



City Council
City of Manor, Texas
P.O. Box 387
Manor, Texas 78653

This letter includes comments and suggestions with respect to matters that came to our attention in connection with our accounting services engagement related to the audit of the financial statements of the City of Manor, Texas (the City) for the year ended September 30, 2023. These items are offered as constructive suggestions to be considered part of the ongoing process of modifying and improving the City's practices and procedures.

During the audit, it was noted that fixed assets were not being tracked. We recommend the City develop a full fixed asset inventory tracking including the following:

- Description of the asset;
- Cost, voucher number, and vendor name;
- Date placed in service;
- Estimated useful life;
- Depreciation method;
- Depreciation expense and accumulated depreciation for the year;
- Date asset was retired and selling price if applicable;
- Account the fixed asset was recorded to; and
- If the asset was purchased with debt or financing.

Complete information such as the above on all fixed assets would provide enhanced control for the safeguarding of these assets, which are a significant cost, and can reconcile to the asset listing maintained for insurance purposes. A better assessment and evaluation could also be made regarding the reliability of certain fixed assets, and the need for replacements, and so on.

This letter is intended solely for the information and use of the City Council, management, and others within the City and is not intended to be and should not be used by anyone other than these specified parties. We appreciate serving the City of Manor, Texas and would be happy to assist you in addressing and implementing any of the suggestions in this letter.

Atchley & Associates LLP

Austin, Texas
October 28, 2024