RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY
Regular Audit
For the Years Ended December 31, 2008 and 2007

Perry & Associates, CPA's, A.C.

Mary Taylor, CPA
Auditor of State

Board of Trustees
Reno Area Water and Sewer District
170 Mount Tom Road
Marietta, Ohio 45750

We have reviewed the *Independent Accountants' Report* of the Reno Area Water and Sewer District, Washington County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2007 through December 31, 2008. 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. The Reno Area Water and Sewer District is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

June 15, 2009

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RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY

TABLE OF CONTENTS

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INDEPENDENT ACCOUNTANTS' REPORT

June 1, 2009

Reno Area Water and Sewer District
Washington County
170 Mount Tom Road
Marietta, Ohio 45750

To the Board of Trustees:

We have audited the accompanying basic financial statements of the business-type activities of the **Reno Area Water and Sewer District, Washington County, Ohio,** (the District) as of and for the years ended December 31, 2008 and 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Reno Area Water and Sewer District, Washington County, Ohio as of December 31, 2008 and 2007 and the respective changes in financial position and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. 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.

The management's discussion and analysis on pages 3 through 6 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Respectfully Submitted,

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.

RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
UNAUDITED

The following discussion provides a summary overview of the financial activities of the Reno Area Water and Sewer District ("the District") for the year ended December 31, 2008 and 2007. The information should be read in conjunction with the basic financial statements included in this report.

Financial Highlights

Assets exceeded liabilities by $1,689,620 and $1,726,643 on December 31, 2008 and 2007, respectively.
Net assets decreased by $37,023 and $54,604 in 2008 and 2007, respectively.
Operating revenues increased by $47,353 (6.69%) and $36,429 (5.42%) in 2008 and 2007, respectively.
Operating expenses increased by $18,229 (2.35%) and increased by $124,834 (19.17%) in 2008 and 2007, respectively.
Retirements of debt principal totaled $53,710 and $42,096, respectively in 2008 and 2007.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are the Statements of Net Assets, the Statements of Revenues and Expenses and Changes in Net Assets, the Statements of Cash Flows and the accompanying notes to the financial statements. These statements report information about the District as a whole and about its activities. The District is a single enterprise fund using proprietary fund accounting, which means these statements are presented in a manner similar to a private-sector business. The statements are presented using the economic resources measurement focus and the accrual basis of accounting.

The Statement of Net Assets presents the District's financial position and reports the resources owned by the District (assets), obligations owed by the District (liabilities) and District net assets (the difference between assets and liabilities). It provides a way to measure the financial health of the District by providing the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

The Statement of Revenues, Expenses and Changes in Net Assets presents a summary of how the District's net assets changed during the year. Revenue is reported when earned and expenses are reported when incurred. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through user fees.

The Statement of Cash Flows provides information about the District's cash receipts and disbursements during the year. It summarizes net changes in cash resulting from operating, investing and financing activities.

The notes to the financial statements provide additional information that is essential for a full understanding of the financial statements.

RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
UNAUDITED
(Continued)

Net Assets

Table 1 provides a summary of the District's net assets for 2008 and 2007, respectively.

Table 1
Statement of Net Assets

Assets	2008	2007	2006
Current and Other Assets	$543,216	$757,101	$777,172
Capital Assets, Net	1,580,565	1,454,056	1,551,563
Total Assets	2,123,781	2,211,157	2,328,735
Liabilities			
Current Liabilities	144,946	141,187	170,522
Long-Term Liabilities	289,215	343,327	389,613*
Total Liabilities	434,161	484,514	560,135
Net Assets			
Invested in Capital Assets, net	1,248,047	1,067,828	1,107,500*
Unrestricted	441,573	658,815	673,747*
Total Net Assets	$1,689,620	$1,726,643	$1,781,247

***** Restated (See Note 5)

As noted earlier, the net assets may serve as a useful indicator of financial position. The District's assets exceed liabilities by $1,689,620 and $1,726,643 as of December 31, 2008 and 2007, respectively.

The largest portion of the District's net assets is reflected in its capital assets, less accumulated depreciation and related debt outstanding. The District strives to keep adequate cash reserves on hand in order to maintain or expand its facilities to meet the needs of its customers and to comply with regulatory requirements.

Total assets of the District decreased by $87,376 and $117,578 in 2008 and 2007, respectively. Total liabilities decreased by $50,353 and $75,621 in 2008 and 2007, respectively.

Changes in Net Assets

Table 2 shows the changes in net assets for the year ended December 31, 2008 and 2007, as well as revenues and expenses comparisons to 2006.

Table 2
Revenue and Expenses

	2008	2007	2006
Revenues:			
Operating Revenues	$ 755,285	$ 707,932	$ 671,503
Nonoperating Revenues	9,327	16,317	15,603
Total Revenues	764,612	724,249	687,106
Expenses:			
Operating Expenses	794,164	775,935	651,101
Nonoperating Expenses	7,471	2,918	13,755
Total Expenses	801,635	778,853	664,856
Change in Net Assets	$ (37,023)	$ (54,604)	$ 22,250

Operating revenues consisted of user charges for water and sewer consumption. Operating expenses reflect the cost of providing these services.

Table 3 provides a summary of the District's capital assets for 2008 and 2007.

Table 3
Capital Assets

	2008	2007
Land	$ 37,440	$ 37,440
Buildings	69,938	69,938
Furniture and Equipment	189,670	189,670
Line Systems	2,846,359	2,830,698
CIP Reno II Tank	321,293	104,506
Less: Accumulated Depreciation	(1,884,135)	(1,778,196)
Totals	$ 1,580,565	$ 1,454,056

Debt Administration

The District finances its construction primarily through the issuance of low interest loan programs with the Ohio Public Works Commission and U.S. Government and no interest loans with the US Army Engineer Division. At December 31, 2008, the District had total debt outstanding of $332,518 compared to $386,228 at December 31, 2007. This represents a decrease of $53,710 from payments on principal of the debt. There were no additions to debt during 2008.

Additional information on the District's long-term debt can be found in Note 5 to the financial statements.

Contacting the District's Financial Management

This report is designed to provide the District's customers, bondholders, creditors and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional information, please contact the President, Ruth Becker, at 170 Mount Tom Road, Marietta, OH 45750.

RENO AREA WATER & SEWER DISTRICT
WASHINGTON COUNTY

STATEMENT OF NET ASSETS
FOR YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
ASSETS:		
Current Assets:		
Cash and Cash Equivalents	$ 400,096	$ 278,517
Repurchase Agreement	-	338,726
Accounts Receivable	116,106	124,151
Inventory	16,202	4,022
Prepaid Expenses	10,812	11,685
Total Current Assets	543,216	757,101
Capital Assets:		
Land	37,440	37,440
CIP Reno II Tank	321,293	104,506
Total Non-Depreciable Capital Assets	358,733	141,946
Buildings	69,938	69,938
Furniture and Equipment	189,670	189,670
Line Systems	2,846,359	2,830,698
Total Depreciable Capital Assets	3,105,967	3,090,306
Less: Accumulated Depreciation	(1,884,135)	(1,778,196)
Net Depreciable Capital Assets	1,221,832	1,312,110
Net Capital Assets	1,580,565	1,454,056
TOTAL ASSETS	**$ 2,123,781**	**$ 2,211,157**
LIABILITIES AND EQUITY:		
Current Liabilities:		
Accounts Payable	$ 72,983	$ 69,469
Accrued Expenses	6,206	6,983
Notes Payable	53,907	53,710
Customer Meter Deposits	11,850	11,025
Total Current Liabilities	144,946	141,187
Long-Term Liabilities:		
Compensated Absences	10,604	10,809
Notes Payable	264,361	317,518
Contract Payable	14,250	15,000
Total Long-Term Liabilities	289,215	343,327
TOTAL LIABILITIES	**$ 434,161**	**$ 484,514**
Net Assets:		
Invested in Capital Assets, Net of Related Debt	1,248,047	1,067,828
Unrestricted	441,573	658,815
Total Net Assets	1,689,620	1,726,643
TOTAL LIABILITIES AND NET ASSETS	**$ 2,123,781**	**$ 2,211,157**

The notes to the financial statements are an integral part of this statement

RENO AREA WATER & SEWER DISTRICT
WASHINGTON COUNTY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Operating Revenues:		
Water and Sewer Sales	$ 731,176	$ 694,883
Application, Reconnect, and Tap Fees	23,706	10,410
Miscellaneous	403	2,639
Total Operating Revenues	755,285	707,932
Operating Expenses:		
Water Purchases	331,375	318,508
Personnel Expenses	167,069	151,417
Utilities and telecommunications expense	31,004	32,743
Maintenance and Operations	101,182	77,009
Office Expenses and Operations	47,993	69,253
Professional Fees	6,160	14,969
Depreciation Expense	105,938	112,036
Miscellaneous	3,443	-
Total Operating Expenses	794,164	775,935
Operating Income	(38,879)	(68,003)
Nonoperating Revenues/(Expenses):		
Interest Revenue	9,327	16,317
Interest Expense	(7,471)	(2,918)
Total Nonoperating Revenues/(Expenses)	1,856	13,399
Change in Net Assets	(37,023)	(54,604)
Net Assets - January 1 - Restated (See Note 5)	1,726,643	1,781,247
Net Assets - December 31	**$ 1,689,620**	**$ 1,726,643**

The notes to the financial statements are an integral part of this statement

RENO AREA WATER & SEWER DISTRICT
WASHINGTON COUNTY

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Cash Flows from Operating Activities:		
Cash Received from Water Sales and Tap Fees	$ 754,882	$ 705,293
Cash Received from Miscellaneous Income	403	2,639
Cash Payments to Suppliers for Goods and Services	(514,500)	(495,414)
Cash Payments to Employees for Services	(173,229)	(166,386)
Net Cash Provided by (Used by) Operations	67,556	46,132
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(232,652)	(63,570)
Principal Paid on Long-Term Debt	(53,907)	(28,709)
Interest Paid	(7,471)	(2,918)
Net Cash Provided by (Used by) Capital and Related Financing Activities	(294,030)	(95,197)
Cash Flows from Investing Activities:		
Interest Received	9,327	16,317
Net Cash Provided by (Used by) Investing Activities	9,327	16,317
Net Increase/(Decrease) in Cash and Cash Equivalents	(217,147)	(32,748)
Cash and Cash Equivalents - January 1	617,243	649,991
Cash and Cash Equivalents - December 31	**400,096**	**617,243**
Cash Flows from Operating Activities:		
Operating Income	(38,879)	(68,003)
Adjustments to Reconcile Operating Income to Cash Flows from Operating Activities:		
Depreciation	105,938	112,036
(Increase) Decrease in Accounts Receivable	8,045	16,484
(Increase) Decrease in Inventory	(12,180)	291
(Increase) Decrease in Prepaid Assets	873	3,515
Increase (Decrease) in Accounts Payable	3,514	(36,034)
Increase (Decrease) in Accrued Expenses	(777)	2,068
Increase (Decrease) in Customer Meter Deposits	825	775
Increase (Decrease) in Current Portion of Long-Term Payables	197	15,000
Total Adjustments	106,435	114,135
Net Cash Provided by (Used by) Operating Activities	**$ 67,556**	**$ 46,132**

The notes to the financial statements are an integral part of this statement

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

Note 1 – Reporting Entity

The Reno Area Water and Sewer District is a regional water and sewer district organized under the provisions of Chapter 6119 of the revised Code by the Common Pleas Court of Washington County on July 2, 1975. The District operates under the direction of a five-member Board of Trustees. An appointed Secretary/Treasurer is responsible for the fiscal control of the resources of the District. The District was established to provide an adequate and uncontaminated water supply and a sanitary system for the District's residential and business users. The District serves all or parts of the following subdivisions:

Washington County
Fearing Township
Marietta Township
Newport Township

As required by accounting principles generally accepted in the United States of America, the general purpose financial statements present the District (the primary government) and any component units. In determining whether to include a governmental department, agency, commission or organization as a component unit, the District must evaluate each entity as to whether they are legally separate and financially accountable based on criteria set forth by the Governmental Accounting Standards Board(GASB). Legal separateness is evaluated on the basis of (1) its corporate name, (2) the right to sue or be sued and (3) the right to buy, sell, lease and mortgage property. Financial accountability is based on (1) the appointment of the governing authority and (2) the ability to impose will or (3) the providing of specific financial benefit or imposition of a specific financial burden. Another factor to consider in this evaluation is whether an entity is fiscally dependent on the District.

The District has no component units.

The District's management believes the basic financial statements included in this report represent all activities over which the District has the ability to exercise direct operating control.

Note 2 – Summary of Significant Accounting Policies

The financial Statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

A. Basis of Presentation

The District's operations are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

B. Measurement Focus and Basis of Accounting

The District's operations are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation are included on the statement of Net Assets. The operating statement presents increase (i.e., revenues) and decrease (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The District uses the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred.

C. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the District's participation in a repurchase agreement is treated as a demand account and reported as cash equivalent. Cash in the District's operating account is considered cash for the purposes of the Statement of Cash Flows.

D. Capital Assets and Depreciation

Fixed assets acquired or constructed for the general use of the District in providing services are recorded at cost. Construction costs of the water system are capitalized on construction projects until they are substantially completed. Interest incurred on debt as a result of obtaining capital assets is not capitalized. Donated assets are recorded at their fair market value at the time recorded. Depreciation of fixed assets of the District is calculated utilizing the straight line method. All assets reported in the financial statements are at cost less accumulated depreciation. The estimated useful lives by major fixed asset class are as follows:

Buildings and Water System	40 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Laboratory Equipment	10 Years
Machinery and Equipment	6 Years
Park System, Tanks and Booster Stations	20 Years
Tools and Equipment	10 Years
Transportation Equipment	5 Years

E. Allowance for Doubtful Accounts

The District uses the direct method of writing off bad debts. As a result, no allowance for doubtful accounts has been established. This method is not in conformity with accounting principles generally accepted in the United States of America. However, any differences are considered to be immaterial to the general-purpose financial statements.

Note 2 – Summary of Significant Accounting Policies (Continued)

F. Inventory

The inventory is valued at cost, which approximates market, utilizing first in, first out (FIFO) method. The inventory of the District consists of expendable materials and supplies. The cost is recorded as an expense at the time individual inventory items are used.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2008 and December 31, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

H. Compensated Absences

GASB Statement 16 establishes criteria for compensated absences. Compensated absences for vacation leave and benefits with similar characteristics should be recorded as a liability when earned by employees if the following conditions are satisfied:

1. Compensated absence is earned on the basis of services already performed by employees.

2. It is probable that the compensated absence will be paid in a future period.

I. Tax-exempt Status

The District is a governmental agency and is, therefore, exempt from federal, state, and local income and sales taxes.

J. Long-term Obligations

Long-term debts are reported as liabilities.

K. Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, GAAP, requires management must make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Note 2 – Summary of Significant Accounting Policies (Continued)

L. Operating Revenues and Expenses

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions or ancillary activities. Revenues are recognized when earned and expenses when incurred. When an expense is incurred for purposes for which there are both restricted and unrestricted net assets available, it is the District's policy to apply those expenses to unrestricted net assets to the extent such are available and then to restricted net assets.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the District's restricted net assets of $1,248,047 in 2008 and $1,067,828 in 2007, none was restricted by enabling legislation.

Note 3 – Cash and Cash Equivalents

State statutes classify monies held by the District into three categories. Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District 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 Board of Trustees 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 monies may be deposited or invested in the following securities:

State statute permits monies to be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;

Note 3 – Cash and Cash Equivalents (Continued)

2. Bonds, notes, debentures, or any other obligations or securities 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;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and

6. The State Treasurer's investment pool (STAROhio).

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single 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. Investments must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits: Custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District's securities are either insured and registered in the name of the District or at least registered in the name of the District.

At the fiscal year end December 31, 2008, the carrying amount of the District's deposits was $400,096, and the bank balance was $399,988. At the fiscal year end December 31, 2007, the carrying amount of the District's deposits was $278,517, and the bank balance was $278,459. Of the bank balance at year end 2008 and 2007, $100,000 was covered by federal depository insurance. The remaining balance was covered by a 105% public depository pool, which was collateralized with securities held by the pledging financial institution trust department but not in the District's name. Although all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

Note 3 – Cash and Cash Equivalents (Continued)

Investments: As of December 31, 2008 the District had no investment balances. As of December 31, 2007, the District had the following investments and maturities:

Investment Type	Fair Value	Maturity(1)	Rating(2)
Repurchase Agreement	$ 338,726	Daily	AAA

(1) Weighted Maturity - Days
(2) Standard & Poor's

Interest Rate Risk is the possibility that changes in interest rates will adversely affect the fair value of an investment. The District has no investment policy over what the Ohio Revised Code prescribes.

Credit Risk is the possibility that an issuer or other counterparty to an investment will not fulfill its obligation. The District has no investment policy that limits investments over what the Ohio Revised Code prescribes.

Note 4 – Capital Assets

A summary of the capital assets as of December 31, 2008 is as follows:

	Beginning Balance 12/31/07	Additions	Deletions	Ending Balance 12/31/08
Land	$37,440	-	-	$37,440
CIP Reno II Tank	104,506	216,787	-	321,293
Building	69,938	-	-	69,938
Furniture and Equipment	189,670	-	-	189,670
Line Systems	2,830,698	15,661	-	2,846,359
Total	3,232,252	232,448	-	3,464700
Less Accumulated Depreciation				
Building	(50,991)	(2,447)	-	(53,439)
Furniture and Equipment	(157,857)	(10,718)	-	(168,575)
Line Systems	(1,569,348)	(92,773)	-	(1,662,121)
Total	(1,778,196)	(105,938)	-	(1,884,135)
Total Capital Assets, Net	$1,454,056	$126,510	-	$1,580,565

RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)

Note 4 – Capital Assets (Continued)
A summary of the capital assets as of December 31, 2007 is as follows:

	Beginning Balance 12/31/06	Additions	Deletions	Ending Balance 12/31/07
Land	$37,440	-	-	$37,440
CIP Reno II Tank	80,249	24,257	-	104,506
Building	69,938	-	-	69,938
Furniture and Equipment	183,659	6,011	-	189,670
Line Systems	2,830,698	-	-	2,830,698
Total	3,201,984	30,268	-	3,232,252
Less Accumulated Depreciation				
Building	(48,544)	(2,447)	-	(50,991)
Furniture and Equipment	(141,041)	(16,816)	-	(157,857)
Line Systems	(1,476,575)	(92,773)	-	(1,569,348)
Total	(1,666,160)	(112,036)	-	(1,778,196)
Total Capital Assets, Net	$1,535,824	$(81,768)	-	$1,454,056

The prior audit capital assets and invested in capital assets net of debt was restated due to the fact items were incorrectly recorded as furniture and equipment capital assets and depreciation instead of expensed. The corrected capital asset balances are reflected above.

Note 5 – Long-Term Debt

Long-Term Debt outstanding at December 31, 2008, consisted of the following:

General Electric Credit Corporation	Balance 12/31/06	Add	Deductions	Balance 12/31/07	Add	Deductions	Balance 12/31/08	Amount due Within One Year
Notes dated February 25, 1979, due 2019, with interest at 5%	$110,785	$ -	$14,461	$96,324	$ -	$20,184	$76,140	$20,184
Notes dated September 17, 1982, due 2022, with interest at 5%	121,503	-	$13,925	107,578	-	19,621	87,957	19,621
Total	$232,288	$ -	$28,386	$203,902	$ -	$39,805	$164,097	$39,805

The notes payable to General Electric Credit Corporation are covered by a water system grant agreement and security agreement which contains conditions which the District is required to meet concerning use and disposition of property included in the agreement. The agreement also pledges accounts receivable and other property. The notes are serviced through the General Motors Acceptance Corporation. Yearly payments reflected above do not include interest. The 12/31/06 balances were incorrect in the prior audit report. Corrected balances are reflected above.

RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)

Note 5 – Long-Term Debt (Continued)

United States Dept. of Army – Corp of Engineers	Balance 12/31/06	Add	Deductions	12/31/07 Balance	Add	Deductions	12/31/08 Balance	Amount due Within One Year
Contract dated June 30, 1998, due 2029, with interest at 0%.	$16,500	$ -	$750	$15,750	$ -	$750	$15,000	$750
Total	$16,500	$ -	$750	$15,750	$ -	$750	$15,000	$750

Reno Area Water and Sewer District is required to make payments of $750 per year for 40 years, beginning July 1, 1989, to the United States Government for credits on the Willow Island Project.

Ohio Public Works Commission	Balance 12/31/06	Add	Deductions	Balance 12/31/07	Add	Deductions	Balance 12/31/08	Amount due Within One Year
Notes dated November 8, 1996, due 2016, with interest at 0%.	$31,248	$ -	$3,289	$27,959	$ -	$3,290	$24,669	$3,289
Note dated May 17, 1999, due 2020, with interest at 1%.	$148,288	-	$9,671	138,617	-	9,865	128,752	$10,063
Total	$179,536	$ -	$12,960	$166,576	$ -	$13,155	$153,421	$13,352

Reno Area Water and Sewer District is required to make payments of $1,645, semi-annually for twenty years, beginning January 1, 1997 and $6,294, semi-annually for twenty years, beginning January 1, 2001 [with an interest only payment of $1,401 on July 1, 2000], to the Ohio Public Works commission for credits on the Grub Road and System II Storage and Pressure Upgrade Projects, respectively.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2008 are as follows:

Year Ending December 31	1979 GECC Note		1982 GECC Note		Army Corps Of Engineers	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	$ 20,184	$ 3,807	$ 19,621	$ 4,398	$ 750	$ -0-
2010	20,184	2,798	19,621	3,417	750	-0-
2011	20,184	1,789	19,621	2,436	750	-0-
2012	15,588	789	19,621	1,455	750	-0-
2013	-0-	-0-	9,473	474	750	-0-
Subsequent	-0-	-0-	-0-	-0-	11,250	-0-
Total	$ 76,140	$ 9,183	$ 87,957	$ 12,180	$ 15,000	$ -0-

Note 5 – Long-Term Debt (Continued)

Year Ending December 31	OPWC Loan CR933		OPWC Loan CR11B		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	$ 3,289	$ 238	$ 10,063	$ 2,525	$ 53,907	$ 10,968
2010	3,289	206	10,266	2,323	54,110	8,744
2011	3,289	173	10,472	2,116	54,316	6,514
2012	3,289	140	10,681	1,906	49,929	4,290
2013	3,289	107	10,893	1,691	24,405	2,272
Subsequent	8,224	123	76,377	5,452	95,851	5,575
Total	$ 24,669	$ 987	$ 128,752	$ 16,013	$ 332,518	$ 35,363

Note 6 – Defined Benefit Pension Plan

A. Ohio Public Employees Retirement System

The District contributes to the Ohio Public Employees Retirement System (OPERS), a cost-sharing, multiple-employer defined benefit pension plan operated by the State of Ohio. OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. OPERS provides retirement, disability, survivor and post-retirement health care coverage to qualifying members of both the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage. Health care benefits are not statutorily guaranteed. Chapter 145 of the Ohio Revised Code assigns the authority to establish and amend benefit provisions to the OPERS. OPERS issues a publicly available stand-alone financial report. Interested parties may obtain a copy by writing to the OPERS at 277 East Town Street, Columbus, Ohio 43215-4642 or calling (614) 222-5601 or 1-800-222-PERS (7377). The State of Ohio accounts for the activities of the Retirement System, and the amount of that fund is not reflected in the accompanying financial statements.

Benefits fully vest upon reaching 5 years of service and are established by state statute. Employees my retire at any age with 30 years of service, at age 60 with a minimum of 5 years credited service, and age 55 with a minimum of 25 years of service. Those individuals retiring with less than 30 years of service or less than age 65 receive reduced retirement benefits. Eligible employees are entitled to a retirement benefit, payable monthly for life, equal to 2.2% of their final average salary for each year of service in excess of 30 years. Final average salary is the employee's average salary over the highest 3 years of earnings.

Note 6 – Defined Benefit Pension Plan (Continued)

The Ohio Revised Code provides statutory authority for employee and employer contributions. The rate set for employee contributions for 2008 and 2007 was 10.0% and 9.5%, respectively, and the employer contribution rate was 14.0% and 13.85%, respectively of covered payroll. The rates are the actuarially determined contribution requirements for OPERS. Required employer contributions are equal to 100% of the dollar amount billed to each employer and must be extracted from the employer's records. The difference between the total employer rate and the portion used to fund pension obligations is the amount used to fund the health care programs.

The "Pension Benefit Obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the OPERS System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among OPERS and employers. Pension obligations to the traditional and combined plans for the years ended December 31, 2008 and 2007 were $24,390 and $22,354, respectively.

Historical trend information showing the OPERS System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's Comprehensive Annual Financial Report.

Note 7 - Post employment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System provides post-retirement health care coverage to age-and-service retirees with ten or more years of qualifying Ohio service credits. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. The 2008 and 2007 local government employer contribution rate was 14.0% and 13.85% of covered payroll, respectively. For 2008, 7% of covered payroll was the portion that was used to fund health care. For 2007, the rate was 5% from January 1, 2007 to June 30, 2007 and 6% from July 1, 2007 to December 31, 2007.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPER's latest actuarial review performed as of December 31, 2007, include a rate of return on investments of 6.5%, an annual increase in active employee total payroll of 4% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between 0.5% and 6.3% based on additional annual pay increases. Health care premiums were assumed to increase between 0.5% and 4.0% annually for the next eight years and 4% 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% of unrealized market appreciation or depreciation on investment assets annually.

Note 7 - Post employment Benefits (Continued)

The number of active contributing participants in the traditional and combined plans was 363,503. Actual employer contributions for 2008 and 2007 which were used to fund postemployment benefits were $14,227 and $13,280, respectively. The actual contribution and the actuarially required contribution amounts are the same. OPER's net assets available for payment of benefits at December 31, 2007, (the latest information available) were $12.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were $29.8 billion and $17.0 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. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

Note 8 – Risk Management

The District maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. The District has also obtained coverage for general liability and errors and omissions.

Settled claims have not exceeded any aforementioned commercial coverage in any of the past three years.

The District pays the State Worker's Compensation System a premium based on a rate per $100 of salaries. The rate is calculated based on accident history and administrative costs.

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

June 1, 2009

Reno Area Water and Sewer District
Washington County
170 Mount Tom Road
Marietta, Ohio 45750

To the Board of Trustees:

We have audited the financial statements of the business-type activities of the **Reno Area Water and Sewer District, Washington County, Ohio** (the District) as of and for the years ended December 31, 2008 and 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 1, 2009. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be considered significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in 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 the District'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 the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

Internal Control over Financial Reporting (Continued)

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: 2008-001 through 2008-007.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

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 the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We do not believe the significant deficiencies described above are material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 instances of noncompliance or other matters that we must report under *Government Auditing Standard*, which is described in the accompanying schedule of findings as items 2008-006 through 2008-007.

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

Respectfully Submitted,

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.

RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY

SCHEDULE OF AUDIT FINDINGS
DECEMBER 31, 2008 AND 2007

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2008-01

Significant Deficiency

Employees not Properly Reported

Circular E, Employer's Supplemental Tax Guide published by the Internal Revenue Service defines common-law employees as anyone who performs services for the District if the District can control the details of what will be done and how it will be done. The guide further defines independent contractors as anyone who follows an independent trade or profession in which they offer their services to the public but who the District only has the right to control or direct the result of the work and not the means and methods of accomplishment.

During 2008 and 2007, the District employed a part-time Office Clerk and did not withhold federal, state, or local taxes and did not formally set the number of hours or rate of pay this individual was allowed to work. However, the District directly controls the following details of work performed by the Office Clerk:

- When and where to do the work
- What tools or equipment to use
- What workers to hire or to assist with the work
- Where to purchase supplies and services
- What work must be performed
- What order of sequence to follow

Consequently, the District could be held liable for employment taxes of a potential employee improperly treated as an independent contractor without a reasonable basis for doing so. The District should refer to Internal Revenue Service Code Section 3509 for additional guidance on an employer's liability for treating an employee as a nonemployee. The District's Board should examine the relationship between the District and all employees and independent contractors to ensure employees and nonemployees are properly reported.

Management's Response – We did not receive a response from officials to this finding.

FINDING NUMBER 2008-02

Significant Deficiency

Approval of Timesheets

During our testing of payroll, no consistent evidence could be found to indicate employee timesheets were reviewed and approved by a supervisor or by district Trustees prior to submission and payment. This condition could result in employees being inaccurately paid.

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

FINDING NUMBER 2008-02 (Continued)

We recommend that all employee payroll timesheets be reviewed and approved by a supervisor and/or trustee prior to payment being issued. This approval should be indicated by the supervisor/trustee initialing the timesheet.

Management's Response – We did not receive a response from officials to this finding.

FINDING NUMBER 2008-03

Significant Deficiency

Delinquent Water Accounts

The District does not have a formal policy for the monitoring of delinquent water accounts. As a result, the District has an increased risk of not receiving monies owed for water and sewer utilities.

The Board should adopt a policy detailing the methodology used to distinguish delinquent from uncollectible and the procedures for collecting on delinquent accounts. This policy should address the following issues:

- The monitoring and frequency of review for delinquent accounts
- The procedures to be utilized in an attempt to collect a delinquent account
- The period of time an account may remain delinquent before being classified as uncollectible; and
- The procedures for writing off an account as uncollectible

This will help ensure the District has adequate policies and procedures in place for managing delinquent accounts.

Management's Response – We did not receive a response from officials to this finding.

FINDING NUMBER 2008-04

Significant Deficiency

Monitoring of Adjustment Reports

Trustees were not presented with and did not review any adjustment reports relating to customer billing. This could result in an increased risk of the District not receiving monies owed for water and sewer utilities. Also, inappropriate adjustments are more likely to occur without proper approval from the Trustees prior to an adjustment being made.

We recommend the Trustees review and approve bill adjustment reports on a monthly basis.

Management's Response – We did not receive a response from officials to this finding.

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2008-05

Significant Deficiency

Segregation of Duties

It was noted that due to the small size of the District, that nearly all of the office duties are performed by one individual.

We recommend that the Board of Trustees continue to provide detail oversight and review all transactions processed by the District.

Management's Response – We did not receive a response from officials to this finding.

FINDING NUMBER 2008-06

Noncompliance Citation/Significant Deficiency

Ohio Revised Code § 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now" certificate - If the fiscal officer (Clerk) can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the taxing authority (Board of Township Trustees) can authorize the drawing of a warrant for the payment of the amount due. The taxing authority has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts of less than $1,000 (which was increased to $3,000 on April 7, 2003) may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Township.

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2008-06 (Continued)

Ohio Revised Code § 5705.41(D)(1) (Continued)

2. Blanket Certificate – Fiscal officers may prepare "blanket" certificates not exceeding $5,000 against any specific line item account over a period not exceeding three months or running beyond the current year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation. Effective September 26, 2003, certificates may not exceed an amount established by resolution or ordinance of the legislative authority, and cannot extend beyond the end of the fiscal year. Blanket certificates cannot be issued unless there has been an amount approved by the legislative authority for the blanket.

3. Super Blanket Certificate – The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line-item appropriation.

The District did not properly certify the availability of funds prior to purchase commitments in 2007 and 2008.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the District's funds exceeding budgetary spending limitations, we recommend that the General Manager certify that the funds are or will be available prior to an obligation being incurred by the District. When prior certification is not possible, "then and now" certification should be used.

Management's Response – We did not receive a response from officials to this finding.

FINDING NUMBER 2008-07

Noncompliance Citation/ Significant Deficiency

Ohio Rev. Code Section 5705.41 (B) states that no subdivision or taxing unit shall make any expenditure of money unless the same has been properly appropriated.

Actual disbursements exceeded appropriations in 2008 and 2007.

We recommend the District Clerk/Treasurer modify appropriations with the Board of Trustees before incurring obligations that would cause expenditures to exceed appropriations. The District Clerk/Treasurer should deny any payments until the legislative authority has passed the necessary changes to the appropriation measure.

Management's Response – We did not receive a response from officials to this finding.

RENO AREA WATER AND SEWER DISTRICT
WASHINGTON COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008 AND 2007

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; *Explain*
2006-01	Employees not properly reported	No	Not corrected. Reissued as Finding Number 2008-01.
2006-02	Approval of timesheets	No	Not corrected. Reissued as Finding Number 2008-02.
2006-03	Delinquent water accounts	No	Not corrected. Reissued as Finding Number 2008-03.
2006-04	Monitoring of adjustment reports	No	Not corrected. Reissued as Finding Number 2008-04.
2006-05	Segregation of Duties	No	Not corrected. Reissued as Finding Number 2008-05.
2006-06	Posting estimated revenues and appropriations	No	Corrected.
2006-07	ORC Section 5705.41(D) – Disbursements not properly encumbered § 117.38	No	Not corrected. Reissued as Finding 2008-06.
2006-08	Full and accurate record of proceedings	Yes	Corrected.

RENO AREA WATER AND SEWER DISTRICT

WASHINGTON 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
JUNE 30, 2009