

**City of Saratoga Springs, New York**

New York State Department of  
Transportation Single Audit Report

Year Ended December 31, 2014

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Transportation Single Audit Report

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**Report on Compliance for Each Major State Transportation Program; Report on Internal Control Over Compliance; and Report on the Schedule of State Transportation Assistance Expended Required by Draft Part 43 of the New York State Codification of Rules and Regulations**

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

**Report on Compliance for Each Major Program**

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 could have a direct and material effect on the New York State Department of Transportation (State Transportation) assistance programs tested for the year ended December 31, 2014. The City's major State Transportation assistance programs are identified in the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State Transportation assistance programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City's major State Transportation assistance programs based on our audit of the types of compliance requirements referred to above. 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 Draft Part 43 of NYCRR. Those standards and Draft Part 43 of NYCRR 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 major State Transportation assistance programs, 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.

### ***Opinion on Each Major Program***

In our opinion, the City complied in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major State Transportation assistance programs for the year ended December 31, 2014.

### **Report on Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*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 a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program 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 a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Draft Part 43 of the New York State Codification of Rules and Regulations. Accordingly, this report is not suitable for any other purpose.

### **Schedule of State Transportation Assistance Expended**

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Saratoga Springs, New York as of December 31, 2014, and for the year then ended, and have issued our report thereon dated June 24, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the City's financial statements that collectively comprise the City's basic financial statements. 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*SaxBST LLP*

Albany, New York  
June 24, 2015

# City of Saratoga Springs, New York

## Schedule of State Transportation Assistance Expended

<u>New York State Department of Transportation/ Program Title</u>	<u>Year Ended December 31, 2014</u>	
	<u>Program Number</u>	<u>Expenditures</u>
Consolidated Highway Improvement Program	1100.00 (a)	\$ 675,871
Ballston Avenue Traffic	D033659	<u>14,225</u>
		<u>\$ 690,096</u>

(a) Municipal Code used for Consolidated Highway Program.

See accompanying Report on Compliance for Each Major State Transportation Program; Report on Internal Control Over Compliance; and Report on the Schedule of State Transportation Assistance Expended Required by Draft Part 43 of the New York State Codification of Rules and Regulations.

# City of Saratoga Springs, New York

## Notes to Schedule of State Transportation Assistance Expended Year Ended December 31, 2014

### **Note 1 - General**

The accompanying Schedule of State Transportation Assistance Expended of the City of Saratoga Springs, New York (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 - Indirect Costs**

There were no indirect costs.

### **Note 4 - Matching Costs**

There were no matching costs.

### **Note 5 - 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, 2014

### Section I - Summary of Results

Type of auditor's report issued on compliance for programs tested: Unmodified

Internal control over State transportation assistance expended:

Material weakness(es) identified  Yes  No

Significant deficiencies identified that are not considered  
to be material weakness(es)  Yes  No

Identification of State Transportation Assistance Programs tested:

Consolidated Highway Improvement Program

### Section II - Compliance Findings and Questioned Costs

None noted.