

**CITY OF SARATOGA SPRINGS, NEW YORK**

**SINGLE AUDIT REPORTS**

**Year Ended December 31, 2005**

**CITY OF SARATOGA SPRINGS, NEW YORK**

**SINGLE AUDIT REPORTS**

**Year Ended December 31, 2005**

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**CITY OF SARATOGA SPRINGS, NEW YORK**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended December 31, 2005**

| <b>Federal Grantor\<br/>Pass-through Grantor/<br/>Program Title</b>                      | <b>CFDA #</b> | <b>Pass-through<br/>Grantor #</b> | <b>Federal<br/>Expenditures</b> |
|--|---------------|-----------------------------------|---------------------------------|
| <b>United States Department of Housing and Urban Development/</b>                        |               |                                   |                                 |
| Community Development Block Grants - Entitlement Grants                                  | 14.218        | B02MC3-60017                      | \$ 70,200                       |
| Community Development Block Grants - Entitlement Grants                                  | 14.218        | B03MC3-60017                      | 67,823                          |
| Community Development Block Grants - Entitlement Grants                                  | 14.218        | B04MC3-60017                      | 65,425                          |
| Community Development Block Grants - Entitlement Grants                                  | 14.218        | B05MC3-60017                      | <u>146,242</u>                  |
|  |               |                                   | 349,690                         |
| <br>Shelter Plus Care  | <br>14.238    | <br>NY06C10-2001                  | <br><u>175,129</u>              |
|  |               |                                   | <u>524,819</u>                  |
| <b>United States Department of Justice/</b>  |               |                                   |                                 |
| New York State Division of Criminal Justice Services                                     |               |                                   |                                 |
| Local Law Enforcement Block Grants   | 16.592        | 00LBBX2517                        | 16,000                          |
| Public Safety Partnerships and Community Policing Grants (COPs More Award)               | 16.710        | 2003UMWX0087                      | <u>35,928</u>                   |
|  |               |                                   | <u>51,928</u>                   |
| <b>United States Department of Transportation/</b>                                       |               |                                   |                                 |
| New York State Department of Transportation/   |               |                                   |                                 |
| Highway Planning and Construction (Downtown Pedestrian Improvement Project)              | 20.205        | PIN 1754.57.121                   | 3,288                           |
| <br>Capital District Transportation Authority/   |               |                                   |                                 |
| Federal Transit - Formula Grants   | 20.507        | PIN 1821.70.001                   | <u>26,399</u>                   |
|  |               |                                   | <u>29,687</u>                   |
| <b>National Highway Traffic Safety Administration/</b>                                   |               |                                   |                                 |
| New York State Department of Motor Vehicles/Governor's Traffic Safety Committee/         |               |                                   |                                 |
| State and Community Highway Safety (Selective Traffic Enforcement Program)               | 20.600        | PT4604074                         | 8,074                           |
| Occupant Protection (Child Passenger Safety Seat Program)                                | 20.602        | CS4604064                         | 5,372                           |
| Safety Incentive Grants for Use of Seatbelts (Buckle Up New York)                        | 20.604        | PT4604055                         | <u>11,202</u>                   |
|  |               |                                   | <u>24,648</u>                   |
| <b>United States Department of Homeland Security/Federal Emergency Management Agency</b> |               |                                   |                                 |
| New York State Emergency Management Office   |               |                                   |                                 |
| Assistance to Fire Fighters Grants (Emergency Preparedness and Response)                 | 97.044        | EMW-2003-FG-19471                 | 100,198                         |
| Assistance to Fire Fighters Grants (Emergency Preparedness and Response)                 | 97.044        | EMW-2004-FG-21708                 | <u>85,427</u>                   |
|  |               |                                   | <u>185,625</u>                  |
|  |               |                                   | <br><b><u>\$ 816,707</u></b>    |

See accompanying Report of Independent Certified Public Accountants on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 and Report of Independent Certified Public Accountants on Schedule of Expenditures of Federal Awards and Notes to Schedule of Expenditures of Federal Awards.

**CITY OF SARATOGA SPRINGS, NEW YORK**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended December 31, 2005**

**NOTE A - SUMMARY OF ACCOUNTING POLICIES**

*1. General*

The Schedule of Expenditures of Federal Awards presents all activity of all federal awards of the City of Saratoga Springs, New York (City), for the year ended December 31, 2005. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the Schedule.

*2. Basis of Accounting*

The accompanying Schedule of Expenditures of Federal Awards is presented using the current resources measurement focus and the modified accrual basis of accounting.

*3. Relationship to Basic Financial Statements*

Federal award revenues are reported in the government-wide statement of activities as program income under grants and contributions. In the fund financial statements of the governmental funds, federal award revenues are reported as federal aid in the statement of revenues, expenditures and changes in fund balances.

**NOTE B - NONCASH ASSISTANCE**

There were no federal awards expended in the form of noncash assistance by the City during the year ended December 31, 2005.

**NOTE C - LOANS AND LOAN GUARANTEES**

The City participates in the Community Development Revolving Loan Program and had \$303,398 in economic development and rehabilitation loans to recipients outstanding at December 31, 2005.

**NOTE D - INSURANCE**

The City did not participate in any federal insurance programs during the year ended December 31, 2005.

**NOTE E - SUBRECIPIENTS**

The City did not have any subrecipients during the year ended December 31, 2005.

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Mayor and Members of the City Council  
City of Saratoga Springs, New York

We have audited the financial statements of the governmental and business type activities of the City of Saratoga Springs, New York (City) as of and for the year ended December 31, 2005, and have issued our report thereon dated June 21, 2006. We conducted our 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* issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City's financial statements of governmental and business type activities are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements of governmental and business type activities and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements of governmental and business type activities being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Mayor and members of the City Council, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

*Bollam Sheedy Torani & Co. LLP*

Albany, New York  
June 21, 2006

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON  
COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133 AND REPORT OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

Mayor and Members of the City Council  
City of Saratoga Springs, New York

**Compliance**

We have audited the compliance of the City of Saratoga Springs, New York (City) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement*, that are applicable to each of its major federal programs for the year ended December 31, 2005. The City's major federal programs are identified in the summary of independent auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2005.

**Internal Control Over Compliance**

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a ma-

for federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental and business type activities of the City of Saratoga Springs, New York as of and for the year ended December 31, 2005, and have issued our report thereon dated June 21, 2006. Our audit was performed for the purpose of forming an opinion on the financial statements of governmental and business type activities taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements of governmental and business type activities and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of governmental and business type activities taken as a whole.

This report is intended solely for the information and use of the Mayor and members of the City Council, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

*Bollam Sheedy Torani & Co. LLP*

Albany, New York  
June 21, 2006

**CITY OF SARATOGA SPRINGS, NEW YORK**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2005**

**Section I - Summary of Independent Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ Yes      X   No
- Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   No

*Federal Awards*

Internal control over major programs:

- Material weaknesses identified? \_\_\_\_\_ Yes      X   No
- Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? \_\_\_\_\_ Yes      X   No

Identification of major programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Program or Cluster</u>                 |
|---------------------|---|
| 14.218              | Community Development Block Grants/<br>Entitlement Grants |

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?   X   Yes    \_\_\_\_\_ No



**CITY OF SARATOGA SPRINGS, NEW YORK**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2005**

**Section II - Financial Statement Findings**

None to report.

**Section III - Federal Awards Findings and Questioned Costs**

None to report.