

## 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.

# **Town of Duncan, Mississippi**

Financial Statements

September 30, 2021

**Ellis & Hirsberg**

Certified Public Accountants, PLLC

Clarksdale, Mississippi



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**INDEPENDENT ACCOUNTANTS' COMPILATION REPORT**

Honorable Mayor and Aldermen  
Town of Duncan  
Duncan, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements – governmental and business-type activities of the Town of Duncan, Mississippi, for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the statement of cash receipts and disbursements – governmental and business type activities nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the statement of cash receipts and disbursements – governmental and business-type activities.

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The statement of receipts and disbursements – governmental and business-type activities is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Management has omitted the Management Discussion and Analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information contained in Schedules 1 through 5 is presented in compliance with the requirements of the Mississippi Office of the State Auditor and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We

have not audited nor reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

*Other Information*

The Statement of Cash Receipts and Disbursements – Governmental and Business-Type Activities and related notes to financial statement are intended to comply with the requirements of the Mississippi Office of the State Auditor and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

In accordance with the provisions of Section 21-35-31, Miss. Code Ann. (1972), we have issued a report dated August 22, 2022, on the results of our agreed-upon procedures.

*Ellis & Hirsberg CPA's PLLC*

Ellis & Hirsberg CPA's PLLC  
Clarksdale, Mississippi  
August 22, 2022

TOWN OF DUNCAN, MISSISSIPPI

FINANCIAL STATEMENTS

**TOWN OF DUNCAN, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Governmental Activities		Business- type Activities
	Major Funds	Revenue	Total
	Fund		Water Fund

**RECEIPTS**

Taxes			
Property Taxes	58,577		58,577
Licenses and Permits:			
Permits	50		50
Privilege Licenses	140		140
Franchise Taxes	7,411		7,411
Intergovernmental Revenues:			
Intergovernmental Grants	73,816		73,816
General Municipal Aid	211		211
Other Aid	20		20
Homestead Exemption	5,142		5,142
State Shared Revenues			
Gasoline Tax	1,216		1,216
Sales Taxes	6,290		6,290
Truck and Bus Tax	475		475

See independent accountants' compilation report.



**TOWN OF DUNCAN, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Governmental Activities		Business- type Activities
	Major Funds	Total	
	Fund	Revenue	Water Fund
Grand Gulf Payment	2,479	2,479	
Charges for Services:			
Sanitation	12,561	12,561	68,022
Water/Sewer			
Other Receipts:			
Interest	27	27	6
Miscellaneous Receipts	174	184	
Transfer In (Out)	6,000	6,000	(6,000)
Total Receipts	174,589	174,599	62,028

**DISBURSEMENTS**

General Government	31,957	31,957
Public Safety		
Fire	5,163	5,163
Police	8,795	8,795

See independent accountants' compilation report.

**TOWN OF DUNCAN, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Governmental Activities		Business-type Activities
	Major Funds	Revenue	Total
	Fund		Water Fund
Public Works			
Beautification	28,058		28,058
Sanitation	14,706		14,706
Streets	9,644		9,644
Proprietary Funds			
Water and Sewer			65,946
Total Disbursements	98,323	-	98,323
	76,266	10	76,276
Excess (Deficiency) of Receipts Over Disbursements			(3,918)
Cash Basis of Fund Balance - Beginning	70,676	589	71,265
Prior Period Adjustment	4,158		
Cash Basis of Fund Balance - Beginning, as restated	74,834	589	71,265
	151,100	599	147,541
Cash Basis of Fund Balance - Ending			46,383

See independent accountants' compilation report.

**TOWN OF DUNCAN, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The Town of Duncan operates under a Mayor-Board of Aldermen form of government. The Town has an approximate population of 423. The accounting policies of the Town of Duncan conform to the laws of Mississippi for a municipality with revenues or expenditures of less than \$1,000,000. The following is a summary of the more significant policies.

**Reporting Entity** - This report includes all of the funds and account groups of the Town of Duncan. The Town has developed criteria to determine whether outside agencies or authorities with activities which benefit the citizens of the Town should be included within its financial reporting entity. The criteria include, but are not limited to, whether the Town exercises oversight responsibility on financial inter-dependency, selection of governing authority, and accountability for fiscal matter, scope of public service and special financing relationships. No component unit was identified for inclusion or potential inclusion utilizing the criteria indicated.

**Basis of Presentation - Fund Accounting** - The accounts of the Town of Duncan are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures/expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

**Basis of Accounting** - All governmental and proprietary funds are accounted for using the cash receipts and disbursements basis of accounting, as allowed by the Mississippi State Department of Audit. This basis of accounting differs from accounting principles generally accepted in the United States of America in that revenues are recognized when received rather than when measurable and available as net current assets and expenditures are generally recognized when the related fund expense is disbursed rather than when the related fund liability is incurred. Consequently, these financial statements are not intended to present financial position or results of operations in accordance with accounting principles generally accepted in the United States of America. Financial statements issued following accounting principles generally accepted in the United States of America normally contain Government-wide Financial Statements, Fund Financial Statements, Management Discussion and Analysis (MD&A), and other supplemental information.

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

The following funds and groups of accounts are used by the Town:

**TOWN OF DUNCAN, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Governmental Fund Types:**

**General Fund** - This fund is established to account for resources devoted to financing the general services that the Town performs for its citizens, including the servicing of general long-term debt (debt service funds). General tax revenues and other sources of revenue used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

**Special Revenue Fund** - The Special Revenue Fund is used to account for revenue sources that are legally restricted to expenditures for specific purposes.

**Proprietary Fund Types:**

**Enterprise Funds** - These funds account for operations that are organized to be self-supporting through user charges. Included in this category is the Water and Sewer Fund.

**Budgetary Data** - Formal budgetary accounting is employed as a management control for all funds of the Town. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for governmental and proprietary funds. For governmental funds, receipts are budgeted on the cash basis.

Expenditures are budgeted on the modified cash basis of accounting. This is consistent with the applicable laws of Mississippi for municipalities. Budgets for Special Revenue Funds are made on a project basis, spanning more than one fiscal year. Budgetary control is exercised at the departmental level or by projects.

All unencumbered budget appropriations, except special revenue project budgets, lapse at the end of each fiscal year.

**Cash** - Cash in excess of current requirements is invested in various interest-bearing bank deposits.

**Property Tax Revenues** - Property taxes are levied on January 1 based on the assessed value of property per the County Tax Bills. Assessed values are an approximation of market value.

Property taxes are recognized as revenue when they are received.

**Encumbrances** - The Town of Duncan does not use encumbrance accounting.

**Compensated Absences** - The Town of Duncan, Mississippi does not grant sick leave or vacation pay.

**Interfund Transfers** - The interfund transfers have not been eliminated.

**TOWN OF DUNCAN, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Restricted Funds** - When an expenditure is incurred that could be paid by either restricted or unrestricted funds, restricted funds are used first.

**Total Columns** - The Combined Statements of Cash Receipts and Disbursements, Governmental and Business-type Activities includes a total column that is described as memorandum only. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Interfund transactions have not been eliminated from the total column of this financial statement.

**NOTE 2 – PRIOR PERIOD ADJUSTMENT:**

A summary of cash basis fund balance adjustments is as follows:

Governmental Activities:

<u>Explanation</u>	<u>Amount</u>
Adjustment to agree fund balance to cash balances	\$4,158

Business-type Activities:

<u>Explanation</u>	<u>Amount</u>
Adjustment to agree fund balance to cash balances	(\$4,158)

**NOTE 3 - PROPERTY TAXES:**

Property taxes attach as an enforceable lien as of February 1.

The Town 2020 tax levy was 45 mills on assessed valuation for taxing property within the incorporated boundaries. The Town utilized the county tax rolls and values in assessing the ad valorem taxes on real and personal property within the Town boundaries. The Town pays a fee to the Bolivar County Tax Collector to collect its ad valorem taxes.

Property for which ad valorem taxes have not been paid is advertised for sale in April of each year. Property not sold at the auction is purchased by the State of Mississippi. Since unpaid ad valorem taxes at year end are usually not collected within the 60 day period following the close of the Town's fiscal year, delinquent property taxes are not recorded as a receivable on the books of the Town.

**NOTE 4 - CASH AND OTHER DEPOSITS:**

The collateral for public entities' deposits in financial institutions, is now held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be

**TOWN OF DUNCAN, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

liquidated by the State Treasurer to replace the public deposits not covered by the Federal Depository Insurance Corporation.

The carrying amount of the Town's deposits with financial institutions was \$198,081 and the bank balance was \$198,371. The bank balance is categorized as follows:

Amount insured or collateralized with securities held by the Town or its agent in the Town's name	\$198,371
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Custodial Credit Risk - Deposits. Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the Town will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the Town. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the Town. As of September 30, 2021, none of the Town's bank balances of \$198,371 was exposed to custodial credit risk.

**NOTE 5 - LONG-TERM DEBT:**

The Town did not have any long-term debt at September 30, 2021.

**NOTE 6 - RISK MANAGEMENT:**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors, and omissions; injuries to employees; and natural disasters. Except as described below, the Town has commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Participation in Public Entity Risk Pool**

The Town is a member of the Mississippi Municipal Workers' Compensation Group (MMWCG). The group is a risk-sharing pool; such a pool is frequently referred to as a self-insurance pool. The pool was formed on March 28, 1989, by the Mississippi Nonprofit Corporation Act, pursuant to Section 71-3-75, Mississippi Code Annotated (1972), to provide public entities within the State of Mississippi worker's compensation and employers' liability coverage. The Town pays premiums on a quarterly basis for its workers' compensation insurance coverage based on total payroll. The participation agreement provides that the pool will be self-sustaining through member premiums. The risk of total claims exceeding the pool's resources is remote. In the event claims deplete the trust account, pool members would be required to pay for the deficiencies. Settlement amounts have not exceeded for the current year nor the prior three years.

**TOWN OF DUNCAN, MISSISSIPPI  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

The Town is a member of the Mississippi Municipal Liability Plan, a public entity risk pool. The Mississippi Municipal Liability Plan covers liability against its members. The Plan is funded by member contributions. The Town has not had an additional assessment for excess losses.

**NOTE 7 - ECONOMIC DEPENDENCY:**

The Town is a rural community located in the Mississippi Delta. It is dependent on ad valorem taxes and user fees from its residents to remain viable.

**NOTE 8 - SUBSEQUENT EVENTS:**

Events that occur after the statement of net assets date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net assets date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net assets date require disclosure in the accompanying notes. Management of the Town of Duncan evaluated the activity of the Town through August 22, 2022 and determined that there the following subsequent events that requires disclosure in the financial statements.

- The Town was awarded \$100,000 by the State of Mississippi for the Duncan Community Park Grant.
- The Town was awarded \$307,425 for a Community Development Block Grant.

TOWN OF DUNCAN, MISSISSIPPI

SUPPLEMENTAL INFORMATION



**TOWN OF DUNCAN, MISSISSIPPI  
SCHEDULE OF LONG-TERM DEBT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

There was no long-term debt outstanding at September 30, 2021.

See independent accountants' compilation report.

**TOWN OF DUNCAN, MISSISSIPPI  
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS  
SEPTEMBER 30, 2021**

<u>Name</u>	<u>Position</u>	<u>Company</u>	<u>Bond Amount</u>
Charles Harvey	Mayor	St. Paul Travelers	50,000
Curtis Boschert	Town Clerk	Western Surety Company	50,000
Shirley Reddies	Alderman	St. Paul Travelers	10,000
Erma C. Lee	Alderman	St. Paul Travelers	10,000
Earnest Caston	Alderman	St. Paul Travelers	10,000
Lynn Sutton McMurchy	Alderman	St. Paul Travelers	10,000
John J. Janous	Alderman	St. Paul Travelers	10,000
Kevin Craig	Police Chief	CNA Surety	50,000

See independent accountants' compilation report.

**TOWN OF DUNCAN, MISSISSIPPI**  
**SCHEDULE OF BUDGET AND ACTUAL REVENUE AND EXPENSES - CASH BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Revised Budget	Actual	Budget Variance Favorable (Unfavorable)
Receipts			
Franchise Tax	10,000	7,411	(2,589)
Miscellaneous Income	14,837	83,394	68,557
Municipal Aid	1,000	211	(789)
State Fire Aid	327		(327)
Other Aid		20	20
Privilege Taxes	200	140	(60)
Property Taxes	58,836	58,577	(259)
Sales Taxes	5,000	6,290	1,290
Sanitation Fees	10,600	12,561	1,961
Water & Sewer Fees	75,700	68,022	(7,678)
Total Receipts	<u>176,500</u>	<u>236,626</u>	<u>60,126</u>
General Government	46,500	32,119	14,381
Public Safety			
Fire	5,000	5,163	(163)
Police	10,000	8,795	1,205
Public Works			
Beautification	9,000	28,058	(19,058)
Sanitation	19,800	14,706	5,094
Streets	10,500	9,644	856
Proprietary Funds			
Water and Sewer	75,700	65,784	9,916
Total Disbursements	<u>176,500</u>	<u>164,269</u>	<u>12,231</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>-</u>	<u>72,357</u>	<u>72,357</u>

See independent accountants' compilation report.

**TOWN OF DUNCAN, MISSISSIPPI  
SCHEDULE OF INVESTMENTS  
FOR THE FISCAL YEAR SEPTEMBER 30, 2021**

None

See independent accountants' compilation report.

TOWN OF DUNCAN, MISSISSIPPI  
 SCHEDULE OF CAPITAL ASSETS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Governmental Activities:					
Capital Assets:					
Land	-				-
Buildings	82,362				82,362
Machinery and Equipment	56,935				56,935
Infrastructure	-				-
Construction in Progress	-				-
Total Governmental Activities Capital Assets	139,297	-	-	-	139,297
Business-type Activities:					
Capital Assets:					
Land	-				-
Construction in Progress	-				-
Buildings	-				-
Machinery and Equipment	-				-
Infrastructure	500,997				500,997
Total Business-type Activities Capital Assets	500,997	-	-	-	500,997

See independent accountants' compilation report.

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH  
STATE LAWS AND REGULATIONS**

Honorable Mayor and Aldermen  
Town of Duncan, Mississippi

We have compiled the Statement of Cash Receipts and Disbursements - Governmental and Business-type Activities of the Town of Duncan, Mississippi as of and for the year ended September 30, 2021, and have issued our report thereon dated August 22, 2022. Our report differed from the standard report due to the basis of accounting. All governmental and proprietary funds contained in this report are accounted for using the cash receipts and disbursements basis of accounting, as allowed by the Mississippi State Department of Audit. This basis of accounting differs from generally accepted accounting principles in that revenues are recognized when received rather than when measurable and available as net current assets and expenditures are generally recognized when the related fund expense is disbursed rather than when the related fund liability is incurred. Consequently, these financial statements are not intended to present financial position or results of operations in accordance with generally accepted accounting principles. Financial statements issued following accounting principles generally accepted in the United States of America normally contain Government-Wide Financial Statements, Fund Financial Statements, Management Discussion and Analysis (MD&A). Management elected to omit the MD&A.

We have performed procedures to test compliance with certain state laws and regulations as described in the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor. Our procedures were substantially less than an audit, the objective of which is to express an opinion on the Town's compliance with those requirements. Accordingly, we do not express such an opinion.

With respect to items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements - Governmental and Business-Type Activities, Schedule of Long-Term Debt, Schedule of Surety Bonds for Town Officials, Schedule of Budget and Actual Revenue and Expenses, Schedule of Investments and Schedule of Capital Assets for the year ended September 30, 2021, disclosed no instances of noncompliance.

This report is intended for the information and use of management and is not intended and should not be used by anyone other than those specified parties.

*Ellis & Hirsberg CPA's PLLC*

Ellis & Hirsberg CPA's PLLC  
Clarksdale, Mississippi  
August 22, 2022

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES**

To the Mayor and Aldermen  
Town of Duncan  
Duncan, Mississippi

We have performed the procedures enumerated below on State of Mississippi municipal procedures of the Mississippi Office of the State Auditor for the year ended September 30, 2021.

The Mayor and Board of Aldermen of the Town of Duncan have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the Mississippi Code requirements for municipalities. This report may not be suitable for any other purpose. The procedures performed do 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.

The procedures and associated findings are as follows:

1. We reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

<u>Bank</u>	<u>Fund</u>	<u>Balance Per General Ledger</u>
Southern Bancorp (MMA account)	General Fund	23,777
Southern Bancorp (General account)	General Fund	51,057
Total General Fund		74,834
Southern Bancorp	Special Revenue Fund	589
Southern Bancorp	Proprietary Fund	387
Southern Bancorp	Proprietary Fund	1,337
Southern Bancorp	Proprietary Fund	42,582
Southern Bancorp	Proprietary Fund	5,993
Total Proprietary Fund		50,299

**Findings:** A finding was identified.

**Finding details:** An adjustment of \$50 was necessary to reconcile the water meter deposit fund bank account. A deposit made on August 9, 2021, was not recorded on the books.

**Management comment:** The \$50 was deposited into bank account but inadvertently not posted on books.

2. Physically inspect investment securities as of the end of the fiscal year if amounts were not confirmed. Examine all investment transactions during the fiscal year for compliance with Section 21-33-323.

**Findings:** This procedure did not apply as the Town of Duncan did not hold any securities at year end nor during the year.

3. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
  - a. Traced levies to governing body minutes;
  - b. Traced distribution of taxes collected to proper funds; and
  - c. Analyzed increase in taxes for most recent period for compliance with increase limitations of Section 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

**Findings:** No exceptions were noted.

4. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments were traced to deposits into the municipal treasury and recorded in the general ledger. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
General Municipal Aid	General Fund	211
Other Aid	General Fund	63,928
Nuclear Payment	General Fund	2,479
Sales Tax Allocation	General Fund	6,290
Homestead Exemption Reimbursement	General Fund	5,142
Gasoline Tax	General Fund	1,216
Other Assistance	General Fund	9,908
Total		<u>89,174</u>

**Findings:** No exceptions were noted.

5. We selected a sample of purchases made by the municipality during the fiscal year. Each sample item was tested for board approval prior to disbursement. In addition, each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.



The sample consisted of the following:

Number of Sample Items	60
Dollar Value of Sample	\$37,268

**Findings:** No exceptions were noted.

6. Sample collection of fines and forfeitures and determine court clerk has settled daily with the municipal clerk Section 21-15-21. Test a same of state-imposed court assessments collected and determine that the municipal clerk has settled monthly with the Department of Finance and Administration Sections 99-19-73 & 83-39-3.

**Findings:** The procedures do not apply to the Town of Duncan. The Town does not have a municipal court.

7. Determine that the Municipal Compliance Questionnaire was completed, signed and recorded in the board's minutes. Test of the questionnaire determined that it was accurately prepared. Include any instances of non-compliance in the special report on agreed-upon procedures.

**Findings:** No exceptions nor instances of non-compliance was noted.

We were engaged by the Town of Duncan to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on State of Mississippi municipal procedures. Accordingly, we do not express 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 Town of Duncan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report should not be associated with the financial statements of the Town of Duncan, Mississippi, for the year ended September 30, 2021.

This report is intended solely for the use of the Office of the State Auditor, State of Mississippi and the mayor and Board of Aldermen of the Town of Duncan and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

*Ellis & Hirsberg CPA's PLLC*

Ellis & Hirsberg CPA's PLLC  
Clarksdale, Mississippi  
August 22, 2022