

TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

February 13, 2009

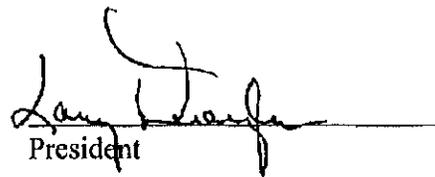
Office of Legislative Auditor  
Attention: Ms. Suzanne Elliott  
1600 North Third  
P.O. Box 94397  
Baton Rouge, LA 70804-9397

Dear Ms. Elliott:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Mount Olive Waterworks District as of and for the fiscal year ended December 31, 2008. This report includes all funds under the control and oversight of the district.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States.

Sincerely,

  
President

Enclosure

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/25/09

# EDWARDS, WADE & PERRY

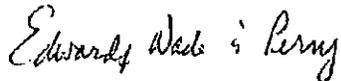
Certified Public Accountants  
A Professional Accounting Corporation  
Members: AICPA / Society of LCPA's

Mount Olive Waterworks District  
P.O. Box 585  
Grambling, LA 71245

We have compiled the accompanying balance sheet of Mount Olive Waterworks District as of December 31, 2008 and the related statement of income for the twelve months ended December 31, 2008 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them. However, we did become aware of a departure from generally accepted accounting principles [GAAP] that is described in the following paragraph.

Management has elected to omit substantially all of the disclosures and statement of cash flows required by GAAP. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the district's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.



Edwards, Wade & Perry, CPAs APAC  
February 11, 2009

**Mt. Olive Water Works**  
**Balance Sheet**  
As of December 31, 2008

Accrual Basis

|  | Dec 31, 08        |
|--|-------------------|
| <b>ASSETS</b>                          |                   |
| <b>Current Assets</b>                  |                   |
| Checking/Savings                       |                   |
| Checking                               | 58,575.49         |
| Contingency Fund                       | 3,550.00          |
| Reserve Fund                           | 3,550.00          |
| Security Fund                          | 10,324.03         |
| <b>Total Checking/Savings</b>          | <b>75,999.52</b>  |
| <b>Other Current Assets</b>            |                   |
| Accounts ReceivableA                   | 17,711.41         |
| <b>Total Other Current Assets</b>      | <b>17,711.41</b>  |
| <b>Total Current Assets</b>            | <b>93,710.93</b>  |
| <b>Fixed Assets</b>                    |                   |
| Accumulated Depreciation               | -173,592.16       |
| PP&E                                   | 382,881.81        |
| <b>Total Fixed Assets</b>              | <b>209,289.65</b> |
| <b>TOTAL ASSETS</b>                    | <b>303,000.58</b> |
| <b>LIABILITIES &amp; EQUITY</b>        |                   |
| <b>Liabilities</b>                     |                   |
| <b>Current Liabilities</b>             |                   |
| Accounts Payable                       |                   |
| Accounts Payable                       | 2,550.41          |
| <b>Total Accounts Payable</b>          | <b>2,550.41</b>   |
| <b>Other Current Liabilities</b>       |                   |
| Accrued Interest                       | 77.80             |
| Customer Deposits                      | 8,965.10          |
| Payroll Liabilities                    | 1,588.71          |
| Sales Tax Payable                      | 1,034.00          |
| <b>Total Other Current Liabilities</b> | <b>11,645.41</b>  |
| <b>Total Current Liabilities</b>       | <b>14,195.82</b>  |
| <b>Long Term Liabilities</b>           |                   |
| USDA Bond Payable                      | 61,576.27         |
| <b>Total Long Term Liabilities</b>     | <b>61,576.27</b>  |
| <b>Total Liabilities</b>               | <b>75,772.09</b>  |
| <b>Equity</b>                          |                   |
| Contributed Capital                    | 148,226.00        |
| Prior Period Adjustments               | 30,000.00         |
| Retained Earnings                      | 34,714.03         |
| Net Income                             | 14,288.46         |
| <b>Total Equity</b>                    | <b>227,228.49</b> |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>  | <b>303,000.58</b> |

See accompanying accountant's compilation report.

Accrual Basis

**Mt. Olive Water Works  
Profit & Loss  
January through December 2008**

|                                | Jan - Dec...      |
|--------------------------------|-------------------|
| <b>Ordinary Income/Expense</b> |                   |
| <b>Income</b>                  |                   |
| <b>INCOME</b>                  |                   |
| Installation Fees              | 1,481.90          |
| Miscellaneous Income           | 186.07            |
| Water Sales                    | 102,850.49        |
| <b>Total INCOME</b>            | <b>104,518.46</b> |
| <b>Total Income</b>            | <b>104,518.46</b> |
| <b>Expense</b>                 |                   |
| <b>Direct Expense</b>          |                   |
| Depreciation                   | 10,796.46         |
| Operating Supplies             | 744.23            |
| Outside Labor                  | 3,502.00          |
| Payroll Taxes                  | 1,677.32          |
| System Maintenance             | 12,031.75         |
| Utilities                      | 2,685.00          |
| Water Purchases                | 20,626.36         |
| <b>Total Direct Expense</b>    | <b>52,063.12</b>  |
| <b>Indirect Expenses</b>       |                   |
| Administrative Expenses        | 9,240.00          |
| Advertising                    | 256.50            |
| Auditing Fees                  | 1,012.50          |
| Auto & Truck Parts             | 287.29            |
| Bad Checks                     | 520.80            |
| Bank Service Charges           | 230.67            |
| Dues & Subscriptions           | 220.00            |
| Equipment Rental               | 563.62            |
| Fines and Penalties            | 44.50             |
| Insurance                      | 3,853.75          |
| Interest                       | 3,582.56          |
| Legal & Collection Fees        | 20.00             |
| Office Supplies                | 1,195.43          |
| Outside Services               | 2,838.53          |
| Postage                        | 1,436.99          |
| Professional Services          | 3,449.96          |
| Salaries                       | 21,472.00         |
| Sales Tax                      | 3,437.00          |
| Technical Services             | 7,700.00          |
| Telephone                      | 2,830.98          |
| Travel                         | 2,285.80          |
| <b>Total Indirect Expenses</b> | <b>66,478.68</b>  |
| <b>Total Expense</b>           | <b>118,542.00</b> |
| <b>Net Ordinary Income</b>     | <b>-14,023.54</b> |
| <b>Other Income/Expense</b>    |                   |
| <b>Other Income</b>            |                   |
| Insurance Proceeds             | 28,312.00         |
| <b>Total Other Income</b>      | <b>28,312.00</b>  |
| <b>Net Other Income</b>        | <b>28,312.00</b>  |
| <b>Net Income</b>              | <b>14,288.46</b>  |

See accompanying accountant's compilation report.