COUNTY OF SARATOGA, NEW YORK

Single Audit Report

December 31, 2013

(With Independent Auditors' Report)

COUNTY OF SARATOGA, NEW YORK

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TOSKI & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
AN EFP ROTENBERG COMPANY

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

We have audited the County of Saratoga, New York's (the County) compliance with the types of compliance requirements described in OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2013. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

As discussed in note 1 to the schedule of expenditures of federal awards, the County's basic financial statements include the operations of certain entities whose federal awards are not included in the schedule of expenditures of federal awards for the year ended December 31, 2013. Our audit described below, did not include the federal awards, if any, of the entities identified in note 1.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal 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 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 noncompliance 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 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of the County 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 County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated August 8, 2014, which contained unmodified opinions on those financial statements. We did not audit the financial statements of Saratoga County Water Authority or Saratoga County Industrial Development Agency, which are discretely presented component units. Those statements were audited by other auditors whose reports have been provided to us and our opinion, in so far as it relates to amounts included for Saratoga County Water Authority or Saratoga County Industrial Development Agency is based solely on the reports of other auditors.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Toski & Co., CPAs, P.C.

Williamsville, New York
August 8, 2014

INDEPENDENT AUDITORS' 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

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

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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Saratoga, New York (the County) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 8, 2014. Our report includes a reference to other auditors who audited the financial statements of the Saratoga County Water Authority and the Saratoga County Industrial Development Agency, as described in our report on the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting on compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County'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.

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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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's 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 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 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Toski & Co., CPAs, P.C.

Williamsville, New York
August 8, 2014

COUNTY OF SARATOGA, NEW YORK
Schedule of Expenditures of Federal Awards
Year ended December 31, 2013

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
U.S. Department of Agriculture - passed through New York State - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	$ 1,346,194
U.S. Department of Housing and Urban Development - passed through New York State - Community Development Block Grants - State's Program	14.228	N/A	11,450
U.S. Department of Justice - passed through New York State:			
Crime Victim Assistance	16.575	N/A	39,333
Violence Against Women Formula Grants	16.588	N/A	31,465
Total U.S. Department of Justice			70,798
U.S. Department of Labor - passed through New York State:			
Senior Community Service Employment Program	17.235	N/A	33,890
Trade Adjustment Assistance	17.245	N/A	94,153
WIA Cluster:			
WIA Adult Program	17.258	N/A	264,087
WIA Youth Activities	17.259	N/A	203,921
WIA Dislocated Worker Formula Grants	17.278	N/A	173,320
Total WIA Cluster			641,328
Total U.S. Department of Labor			769,371
U.S. Department of Transportation - passed through New York State:			
Airport Improvement Program	20.106	N/A	1,198,164
Highway Planning and Construction	20.205	1757.09.121	2,135,220
National Priority Safety Programs	20.616	N/A	44,745
Total U.S. Department of Transportation			3,378,129
U.S. Department of Education - passed through New York State - Special Education Grants for Infants and Families	84.181	C-027505	97,807
U.S. Department of Health and Human Services - passed through New York State:			
Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	N/A	17,358
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	N/A	3,613

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF SARATOGA, NEW YORK
Schedule of Expenditures of Federal Awards, Continued

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
U.S. Department of Health and Human Services - passed through New York State, Continued:			
Aging Cluster:			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	N/A	$ 186,561
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	N/A	608,339
Nutrition Services Incentive Program	93.053	N/A	89,936
Total Aging Cluster			884,836
National Family Caregiver Support, Title III, Part E	93.052	N/A	90,011
Public Health Emergency Preparedness	93.069	1599-10/1599-11	164,277
Immunization Cooperative Agreements	93.268	CO-024185	111,204
Promoting Safe and Stable Families	93.556	N/A	41,744
Temporary Assistance for Needy Families	93.558	N/A	5,144,317
Child Support Enforcement	93.563	N/A	955,939
Low-Income Home Energy Assistance	93.568	N/A	6,257,884
Child Care and Development Block Grant	93.575	N/A	1,447,721
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	35,781
Foster Care, Title IV-E	93.658	N/A	1,270,479
Adoption Assistance	93.659	N/A	87,525
Social Services Block Grant	93.667	N/A	1,384,310
Chafee Foster Care Independence Program	93.674	N/A	30,244
Medical Assistance Program	93.778	N/A	116,548,545
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	49,356
Maternal and Child Health Service Block Grant to the States	93.994	C-024639/C-0256533	58,438
Total U.S. Department of Health and Human Services			134,583,582
Corporation for National and Community Service - Retired and Senior Volunteer Program	94.002	N/A	33,171
U.S. Department of Homeland Security - passed through New York State - Homeland Security Grant Program	97.067	C-835194/C-835100	288,340
Total Expenditures of Federal Awards			$ 140,578,842

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF SARATOGA, NEW YORK

Notes to Schedule of Expenditures of Federal Awards

December 31, 2013

(1) Basis of Presentation

(a) Reporting Entity

The accompanying schedule of expenditures of federal awards presents the activity of federal financial assistance programs administered by County of Saratoga, New York (the County), an entity as defined in the basic financial statements. This schedule does not include the federal awards of Saratoga County Water Authority or the Saratoga County Industrial Development Agency.

(b) Pass-Through Programs

Where the County receives funds from a government entity other than the federal government (pass-through), the funds are accumulated based upon the Catalog of Federal Domestic Assistance (CFDA) number advised by the pass-through grantor.

Identifying numbers, other than CFDA numbers, which may be assigned by pass-through grantors are not maintained in the County's financial management system. The County has identified certain pass-through identifying numbers and included them in the schedule of expenditures of federal awards.

(c) Nonmonetary Federal Programs

The County is the recipient of a federal financial assistance program that does not result in cash receipts or disbursements, termed "nonmonetary programs." During the year ended December 31, 2013, the County distributed $114,193,683 of medical services and goods received by participants in the Medical Assistance Program (CFDA Number 93.778) which is included in the amount presented on the schedule of expenditures of federal awards.

New York State makes payments of benefits directly to vendors, primarily utility companies, on behalf of eligible persons participating in the Low-Income Home Energy Assistance (CFDA Number 93.568). Included in the amount presented on the schedule of expenditures of federal awards is $5,795,562 in direct payments.

(2) Basis of Accounting

The schedule of expenditures of federal awards is presented on the modified accrual basis of accounting and the amounts presented are derived from the County's general ledger. For programs with funding ceilings and caps, federal expenditures are only recorded and presented in the schedule of expenditures of federal awards up to such amounts.

(3) Indirect Costs

Indirect costs are included in the reported expenditures to the extent such costs are included in the federal financial reports used as the source for the data presented.

(4) Matching Costs

Matching costs, i.e., the County's share of certain program costs, are not included in the schedule of expenditures of federal awards.

(5) Subrecipients

The County serves as the lead agency for various workforce investment programs in the region. Pass-through funds totaling $1,547,669 were made to Warren and Washington Counties during the year ended December 31, 2013 for various U.S. Department of Labor programs identified as the WIA Cluster. These funds are not included in the schedule, as the County has no monitoring responsibilities for these pass-through funds.

COUNTY OF SARATOGA, NEW YORK
Schedule of Findings and Questioned Costs
Year ended December 31, 2013

Part I. - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
1. Material weakness(es) identified?	____Yes __X__ No
2. Significant deficiency(ies) identified not considered to be material weakness(es)?	____Yes __X__ None reported
3. Noncompliance material to financial statements noted?	____Yes __X__ No

Federal Awards:

Internal control over major programs:	
4. Material weakness(es) identified?	____Yes __X__ No
5. Significant deficiency(ies) identified not considered to be material weakness(es)?	____Yes __X__ None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a))?	____Yes __X__ No
7. The County's major programs audited were:	

Name of Federal Programs	CFDA Number
Temporary Assistance for Needy Families	93.558
Low-Income Home Energy Assistance Program	93.568
Medical Assistance Program	93.778

8. Dollar threshold used to distinguish between Type A and Type B programs?	$ 3,000,000
9. Auditee qualified as low-risk auditee?	__X__ Yes ____ No

Part II. - FINANCIAL STATEMENT FINDINGS SECTION

No reportable findings.

Part III. - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings or questioned costs.

COUNTY OF SARATOGA, NEW YORK

Status of Prior Audit Findings

Year ended December 31, 2013

There were no findings reported for the year ended December 31, 2012.