

# **Charter Township of Northville**

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**Federal Awards  
Supplemental Information  
December 31, 2002**

# Charter Township of Northville

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## Independent Auditor's Report

To the Board of Trustees  
Charter Township of Northville

We have audited the general purpose financial statements of the Charter Township of Northville for the year ended December 31, 2002 and have issued our report thereon dated March 12, 2003. Those general purpose financial statements are the responsibility of the management of the Charter Township of Northville. Our responsibility was to express an opinion on those general purpose financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Charter Township of Northville taken as a whole. The accompanying schedule of expenditures of federal awards and reconciliation of general purpose 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 general purpose financial statements. The information in these schedules has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Plante & Moran, PLLC*

March 12, 2003

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**Report Letter on Compliance with Laws and Regulations and  
Internal Control - General Purpose Financial Statements**

To the Board of Trustees  
Charter Township of Northville

We have audited the financial statements of the Charter Township of Northville as of and for the year ended December 31, 2002 and have issued our report thereon dated March 12, 2003. We conducted our audit 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.

**Compliance**

As part of obtaining reasonable assurance about whether the Charter Township of Northville's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Charter Township of Northville's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

To the Board of Trustees  
Charter Township of Northville

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Plante & Moran, PLLC*

March 12, 2003

Report Letter on Compliance with Laws and Regulations and  
Internal Control - Major Federal Awards

To the Board of Trustees  
Charter Township of Northville

**Compliance**

We have audited the compliance of the Charter Township of Northville with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended December 31, 2002. The major federal program of the Charter Township of Northville is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Charter Township of Northville's management. Our responsibility is to express an opinion on the Charter Township of Northville's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 major federal program occurred. An audit includes examining, on a test basis, evidence about the Charter Township of Northville'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. Our audit does not provide a legal determination on the Charter Township of Northville's compliance with those requirements.

In our opinion, the Charter Township of Northville complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2002.

To the Board of Trustees  
Charter Township of Northville

### **Internal Control Over Compliance**

The management of the Charter Township of Northville is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Charter Township of Northville's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Plante & Moran, PLLC*

June 16, 2003

# Charter Township of Northville

## Schedule of Expenditures of Federal Awards Year Ended December 31, 2002

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Pass-through Entity Project/Grant Number	Federal Expenditures
U.S. Environmental Protection Agency - Rouge River National Wet Weather Demonstration Program - Passed through Wayne County, Michigan - Quail Ridge Drain Improvement, IIA-09	*	XP995743-04	\$ 170,825
U.S. Department of Justice:			
Byrne Formula Grant Program - Passed through Michigan Department of Drug Control Policy Department of Community Health:			
Police Community Policing Strategy	16.579	#72069-1K02	17,729
Police School Resource Strategy	16.579	#70957-2K02	<u>53,248</u>
Total Michigan Department of Drug Control Policy			70,977
Office of Community Oriented Policing Services:			
COPS in School Grant	16.710	#2002SHWX0280	15,000
COPS More Technology Grant	16.710	#2001CMWX0232	<u>79,278</u>
Total Office of Community Oriented Policing Services			<u>94,278</u>
Total U.S. Department of Justice			<u>165,255</u>
Total federal awards			<u><b>\$ 336,080</b></u>

\* CFDA not available at time of report

# Charter Township of Northville

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## Reconciliation of General Purpose Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards Year Ended December 31, 2002

Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 165,255
Add federal revenue reported as capital contributions in the Enterprise Funds	<u>170,825</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 336,080</u></u>

# Charter Township of Northville

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## Note to Schedule of Expenditures of Federal Awards Year Ended December 31, 2002

### Note - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Charter Township of Northville and is presented on the same basis of accounting as the general purpose financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

# Charter Township of Northville

## Schedule of Findings and Questioned Costs Year Ended December 31, 2002

### Section I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness identified?  Yes  No
- Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

#### Federal Awards

Internal control over major program(s):

- Material weakness identified?  Yes  No
- Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None reported

Type of auditor's report issued on compliance for major program: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?  Yes  No

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
Unknown	U.S. Environmental Protection Agency - Quail Ridge Drain Improvement

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?  Yes  No

# **Charter Township of Northville**

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## **Schedule of Findings and Questioned Costs (Continued) Year Ended December 31, 2002**

### **Section II - Financial Statement Audit Findings**

None

### **Section III - Federal Program Audit Findings**

None