

CITY OF SARATOGA SPRINGS, NEW YORK

**NEW YORK STATE DEPARTMENT OF
TRANSPORTATION SINGLE AUDIT REPORT**

Year Ended December 31, 2009

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TRANSPORTATION SINGLE AUDIT REPORT
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR PROGRAMS
TESTED AND CONTROLS OVER STATE TRANSPORTATION ASSISTANCE
EXPENDED BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Mayor and City Council
City of Saratoga Springs, New York
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 preliminary Draft Part 43 of the New York State Codification of Rules and Regulations (NYCRR) that are applicable to each state transportation assistance program tested for the year ended December 31, 2009. The programs tested are identified in the summary of audit results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each program tested 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 generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Draft Part 43 of NYCRR. Those standards and Draft Part 43 require that we 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 the state transportation assistance programs tested, has 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 state transportation assistance programs tested for the year ended December 31, 2009.

Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to state transportation assistance programs tested. 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 state transportation assistance programs tested in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on the internal control over compliance in accordance with Draft Part 43 of NYCRR.

Our consideration of the internal control over compliance 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 noncompliance with applicable requirements of laws, regulations, contracts, and grants, that would be material in relation to state transportation assistance programs tested, 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 compliance and its operation that we consider to be material weaknesses.

Schedule of State Transportation Assistance Expended

We have audited the financial statements of the City as of December 31, 2009, as of and for the year then ended, and have issued our report thereon dated August 3, 2010. Our audit was performed for the purpose of forming an opinion on the City's financial statements taken as a whole. The accompanying Schedule of State Transportation Assistance Expended is presented for purposes of additional analysis as required by Draft Part 43 of NYCRR, 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 and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the City of Saratoga Springs, New York's management and the New York State Department of Transportation. However, this report is a matter of public record and its distribution is not limited.

Bollam Sheedy Torani & Co. LLP

Albany, New York
August 3, 2010

CITY OF SARATOGA SPRINGS, NEW YORK

SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED

<u>New York State DOT/ Program Title</u>	<u>Year Ended December 31, 2009</u>	
	<u>Program Number</u>	<u>Expenditures</u>
Consolidated Highway Improvement Program	1100.00 (a)	<u>\$ 491,961</u>
Highway Planning and Construction/ Church/Myrtle Street Project	1757.14	25,701
South Broadway Project	1752.55	<u>116,428</u>
		<u>142,129</u>
		<u><u>\$ 634,090</u></u>

(a) Municipal Code used for Consolidated Highway Program.

See accompanying Independent Auditor's Report on Compliance for Programs Tested and Controls Over State Transportation Assistance Expended Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

CITY OF SARATOGA SPRINGS, NEW YORK

**NOTES TO SCHEDULE OF STATE TRANSPORTATION
ASSISTANCE EXPENDED
Year Ended December 31, 2009**

NOTE 1 - GENERAL

The accompanying Schedule of State Transportation Assistance Expended of the City presents the activity of all financial assistance programs provided by the New York State Department of Transportation.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying Schedule of State Transportation Assistance Expended is presented using the modified accrual basis of accounting.

NOTE 3 - MATCHING COSTS

The City provided matching costs under the Highway Planning and Construction grant 1757.14 of \$41,366 and Highway Planning and Construction grant 1752.55 of \$70,700.

NOTE 4 - AMOUNTS PAID TO SUBRECIPIENTS

There were no subrecipients.

CITY OF SARATOGA SPRINGS, NEW YORK

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR STATE TRANSPORTATION ASSISTANCE EXPENDED
Year Ended December 31, 2009**

Section I - Summary of Results

Internal control over State transportation assistance expended:

Material weakness(es) identified	None reported
Significant deficiencies identified that are not considered to be material weakness(es)	None reported

Type of auditors' report issued on compliance for programs tested:	Unqualified
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Summary of audit findings:	N/A
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Identification of State Transportation Assistance Programs tested:

Consolidated Highway Improvement Program

Section II - Compliance Findings and Questioned Costs

No matters were reported.