

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

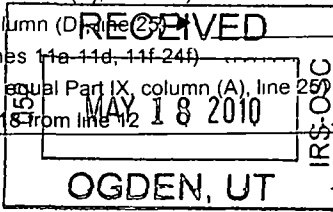
Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

Form 990 header section including: A For the 2009 calendar year, or tax year beginning, 2009, and ending, 20; B Check if applicable; C Name of organization, number and street, city, town, state, and ZIP code; D Employer identification number; E Telephone number; F Name and address of principal officer; G Gross receipts; H(a) Is this a group return; H(b) Are all affiliates included?; H(c) Group exemption number; I Tax-exempt status; J Website; K Form of organization; L Year of formation; M State of legal domicile.

Part I Summary

Table with 4 main sections: 1. Briefly describe the organization's mission or most significant activities (PUMPING AND DISTRIBUTION OF WATER TO MEMBERS); 2. Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets; 3-6. Number of voting members, independent voting members, employees, and volunteers; 7a-7b. Total gross unrelated business revenue and net unrelated business taxable income; 8-12. Revenue (Contributions and grants, Program service revenue, Investment income, Other revenue, Total revenue); 13-19. Expenses (Grants and similar amounts paid, Benefits paid, Salaries, Professional fundraising fees, Other expenses, Total expenses, Revenue less expenses); 20-22. Net Assets or Fund Balances (Total assets, Total liabilities, Net assets or fund balances).



Part II Signature Block

Signature Block section including: Declaration of preparer; Sign Here (Signature of officer: BRETT M. CASTRELL, SECY; Date: 5-13-10); Preparer's Use Only (Preparer's signature: Evelyn Pareya; Date: 5-6-10; Firms name: EVELYN PAREYA, CPA; EIN: 74-2446812; Address: P O BOX 43 WEST TX 76691-0431; Phone no: 254-826-3271).

May the IRS discuss this return with the preparer shown above? (See instructions) Yes No

SCANNED JUL 02 2010

**Part III Statement of Program Service Accomplishments**

1 Briefly describe the organization's mission  
PUMPING & DISTRIBUTION OF WATER TO APPROXIMATELY 300 MEMBERS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts any program services?  Yes  No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses  
Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code 501C12) (Expenses \$ 183409. including grants of \$ ) (Revenue \$ 172228.)

The expenses incurred are directly related to the pumping and distribution of water to member customers

4b (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services (Describe in Schedule O )  
(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses ▶ 183409.

**Part IV Checklist of Required Schedules**

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		X
2	Is the organization required to complete Schedule B, Schedule of Contributors?		X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		
5	<b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
	<ul style="list-style-type: none"> <li>• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI</li> <li>• Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII</li> <li>• Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII</li> <li>• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX</li> <li>• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X</li> <li>• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X</li> </ul>		
12	Did the organization obtain a separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
12A	Was the organization included in consolidated, independent audited financial statement for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	Yes	No
12A			X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		X
17	Did the organization report more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employee's? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a <b>Section 501(c)(3) and 501(c)(4) organizations</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990EZ? If "Yes," complete Schedule L, Part I		
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part IV, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O		X

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable.	<b>1a</b>	0	
<b>b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	<b>1b</b>	0	
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b>	X	
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	<b>2a</b>	2	
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions).	<b>2b</b>	X	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	<b>3a</b>		X
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	<b>3b</b>		
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>4a</b>		X
<b>b</b> If "Yes," enter the name of the foreign country: _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>		X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>		X
<b>c</b> If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	<b>6a</b>		X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>			
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<b>7a</b>		
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>		
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year.	<b>7d</b>		
<b>e</b> Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>		
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>		
<b>g</b> For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>		
<b>h</b> For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	<b>7h</b>		
<b>8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<b>8</b>		
<b>9 Sponsoring organizations maintaining donor advised funds.</b>			
<b>a</b> Did the organization make any taxable distributions under section 4966?	<b>9a</b>		
<b>b</b> Did the organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>		
<b>10 Section 501(c)(7) organizations.</b> Enter			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12.	<b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	<b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter			
<b>a</b> Gross income from members or shareholders.	<b>11a</b>	172228.	
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	<b>11b</b>	9749.	
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	<b>12b</b>		

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions

**Section A Governing Body and Management** Yes No

<b>1a</b> Enter the number of voting members of the governing body	1a	300
<b>b</b> Enter the number of voting members that are independent	1b	300
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
<b>4</b> Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
<b>5</b> Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
<b>6</b> Does the organization have members or stockholders?	6	X
<b>7a</b> Does the organization have members, stockholders, or other persons who may elect one of more members of the governing body?	7a	X
<b>b</b> Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following?		
<b>a</b> The governing body?	8a	X
<b>b</b> Each committee with authority to act on behalf of the governing body?	8b	X
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code)

		Yes	No
<b>10a</b> Does the organization have local chapters, branches, or affiliates?	10a		X
<b>b</b> If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
<b>11</b> Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	11	X	
<b>12a</b> Does the organization have a written conflict of interest policy? If "No", go to line 13	12a		X
<b>b</b> Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b		
<b>c</b> Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c		
<b>13</b> Does the organization have a written whistleblower policy?	13		X
<b>14</b> Does the organization have a written document retention and destruction policy?	14		X
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision			
<b>a</b> The organization's CEO, Executive Director, or top management official?	15a		
<b>b</b> Other officers or key employees of the organization? Describe the process in Schedule O (see instructions)	15b	X	
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
<b>b</b> If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed ▶ \_\_\_\_\_

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
 Own website  Another's website  Upon request

**19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ BETTY COX 140HCR2305 ABBOTT TX 76621- 254-826-3510

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year Use Schedule J-2 if additional space is needed

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if the organization did not compensate any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
DELMER SULLINS PRESIDENT	2						0	0	2400.	
CECIL PADGETT DIRECTOR	1						0	0	5.	
BRETT CANTRELL BOARD SEC	1						0	0	0	
BETTY COX TREASURER	1						10200.	0	0	
MICHAEL COX DIRECTOR	1						0	0	5.	
LARRY LITTLE DIRECTOR							0	0	5.	
FLORES PADGETT DIRECTOR							0	0	5.	
HOWARD SIDES DIRECTOR							0	0	10.	
STEPHEN CHUPIK DIRECTOR							0	0	10.	
BLAIR RUSSELL DIRECTOR							0	0	10.	

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
<b>1b Total</b>							10200.	0	2450.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person	5	X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
NOT APPLIC		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization

**Part VIII Statement of Revenue**

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f	\$				
	h	<b>Total</b> Add lines 1a-1f					
Program Service Revenue	2a	WATER SALES	Business Code 221000	166970.	166970.		
	b	LATE PAYMENT FEES	221000	5130.	5130.		
	c	OTHER INCOME	221000	128.	128.		
	d						
	e						
	f	All other program service revenue					
	g	<b>Total</b> Add lines 2a-2f		172228.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		9749.	9749.		
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	Gross Rents	(i) Real	(ii) Personal			
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	<b>Net rental income or (loss)</b>					
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
	b	Less cost or other basis and sales expenses					
c	Gain or (loss)						
d	<b>Net gain or (loss)</b>						
8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c)						
	See Part IV, line 18	a					
b	Less direct expenses	b					
c	<b>Net income or (loss) from fundraising events</b>						
9a	Gross income from gaming activities See Part IV, line 19	a					
b	Less direct expenses	b					
c	<b>Net income or (loss) from gaming activities</b>						
10a	Gross sales of inventory, less returns and allowances	a					
b	Less cost of goods sold	b					
c	<b>Net income or (loss) from sales of inventory</b>						
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
11a							
b							
c							
d	All other revenue						
e	<b>Total</b> Add lines 11a-11d						
12	<b>Total Revenue</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		181977.	181977.			

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C) and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	2455.	2455.		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	13714.	13714.		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits				
10	Payroll taxes	1139.	1139.		
11	Fees for services (non-employees)				
a	Management				
b	Legal	2661.	2661.		
c	Accounting	1150.		1150.	
d	Lobbying				
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other	382.	382.		
12	Advertising and promotion				
13	Office expenses	1912.	1912.		
14	Information technology				
15	Royalties				
16	Occupancy				
17	Travel	487.	487.		
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	458.	458.		
20	Interest	35398.	35398.		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	41419.	41419.		
23	Insurance	2109.	2109.		
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	UTILITIES	17003.	17003.		
b	WATER PURCHASES	39498.	39498.		
c	REPAIRS&INSTALLATION	19047.	19047.		
d	EDUCATION/TRAINING	1134.	1134.		
e	ADJUSTMENTS/ALLOWANC	3321.	3321.		
f	All other expenses	1272.	1272.		
25	<b>Total functional expenses. Add lines 1 through 24f</b>	184559.	183409.	1150.	
26	Joint costs Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**Part X Balance Sheet**

		(A)		(B)	
		Beginning of year		End of year	
<b>Assets</b>	1	Cash - non-interest-bearing	123012.	1	75216.
	2	Savings and temporary cash investments	310802.	2	356566.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	24803.	4	22918.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Sch L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	1978343.		
	10b	Less accumulated depreciation	603688.		
			810213.	10c	1374655.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
15	Other assets See Part IV, line 11	54023.	15		
16	<b>Total assets</b> Add lines 1 through 15 (must equal line 34)	1322853.	16	1829355.	
<b>Liabilities</b>	17	Accounts payable and accrued expenses	38471.	17	54213.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	375734.	23	858646.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities Complete Part X of Schedule D		25	
	26	<b>Total liabilities</b> Add lines 17 through 25	414205.	26	912859.
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	884012.	27	880618.
	28	Temporarily restricted net assets	24636.	28	35878.
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	<b>Total net assets or fund balances</b>	908648.	33	916496.
	34	<b>Total liabilities and net assets/fund balances</b>	1322853.	34	1829355.

**Part XI Financial Statements and Reporting**

	Yes	No
<p><b>1</b> Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____</p> <p>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O</p>		
<p><b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant?</p>	X	
<p><b>b</b> Were the organization's financial statements audited by an independent accountant?</p>	X	
<p><b>c</b> If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?</p> <p>If the organization changed either its oversight process or selected process during the tax year, explain in Schedule O</p>	X	
<p><b>d</b> If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements of the year were issued on a consolidated basis, separate basis, or both</p> <p><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p>		
<p><b>3a</b> As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?</p>		X
<p><b>b</b> If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits</p>		

US 990

Other Functional Expenses: Page 10, Line 24

2009

Description of the Asset	Total	Program Services	Management and General	Fundraising
UTILITIES	17,003.	17,003.		
WATER PURCHASES	39,498.	39,498.		
REPAIRS&INSTALLATIONS	19,047.	19,047.		
EDUCATION/TRAINING	1,134.	1,134.		
ADJUSTMENTS/ALLOWANC	3,321.	3,321.		
DUES AND ASSESSMENTS	844.	844.		
MISCELLANEOUS	428.	428.		
	81,275.	81,275.		

CHATT WATER SUPPLY CORPORATION  
2009 DEPRECIATION SCHEDULE

DATE	DESCRIPTION	BALANCE 12/31/2008	ADDITIONS	BALANCE 12/31/2009	METHOD & RATE	DEPR TO DATE 12/31/2008	2009 DEPR	DEPR TO DATE 12/31/2009
1968	Well & Distribution System	250,165 00		250,165 00	SL 40	234,626 00	6,254 00	240,880 00
1970	Furniture & Fixtures	78 00		78 00	SL 10	78 00		78 00
1978	Meters	202 00		202 00	SL 10	202 00		202 00
1979	Well Modification	12,000 00		12,000 00	SL 20	12,000 00		12,000 00
1983	Pressure Tank	6,338 00		6,338 00	SL 20	6,338 00		6,338 00
1984	Well Pump	8,941 00		8,941 00	SL 10	8,941 00		8,941 00
1991	Line Extension	236 25		236 25	SL 10	236 25		236 25
1992	Water Tank Repair	15,600 00		15,600 00	SL 10	15,600 00		15,600 00
1995	Line Improvements	760,787 21		760,787 21	SL 40	247,260 00	19,020 00	266,280 00
	Aquilla Water Tap	42,937 28		42,937 28	SL 40	13,414 00	1,073 00	14,487 00
	Air Compressor	299 00		299 00	SL 10	299 00		299 00
	Well Pump & Motor	11,001 70		11,001 70	SL 10	11,001 70		11,001 70
	1300 ft PVC Pipe	2,310 00		2,310 00	SL 40	812 00	58 00	870 00
1996	Meter Relocation	1,932 30		1,932 30	SL 40	624 00	48 00	672 00
Nov-00	Desk	418 00		418 00	SL 5	418 00		418 00
2001	Computer Drafting	4,000 00		4,000 00	SL 10	3,200 00	400 00	3,600 00
2003	Line Extension	10,230 00		10,230 00	SL 40	1,536 00	256 00	1,792 00
11-06-05	New Service Line-old Texaco	1,310 20		1,310 20	SL 40	132 00	33 00	165 00
8-18-05	Road bore-Hensen HCR 3110	1,300 00		1,300 00	SL 40	132 00	33 00	165 00
2-23-05	Road bore-Padgett HCR 3106	1,000 00		1,000 00	SL 40	100 00	25 00	125 00
4-12-05	Canon D861	399 82		399 82	SL 5	320 00	79 82	399 82
6-8-06	Air Conditioner	517 51		517 51	SL 5	260 00	104 00	364 00
12-12-06	Engineering-storage tank	5,000 00		5,000 00	SL 40	0 00	125 00	125 00
10-31-07	Environmental Assessment	3,400 00	0 00	3,400 00	SL 40	85 00	85 00	170 00
10-23-07	J T Williams Construction	5,657 50	0 00	5,657 50	SL 40	141 00	141 00	282 00
11-9-07	Duff Consulting Engineers	16,866 00	0 00	16,866 00	SL 40	422 00	422 00	844 00
12-21-07	Whitney Underground Utility	137,351 34	0 00	137,351 34	SL 40	3,434 00	3,434 00	6,868 00
12-15-07	Buster Russell Construction	3,240 00		3,240 00	SL 40	81 00	81 00	162 00
3-13-08	Duff-water storage tank	19,005 00		19,005 00	SL 40	0 00	475 00	475 00
4-1-08	Dell, Inc -computer	1,265 62		1,265 62	SL 5	253 00	253 00	506 00
4-27-08	Kelly Env -environ Assessmt	850 00		850 00	SL 40		21 00	21 00
6-2-08	Fugro Cons -geo tech survey	7,600 00		7,600 00	SL 40		190 00	190 00
12-8-08	Duff Eng -line relocation	12,900 00		12,900 00	SL 40	322 50	322 50	645 00
12-2-08	Duff Eng -water storage tank	27,332 38		27,332 38	SL 40		683 00	683 00
5-31-09	Whitney Underground Utility		17,061 26	17,061 26	SL 40		427 00	427 00
4-30-09	Title Fees		3,002 00	3,002 00	SL 40		38 00	38 00
7-31-09	Phoenix Fabricators		499,095 80	499,095 80	SL 40		6,239 00	6,239 00
11-30-09	Barlow Tank		35,791 25	35,791 25	SL 40		447 00	447 00
	Legal Fees		1,283 99	1,283 99	SL 40		32 00	32 00
	Inspection Fees		727 00	727 00	SL 40		9 00	9 00
	Engineering fees		2,073 02	2,073 02	SL 40		26 00	26 00
	Barlow Tank		17,508 75	17,508 75	SL 40		219 00	219 00
	Barlow Tank		3,050 00	3,050 00	SL 40		38 00	38 00
	Phoenix Fabricators		26,268 20	26,268 20	SL 40		328 00	328 00
		0 00	0 00	0 00	SL 40			0 00
				0 00				0 00
		1,372,471 11	605,861 27	1,978,332 38		562,268 45	41,419 32	603,687 77