



**ALLEGAN COUNTY
SINGLE AUDIT ACT COMPLIANCE
YEAR ENDED DECEMBER 31, 2022**

**Allegan County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022**

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
U.S. Department of Agriculture				
Food and Nutrition Service:				
Child Nutrition Cluster				
** School Breakfast Program	10.553	MDE	03-000-8001	\$ 14,739
** National School Lunch Program	10.555	MDE	03-000-8001	42,084
** Commodities (non-cash assistance)	10.555	MDE	03-000-8001	2,335
Total Child Nutrition Cluster				<u>59,158</u>
Total U.S. Department of Agriculture				<u>59,158</u>
U.S. Department of Justice				
Bureau of Justice Assistance:				
* Coronavirus Emergency Supplemental Funding (CESF)	16.034	MSP	CESF-2022-068	22,926
* State Criminal Alien Assistance Program (SCAAP)	16.606	Direct	15PBJA-20-RR-00404-SCAA	6,203
* State Criminal Alien Assistance Program (SCAAP)	16.606	Direct	15PBJA-21-RR-05216-SCAA	5,502
* Southwest MI Enforcement Team	16.738	MSP	JAG-70888-S.W.E.T.-2022	183
* Southwest MI Enforcement Team	16.738	MSP	JAG-70888-S.W.E.T.-2023	24,000
Total U.S. Department of Justice				<u>58,814</u>
U.S. Department of Transportation				
Federal Transit Administration:				
Formula Grants for Rural Areas:				
* Operating - RTAP	20.509	MDOT	FY2022	4,528
* Operating - Section 5311 Reg (2019)	20.509	MDOT	2017-0003/P16	661
* Operating - Section 5311 Reg (ARP Act)	20.509	MDOT	2022-0004/P10	146,240
* Operating - Section 5311 Reg (CRRSA)	20.509	MDOT	2022-0004/P4	466,357
* Capital - Section 5311	20.509	MDOT	2022-0004/P7	19,836
Transit Services Programs Cluster				
* Operating - Section 5311 JARC	20.516	MDOT	2022-0004/P1	38,363
* Operating - Section 5311 JARC	20.516	MDOT	2022-0004/P8	12,788
* Capital - Section 5310 New Freedom	20.513	MDOT	2022-0004/P3	36,992
* Capital - Section 5310 New Freedom	20.513	MDOT	2022-0004/P5	14,944
Total Transit Services Programs Cluster				<u>103,087</u>
National Highway Traffic Safety Administration:				
Highway Safety Cluster				
* Highway Safety - OWI	20.600	OHSP	PT-22-29	15,961
* Highway Safety - OWI	20.600	OHSP	PT-23-12	4,488
Total Highway Safety Cluster				<u>20,449</u>
Total U.S. Department of Transportation				<u>761,158</u>
U.S. Department of Treasury				
CARES Act:				
* COVID-19 - Coronavirus Local Fiscal Recovery Fund - American Rescue Plan Act (ARPA)	21.027	Direct	N/A	197,422
Total U.S. Department of Treasury				<u>197,422</u>
U.S. Environmental Protection Agency				
Drinking Water and Environmental Health Division:				
State Drinking Water Revolving Loan Fund Program:				
Drinking Water State Revolving Fund Cluster				
* Operator Assistance	66.468	EGLE	FS97548720	1,222
* Operator Assistance	66.468	EGLE	FS97548720	408
* Local Assistance - Capacity Development & Source Water Assessment	66.468	EGLE	FS97548720	350
* Local Assistance - Capacity Development & Source Water Assessment	66.468	EGLE	FS97548720	300
* Public Water Supply Supervision - Revised Total Coliform Rule	66.468	EGLE	FS97548720	4,400
Total Drinking Water State Revolving Loan Fund Cluster				<u>6,680</u>
Water Resources Division:				
* Great Lakes Beach Monitoring	66.472	EGLE	CU00E99312	4,838
Total U.S. Environmental Protection Agency				<u>11,518</u>
U.S. Department of Health and Human Services				
Administration for Children and Families:				
Child Support Enforcement:				
* Friend of the Court Incentive Payments	93.563	MDHHS	CSCOM17-03033-A22	106,953
* Friend of the Court Incentive Payments	93.563	MDHHS	CSCOM17-03033-A22	34,632
* Cooperative Reimbursement Program	93.563	MDHHS	CSCOM17-03033-A22	693,624
* Cooperative Reimbursement Program	93.563	MDHHS	CSCOM17-03033-A22	256,092
* Child and Parent Legal Representation	93.658	MDHHS	E20221677-00	37,201
* Child and Parent Legal Representation	93.658	MDHHS	E20230544-001	16,700
Centers for Disease Control and Prevention:				
Immunization Vaccines for Children				
* CSHCS Vaccine Initiative	93.268	MDHHS	NH23IP922635	4,558
* CSHCS Vaccine Initiative	93.268	MDHHS	NH23IP922635	401
* Immunization Action Plan (IAP)	93.268	MDHHS	NH23IP922635	44,573
* Immunization Action Plan (IAP)	93.268	MDHHS	NH23IP922635	14,857
* Immunization Fixed Fees	93.268	MDHHS	NH23IP922635	1,050
* COVID Immunization	93.268	MDHHS	NH23IP922635	81,585
* COVID Immunization	93.268	MDHHS	NH23IP922635	21,087
* Vaccines (non-cash assistance)	93.268	MDHHS	N/A	\$ 41,803

See Notes to the Schedule of Expenditures of Federal Awards

**Allegan County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022**

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
<i>(CONTINUED FROM PREVIOUS PAGE...)</i>				
Michigan Tracking Network:				
* Local Public Health Tracking Network	93.070	MDHHS	NUE1EH001351	\$ 66,000
Epidemiology and Laboratory Capacity:				
* ELC COVID-19 Contact Tracing, Investigation, Testing Coord., Monitoring and Wrap Around	93.323	MDHHS	NU50CK000510	237,730
* ELC COVID-19 Contact Tracing, Investigation, Testing Coord., and Infection Prevention	93.323	MDHHS	NU50CK000510	58,840
* ELC COVID 19 Infection Prevention	93.323	MDHHS	NU50CK000510	67,500
* Reopening Schools HRA	93.323	MDHHS	NU50CK000510	231,362
* Reopening Schools HRA	93.323	MDHHS	NU50CK000510	54,519
COVID Health Disparities-State, Tribal, Local, Territorial:				
Social Determinants of Health Planning	93.391	MDHHS	NH75OT000078	537
HIV Prevention Project:				
* HIV Prevention	93.940	MDHHS	NU62PS924530	1,960
* HIV Prevention	93.940	MDHHS	NU62PS924530	1,305
* U4U Tuberculosis Services	93.116	MDHHS	NUS2PS910173	999
* U4U Tuberculosis Services	93.116	MDHHS	NUS2PS910173	245
National Initiative to Address COVID-19 Health Disparities Among Populations at High-Risk and Underserved, including Racial and Ethnic Minority Populations and Rural Communities:				
* Community Health Worker Program	93.391	MCRH	NH75OT000078	45,536
* Community Health Worker Program	93.391	MCRH	NH75OT000078	31,093
Public Health Emergency Preparedness (PHEP):				
HPP and PHEP Cooperative Agreements				
* Public Health Emergency Preparedness (PHEP) 1/1 - 6/30	93.889	MDHHS	U3REP190584	74,296
* Public Health Emergency Preparedness (PHEP) 10/1 - 12/31	93.889	MDHHS	U3REP190584	29,830
* Public Health Emergency Preparedness (PHEP) 7/1 - 9/30	93.889	MDHHS	U3REP190584	31,270
Centers for Medicare and Medicaid Services:				
Medicaid Administration:				
Medicaid Cluster				
* Care Coordination Services - Fixed Fees (PCA 88050)	93.778	MDHHS	2205M15ADM	750
* Care Coordination Services - Fixed Fees (PCA 88050)	93.778	MDHHS	2305M15ADM	165
* Care Coordination Services - Fixed Fees (PCA 88080)	93.778	MDHHS	2205M15ADM	2,800
* Care Coordination Services - Fixed Fees (PCA 88080)	93.778	MDHHS	2305M15ADM	1,750
* CSHCS - Outreach and Advocacy	93.778	MDHHS	2205M15ADM	30,991
* CSHCS - Outreach and Advocacy	93.778	MDHHS	2305M15ADM	10,329
* CSHCS - Medicaid Outreach	93.778	MDHHS	2205M15ADM	27,947
* Medicaid Outreach	93.778	MDHHS	2205M15ADM	4,811
* Medicaid Outreach	93.778	MDHHS	2305M15ADM	1,669
Medicaid Services:				
* CSHCS Medicaid Elevated Blood Lead Case Mgmt.	93.778	MDHHS	2205M15MAP	202
Total Medicaid Cluster				<u>81,414</u>
Health Resources and Services Administration:				
Maternal and Child Health Services Block Grant:				
* CSHCS Care Coordination Services - Fixed Fees (PCA 88040)	93.994	MDHHS	B0445223	3,030
* CSHCS Care Coordination Services - Fixed Fees (PCA 88040)	93.994	MDHHS	B0447425	870
* CSHCS Care Coordination Services - Fixed Fees (PCA 88070)	93.994	MDHHS	B0445223	4,600
* CSHCS Care Coordination Services - Fixed Fees (PCA 88070)	93.994	MDHHS	B0447425	1,900
* MCH - Children	93.994	MDHHS	B0445223	21,752
* MCH - Children	93.994	MDHHS	B0447425	7,249
* MCH - All Other	93.994	MDHHS	B0445223	14,096
* MCH - All Other	93.994	MDHHS	B0447425	4,698
Title II HIV Care:				
* HIV Data to Care	93.917	MDHHS	X0700044	1,317
* HIV Prevention	93.917	MDHHS	X0700044	28,211
* HIV Prevention	93.917	MDHHS	X0700044	8,751
Total U.S. Department of Health and Human Services				<u>2,466,026</u>
Executive Office of the President				
* High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	KT	N/A	7,117
Total Executive Office of the President				<u>7,117</u>
U.S. Department of Homeland Security				
* Emergency Management Performance Program	97.042	MSP	EMC-2021-EP-00006	(131)
* Emergency Management Performance Program	97.042	MSP	EMC-2022-EP-00001	28,817
* Emergency Management Performance Program	97.042	MSP	TBD	17,539
* Homeland Security Grant 2019 (non cash)	97.067	VBC	EMW-2019-SS-00021	2,085
* Homeland Security Grant 2020 (non cash)	97.067	VBC	EMW-2020-SS-00044-S01	19,458
* Federal Emergency Management Assistance: COVID 19 National Disaster Relief:				
* COVID Immunization	97.036	MDHHS	4494DRMIP00000001	246,359
Total U.S. Department of Homeland Security				<u>314,127</u>
Total Expenditures of Federal Awards				<u>\$ 3,875,340</u>

See Notes to the Schedule of Expenditures of Federal Awards

Allegan County

Notes to the Schedule of Expenditures of Federal Awards

NOTE 1 - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of Allegan County, Michigan (the “County”) under programs of the federal government for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

The County’s reporting entity is defined in Note 1 of the County’s financial statement audit report. The County’s financial statements include the operations of the Allegan County Road Commission as a discretely presented component unit, which received federal awards that are not included in the Schedule for the year ended December 31, 2022, as it was separately audited. The County’s financial statements also include the Allegan County Medical Care Community, an enterprise fund, which received federal awards that are not included in the Schedule for the year ended December 31, 2022, as it was separately audited.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting, which is described in Note 1 to the County’s financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

For purposes of charging indirect costs to federal awards, the County has not elected to use the 10% de minimis cost rate as permitted by §200.414 of the Uniform Guidance.

NOTE 3 - FISCAL REPORTING

Certain departments report on a different fiscal year than the County. Grants accounted for and reported on year-ends other than December 31, 2022, are denoted as such in the Schedule with an asterisk (*) for September 30 year-ends, or a double asterisk (**) for June 30 year-ends.

Allegan County

Notes to the Schedule of Expenditures of Federal Awards

NOTE 4 - PASS-THROUGH AGENCIES

The County received certain federal grants as subawards from non-federal entities. Pass-through entities, where applicable, have been identified in the Schedule with an abbreviation, defined as follows:

Pass-through Agency	
Abbreviation	Pass-through Agency Name
MDE	Michigan Department of Education
MDHHS	Michigan Department of Health and Human Services
MSP	Michigan Department of State Police
VBC	County of Van Buren, Michigan
MDOT	Michigan Department of Transportation
OHSP	Michigan Office of Highway Safety Planning
EGLE	Environmental, Great Lakes & Energy - State of Michigan
KT	Kalamazoo Township, Michigan
MCRH	Michigan Center for Rural Health

NOTE 5 - RECONCILIATION TO FINANCIAL STATEMENTS

The County's governmental funds reported total *intergovernmental revenues – federal* of \$3,875,340 during the year ended December 31, 2022. This amount reconciles with the total federal expenditures from the Schedule.

INDEPENDENT AUDITOR'S 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*

To the Board of Commissioners
Allegan County, Michigan

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 Allegan County, Michigan (the "County"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise County's basic financial statements, and have issued our report thereon dated June 23, 2023. Our report includes a reference to other auditors who audited the financial statements of the Allegan County Road Commission and the Allegan County Medical Care Facility, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on 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) as a basis for designing audit 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 entity'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.

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.

Report on 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 financial statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Gabridge & Company". The signature is written in dark ink and is positioned above the typed name of the firm.

Gabridge & Company, PLC
Grand Rapids, MI
June 23, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE

To the Board of Commissioners
Allegan County, Michigan

Report on Compliance for Each Major Federal Program

Opinion the Major Federal Program

We have audited Allegan County, Michigan's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended December 31, 2022. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Allegan County Road Commission and the Allegan County Medical Care Facility, which received over \$750,000 in federal awards and which are not included in the schedule of expenditures of federal awards for the year ended December 31, 2022. Our audit, described below, did not include the operations of the Allegan County Road Commission or the Allegan County Medical Care Facility, because each entity arranged for a separate financial statement audit and did not meet the criteria for a single audit in accordance with the Uniform Guidance.

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 major federal program for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance 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 each major federal program. 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 federal programs.

Auditor's Responsibilities for the Audit of 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 the Uniform Guidance 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 major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Uniform Guidance, 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.

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 federal program on a timely basis. *A material weakness in internal control over compliance* is a

deficiency, or a 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 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.

Purpose of the Report

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Gabridge & Company, PLC
Grand Rapids, MI
June 23, 2023

Allegan County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal controls over financial reporting	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported

Type of auditor's report issued on compliance for major programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
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Identification of Major Programs

Name of Federal Program or Cluster	Assistance Listing Number
Child Support Enforcement	93.563

Dollar threshold used to distinguish between Type A and B programs?	\$ 750,000
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Auditee qualified as a low-risk auditee?	Yes
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SECTION II - FINANCIAL STATEMENT FINDINGS
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No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
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No matters were reported.

SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS

No findings or questioned costs in the prior year.

June 23, 2023

To the Board of Commissioners
Allegan County, Michigan

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 Allegan County, Michigan (the "County") for the year ended December 31, 2022. Our report includes a reference to other auditors. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 4, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. There were no new accounting policies adopted and, except as stated in Note 17 to the financial statements, the application of existing policies was not changed during the fiscal year ended 2022. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the County's financial statements were:

- Management's estimate of the useful lives of depreciable capital assets is based on the length of time it is believed that those assets will provide some economic benefit in the future.
- Management's estimate of the accrued compensated absences is based on current hourly rates and policies regarding payment of sick and vacation banks.
- Management's assumptions used to calculate the actuarial report and the net present value of defined benefit pension benefits.
- Management's estimate of insurance claims incurred but not yet reported is based on information provided by the entity's third parties administrators and subsequent claims activity.

We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 23, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison schedules, and the schedules for the pension plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund financial statements and the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the County and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Gabridge & Company". The signature is written in dark ink and is positioned above the printed name of the company.

Gabridge & Company, PLC
Grand Rapids, MI