental Activities				Business-type Activities				
	Major Funds			Total	Electric Fund	Sewer & Garbage Fund	Water Fund	Total	Grand Total
	General Fund	Special Rev FEMA Fund	Other Governmental Funds						
RECEIPTS									
Taxes									
General Property Taxes	\$ 410,474		56,790	467,265				-	467,265
Penalties and interest on delinquent taxes	\$ -			-				-	-
Licenses and permits									
Privilege licenses	\$ 5,454			5,454				-	5,454
Franchise charges - utilities	\$ 21,766			21,766				-	21,766
Intergovernmental revenues:									
Federal receipts									
CDBG			70,020	70,020				-	70,020
RURAL UTILITIES FEMA (Federal)	\$ -	709,830		709,830		4,717,010	200,000	4,917,010	4,917,010
General Municipal Aid									
City	\$ 12,032			12,032				-	12,032
State shared revenue:									
Sales taxes	\$ 414,689			414,689				-	414,689
Gasoline tax	\$ 8,019			8,019				-	8,019
Motor vehicle tax	\$ -			-				-	-
Alcoholic beverage licenses	\$ -			-				-	-
Fire insurance premium distribution	\$ -		20,776	20,776				-	20,776
Others	\$ 35,224		3,637	38,861				-	38,861
Charge for services:									
Sewer and Garbage	\$ -			-				-	-
Electric	\$ -			-	2,730,000			2,730,000	2,730,000
Water	\$ -			-				-	-
Fines and forfeits	\$ 48,230			48,230				-	48,230
Miscellaneous receipts	\$ 92,514			92,514				-	92,514
Total Receipts	\$ 1,048,402	709,830	151,223	1,909,455	2,730,000	4,717,010	200,000	7,647,009	9,556,464
DISBURSEMENTS									
General government									
Executive	\$ -			-				-	-
Financial	\$ -			-				-	-
Other	\$ 680,156	975,776	127,914	1,783,846				-	1,783,846
Public Works									
Street	\$ 232,835			232,835				-	232,835
Public Safety									
Police	\$ 438,843			438,843				-	438,843
Fire	\$ 160,746			160,746				-	160,746
Culture and recreation									
Parks	\$ 78,189			78,189				-	78,189
Library	\$ 67,626			67,626				-	67,626
Enterprise									
Electric	\$ -			-	1,792,398			1,792,398	1,792,398
Sewer and Garbage	\$ -			-		3,723,869		3,723,869	3,723,869
Water	\$ -			-			138,216	138,216	138,216
Redemption of principal	\$ -			-		965,700	222,435	1,188,135	1,188,135
Debt service interest	\$ -			-				-	-
Total Disbursements	\$ 1,658,395	975,776	127,914	2,762,086	1,792,398	4,689,569	360,651	6,842,618	9,604,704
Excess (Deficiency) of receipts over disbursements	\$ (609,993)	(265,947)	23,309	(852,631)	937,602	27,441	(160,651)	804,391	(48,239)
OTHER FINANCING SOURCES(USES)									
Sale of bonds	\$ -			-				-	-
Transfers In (Out)	\$ -			-				-	-
Total other financing resources (uses)	\$ -	-	-	-	-	-	-	-	-
Excess(Deficiency) of receipts and other financing sources over disbursements and other financing uses	\$ (609,993)	(265,947)	23,309	(852,631)	937,602	27,441	(160,651)	804,391	(48,239)
CASH BASIS FUND BALANCE- BEG OF YR	\$ (468,477)	(761,627)	547,960	(682,144)	1,965,490	(561,580)	(542,557)	861,353	179,209

CITY OF DURANT, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2019

Note A: Summary of Significant Accounting Policies

General Information

The City operates under the mayor-board of alderman form of government and provides services as authorized by law.

Reporting Entity

The financial statement of the city consists of all the funds of the city.

Fund Accounting

The accounts of the city are organized on the basis of funds, each of which considered a separate accounting entity.

Basis of Accounting

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than earned, and certain expenses are recognized when paid rather than when the obligation incurred.

Note B: Report Classifications

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

Note C: Contingent Liability – Litigation

The City has no contingent liability or litigation.

OTHER INFORMATION

CITY OF DURANT, MISSISSIPPI
 SCHEDULE OF INVESTMENTS - ALL FUNDS
 September 30, 2019

OWNERSHIP	TYPE OF INVESTMENT	INTEREST RATE	ACQUISITION DATE	MATURITY DATE	OTHER INFORMATION	INVESTMENT COST/VALUE
General Fund	Certificate of Deposit	0.25%	6/17/2009	1/17/2019	Renassant Bank	15,873.54
TOTAL INVESTMENTS						<u>15,873.54</u>

CITY OF DURANT, MISSISSIPPI
SCHEDULE OF CAPITAL ASSETS
For The Fiscal Year Ended September 30, 2019

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets:				
Land	\$ -			-
Buildings	\$ -			-
Machinery and Equipment	\$ -			-
Infrastructure	\$ -			-
Construction In progress	\$ -			-
Total Governmental Activities capital assets	\$ -	-	-	-
Business-type activities				
Capital Assets:				
Land	\$ -			-
Buildings	\$ -			-
Machinery and Equipment	\$ -			-
Construction In progress	\$ -			-
Total Business-type activities capital assets	\$ -	-	-	-

* The city of durant has not composed a list of fixed assets with values as required.

CITY OF DURANT, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the Year Ended September 30, 2019

DEFINITION AND PURPOSE	Balance Outstanding	Transactions During Fiscal Year		Balance Outstanding
	October 1, 2018	Issued	Redeemed	September 30, 2019
General Obligation Bonds:				
Revenue Bonds:				
Water & Sewer Revenue Bond - USDA Rural Utilities	-	\$ 2,135,866.00	\$ (1,161,642.50)	\$ 974,223.50
Other Long-term Debt:				
Capital Improvement Loan 2008 MDA	165,243.93		(14,573.24)	150,670.69
Holmes County Bank & Trust Co. 402952700	103,895.54		(35,080.93)	68,814.61
Cap Loan Water	(10,312.50)		-	(10,312.50)
TOTAL	\$ 258,826.97	\$ 2,135,866.00	\$ (1,211,296.67)	\$ 1,183,396.30

DURANT, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2019

Name	Position	Surety	Bond Amount
Henry Robinson, Jr.	Mayor	Travelers	100,000
Carolyn Riley	Alderman	Travelers	100,000
Fredia Johnson	Alderman	Travelers	100,000
Leotha Patterson, Jr.	Alderman	Travelers	100,000
Linda McDonald	Alderman	Travelers	100,000
Ricky Fletcher	Alderman	Travelers	100,000
Ursulla Perry	Clerk	Travelers	50,000
Wanda G. Bishop	Dispatcher	Travelers	50,000
Kelly Boyd	Fire Chief	Travelers	50,000
Antwan Bailey	Police Officer	Travelers	50,000
Bennie Clark	Police Officer	Travelers	50,000
Elijah Brooks	Police Officer	Travelers	50,000
Kenneth Barron	Police Officer	Travelers	50,000
Lykesia M Smith	Police Officer	Travelers	50,000
Matt Ward	Police Officer	Travelers	50,000
Phillip Boatman	Police Officer	Travelers	50,000
Willie Mack	Police Officer	Travelers	50,000

SUPPLEMENTAL INFORMATION

City of Durant, Mississippi
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2019

Federal Grantor/ Passed-through Grantor/ Program Title or Cluster	Federal CFDA Number	Grant No./ Pass Through Number	Federal Expenditures
*U.S. Department of Homeland Security Passed Through the MS Emergency Management Agency Disaster Grants Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4314-DR-MS	\$ 709,830
Total U. S. Department of Federal Emergency Management			\$ 709,830
U. S. Department of Housing and Urban Development Passed Through the MS Development Authority	14.228	1132-16-172-PF-01	\$ 70,002
Total U.S. Department of Housing and Urban Development			\$ 70,002
*U. S. Department of Agriculture	10.760	Rural Utilities Services	4,717,010
Total Expenditures of Federal Awards			\$ 5,496,841.51

* Denotes Major Fund /Cash Basis

City of Durant, Mississippi
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2019

Note 1 – General

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal award program of the City of Durant, Mississippi (the "City). All federal awards directly from federal agencies as well as federal awards passed through other government agencies to the City are included in the accompanying SEFA.

Note 2 – Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the city and is presented on the cash basis of accounting. Differences between the granting-agency basis of accounting and the basis of accounting used by the City in preparing its financial fund statements may occur.

Note 3 Federal loans

The city has federal loans outstanding as of September 30, 2019, of \$974,223.50 due to the USDA Rural Utilities Service.

SPECIAL REPORTS

Carolyn DuPre'

**Certified Public
Accountant**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

City Council
City of Durant, MS

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statement of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Durant, MS, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Durant, MS's basic financial statements, and have issued my report thereon dated June 15, 2022.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the City of Durant, MS's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Durant, MS's internal control. Accordingly, I do not express an opinion on the effectiveness of the City of Durant, MSs internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit I did not identify any deficiencies in internal control that I

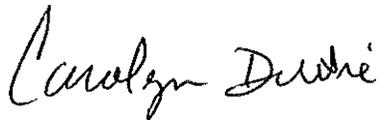
consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Durant, MS's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, I do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Jackson MS
June 15, 2022

Carolyn DuPre'

**Certified Public
Accountant**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE
LAWS AND REGULATIONS**

Honorable Mayor and Board of Aldermen
City of Durant, MS

I have audited the basic financial statement of the City of Durant, MS as of and for the year ended September 30, 2019, and have issued my report date June 15, 2022. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, I have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of my audit and accordingly, I do not express such an opinion.

The results of those procedures and our audit of the general purpose financial statements disclosed the following material instance of noncompliance with state laws and regulations. My finding and recommendation and your response are as follows:

Finding 1

Criteria:

According to Section 17-17-348, Mississippi Code Annotate (1972), the municipalities should publish a detailed itemized report of all revenues, costs and expenses incurred by the municipality in operating garbage, rubbish collection or disposal systems.

Condition:

The City failed to publish this report.

Cause:

The cause of the above condition is primarily due to management noncompliance with Section 17-17-348, Mississippi Code Annotated (1972).

Effect:

This caused the City to be in noncompliance with Section 17-17-348, Mississippi Code Annotate (1972).

Recommendation:

The City should comply with Section 17-17-348, Mississippi Code Annotated (1972).

Response:

Moving forward as of the 2020 audit, we will publish the report in accordance with Section 17-17-348, our CPA will help with the report to ensure that it is published.

The Office of the State Auditor or a public accounting firm will review, on a subsequent year's audit engagement, the findings in this report to ensure that corrective action has been taken.

The City of Durant, Mississippi's responses to the findings included in this report were not audited and, accordingly, I express no opinion on them.

This report is intended for the information of the City's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.



June 15, 2022

Carolyn DuPre'

**Certified Public
Accountant**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Board of Aldermen
City of Durant, MS

Report on Compliance for Each Major Federal Program

I have audited the City of Durant, MS's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the City of Durant, MS's major federal programs for the year ended September 30, 2019. City of Durant, MS's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the City of Durant MS's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirement of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Durant, MS's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the City of Durant, MS's compliance.

Opinion on Each Major Federal Program

In my opinion, the City of Durant, MS, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2019.

Other Matters

The results of my auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2019-001. My opinion on each major federal program is not modified with respect to these matters.

City of Durant, MS's response to the noncompliance findings identified in my audit is described in the accompanying schedule of findings and questioned costs. City of Durant, MS's response was not subject to the auditing procedures applied in the audit of compliance and accordingly I do not express no opinion on the response.

Report on Internal Control and Compliance

Management of the City of Durant, MS is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the City of Durant, MS's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstance for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the City of Durant, MS's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a

combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script, appearing to read "Carolyn Dubri".

Jackson, MS
June 15, 2022

City of Durant, Mississippi
September 30, 2019
Schedule of Findings and Questioned Costs

SECTION 1-SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- | | | |
|----|---|------------|
| 1. | Type of auditor's report issued on financial statements: | |
| | Government Activities | Unmodified |
| | Business type activities | Unmodified |
| | General and other major funds | Unmodified |
| | Aggregate remaining fund information | Unmodified |
| 2. | Internal control over financial reporting: | |
| | a. Material weaknesses identified? | None Noted |
| | b. Significant deficiencies identified? | None Noted |
| 3. | Noncompliance material to the financial statements noted? | Yes |

Federal Awards:

- | 4. | Type of auditor's report issued on compliance for major programs: | Unmodified | | | | | | |
|-------------|---|-------------|-----------------|--------|------|--------|------|--|
| 5. | Internal Control over major programs: | | | | | | | |
| | a. Material weaknesses identified? | None Noted | | | | | | |
| | b. Significant deficiencies identified? | None Noted | | | | | | |
| 6. | Any audit findings disclosed that are require to be reported in accordance with 2 CFR 200.516(a)? | Yes | | | | | | |
| 7. | Federal program identified as a major program: | | | | | | | |
| | <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">CFDA Number</th> <th style="text-align: left; border-bottom: 1px solid black;">Name of Program</th> </tr> </thead> <tbody> <tr> <td>97.036</td> <td>FEMA</td> </tr> <tr> <td>10.760</td> <td>USDA</td> </tr> </tbody> </table> | CFDA Number | Name of Program | 97.036 | FEMA | 10.760 | USDA | |
| CFDA Number | Name of Program | | | | | | | |
| 97.036 | FEMA | | | | | | | |
| 10.760 | USDA | | | | | | | |
| 8. | Dollar threshold used to distinguish between type A and type B programs: | \$ 750,000 | | | | | | |
| 9. | Auditee qualified as a low risk auditee? | No | | | | | | |
| 10. | Prior fiscal year audit finding(s) and questioned costs relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings I accordance with 2 CFR 200.526(b)? | No | | | | | | |

City of Durant, Mississippi
September 30, 2019
Schedule of Findings and Questioned Costs

SECTION 2-FINANCIAL STATEMENT FINDINGS

Material Weakness:

Finding 2019-001

Condition:

The City did not conduct an annual inventory observing capital assets pursuant to guidelines set forth by the Mississippi State Auditor's. This is a repeat finding from the prior year.

Criteria:

The City is to maintain adequate subsidiary record substantiating the existence, completeness, and valuation of capital assets.

The City submitted a list of assets for the electric fund but the acquisition date and acquisition cost were not included for each asset.

Effect:

There is no accurate record of the capital assets and inventory owned by the City.

Cause:

The City did not develop and follow policies on capital asset management and conduct annual physical inventory.

Recommendation:

The City should conduct annual inventory of its capital assets and update their capital assets list timely and review periodically.

Response:

The City of Durant will work with the MSU Extension service to find resources to help provide an adequate capital asset inventory list. The cost would be above our budget therefore, we are seeking other resources to help obtain the list.

SECTION 3-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Material Weakness:

Finding 2019-002

Condition:

The City did not submit the 2019 reporting packages to the federal clearing house in a timely manner. There were no authorized extensions.

City of Durant, Mississippi
September 30, 2019
Schedule of Findings and Questioned Costs

Criteria:

2 CFR section 200.512(a) states that the reporting package must be submitted earlier of 30 calendar days after receipt of the auditor's report or nine months after the end of the audit period. The reporting package for a Single Audit should include the financial statements, schedule of expenditures of federal awards, summary of prior audit findings, audit report, and the corrective action plan.

Effect:

This condition makes the city noncompliant with the Single Audit Act of 1996 and the amendments.

Cause:

The city did not prioritize the deadlines.

Recommendation:

The recommendation is for the city to set priorities which include the deadlines for the reporting package.

Response:

The City of Durant acknowledges the late submission of the audit report and will make it a priority. It has missed the deadline for subsequent years but will implement accurate timelines for the 2022 audit.

Name of person responsible for corrective action plan:

Ursula Perry, City Clerk

When will the corrective action plan be implemented:

The plan will be fully implemented by June 30, 2022.

CITY OF DURANT MISSISSIPPI
CORRECTIVE ACTION PLAN
Fiscal Year 2019

June 15, 2022

The City of Durant Mississippi respectfully submits the following corrective action plan for the year ended June 30, 2019.

**Carolyn Dupre, CPA
P. O. Box 6714
Jackson,MS 39212**

October 1, 2018, to September 30, 2019

The findings from the September 30, 2019, schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS— FINANCIAL STATEMENT AUDIT

Material Weakness

2019-001 – Capital Assets

Recommendation:

The city should conduct annual inventory of its capital assets and update their capital assets list timely and review periodically

Action Taken: We concur with the recommendation, and it will be implemented effective October 1, 2022.

FINDINGS – FEDERAL AWARD PROGRAMS AUDITS

Department of Homeland Security

Material Weakness

2019-002

Recommendation:

The recommendation is for the city to set priorities which include the deadlines for the reporting package.

Action Taken: We concur with the recommendation. It will be implemented in fiscal year 2022.

If there are any questions regarding this plan, please call Ursula Perry at

Sincerely yours,

Ursula Perry

City Clerk