
City of Dearborn, Michigan

Federal Awards Supplemental Information
June 30, 2025

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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Honorable Mayor and Members
of the City of Council
City of Dearborn, 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 the City of Dearborn, Michigan (the "City") as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated November 17, 2025, which contained unmodified opinions on the financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to November 17, 2025.

The accompanying schedule of expenditures of federal awards as required by the Uniform Guidance and the reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are presented for the purpose of additional analysis and are 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 basic 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 financial statements as a whole.

Plante & Moran, PLLC

December 1, 2025

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*

Independent Auditor's Report

To Management, the Honorable Mayor,
and Members of the City of Council
City of Dearborn, Michigan

We have audited, in accordance with 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 (*Government Auditing Standards*), 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 City of Dearborn, Michigan (the "City") as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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*.

To Management, the Honorable Mayor,
and Members of the City of Council
City of Dearborn, Michigan

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

November 17, 2025



Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required
by the Uniform Guidance

Independent Auditor's Report

To the Honorable Mayor and Members
of the City of Council
City of Dearborn, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Dearborn, Michigan's (the "City") 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 City's major federal program for the year ended June 30, 2025. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2025.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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* (the "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 City 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 City'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 City's federal program.

To the Honorable Mayor and Members
of the City of Council
City of Dearborn, Michigan

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 City'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 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 City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 City'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 City'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 City'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.

To the Honorable Mayor and Members
of the City of Council
City of Dearborn, Michigan

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.

Plante & Moran, PLLC

December 1, 2025

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

| Federal Agency/Pass-through Agency/Program Title | Assistance Listing Number | Pass-through Identifying Number | Amount Provided to Subrecipients | Federal Expenditures |
|---|---------------------------|---------------------------------|----------------------------------|----------------------|
| Clusters: | | | | |
| U.S. Department of Housing and Urban Development - | | | | |
| Direct Programs - CDBG - Entitlements/Special Purpose Grants Cluster: | | | | |
| Community Development Block Grant Program | 14.218 | | \$ 85,768 | \$ 2,423,914 |
| COVID-19 Community Development Block Grant - CARES Act | 14.218 | | - | 199,033 |
| Community Development Block Grant - Disaster Recovery | 14.218 | | - | 556,112 |
| Total CDBG - Entitlements/Special Purpose Grants Cluster | | | 85,768 | 3,179,059 |
| Passed through Wayne County - Home Consortium | | | | |
| Home Investment Partnerships Program - Home Resource Fund Grant Year M2016 | 14.239 | M-16-DC-26-0213 | - | 2,235 |
| Total U.S. Department of Housing and Urban Development | | | 85,768 | 3,181,294 |
| U.S. Department of Agriculture - Pass through Samaritas - | | | | |
| Food Distribution Cluster - Emergency Food Assistance Program (Food Commodities) | 10.569 | N/A | - | 38,145 |
| U.S. Department of Justice Direct Programs: | | | | |
| Bulletproof Vest Partnership Program 2022 | 16.607 | | - | 4,778 |
| Equitable Sharing Program | 16.922 | | - | 512,949 |
| Public Safety Partnership and Community Policing Grants | 16.710 | | - | 36,000 |
| Treatment Court Discretionary Grant Program | 16.585 | | - | 92,632 |
| Treatment Court Discretionary Grant Program | 16.585 | | - | 65,752 |
| Veterans Treatment Court Discretionary Grant Program | 16.043 | | - | 182,364 |
| JAG Program - Passed through Wayne Co Sheriff's Dept - | | | | |
| 2021 Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2021-15PBJA-21-GG-01577-JAGX | - | 8,531 |
| Total U.S. Department of Justice | | | - | 903,006 |
| U.S Department of Labor - Community Project Funding/Congressionally Directed Spending | 17.289 | | - | 146,073 |

City of Dearborn, Michigan

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2025

| Federal Agency/Pass-through Agency/Program Title | Assistance Listing Number | Pass-through Identifying Number | Amount Provided to Subrecipients | Federal Expenditures |
|--|------------------------------|---------------------------------|-------------------------------------|----------------------|
| Clusters (continued): | | | | |
| U.S. Department of Transportation Highway Safety Cluster: | | | | |
| Passed through Michigan Department of State Police and | | | | |
| Downriver Community Conference - State and Community Highway Safety: | | | | |
| Drive Michigan Safely Task Force - Seatbelt/OWI FY24 | 20.600 | PT 00-82 | \$ - | \$ 22,830 |
| Drive Michigan Safely Task Force - Seatbelt/OWI FY25 | 20.600 | PT 00-82 | - | 20,559 |
| Passed through Michigan Supreme Court: | | | | |
| 2024 National Priority Safety Programs | 20.616 | 32472-2024 | - | 8,857 |
| 2025 National Priority Safety Programs | 20.616 | 32472-2024 | - | 38,154 |
| Total Highway Safety Cluster | | | - | 90,400 |
| Passed through Federal Highway Administration - Safe Streets and Roads for All | 20.939 | 693JJ32440517 | - | 62,332 |
| Total U.S. Department of Transportation | | | - | 152,732 |
| U.S. Department of the Treasury: | | | | |
| Passed through Michigan Economic Development Corp - | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery - | | | | |
| Revitalization and Placemaking Program | 21.027 | SLFRP0127 | - | 226,718 |
| Passed through Michigan Department of Environment, Great Lakes, and Energy - | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery - | | | | |
| Drinking Water Asset Management | 21.027 | SLFRP0127 | - | 465,159 |
| Total U.S. Department of the Treasury | | | - | 691,877 |
| U.S. Department of Homeland Security: | | | | |
| Federal Emergency Management Agency - Direct Programs: | | | | |
| 2021 Assistance to Firefighters Grant - Smoke Alarms & PT Staff | 97.044 | | - | 24,971 |
| 2022 Assistance to Firefighters Grant - Fire Prevention & Safety | 97.044 | | - | 47,482 |
| 2022 Assistance to Firefighters Grant - SCBA Replacement | 97.044 | | - | 129,300 |
| 2023 Assistance to Firefighters Grant - 4 Training & Equipment | 97.044 | | - | 175,388 |
| 2023 Assistance to Firefighters Grant - Fire Prevention & Safety | 97.044 | | - | 28,771 |
| Total Assistance to Firefighters | | | - | 405,912 |

City of Dearborn, Michigan

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2025

| Federal Agency/Pass-through Agency/Program Title | Assistance Listing Number | Pass-through Identifying Number | Amount Provided to Subrecipients | Federal Expenditures |
|---|------------------------------|---------------------------------|-------------------------------------|----------------------|
| Clusters (continued): | | | | |
| U.S. Department of Homeland Security (continued): | | | | |
| 2021 Staffing for Adequate Fire and Emergency Response Grant | 97.083 | | \$ - | \$ 1,333,054 |
| Passed through Michigan Department of State Police - FEMA Hazard Mitigation Grant Program - East Dearborn Grade Protection | 97.039 | FEMA-4607.03-R-MI | - | 127,337 |
| Emergency Management Performance Grants | 97.042 | EMC-2018-EP-00002 | - | 23,341 |
| Total U.S. Department of Homeland Security | | | - | 1,889,644 |
| U.S. Department of Health and Human Services - | | | | |
| Passed through Administration for Children and Families - Congressional Directives Program - RX Kids | 93.493 | 90XP0694-01-02 | - | 442,231 |
| Total federal awards | | | \$ 85,768 | \$ 7,445,002 |

City of Dearborn, Michigan

**Reconciliation of Basic Financial Statements Federal Revenue
with Schedule of Expenditures of Federal Awards**

Year Ended June 30, 2025

| | |
|---|-----------------------------------|
| Revenue from federal sources - As reported on financial statements (includes all funds) | \$ 6,492,554 |
| Noncash assistance not reported on the financial statements | 38,145 |
| Federal revenue classified as miscellaneous revenue on financial statements | 512,949 |
| Unavailable revenue related to grant expenditures incurred as of June 30, 2024 | (2,977,616) |
| Unavailable revenue related to grant expenditures incurred as of June 30, 2025 | 3,378,824 |
| Other differences | 146 |
| | <hr/> |
| Federal expenditures per the schedule of expenditures of federal awards | <u><u>\$ 7,445,002</u></u> |

Notes to Schedule of Expenditures of Federal Awards

Years Ended June 30, 2025

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the City of Dearborn, Michigan (the "City") under programs of the federal government for the year ended June 30, 2025. The information in the 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* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The pass-through entity identifying numbers are presented where available.

The City has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Note 3 - Noncash Assistance

The value of the noncash assistance received was determined in accordance with the provisions of the Uniform Guidance.

The City has \$38,145 of noncash assistance related to the Food Distribution Cluster (ALN 10.569) during the year ended June 30, 2025 that is included in the schedule of expenditures of federal awards.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

| Assistance Listing Number | Name of Federal Program or Cluster | Opinion |
|---------------------------|--|------------|
| 14.218 | Community Development Block Grant - Entitlement/Special Purpose Grants Cluster | Unmodified |

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ Yes X No

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None