

COUNTY OF MADISON, NEW YORK

**Independent Auditor's Report on Compliance and
Controls Over State Transportation Assistance Expended**

For the Year Ended December 31, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OVER EACH STATE
TRANSPORTATION ASSISTANCE PROGRAM TESTED AND ON INTERNAL
CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF STATE
TRANSPORTATION ASSISTANCE EXPENDED REQUIRED BY PART 43 OF
THE NEW YORK STATE CODES, RULES AND REGULATIONS (NYCRR)**

August 20, 2025

Members of the Madison County Board of Supervisors
County of Madison, New York

**Report on Compliance for Each State Transportation Assistance Program
Tested**

Opinion on State Transportation Assistance Program Tested

We have audited the County of Madison, New York's (the County) compliance with the types of compliance requirements described in Part 43 of the New York State Codes, Rules and Regulations (the NYCRR) that could have a direct and material effect on the state transportation assistance program tested for the year ended December 31, 2024. The program tested is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for State Transportation Expended.

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 its state transportation assistance program tested for the year ended December 31, 2024.

Basis for Opinion on State Transportation Assistance Program Tested

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 the audit requirements of Part 43 of the NYCRR. Our responsibilities under those standards and Part 43 of the NYCRR are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the state transportation assistance program tested. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's state transportation assistance programs.

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EXPENDED REQUIRED BY PART 43 OF THE NEW YORK STATE CODES, RULES AND
REGULATIONS (NYCRR)**

(Continued)

Auditor's Responsibilities for the Audit Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Part 43 of NYCRR will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each state transportation assistance program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Part 43 of the NYCRR, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the audit requirements of Part 43 of the NYCRR, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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EXPENDED REQUIRED BY PART 43 OF THE NEW YORK STATE CODES, RULES AND
REGULATIONS (NYCRR)**

(Continued)

Report on 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Part 43 of the NYCRR. Accordingly, this report is not suitable for any other purpose.

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EXPENDED REQUIRED BY PART 43 OF THE NEW YORK STATE CODES, RULES AND
REGULATIONS (NYCRR)**

(Continued)

**Report on Schedule of State Transportation Assistance Expended Required by Part 43 of the
NYCRR**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information (collectively, the "financial statements") of the County of Madison, New York (the County), as of and for the year ended December 31, 2024, and the related notes to the financial statements which collectively comprise the County's basic financial statements. We issued our report thereon dated August 20, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of state transportation assistance expended is presented for purposes of additional analysis as required by Part 43 of the New York Codes, Rules, and Regulations (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 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 state transportation assistance expended is fairly stated in all material respects in relation to the basic financial statements as a whole.

COUNTY OF MADISON, NEW YORK

Schedule of State Transportation Assistance Expended For the year ended December 31, 2024

<u>Program Title</u>	<u>Contract #</u>	<u>Expenditures</u>
Consolidated Local Street and Highway Improvement Program:		
Capital Component	001-01	\$ 2,630,311
PAVE – NY	001-01	952,248
Extreme Weather Recovery	001-01	636,996
Pave Our Potholes	001-01	634,832
 New York State Snow and Ice Contract	 002	 <u>753,525</u>
 Total State Transportation Assistance Expended		 <u>\$ 5,607,912</u>

The accompanying notes are an integral part of this schedule

COUNTY OF MADISON, NEW YORK

NOTES TO SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED DECEMBER 31, 2024

1. GENERAL

The accompanying Schedule of State Transportation Assistance Expended (Schedule) of the County of Madison, New York (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 is presented using the modified accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

3. MATCHING COSTS

Matching costs, i.e. the County's share of certain program costs, are not included in the Schedule.

4. INDIRECT COSTS

There were no indirect costs charged to state transportation assistance programs for the year ended December 31, 2024.

5. COUNTY COMPONENT UNITS EXCLUDED FROM SCHEDULE

The Schedule does not include the Madison County Industrial Development Agency.

COUNTY OF MADISON, NEW YORK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR STATE TRANSPORTATION ASSISTANCE EXPENDED FOR THE YEAR ENDED DECEMBER 31, 2024

Summary of Auditor's Results

Internal control over State Transportation Assistance Expended:

Material weakness(es) identified?

☐yes ☒no

Significant deficiencies identified that are not
considered to be material weaknesses?

☐yes ☒none reported

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

Unmodified

Identification of New York State Transportation Assistance
Programs Tested:

- Consolidated Local Street and Highway Improvement Program (CHIPS) -
Capital Reimbursement Component

Compliance Findings and Questioned Costs

No findings reported.