

COUNTY OF SARATOGA, NEW YORK

New York State  
Department of Transportation  
Single Audit Report

December 31, 2011

(With Independent Auditors' Report Thereon)

COUNTY OF SARATOGA, NEW YORK  
New York State Department of Transportation  
Single Audit Report

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REPORT ON COMPLIANCE AND CONTROLS OVER STATE  
TRANSPORTATION ASSISTANCE EXPENDED BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Chairman and Board of Supervisors  
County of Saratoga, New York:

Compliance

We have audited the County of Saratoga's (the County) compliance 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 for each state transportation assistance program tested for the year ended December 31, 2011. The program tested is 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 the program tested is the responsibility of the County's management. Our responsibility is to express an opinion on the County'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 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 program occurred. An audit includes examining, on a test basis, evidence about the County'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 County's compliance with those requirements.

In our opinion, the County of Saratoga complied in all material respects with the requirements referred to above that are applicable to its state transportation assistance programs tested for the year ended December 31, 2011.

### Internal Control Over Compliance

Management of the County of Saratoga 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 County'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 internal control over compliance in accordance with Draft Part 43 of the 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 County'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 state 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 state program will not be prevented, or detected and corrected, on a timely basis.

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 internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

### Schedule of State Transportation Assistance Expended

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County of Saratoga, New York as of and for the year ended December 31, 2011, and have issued our report thereon dated July 12, 2012. Those financial statements are the responsibility of the County's management. Our responsibility is to express opinions on those financial statements based on our audit. We did not audit the financial statements of the Saratoga County Industrial Development Agency or the Saratoga County Water Authority, which represent 100% of the assets, net assets and revenue of the discretely reported component units. Those statements were audited by other auditor's whose reports have been furnished to us, and our opinions insofar as it relates to the amounts included for the Saratoga County Industrial Development Agency and the Saratoga Water Authority are based solely on the reports of the other auditors.

This report is intended solely for the information and use of the Board of Supervisors, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Toski & Co., CPAs, P.C.

Williamsville, New York  
July 12, 2012

COUNTY OF SARATOGA, NEW YORK  
 Schedule of State Transportation Assistance Expended  
 Year ended December 31, 2011

| <u>Program Title</u>                                      | <u>Contract Numbers</u> | <u>PIN Numbers</u> | <u>NYSDOT Reference Number</u> | <u>Expenditures</u> |
|---|-------------------------|--------------------|--------------------------------|---------------------|
| Consolidated Local Street and Highway Improvement Program | N/A                     | N/A                | 001-01/001-02                  | <u>\$ 2,248,357</u> |

See accompanying notes to Schedule of State Transportation Assistance Expended.

COUNTY OF SARATOGA, NEW YORK  
Notes to Schedule of State Transportation Assistance Expended  
December 31, 2011

(1) General

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

(2) Basis of Accounting

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

(3) Indirect Costs

There were no indirect costs charged to State Transportation Assistance programs for the year ended December 31, 2011.

(4) Matching Cost

Amounts identified as State Bridge Aid represent matching costs for Federally aided projects.

(5) Amounts Paid to Subrecipients

There were no amounts paid to subrecipients related to State Transportation Assistance for the year ended December 31, 2011.

COUNTY OF SARATOGA, NEW YORK  
Schedule of Findings and Questioned Costs  
Year ended December 31, 2011

Part I SUMMARY OF AUDIT RESULTS

Internal control over State Transportation Assistance Expended:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiency(ies) identified that are not considered to to material weakness(es)?      Yes   X   None Reported

Type of auditors' report issued on compliance for programs tested Unqualified

Summary of audit findings N/A

Identification of State Transportation Assistance Programs Tested:

Consolidated Local Street and Highway Improvement Program

Part II COMPLIANCE FINDINGS AND QUESTIONED COSTS

No matters were reported.