

Muskegon County
Airport

(An Enterprise Fund of the
County of Muskegon,
Michigan)



For the
Year Ended
September 30,
2023

Report on Schedule
of Passenger
Facility Charges
(PFC) Collected and
Expended

Rehmann

MUSKEGON COUNTY AIRPORT

(An Enterprise Fund of the County of Muskegon, Michigan)

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**INDEPENDENT AUDITORS' REPORT ON THE
SCHEDULE OF PASSENGER FACILITY CHARGES
COLLECTED AND EXPENDED**

March 25, 2024

Honorable Members of the
Board of Commissioners
of the County of Muskegon, Michigan
Muskegon, Michigan

We have audited the financial statements of the **County of Muskegon, Michigan** (the "County") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 25, 2024, which contained unmodified opinions on those financial statements. The County's financial statements include the financial position and results of operations of the Muskegon County Airport, a major enterprise fund. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Schedule of Passenger Facility Charges (PFC) Collected and Expended is presented for purposes of additional analysis as required by the *Passenger Facility Charge Audit Compliance and Reporting Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Rehmann Lobson LLC



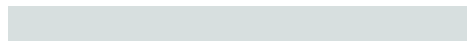
MUSKEGON COUNTY AIRPORT
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Schedule of Passenger Facility Charges (PFC) Collected and Expended

For the Year Ended September 30, 2023

Period	Unliquidated PFC Revenue Account, Beginning Balance	PFC Receipts	Interest Earned	Expenditures
First Quarter				
October 1 - December 31, 2022	\$ 32,736	\$ 5,946	\$ -	\$ (5,946)
Second Quarter				
January 1 - March 31, 2023	(5,235)	6,567	-	(6,567)
Third Quarter				
April 1 - June 30, 2023	(5,239)	7,292	-	(7,292)
Fourth Quarter				
July 1 - September 30, 2023	<u>(5,239)</u>	<u>5,776</u>	<u>-</u>	<u>(5,776)</u>
Fiscal Year				
October 1, 2022 - September 30, 2023	<u>\$ 32,736</u>	<u>\$ 25,581</u>	<u>\$ -</u>	<u>\$ (25,581)</u>

*The Muskegon County Airport is working with the Federal Aviation Administration (FAA) on a reconciliation process, which required adjustments to the cumulative disbursements and the cumulative interest reported on the Public Agency Quarterly Reports.



Adjustments to Cumulative Disbursements and Cumulative Interest*	Unliquidated PFC Revenue Account, Ending Balance
\$ (37,971)	\$ (5,235)
(4)	(5,239)
-	(5,239)
-	(5,239)
<u>-</u>	<u>(5,239)</u>
<u>\$ (37,975)</u>	<u>\$ (5,239)</u>

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE PASSENGER FACILITY CHARGE (PFC) PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE**

March 25, 2024

Honorable Members of the
Board of Commissioners
of the County of Muskegon, Michigan
Muskegon, Michigan

Report on Compliance for the Passenger Facility Charge Program

Opinion on the Passenger Facility Charge Program

We have audited the compliance of the ***Muskegon County Airport*** (the "Department"), a major enterprise fund of the County of Muskegon, Michigan, with the types of compliance requirements described in the ***Passenger Facility Charge Audit Guide for Public Agencies*** (the "Guide"), issued by the Federal Aviation Administration for the Passenger Facility Charge program for the year ended September 30, 2023.

In our opinion, the Department complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Passenger Facility Charge program for the year ended September 30, 2023.

Basis for Opinion on the Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the compliance requirements in the Guide. Our responsibilities under those standards and the Guide are further described in the Independent Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Department 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 Passenger Facility Charge program. Our audit does not provide a legal determination of the Department'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 Department's Passenger Facility Charge program.

Independent Auditors' 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 Department'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 GAAS, *Government Auditing Standards*, and the Guide 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 Department's compliance with the requirements of the Passenger Facility Charge Program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, 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 Department'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 Department'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 Guide, but not for the purpose of expressing an opinion on the effectiveness of the Department'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 the Passenger Facility Charge 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 the Passenger Facility Charge 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 the Passenger Facility Charge 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 Independent Auditors' 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 this 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 Guide. Accordingly, this report is not suitable for any other purpose.

Rehmann Lohm LLC

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Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2023

None noted.

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Summary Schedule of Prior Audit Findings

For the Year Ended September 30, 2023

None noted.