

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2007 AND 2006



Mary Taylor, CPA

Auditor of State

Board of Trustees
Noble Township
18396 St Marys River Rd
St. Marys, Ohio 45885

We have reviewed the *Independent Auditor's Report* of Noble Township, Auglaize County, prepared by E. S. Evans and Company, for the audit period January 1, 2006 through December 31, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Noble Township is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 15, 2008

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NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

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AUGLAIZE COUNTY, OHIO

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E.S. Evans and Company

Certified Public Accountants

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Steven D. Hooker, CPA • John E. Klay, CPA

June 23, 2008

INDEPENDENT AUDITOR'S REPORT

Noble Township
Auglaize County, Ohio

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Noble Township, Auglaize County, Ohio (the Township) as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. The basic financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these basic 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 opinions.

As discussed in Note 2, the Township has prepared these financial statements using the cash basis of accounting. This is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund and the aggregate remaining fund information of Noble Township, Auglaize County, Ohio, as of December 31, 2007 and 2006, and the respective changes in cash basis financial position, thereof and the respective budgetary comparisons for the General, Gasoline Tax Fund, Road and Bridge Fund, and Special Levy Fund for the years then ended in conformity with the basis of accounting described in Note 2.

Noble Township
Auglaize County, Ohio
June 23, 2008
Page 2

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information the Governmental Accounting Standards Board requires. We applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, we have also issued a report dated June 23, 2008, on our consideration of Noble Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

A handwritten signature in red ink, appearing to read "E. J. Green and Company".

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2007 and 2006

This discussion and analysis of Noble Township's financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2007 and 2006, within the limitations of the Township's cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2007 are as follows:

Net assets of governmental activities decreased \$3,467, an insignificant change from the prior year. The fund most affected by the decrease in cash and cash equivalents was the Road and Bridge Fund due to increased costs of paving expenditures.

The Township's general receipts consist primarily of property taxes which represent \$133,206 of the total cash received for governmental activities during the year. Property tax receipts for 2007 increased very little compared to 2006.

Key highlights for 2006 are as follows:

Net assets of governmental activities increased \$47,501, or 72 percent, a significant change from the prior year. The fund most affected by the increase in cash and cash equivalents was the Road and Bridge Fund. This is attributable to the fund being depleted in 2005 due to a paving project and less expenditures in 2006.

The Township's general receipts consist primarily of property taxes which represent \$129,157 of the total cash received for governmental activities during the year. Property tax receipts for 2006 increased very little compared to 2005.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2007 and 2006

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2007 and 2006, within the limitations of the cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental and business-type activities of the Township year end. The statement of activities compares cash disbursements with program receipts for each governmental program and business-type activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function or business-type activity draws from the Township's general receipts.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2007 and 2006

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other non-financial factors as well as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and income taxes.

In the statement of net assets and the statement of activities, the Township discloses a single type of activity:

Governmental activities - Most of the Township's basic services are reported here, including State and federal grants; and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Township's Most Significant Funds

Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are contained in one category: Governmental.

Governmental Funds - Most of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Township fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General Fund, Gasoline Tax Fund, Road and Bridge Fund, and the Fire Protection Special Levy Fund for both 2006 and 2007. In addition in 2006, the Public Works Project Fund was also major. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. We describe this relationship in reconciliations presented with the governmental fund financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2007 and 2006

The Township as a Whole

Table 1 provides a summary of the Township's net assets for 2007 compared to 2006 on the cash basis:

(Table 1)
Net Assets

	Governmental Activities	
	2007	2006
Assets		
Cash and Cash Equivalents \$	110,122	\$ 113,589
Net Assets		
Restricted for:		
Capital Projects	\$ 92	\$ 0
Other Purposes	95,060	104,879
Unrestricted	14,970	8,710
Total Net Assets	\$ 110,122	\$ 113,589

As mentioned previously, net assets of governmental activities decreased \$3,467 or 3 percent during 2007. The primary reasons contributing to the decreases in cash balances are as follows:

- Continued decline in general fund disbursements which is consistent with conservative attitude of management due to uncertainty in State funding.

As mentioned previously, net assets of governmental activities increased \$47,501 or 72 percent during 2006. The primary reasons contributing to the increases in cash balances are as follows:

- Received Issue II funding to help pay for road maintenance which results in increase of net assets due to not having to expend all Township funds.
- Continued decline in general fund disbursements which is consistent with conservative attitude of management due to uncertainty in State funding.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2007 and 2006

Table 2 reflects the changes in net assets in 2007 and 2006.

(Table 2)
Changes in Net Assets

	<u>Governmental Activities 2007</u>	<u>Governmental Activities 2006</u>
Receipts:		
Program Receipts:		
Charges for Sales and Services	\$ 9,300	\$ 3,790
Operating Grants and Contributions	113,799	104,181
Capital Grants and Contributions	-	66,620
Total Program Receipts	<u>123,099</u>	<u>174,591</u>
General Receipts:		
Property and Other Local Taxes	133,206	129,157
Grants and Entitlements Not Restricted to Specific Programs	53,625	47,426
Donations	9,609	1,600
Interest	459	241
Miscellaneous	92	1,412
Total General Receipts	<u>196,991</u>	<u>179,836</u>
Total Receipts	<u>320,090</u>	<u>354,427</u>
Disbursements:		
General Government	60,670	74,966
Public Safety	28,322	27,963
Public Works	195,767	124,650
Health	106	104
Conservation - Recreation	27,339	1,573
Other	3,219	2,109
Capital Outlay	2,462	69,889
Debt Service - Principal	5,672	5,672
Debt Service - Interest	-	-
Total Disbursements	<u>323,557</u>	<u>306,926</u>
Increase (Decrease) in Net Assets	(3,467)	47,501
Net Assets, January 1st	<u>113,589</u>	<u>66,088</u>
Net Assets, December 31st	<u><u>110,122</u></u>	<u><u>113,589</u></u>

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2007 and 2006

Program receipts represent 38.46 and 49.26 percent of total receipts for 2007 and 2006, respectively and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money.

General receipts represent 61.54 and 50.74 percent of the Township's total receipts for 2007 and 2006, respectively, and of this amount, 67.62 and 71.82 percent are local taxes. State and federal grants and entitlements, including estate taxes, are the largest additional source of general receipts at 26.71 and 26.37 percent for 2007 and 2006, respectively. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for the Township represent the overhead costs of running the Township and the support services provided for the other Township's activities. The largest disbursement category is public works which includes the maintenance of roads.

Governmental Activities

If you look at the Statements of Activities, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for Public Works (road upkeep) and General Government Services, which account for 60.50 and 18.75 percent of disbursements in 2007 and 40.61 and 24.42 percent of disbursements in 2006, respectively. The next three columns of the Statement entitled Program Cash Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The Net Receipt (Disbursement) column compares the program receipts to the cost of the service. The "net cost" amount represents the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost and services and the net cost is presented in Table 3.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2007 and 2006

(Table 3)

Governmental Activities

	Total Cost Of Services 2006	Net Cost of Services 2006	Total Cost Of Services 2007	Net Cost of Services 2007
General Government	\$ 74,966	\$ (74,966)	\$ 60,670	\$ (60,670)
Public Safety	27,963	(24,841)	28,322	(25,099)
Public Works	124,650	(19,801)	195,767	(75,891)
Health	104	(104)	106	(106)
Conservation-Recreation	1,573	(1,573)	27,339	(27,339)
Other	2,109	(2,109)	3,219	(3,219)
Capital Outlay	69,889	(3,269)	2,462	(2,462)
Debt Service	5,672	(5,672)	5,672	(5,672)
Total Expenses	\$ 306,926	\$ (132,335)	\$ 323,557	\$ (200,458)

The dependence upon property taxes and state and federal grants and entitlements is crucial to the general operations of the Township.

The Township's Funds

Total governmental funds had receipts of \$343,490 in 2007 and \$354,427 in 2006 and disbursements of \$346,957 in 2007 and \$306,926 in 2006. In 2007, general fund receipts were more than disbursements by \$6,260 indicating that the General Fund is in a very stable condition since an advance of \$23,400 was made to the Miscellaneous Capital Projects Fund to cover expenses at the community park until the ODNR grant money is received. Gasoline Fund receipts were more than disbursements by \$8,371 and Fire Protection Special Levy receipts were \$3,258 more than disbursements. In the Road and Bridge Fund, disbursements exceeded receipts by \$20,513 as funds were used for road repairs.

In 2006, the fund balance of the General Fund decreased \$3,923 as the result of increased costs and lower revenue. However, receipts exceeded disbursements by \$13,235, \$27,620, and \$2,546 in the Gasoline Tax Fund, Road and Bridge Fund, and the Fire Protection Special Levy Fund, respectively.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Years Ended December 31, 2007 and 2006

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During 2007, the Township amended its General Fund budget. The difference between final budgeted receipts and actual receipts was not significant. Final disbursements were budgeted at \$103,633 while actual disbursements were \$70,331. Actual disbursements were lower than the prior year and again reflects the conservative management of the Township.

During 2006, the Township amended its General Fund budget. The difference between final budgeted receipts and actual receipts was not significant. Final disbursements were budgeted at \$108,164 while actual disbursements were \$81,359. Actual disbursements were lower than the prior year and reflects the conservative management of the Township.

Capital Assets and Debt Administration

Capital Assets

The Township's financial statements are prepared on the cash basis of accounting and thus, capital assets acquired by the Township are recorded as disbursements and have not been capitalized.

Debt

At December 31, 2007, the Township's outstanding debt consists of an interest free OPWC loan used for road resurfacing with a balance of \$42,541 at December 31, 2007. For further information regarding the Township's debt, refer to Note 5 of the financial statements.

Current Issues

The challenge for all Governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases, shrinking funding. We rely heavily on local taxes and State funding. The Township has continued to practice conservative budgetary practices in order to preserve a positive financial position in future years.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Steve Schamp, Fiscal Officer, Noble Township, Auglaize County, 15460 St. Rt. 66, St. Marys, OH 45885.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENTS OF NET ASSETS - CASH BASIS

December 31, 2007

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 110,122
Total Assets	<u>110,122</u>
<u>Net Assets:</u>	
Restricted For:	
Capital Projects	\$ 92
Other Purposes	95,060
Unrestricted	<u>14,970</u>
Total Net Assets	<u>\$ 110,122</u>

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended December 31, 2007

	Cash Disbursements	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets	
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
		-	-	-	-	-
<u>Governmental Activities:</u>						
General Government	\$ 60,670	\$ -	\$ -	\$ -	\$ (60,670)	\$ (60,670)
Public Safety	28,322	-	3,223	-	(25,099)	(25,099)
Public Works	195,767	9,300	110,576	-	(75,891)	(75,891)
Health	106	-	-	-	(106)	(106)
Conservation-Recreation	27,339	-	-	-	(27,339)	(27,339)
Other	3,219	-	-	-	(3,219)	(3,219)
Capital Outlay	2,462	-	-	-	(2,462)	(2,462)
Debt Service:						
Principal	5,672	-	-	-	(5,672)	(5,672)
Interest	-	-	-	-	-	-
Total Governmental Activities	<u>\$ 323,557</u>	<u>\$ 9,300</u>	<u>\$ 113,799</u>	<u>\$ -</u>	<u>(200,458)</u>	<u>(200,458)</u>
<u>General Receipts:</u>						
Property and Other Taxes					133,206	133,206
Grants Not Restricted					53,625	53,625
Donations					9,609	9,609
Interest					459	459
Miscellaneous					92	92
Total General Receipts					<u>196,991</u>	<u>196,991</u>
Change in Net Assets					(3,467)	(3,467)
Net Assets Beginning of Year					113,589	113,589
Net Assets End of Year					<u>\$ 110,122</u>	<u>\$ 110,122</u>

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
December 31, 2007

	General	Gasoline Tax	Road & Bridge	Fire Protect Special Levy	Other Governmental	Total Governmental Funds
<u>Assets:</u>						
Equity in Pooled Cash and Cash Equivalents	\$ 14,970	\$ 59,100	\$ 7,107	\$ 18,676	\$ 10,269	\$ 110,122
Total Assets	14,970	59,100	7,107	18,676	10,269	110,122
<u>Fund Balances:</u>						
Unreserved, Reported in:						
General Fund	14,970	-	-	-	-	14,970
Special Revenue Funds	-	59,100	7,107	18,676	10,177	95,060
Capital Projects Funds	-	-	-	-	92	92
Total Fund Balances	\$ 14,970	\$ 59,100	\$ 7,107	\$ 18,676	\$ 10,269	\$ 110,122

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS
FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2007

	General	Gasoline Tax	Road & Bridge	Fire Protect Special Levy	Other Governmental	Total Governmental Funds
<u>Receipts:</u>						
Property and Other Local Taxes	\$ 43,979	\$ -	\$ 62,026	\$ 27,201	\$ 12,144	\$ 145,350
Licenses, Permits and Fees	9,300	-	-	-	-	9,300
Intergovernmental	36,896	90,662	7,770	3,223	16,729	155,280
Interest	115	308	-	-	36	459
Donations	9,609	-	-	-	-	9,609
Total Receipts	<u>99,899</u>	<u>90,970</u>	<u>69,796</u>	<u>30,424</u>	<u>28,909</u>	<u>319,998</u>
<u>Disbursements:</u>						
Current:						
General Government	59,357	-	1,313	-	-	60,670
Public Safety	1,155	-	-	27,167	-	28,322
Public Works	-	82,599	88,996	-	24,172	195,767
Health	106	-	-	-	-	106
Conservation-Recreation	4,031	-	-	-	23,308	27,339
Capital Outlay	2,462	-	-	-	-	2,462
Debt Service:						
Principal Retirement	-	-	-	-	5,672	5,672
Interest and Fiscal Charges	-	-	-	-	-	-
Total Disbursements	<u>67,111</u>	<u>82,599</u>	<u>90,309</u>	<u>27,167</u>	<u>53,152</u>	<u>320,338</u>
Excess of Receipts Over (Under) Disbursements	<u>32,788</u>	<u>8,371</u>	<u>(20,513)</u>	<u>3,257</u>	<u>(24,243)</u>	<u>(340)</u>
<u>Other Financing Sources (Uses):</u>						
Advances In	-	-	-	-	23,400	23,400
Advances Out	(23,400)	-	-	-	-	(23,400)
Other Financing Sources	92	-	-	-	-	92
Other Financing Uses	(3,219)	-	-	-	-	(3,219)
Total Other Financing Sources (Uses)	<u>(26,527)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,400</u>	<u>(3,127)</u>
Net Change in Fund Balances	6,261	8,371	(20,513)	3,257	(843)	(3,467)
Fund Balances Beginning of Year	8,709	50,729	27,620	15,419	11,112	113,589
Fund Balances End of Year	<u>\$ 14,970</u>	<u>\$ 59,100</u>	<u>\$ 7,107</u>	<u>\$ 18,676</u>	<u>\$ 10,269</u>	<u>\$ 110,122</u>

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND

For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		(Under)
<u>Receipts:</u>				
Property and Other Local Taxes	\$ 42,119	\$ 42,119	\$ 43,979	\$ 1,860
Licenses, Permits and Fees	1,500	1,500	9,300	7,800
Intergovernmental	37,105	39,105	36,896	(2,209)
Interest	200	200	115	(85)
Miscellaneous	7,000	11,000	9,609	(1,391)
Total Receipts	87,924	93,924	99,899	5,975
<u>Disbursements:</u>				
Current:				
General Government	69,200	71,200	59,357	11,843
Public Safety	2,000	2,000	1,155	845
Public Works	7,433	5,283	-	5,283
Health	200	200	106	94
Conservation-Recreation	2,800	5,450	4,031	1,419
Capital Outlay	5,000	5,000	2,462	2,538
Total Disbursements	86,633	89,133	67,111	22,022
Excess of Receipts Over (Under) Disbursements	1,291	4,791	32,788	27,997
<u>Other Financing Sources (Uses):</u>				
Advances In	-	-	-	-
Advances Out	-	-	(23,400)	(23,400)
Other Financing Sources	-	1,000	92	(908)
Other Financing Uses	(10,000)	(14,500)	(3,219)	11,281
Total Other Financing Sources (Uses)	(10,000)	(13,500)	(26,527)	(13,027)
Net Change in Fund Balances	(8,709)	(8,709)	6,261	14,970
Fund Balance at Beginning of Year	8,709	8,709	8,709	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ 14,970	\$ 14,970

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
GASOLINE TAX FUND
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<u>Receipts:</u>				
Intergovernmental	\$ 80,800	\$ 80,800	\$ 90,662	\$ 9,862
Interest	200	200	308	108
Miscellaneous	-	-	-	-
Total Receipts	81,000	81,000	90,970	9,970
<u>Disbursements:</u>				
Current:				
Public Works	130,729	130,729	82,599	48,130
Capital Outlay	1,000	1,000	-	1,000
Total Disbursements	131,729	131,729	82,599	49,130
Excess of Receipts Over (Under) Disbursements	(50,729)	(50,729)	8,371	59,100
Net Change in Fund Balances	(50,729)	(50,729)	8,371	59,100
Fund Balance at Beginning of Year	50,729	50,729	50,729	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ 59,100	\$ 59,100

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Receipts:</u>				
Property and Other Local Taxes	\$ 60,222	\$ 60,222	\$ 62,026	\$ 1,804
Intergovernmental	7,700	7,700	7,770	70
Total Receipts	<u>67,922</u>	<u>67,922</u>	<u>69,796</u>	<u>1,874</u>
<u>Disbursements:</u>				
Current:				
General Government	1,500	1,500	1,313	187
Public Works	94,042	94,042	88,996	5,046
Total Disbursements	<u>95,542</u>	<u>95,542</u>	<u>90,309</u>	<u>5,233</u>
Excess of Receipts Over (Under) Disbursements	<u>(27,620)</u>	<u>(27,620)</u>	<u>(20,513)</u>	<u>7,107</u>
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(27,620)</u>	<u>(27,620)</u>	<u>(20,513)</u>	<u>7,107</u>
Fund Balance at Beginning of Year	27,620	27,620	27,620	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,107</u>	<u>\$ 7,107</u>

The accompanying statements are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY FUND

For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<u>Receipts:</u>				
Property and Other Local Taxes	\$ 26,400	\$ 26,400	\$ 27,201	\$ 801
Intergovernmental	2,947	2,947	3,223	276
Total Receipts	29,347	29,347	30,424	1,077
<u>Disbursements:</u>				
Current:				
Public Safety	44,766	44,766	27,167	17,599
Total Disbursements	44,766	44,766	27,167	17,599
Excess of Receipts Over (Under) Disbursements	(15,419)	(15,419)	3,257	18,676
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	-	-
Net Change in Fund Balances	(15,419)	(15,419)	3,257	18,676
Fund Balance at Beginning of Year	15,419	15,419	15,419	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ 18,676	\$ 18,676

The accompanying statements are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENTS OF NET ASSETS - CASH BASIS

December 31, 2006

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 113,589
Total Assets	<u>113,589</u>
<u>Net Assets:</u>	
Restricted For:	
Capital Projects	-
Other Purposes	104,879
Unrestricted	<u>8,710</u>
Total Net Assets	<u>\$ 113,589</u>

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF ACTIVITIES - CASH BASIS

For the Year Ended December 31, 2006

	Cash Disbursements	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets	
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
<u>Governmental Activities:</u>						
General Government	\$ 74,966	\$ -	\$ -	\$ -	\$ (74,966)	\$ (74,966)
Public Safety	27,963	-	3,122	-	(24,841)	(24,841)
Public Works	124,650	3,790	101,059	-	(19,801)	(19,801)
Health	104	-	-	-	(104)	(104)
Conservation-Recreation	1,573	-	-	-	(1,573)	(1,573)
Other	2,109	-	-	-	(2,109)	(2,109)
Capital Outlay	69,889	-	-	66,620	(3,269)	(3,269)
Debt Service:						
Principal	5,672	-	-	-	(5,672)	(5,672)
Interest	-	-	-	-	-	-
Total Governmental Activities	\$ 306,926	\$ 3,790	\$ 104,181	\$ 66,620	(132,335)	(132,335)
<u>General Receipts:</u>						
Property and Other Taxes					129,157	129,157
Grants Not Restricted					47,426	47,426
Donations					1,600	1,600
Interest					241	241
Miscellaneous					1,412	1,412
Total General Receipts					179,836	179,836
Change in Net Assets					47,501	47,501
Net Assets Beginning of Year					66,088	66,088
Net Assets End of Year					\$ 113,589	\$ 113,589

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
December 31, 2006

	<u>General</u>	<u>Gasoline Tax</u>	<u>Road & Bridge</u>	<u>Fire Protect Special Levy</u>	<u>Public Works Project</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
<u>Assets:</u>							
Equity in Pooled Cash and Cash Equivalents \$	8,709	\$ 50,729	\$ 27,620	\$ 15,419	\$ -	\$ 11,112	\$ 113,589
Total Assets	8,709	50,729	27,620	15,419	-	11,112	113,589
<u>Fund Balances:</u>							
Unreserved, Reported in:							
General Fund	8,709	-	-	-	-	-	8,709
Special Revenue Funds	-	50,729	27,620	15,419	-	11,112	104,880
Capital Projects Funds	-	-	-	-	-	-	-
Total Fund Balances	\$ 8,709	\$ 50,729	\$ 27,620	\$ 15,419	\$ -	\$ 11,112	\$ 113,589

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS
FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2006

	<u>General</u>	<u>Gasoline Tax</u>	<u>Road & Bridge</u>	<u>Fire Protect Special Levy</u>	<u>Public Works Projects</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
<u>Receipts:</u>							
Property and Other Local Taxes	\$ 42,368	\$ -	\$ 60,361	\$ 26,428	\$ -	\$ 13,586	\$ 142,743
Licenses, Permits and Fees	3,790	-	-	-	-	-	3,790
Intergovernmental	29,367	79,896	7,577	3,122	66,620	18,059	204,641
Interest	59	165	-	-	-	17	241
Donations	1,600	-	-	-	-	-	1,600
Total Receipts	<u>77,184</u>	<u>80,061</u>	<u>67,938</u>	<u>29,550</u>	<u>66,620</u>	<u>31,662</u>	<u>353,015</u>
<u>Disbursements:</u>							
Current:							
General Government	73,745	-	1,221	-	-	-	74,966
Public Safety	959	-	-	27,004	-	-	27,963
Public Works	-	67,986	39,097	-	-	17,567	124,650
Health	104	-	-	-	-	-	104
Conservation-Recreation	1,573	-	-	-	-	-	1,573
Capital Outlay	2,869	-	-	-	66,620	400	69,889
Debt Service:							
Principal Retirement	-	-	-	-	-	5,672	5,672
Interest and Fiscal Charges	-	-	-	-	-	-	-
Total Disbursements	<u>79,250</u>	<u>67,986</u>	<u>40,318</u>	<u>27,004</u>	<u>66,620</u>	<u>23,639</u>	<u>304,817</u>
Excess of Receipts Over (Under) Disbursements	<u>(2,066)</u>	<u>12,075</u>	<u>27,620</u>	<u>2,546</u>	<u>-</u>	<u>8,023</u>	<u>48,198</u>
<u>Other Financing Sources (Uses):</u>							
Other Financing Sources	252	1,160	-	-	-	-	1,412
Other Financing Uses	(2,109)	-	-	-	-	-	(2,109)
Total Other Financing Sources (Uses)	<u>(1,857)</u>	<u>1,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(697)</u>
Net Change in Fund Balances	(3,923)	13,235	27,620	2,546	-	8,023	47,501
Fund Balances Beginning of Year	12,632	37,494	-	12,873	-	3,089	66,088
Fund Balances End of Year	<u>\$ 8,709</u>	<u>\$ 50,729</u>	<u>\$ 27,620</u>	<u>\$ 15,419</u>	<u>\$ -</u>	<u>\$ 11,112</u>	<u>\$ 113,589</u>

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND

For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Over (Under)
<u>Receipts:</u>				
Property and Other Local Taxes	\$ 40,782	\$ 40,782	\$ 42,368	\$ 1,586
Licenses, Permits and Fees	1,500	1,500	3,790	2,290
Intergovernmental	45,000	45,000	29,367	(15,633)
Interest	250	250	59	(191)
Miscellaneous	7,000	7,000	1,600	(5,400)
Total Receipts	94,532	94,532	77,184	(17,348)
<u>Disbursements:</u>				
Current:				
General Government	81,849	86,074	73,745	12,329
Public Safety	2,000	2,000	959	1,041
Public Works	6,415	4,690	-	4,690
Health	200	200	104	96
Conservation-Recreation	2,700	2,700	1,573	1,127
Capital Outlay	5,000	5,000	2,869	2,131
Total Disbursements	98,164	100,664	79,250	21,414
Excess of Receipts Over (Under) Disbursements	(3,632)	(6,132)	(2,066)	4,066
<u>Other Financing Sources (Uses):</u>				
Advances In	-	-	-	-
Advances Out	-	-	-	-
Other Financing Sources	1,000	1,000	252	(748)
Other Financing Uses	(10,000)	(7,500)	(2,109)	5,391
Total Other Financing Sources (Uses)	(9,000)	(6,500)	(1,857)	4,643
Net Change in Fund Balances	(12,632)	(12,632)	(3,923)	8,709
Fund Balance at Beginning of Year	12,632	12,632	12,632	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ 8,709	\$ 8,709

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
GASOLINE TAX FUND
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		(Under)
<u>Receipts:</u>				
Intergovernmental	\$ 65,000	\$ 65,000	\$ 79,896	\$ 14,896
Interest	250	250	165	(85)
Miscellaneous	-	-	-	-
Total Receipts	65,250	65,250	80,061	14,811
<u>Disbursements:</u>				
Current:				
Public Works	101,744	101,744	67,986	33,758
Capital Outlay	1,000	1,000	-	1,000
Total Disbursements	102,744	102,744	67,986	34,758
Excess of Receipts Over (Under) Disbursements	(37,494)	(37,494)	12,075	49,569
Other Financing Sources (Uses):				
Other Financing Sources	-	-	1,160	1,160
Transfers Out	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	1,160	1,160
Net Change in Fund Balances	(37,494)	(37,494)	13,235	50,729
Fund Balance at Beginning of Year	37,494	37,494	37,494	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ 50,729	\$ 50,729

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Receipts:</u>				
Property and Other Local Taxes	\$ 66,439	\$ 66,439	\$ 60,361	\$ (6,078)
Intergovernmental	8,000	8,000	7,577	(423)
Total Receipts	<u>74,439</u>	<u>74,439</u>	<u>67,938</u>	<u>(6,501)</u>
<u>Disbursements:</u>				
Current:				
General Government	1,700	1,700	1,221	479
Public Works	72,739	72,739	39,097	33,642
Total Disbursements	<u>74,439</u>	<u>74,439</u>	<u>40,318</u>	<u>34,121</u>
Excess of Receipts Over (Under) Disbursements	<u>-</u>	<u>-</u>	<u>27,620</u>	<u>27,620</u>
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>27,620</u>	<u>27,620</u>
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,620</u>	<u>\$ 27,620</u>

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS
SPECIAL LEVY FUND

For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Over (Under)
<u>Receipts:</u>				
Property and Other Local Taxes	\$ 29,245	\$ 29,245	\$ 26,428	\$ (2,817)
Intergovernmental	3,000	3,000	3,122	122
Total Receipts	<u>32,245</u>	<u>32,245</u>	<u>29,550</u>	<u>(2,695)</u>
<u>Disbursements:</u>				
Current:				
Public Safety	<u>45,118</u>	<u>45,118</u>	<u>27,004</u>	<u>18,114</u>
Total Disbursements	<u>45,118</u>	<u>45,118</u>	<u>27,004</u>	<u>18,114</u>
Excess of Receipts Over (Under) Disbursements	<u>(12,873)</u>	<u>(12,873)</u>	<u>2,546</u>	<u>15,419</u>
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(12,873)</u>	<u>(12,873)</u>	<u>2,546</u>	<u>15,419</u>
Fund Balance at Beginning of Year	12,873	12,873	12,873	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,419</u>	<u>\$ 15,419</u>

The accompanying notes are an integral part of these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 1 - Reporting Entity

Noble Township, Auglaize County, Ohio (the Township), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, as well as maintenance of Township roads and bridges. The Township contracts with the City of St. Marys for fire protection. Police protection is provided by the Sheriff of Auglaize County.

B. Component Units

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt, or the levying of taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township.

The Township has no component units.

C. Jointly Governed Organizations and Public Entity Risk Pools

The Township does not participate in any jointly governed organizations.

The Township participates in one public entity risk pool – OTARMA – see Note 7 for additional information.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 2 - Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets - cash basis and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions.

The statement of net assets presents the cash balance of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function or business-type activity is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 2 - Summary of Significant Accounting Policies – (continued)

B. Fund Accounting

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Township are all classified as governmental.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other non-exchange transactions as governmental funds. The Township's major governmental funds are the General Fund, Gasoline Tax Fund, Road and Bridge Fund, and the Special Levy Fund in both 2007 and 2006 as well as the Public Works Project Fund in 2006.

General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

Gasoline Tax Fund receives gasoline tax money for constructing, maintaining, and repairing Township roads.

Road and Bridge Fund is used to account for tax receipts to be used for the maintenance for Township roads.

Special Levy Fund receives property tax money for providing fire protection services to the residents of the Township.

Public Works Project Fund is used to account for Issue II funding for improving the Township roads.

The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 2 - Summary of Significant Accounting Policies – (continued)

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate. The appropriations ordinance is the Township's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

E. Cash and Investments

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Cash and cash equivalents that are held separately in accounts at a financial institution for retainage and bond reserves and debt service are reported as "Cash and Cash Equivalents with Fiscal Agents."

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2007 and 2006, the Township had no investments. Interest earnings are allocated to Township funds according to State statutes, grant requirements, Township directives or debt related restrictions. Interest receipts credited to the General Fund during 2007 and 2006 was \$115 and \$59, respectively.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 2 - Summary of Significant Accounting Policies (continued)

F. Restricted Assets

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation.

G. Inventory and Prepaid Items

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

H. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

I. Employer Contributions to Cost-Sharing Pension Plans

The Township recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

J. Long-Term Obligations

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

K. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for capital projects and debt service obligations.

The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 2 - Summary of Significant Accounting Policies (continued)

L. Fund Balance Reserves

The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. The Township does not have any fund balance reserves.

Note 3 - Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance — Budget and Actual — Budgetary Basis are presented for the general fund, gasoline tax fund, road and bridge fund and special levy fund and are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 4 - Deposits and Investments

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Township has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 5 - Deposits and Investments – (continued)

3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (I) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio)

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by collateral pledged to the Township by the financial institution, or by a collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2007 and 2006, \$100,000 of Township's bank balances of \$120,558 and \$123,520 were covered by FDIC insurance, respectively. \$20,558 and \$23,520 were exposed to custodial credit risk because these deposits were uninsured and collateralized with securities held by the pledging financial institutions trust department or agent, but not in the Township's name.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Township or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 5 – Debt Obligations

Debt outstanding at December 31, 2007 was as follows:

	Principal	Interest Rate
OPWC Loan	\$ 42,541	0.00%

The Township has a loan through the Ohio Public Works Commission for a road resurfacing project. Semi-annual interest free payments of \$2,836 are being paid.

The annual requirements to amortize all debt outstanding as of December 31, 2007, including interest payments are scheduled as follows:

Year Ending December 31,	OPWC Loan
2008	\$ 5,672
2009	5,672
2010	5,672
2011	5,672
2012	5,672
2013-2017	14,181
	\$ 42,541

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 6 - Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2007 represent the collection of 2006 taxes, and real property tax receipts received in 2006 represent the collection of 2005 taxes. Real property taxes received in 2007 were levied after October 1, 2006, on the assessed values as of January 1, 2006, the lien date. Real property taxes received in 2006 were levied after October 1, 2005, on the assessed values as of January 1, 2005, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in 2007 represent the collection of 2006 taxes, and public utility property tax receipts received in 2006 represent the collection of 2005 taxes. Public utility real and tangible personal property taxes received in 2007 became a lien on December 31, 2006, were levied after October 1, 2006, and are collected with real property taxes. Public utility real and tangible personal property taxes received in 2006 became a lien on December 31, 2005, were levied after October 1, 2005, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax receipts received in 2007 (other than public utility property) represent the collection of 2007 taxes, and tangible personal property receipts received in 2006 (other than public utility property) represent the collection of 2006 taxes. Tangible personal property taxes received in 2007 were levied after October 1, 2006, on the true value as of December 31, 2006. Tangible personal property taxes received in 2006 were levied after October 1, 2005, on the true value as of December 31, 2005. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 6 - Property Taxes – (continued)

The full tax rate for all Township operations for the years ended December 31, 2007 and 2006, was \$0.50 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 and 2006 property tax receipts were as follows:

	2006		2007	
	Amount	Percent	Amount	Percent
Agricultural/Residential	\$ 23,145,720	52.52 %	\$ 23,458,110	55.55 %
Industrial/Commercial	366,750	20.58	366,750	21.82
Public Utility	4,960	3.25	5,190	3.39
Tangible Personal	2,244,415	23.65	1,507,444	19.24
Total Assessed Value	\$ 25,761,845	100.00 %	\$ 25,337,494	100.00 %

Note 7 - Risk Management

Risk Pool Membership

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

For an occurrence prior to January 1, 2006, OTARMA retains casualty risks up to \$250,000 per claim, including claim adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence, including loss adjustment expenses. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate. Townships can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with OTARMA.

If losses exhaust OTARMA's retained earnings, APEEP provides excess of funds available coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (for claims prior to January 1, 2006) or \$3,000,000 (for claims on or after January 1, 2006) as noted above.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 7 - Risk Management – (continued)

Property Coverage

Through 2004, OTARMA retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500,000,000 per occurrence.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers' provides aggregate stop-loss coverage based upon the combined members' total insurable value. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2006 was \$1,901,127.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective township.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities, and retained earnings at December 31, 2006 and 2005:

<u>Casualty Coverage</u>	<u>2006</u>	<u>2005</u>
Assets	\$ 32,031,312	\$ 30,485,638
Liabilities	(11,443,952)	(12,344,576)
Retained Earnings	\$ <u>20,587,360</u>	\$ <u>18,141,062</u>
<u>Property Coverage</u>	<u>2006</u>	<u>2005</u>
Assets	\$ 10,010,963	\$ 9,177,796
Liabilities	(676,709)	(1,406,031)
Retained Earnings	\$ <u>9,334,254</u>	\$ <u>7,771,765</u>

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 7 - Risk Management – (continued)

Financial Position – (continued)

At December 31, 2006 and 2005, respectively, casualty coverage liabilities noted above include approximately \$10.8 million and \$11.6 million of estimated incurred claims payable. The casualty coverage assets and retained earnings above also include approximately \$10.8 million and \$11.6 million of unpaid claims to be billed to approximately 958 member townships in the future, as of December 31, 2006 and 2005, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$10,604. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph below.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

Township Contributions to OTARMA	
2005	\$6,607
2006	\$5,370
2007	\$5,234

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA. They must provide written notice to OTARMA 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent years contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses became the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the withdrawal.

Note 8 - Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 8 - Defined Benefit Pension Plans – (continued)

A. Ohio Public Employees Retirement System – (continued)

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the year ended December 31, 2007 and 2006, the members of all three plans were required to contribute 9.5 and 9.0 percent of their annual covered salaries, respectively. The Township's contribution rate for pension benefits for 2007 and 2006 were 13.85 and 13.70 percent, respectively. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Township's required contributions for pension obligations to the traditional plan for the years ended December 31, 2007, 2006, and 2005 were \$6,311, \$5,981, and \$5,546 respectively. The full amount has been contributed for 2007, 2006 and 2005.

Note 9 - Post-employment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2007 and 2006 local government employer contribution rates were 13.85 and 13.70 percent of covered payroll; 5.50 and 4.00 percent of covered payroll was the portion that was used to fund health care for 2007 and 2006, respectively.

NOBLE TOWNSHIP
AUGLAIZE COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007 and 2006

Note 9 - Post-employment Benefits – (continued)

A. Ohio Public Employees Retirement System – (continued)

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between 0.50 and 5.00 percent annually for the next eight years and 4.00 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 374,979. Actual employer contributions for 2007 and 2006 which were used to fund post-employment benefits were \$2,506 and \$1,746. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2006, (the latest information available) were \$12.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. To improve solvency of the Health Care Fund, OPERS created a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which will allow additional funds to be allocated to the health care plan.

Note 10 -Contingent Liabilities

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – Accountability and Noncompliance

- In 2007, expenditures exceeded appropriations in the capital projects fund by \$23,308.
- In 2006, appropriations exceeded available resources by \$18,100 in the general fund.

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Steven D. Hooker, CPA • John E. Klay, CPA

June 23, 2008

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Noble Township
Auglaize County, Ohio

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Noble Township, Auglaize County, Ohio, (the Township) as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 23, 2008, wherein we noted the Township prepared its financial statements following the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Noble Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Noble Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Noble Township's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Noble Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that a misstatement of Noble Township's financial statements that is more than inconsequential will not be prevented or detected by the Township's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Noble Township's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

However, we noted certain internal control matters that we reported to Noble Township's management in separate letter dated June 23, 2008.

Compliance and Other Matters

As part of reasonably assuring whether Noble Township's financial statements are free of 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 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 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.

In a separate letter to Noble Township's management dated June 23, 2008, we reported other matters related to noncompliance.

We intend this report solely for the information and use of management of Noble Township and the Auditor of State of Ohio. It is not intended for anyone other than these specified parties.

A handwritten signature in red ink, appearing to read "E. L. Green and Company".



Mary Taylor, CPA
Auditor of State

NOBLE TOWNSHIP

AUGLAIZE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 28, 2008**