

VILLAGE OF MONTICELLO, NEW YORK

NEW YORK STATE SINGLE AUDIT REPORT

JULY 31, 2016

VILLAGE OF MONTICELLO
NEW YORK STATE SINGLE AUDIT REPORT
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE OVER
STATE TRANSPORTATION ASSISTANCE PROGRAMS
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Mayor and Board of Trustees of
The Village of Monticello
Monticello, New York

We have audited the Village of Monticello, New York's, 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 could have a direct and material effect on each of the Village's State transportation assistance programs tested for the year ended July 31, 2016. The programs tested are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Village's 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 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 State transportation assistance program occurred. An audit includes examining, on a test basis, evidence about the Village'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 State transportation assistance program tested. However, our audit does not provide a legal determination of the Village's compliance.

Opinion on State Transportation Assistance Program Tested

In our opinion, the Village of Monticello, New York 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 State transportation assistance programs tested for the year ended July 31, 2016.

Report on Internal Control Over Compliance

Management of the Village of Monticello, New York 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 Village of Monticello, New York's internal control over compliance with the types of requirements that could have a direct and material effect on each State transportation assistance programs tested to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the State transportation assistance programs tested and to test and report on 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 Village of Monticello, New York'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 transportation assistance 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 transportation assistance 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 State transportation assistance 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 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.

Report on Schedule of State Transportation Assistance Expended

We have audited the financial statements of the Village of Monticello, New York as of and for the year ended July 31, 2016, and the related notes to the financial statements. We issued our report thereon dated January 18, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the Village of Monticello, New York's financial statements as a whole. The accompanying schedule of State transportation assistance expended is presented for purposes of additional analysis as required by draft Part 43 NYCRR 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

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 statement 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 schedule of the State transportation assistance expended is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, the Board, others within the Village of Monticello, New York and the New York State Department of Transportation. It is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Cooper Aris LLP".

Montgaup Valley, New York

January 18, 2017

VILLAGE OF MONTICELLO, NEW YORK
SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED
YEAR ENDED JULY 31, 2016

<u>GRANTOR AGENCY / PROGRAM DESCRIPTION</u>	<u>CFDA NUMBER</u>	<u>NYS GRANT REFERENCE #</u>	<u>TOTAL EXPENDITURES</u>
DEPARTMENT OF TRANSPORTATION			
Consolidated Highway Improvement Program	N/A	N/A	<u>\$ 164,770</u>

VILLAGE OF MONTICELLO, NEW YORK
NOTES TO SCHEDULE OF SCHEDULE OF STATE
TRANSPORTATION ASSISTANCE EXPENDED
JULY 31, 2016

BASIS OF PRESENTATION

The accompanying Schedule of State Transportation Assistance Expended presents the activity of all financial assistance programs provided by the New York State Department of Transportation and administered by the Village of Monticello, New York, of which it is aware and informed that such funds would require separate audit procedures from those normally performed on federal funds received.

BASIS OF ACCOUNTING

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

MATCHING COSTS

The Village of Monticello, New York's share of program costs, if applicable, are not included in the reported expenditures.

SUBRECIPIENTS

No State Transportation Assistance received by the Village of Monticello, New York was provided to subrecipients.

RELATIONSHIP TO THE FINANCIAL STATEMENTS

Schedule of State Transportation Assistance Expended are reported in the Village's financial statements as follows:

Governmental Funds:	
General Fund	<u>\$ 164,770</u>

VILLAGE OF MONTICELLO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR STATE
TRANSPORTATION ASSISTANCE EXPENDED
JULY 31, 2016

Summary of Auditors' Results:

1. The auditors' report on compliance expresses an unmodified opinion on all programs tested.
2. There were no significant deficiencies or material weaknesses disclosed during the audit of internal control over New York State transportation assistance expended.
3. The programs tested included:

Consolidated Highway Improvement Program	\$ 164,770
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Compliance Findings and Questioned Costs

None noted.