City of Sonora
Annual Financial Report of its
Transportation Development Act Fund

As of and for the Years Ended June 30, 2021 and 2020
with Independent Auditor's Report

VASQUEZ
+ COMPANY LLP

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FINANCIAL SECTION

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Independent Auditor's Report

**To the Honorable Members of the City Council of the
City of Sonora, California and the
Tuolumne County Transportation Council**

Report on the Financial Statements

Opinion

We have audited the financial statements of the Transportation Development Act Article Fund (the Fund) of the City of Sonora, California (the City) which comprise the Fund's balance sheets as of June 30, 2021 and 2020, the related statements of revenues, expenditures and changes in fund balance for the years then ended, and the related notes to the Fund's financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2021 and 2020, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2, the financial statements present only the Transportation Development Act Fund of the City of Sonora, California, and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2021 and 2020, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2026 on our consideration of the City's internal control over the Fund's financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over the Fund's financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over the Fund's financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over the Fund's financial reporting and compliance.

Vasquez & Company LLP

Glendale, California
April 8, 2026

City of Sonora
Transportation Development Act Fund
Balance Sheets

	June 30	
	2021	2020
ASSETS		
Cash and investments	**$ 151,740**	$ 106,309
Due from Tuolumne County Transportation Council	**17,064**	361
Interest receivable	**111**	-
Total assets	**$ 168,915**	$ 106,670
FUND BALANCE		
Restricted	**$ 168,915**	$ 106,670
Total fund balance	**$ 168,915**	$ 106,670

See notes to Fund financial statements.

City of Sonora
Transportation Development Act Fund
Statements of Revenues, Expenditures and Changes in Fund Balance

	Years ended June 30	
	2021	2020
Revenues		
Intergovernmental Allocation:		
Article 3	**$ 61,590**	$ 9,283
Investment earnings	**655**	1,881
Total revenues	**62,245**	11,164
Excess of revenues over expenditures	**62,245**	11,164
Fund balance at beginning of year	**106,670**	95,506
Fund balance at end of year	**$ 168,915**	$ 106,670

See notes to Fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The operations of the Transportation Development Act Article Fund (the TDA Fund) of the City of Sonora (the City) is accounted for in separate sets of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures.

The TDA Fund is a Special Revenue Fund that accounts for the City's share of the Transportation Development Act allocations which are legally restricted for specific purposes.

The Tuolumne County Transportation Council (Council), the designated Regional Transportation Planning Agency (RTPA) for the City, allocates Local Transportation Funds (LTF) and Regional Surface Transportation Program (RSTP) funds to the City for local streets and roads purposes. These funds must be expended according to the Council's instructions. These financial statements report only on the activity of the City's TDA Fund, which is directly related to the Council's allocation instructions.

Basis of Accounting and Measurement Focus

The TDA Fund is reported as a Special Revenue Fund of the City and is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become "susceptible to accrual", that is, measurable and available to finance expenditures of the current period. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year end. Expenditures are recorded when the liability is incurred.

Special Revenue Funds are reported on a spending or "financial flow" measurement focus. This means that generally, only current assets, current liabilities and deferred inflows and outflows of resources are included on their balance sheets. Statements of revenues, expenditures and changes in fund balances for Special Revenue Funds generally present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Budgets and Budgetary Accounting

The City operates under the general laws of the State of California and annually adopts a budget for its special revenue funds to be effective July 1, for the ensuing fiscal year. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. Any budget adjustments are presented by City staff to the City Council for approval. Department heads may, upon approval from the City administrator, make transfers from one object to another within the same budget unit. All appropriations lapse at year-end. The City adopted a budget for its TDA Fund on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, the City categorizes its fair value measurement within the fair value hierarchy that is based on the valuation inputs used to measure the fair value of the investment. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Accordingly, the City reports its investments at fair value and recognizes unrealized gain (loss) on investments.

Refer to the City's Annual Comprehensive Financial Report (ACFR) for detailed disclosures regarding the City's investments policy and fair value measurement disclosures.

Fund Balance Reporting

Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes the fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The TDA Fund reports the following fund balance classification as of June 30, 2021 and 2020:

- Restricted - Amounts that are constrained for specific purposes, which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation. The use of the TDA Fund's remaining fund balances is restricted by laws and regulations imposed by the State of California for transportation-related activities.

Information regarding the fund balance reporting policy adopted by the City is described in the City's ACFR.

NOTE 2 ANNUAL FINANCIAL STATEMENTS

The financial statements reflect only the financial position and results of operations of the TDA Fund, and do not purport to, and do not present fairly the City's financial position as of June 30, 2021 and 2020, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

NOTE 3 TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

In accordance with the California Public Utilities Code (PUC), funds allocated under the TDA must be used for eligible purposes. Under PUC Sections 99234 and 99233.3, a minimum of 2% of Local Transportation Fund (LTF) apportionments must be reserved for bicycle and pedestrian facilities, including construction, maintenance, and safety education (limited to 5% of the set-aside and excluding full-time salaries). PUC Section 99402 (Article 8) permits LTF use for streets and roads only after unmet transit needs are met. Interest earned in TDA funds must be used solely for the originally intended purpose, as required by PUC Section 99301.

The City ensures compliance through annual audits, expenditure tracking, and adherence to allocation instructions issued by the Council. See accompanying Compliance Matrix.

NOTE 4 CASH AND INVESTMENTS

The TDA Fund cash balances were pooled with various other City funds for deposit and investment purposes. The share of the fund in the pooled cash account was separately maintained and interest income was apportioned to the participating funds based on the relationship of their average quarterly balances to the total of the pooled cash and investments.

Please refer to the City's ACFR for a full description of risks relating to cash and investments.

NOTE 5 SUBSEQUENT EVENTS

The City has evaluated events subsequent to June 30, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through April 8, 2026, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

City of Sonora
Transportation Development Act Fund
Required Supplementary Information
Statements of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental Allocation:				
Article 3	$ -	$ -	$ 61,590	$ 61,590
Investment earnings	-	750	655	(95)
Total revenues	-	750	62,245	61,495
Expenditures				
Miscellaneous projects - streets and roads	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	$ -	$ 750	62,245	$ 61,495
Fund balance at beginning of year			106,670	
Fund balance at end of year			$ 168,915	

COMPLIANCE SECTION

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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*

**To the Honorable Members of the City Council of the
City of Sonora, California and the
Tuolumne County Transportation Council**

We 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 statements of the Transportation Development Act Fund (the Fund) of the City of Sonora, California (the City) as of and for the year ended June 30, 2021, and the related notes to the Fund's financial statements, and have issued our report thereon dated April 8, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the Fund's financial statements, we considered the City's internal control over the Fund's financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the Fund's financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's 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 Fund'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, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's Transportation Development Act Fund financial statements are free from material misstatement, we 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Glendale, California
April 8, 2026

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Independent Auditor's Report on Compliance and on Internal Control Over Compliance Required by the Guidelines

To the Honorable Members of the City Council of the City of Sonora, California and the Tuolumne County Transportation Council

Report on Compliance

Opinion

We have audited the City of Sonora, California's (the City) compliance with the types of compliance requirements identified as subject to audit in the Transportation Development Act (TDA) that funds allocated to and received by the City were expended in conformance with applicable statutes, rules, and regulations of the TDA and the allocation instructions and resolutions of the Tuolumne County Transportation Council (the Council) as required by Section 6666 of Title 21, Division 3, Chapter 2, Article 5.5 of the California Code of Regulations (the Guidelines) for the year ended June 30, 2021.

In our opinion, the City of Sonora, California complied, in all material respects, with the compliance requirements referred to above for the year ended June 30, 2021.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the Guidelines. Our responsibilities under those standards and the Guidelines are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on compliance with the Guidelines. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of the TDA Guidelines applicable to the City.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guidelines will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the Guidelines as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guidelines, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guidelines, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance with the requirements, which is described in the accompanying Schedule of Findings and Questioned Costs as Finding #2021-001. Our opinion is not modified with respect to this matter.

The City's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

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 the Guidelines 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 the Guidelines 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 the Guidelines that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as Finding #2021-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance finding identified in our compliance audits described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Vasquez & Company LLP

Glendale, California
April 8, 2026

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
1. Claimant was an entity eligible to receive the funds allocated to it.	X				
2. Claimant maintains its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records adopted by the State Controller, pursuant to Public Utilities Code Section 99243.	X				
3. Funds received by the claimant pursuant to the TDA were expended in conformance with those sections of the TDA specifying the qualifying purposes, including Public Utilities Code Sections 99402 for streets and roads and Sections 99233.3 for pedestrian, bicycle facilities and safety education.			X		No expenditures for FY 2021.
4. Funds received by the claimant pursuant to the TDA were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions.			X		No expenditures for FY 2021.
5. Interest earned on funds received by the claimant pursuant to the TDA were expended only for those purposes for which the funds were allocated in accordance with Public Utilities Code Sections 99301 and 99301.5.	X				

See independent auditor's report on compliance.

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
6. Claimant submitted all required documents to TCTC including: a. A certified annual fiscal audit to TCTC and to the State Controller within 180 days after the close of the fiscal year (PUC Sec. 99245) or with an approved extension; and b. A report to the State Controller regarding the expenditure of funds received for bicycle and pedestrian facilities (CCR 6665).		X			See Finding #2021-001
7. For Article 8 bicycle and pedestrian projects, LTF funding did not exceed 50% of the claimant's total proposed project expenditures for the year, except where capital costs are exempt from this limit.			X		No expenditures for FY 2021.
8. When applying for bicycle/pedestrian project funding, the claimant submitted all required materials to TCTC, including: a. Completed application form b. Letter of transmittal c. Project description, timeline, and financial plan (Form E) d. Certification of compliance with Section 4.2 eligibility requirements e. Governing board resolution approving the application and Standard Assurances f. Board/Council resolution documenting the public process for allocating TDA funds g. Form E project description showing consistency with the RTP h. Completed Standard Assurances checklist and required documentation			X		No expenditures for FY 2021.
9. Completed the Completed Standard Assurances checklist and required documentation	X				

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Finding #2021-001

Compliance Reference	Claimant should submit all required documents to TCTC including: a. A certified annual fiscal audit to TCTC and to the State Controller within 180 days after the close of the fiscal year (PUC Sec. 99245) or with an approved extension; and b. A report to the State Controller regarding the expenditure of funds received for bicycle and pedestrian facilities (CCR 6665).
Condition	The City of Sonora submitted its FY2021 Audited Financial Report on March 28, 2022, which did not meet the 180-day submission requirement established under PUC Section 99245. Although the City complies with the Uniform System of Accounts and Records adopted by the State Controller and organizes its accounts consistent with the Financial Transactions Report, the audit was not submitted within the statutory timeframe. In addition, no written extension request or approval was documented. This is a repeat finding from Fiscal Year 2020.
Cause	The late submission resulted in part from the City not having a formal process to track TDA reporting deadlines or to document extension requests when delays occurred. Delays in TCTC's own audit cycle beginning in FY 2018–19 also contributed to late claimant audits. During this period, TCTC did not consistently enforce the 180-day requirement, did not track written extension requests, and did not independently initiate claimant audits outside the County-coordinated process.
Effect	The City was not in compliance with the 180-day audit submission requirement. The absence of documented extension requests limited the ability to verify whether the delay was authorized. Delays in both claimant and TCTC audits reduced the timeliness of oversight and reporting to the State Controller's Office.
Recommendation	We recommend that the City establish procedures and internal controls to ensure that TDA audit deadlines are monitored, that required reports are submitted within statutory timeframes, and that written extensions are obtained and documented when delays occur.

Finding #2021-001 (Continued)

Management's Response	The City acknowledges the finding and will strengthen its internal procedures for monitoring TDA reporting deadlines. The City will coordinate more closely with its auditors to ensure timely completion of required reports and will document extension requests when needed. These steps are intended to support full compliance with TDA requirements.
Findings Resolved During the Audit	The City submitted the FY2021 Audited Financial Report to TCTC on March 28, 2022, and also began developing internal procedures to better monitor audit timelines and improve communication with its auditors.

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