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Form 990

Department of the Treasury
Internal Revenue Service

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)

OMB No 1545-0047

2009

Open to Public
Inspection

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

A For the 2009 calendar year, or tax year beginning _____, and ending _____

B Check if applicable	C Name of organization AZ WATER ASSOCIATION			D Employer identification number 86-1037705	
<input type="checkbox"/> Address change	Doing Business As				
<input checked="" type="checkbox"/> Name change				E Telephone number (888) 559-8844	
<input type="checkbox"/> Initial return	Number and street (or P O box if mail is not delivered to street address) 1042 WILLOW CREEK RD A101-510			Room/suite	
<input type="checkbox"/> Terminated	City or town, state or country, and ZIP + 4 PRESCOTT AZ 86301				G Gross receipts \$ 652,954
<input type="checkbox"/> Amended return					
<input type="checkbox"/> Application pending	F Name and address of principal officer DEBORAH MUSE 1042 WILLOW CREEK RD A101-510, PRESCOTT, AZ			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
J Website: ► WWW AZWATER.ORG					
K Form of organization <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input checked="" type="checkbox"/> Association <input type="checkbox"/> Other ►				L Year of formation 1928 M State of legal domicile	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities PROVIDE VALUE TO OUR MEMBERSHIP AND THE PUBLIC THROUGH EDUCATION, TRAINING AND PUBLIC AWARENESS REGARDING ENHANCEMENT OF ARIZONA'S WATER AND ENVIRONMENTAL RESOURCES		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
3 Number of voting members of the governing body (Part VI, line 1a)	3	15	
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	15	
5 Total number of employees (Part V, line 2a)	5	0	
6 Total number of volunteers (estimate if necessary)	6	50	
7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	20,250	
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1a)	147,271	
	9 Program service revenue (Part VIII, line 2g)	405,463	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,197	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	35,616	
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	598,547	
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	10,000	
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	57,216	
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	
	b Total fundraising expenses (Part IX, column (D), line 25) ► 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	514,350	
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	581,566	
19 Revenue less expenses Subtract line 18 from line 12	16,981		
Beginning of Current Year		End of Year	
20 Total assets (Part X, line 16)	389,664		
21 Total liabilities (Part X, line 26)	0		
22 Net assets or fund balances. Subtract line 21 from line 20	389,664		

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign
Here

Signature of officer

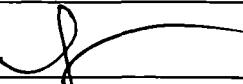
BRANDY KELSO

Type or print name and title

11/12/2010

TREASURER

22

Paid
Preparer's
Use OnlyPreparer's
signature ► 
Date 11/11/2010 Check if
self-
employed ► Preparer's identifying number
(see instructions)Firm's name (or yours
if self-employed),
address, and ZIP + 4 ► SECHLER CPA PC

EIN ► Phone no ► (602) 230-2700

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

PROVIDE VALUE TO OUR MEMBERSHIP AND THE PUBLIC THROUGH EDUCATION, TRAINING, AND PUBLIC AWARENESS REGARDING ENHANCEMENT OF ARIZONA'S WATER AND ENVIRONMENTAL RESOURCES

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:) (Expenses \$ 453,124 including grants of \$ 0) (Revenue \$ 0)

PROVIDED TRAINING & EDUCATION TO 3000 MEMBERS IN THE WATER INDUSTRY

AS WELL AS OTHER INTERESTED INDIVIDUALS. HOSTED AN ANNUAL CONFERENCE,

PUBLISHED 4 NEWSLETTERS AND MAINTAINED A WEBSITE

4b (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4c (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses ► 453,124

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors?

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

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

5 **Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** 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

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

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

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

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

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

- Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI
- 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
- 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
- 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
- Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X
- 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.

12 Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.

12A Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional.

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

- 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

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

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

17 Did the organization report a total of 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

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

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

20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

	Yes	No
1	X	
2	X	
3	X	
4	X	
5		
6	X	
7	X	
8	X	
9	X	
10	X	
11	X	
12		X
12A	X	
13	X	
14a	X	
14b	X	
15	X	
16	X	
17	X	
18	X	
19	X	
20	X	

Part IV Checklist of Required Schedules (continued)

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

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

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 employees? If "Yes," complete Schedule J

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 line 25

b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?

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?

d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?

25a **Section 501(c)(3) and 501(c)(4) organizations.** 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 990-EZ? 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

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

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

b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV

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

29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M

30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M

31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I

32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II

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

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

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

36 **Section 501(c)(3) organizations.** 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

38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O

	Yes	No
21	X	
22	X	
23	X	
24a	X	
24b	X	
24c	X	
24d	X	
25a	X	
25b	X	
26	X	
27	X	
28a	X	
28b	X	
28c	X	
29	X	
30	X	
31	X	
32	X	
33	X	
34	X	
35	X	
36	X	
37	X	
38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

1a Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns Enter -0- if not applicable 1a 1b

1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable 1b

1c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? 1c

2a 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 2a

2b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? 2b

Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)

3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? 3a

3b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O 3b

4a 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)? 4a

4b 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.

5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? 5a

5b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? 5b

5c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? 5c

6a 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? 6a

6b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 6b

7 Organizations that may receive deductible contributions under section 170(c).

7a 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? 7a

7b If "Yes," did the organization notify the donor of the value of the goods or services provided? 7b

7c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? 7c

7d If "Yes," indicate the number of Forms 8282 filed during the year 7d

7e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? 7e

7f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7f

7g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? 7g

7h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? 7h

8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? 8

9 Sponsoring organizations maintaining donor advised funds.

9a Did the organization make any taxable distributions under section 4966? 9a

9b Did the organization make a distribution to a donor, donor advisor, or related person? 9b

10 Section 501(c)(7) organizations. Enter:

10a Initiation fees and capital contributions included on Part VIII, line 12 10a

10b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b

11 Section 501(c)(12) organizations. Enter

11a Gross income from members or shareholders 11a

11b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b

12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12a

b If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b

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

1a Enter the number of voting members of the governing body **1a** 15

b Enter the number of voting members that are independent **1b** 15

2 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

3 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

4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? **4** X

5 Did the organization become aware during the year of a material diversion of the organization's assets? **5** X

6 Does the organization have members or stockholders? **6** X

7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? **7a** X

b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? **7b** X

8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following **8a** X **8b** X

a The governing body? **8a** X

b Each committee with authority to act on behalf of the governing body? **8b** X

9 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 **9a** X

	Yes	No
1a	15	<input checked="" type="checkbox"/> <input type="checkbox"/>
1b	15	<input checked="" type="checkbox"/> <input type="checkbox"/>
2	X	
3	X	
4	X	
5	X	
6	X	
7a	X	
7b	X	
8a	X	
8b	X	
9a	X	

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

10a Does the organization have local chapters, branches, or affiliates? **10a** X

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**

11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? **11** X

11A Describe in Schedule O the process, if any, used by the organization to review this Form 990 **11A**

12a Does the organization have a written conflict of interest policy? If "No," go to line 13. **12a** X

b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? **12b** X

c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done **12c** X

13 Does the organization have a written whistleblower policy? **13** X

14 Does the organization have a written document retention and destruction policy? **14** X

15 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? **15a** X **15b**

a The organization's CEO, Executive Director, or top management official. **15a** X

b Other officers or key employees of the organization **15b**

If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.) **16a** X **16b**

16a 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 **16b**

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**

	Yes	No
10a	X	
10b		
11	X	
11A		
12a	X	
12b	X	
12c	X	
13	X	
14	X	
15a	X	
15b		
16a	X	
16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► AZ

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. ► DEBORAH MUSE (888)559-8844
1042 WILLOW CREEK RD, PRESCOTT, AZ 86301

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			
DON MANTHE									
PRESIDENT	2.	X		X			0	0	0
JOHN WARNER									
PRESIDENT-ELECT	2	X		X			0	0	0
KEVIN CONWAY									
VICE PRESIDENT	2.	X		X			0	0	0
BRANDY KELSO									
TREASURER	2.	X		X			0	0	0
PATTY KENNEDY									
SECRETARY	2	X		X			0	0	0
VANCE LEE									
PAST PRESIDENT	2	X		X			0	0	0
MARK STRATTON									
DIRECTOR	2	X					0	0	0
JIM PEMBROKE									
DIRECTOR	2	X					0	0	0
PAUL KINSELLA									
DIRECTOR	2.	X					0	0	0
CHRIS HILL									
DIRECTOR	2.	X					0	0	0
MARIE PEARTHREE									
DIRECTOR	2.	X					0	0	0
JACK BRYCK									
DIRECTOR	2	X					0	0	0
TERESA SMITH-DEHESUS									
DIRECTOR	2	X					0	0	0
FLOYD MARSH									
DIRECTOR	2	X					0	0	0
RICK BUCK									
DIRECTOR	2.	X					0	0	0
DAN LUEDER									
DIRECTOR	2	X					0	0	0

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

Total

than \$1

1

1

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 ► 0

1

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

	Yes	No
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
		0
		0
		0
		0
		0
		0
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 ►	0

Part VIII Statement of Revenue

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 b Membership dues c Fundraising events d Related organizations e Government grants (contributions) f All other contributions, gifts, grants, and similar amounts not included above g Noncash contributions included in lines 1a-1f \$ h Total. Add lines 1a-1f	1a 0 1b 124,678 1c 0 1d 0 1e 0 1f 0 \$ 0 ► 124,678			
Program Service Revenue	2a CONFERENCES b COMMITTEES c OTHER d e f All other program service revenue g Total. Add lines 2a-2f	Business Code 541900 289,257 541900 103,391 541900 1,445 0 0 0 ► 394,093			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) 4 Income from investment of tax-exempt bond proceeds 5 Royalties 6a Gross Rents b Less: rental expenses c Rental income or (loss) d Net rental income or (loss) 7a Gross amount from sales of assets other than inventory b Less cost or other basis and sales expenses c Gain or (loss) d Net gain or (loss) 8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 b Less: direct expenses c Net income or (loss) from fundraising events 9a Gross income from gaming activities See Part IV, line 19 b Less: direct expenses c Net income or (loss) from gaming activities 10a Gross sales of inventory, less returns and allowances b Less: cost of goods sold c Net income or (loss) from sales of inventory Miscellaneous Revenue	(i) Real (ii) Personal 0 0 ► 0 (i) Securities (ii) Other 0 0 0 0 0 0 ► 0 a 110,509 b 99,083 ► 11,426 a 0 b 0 ► 0 a 0 b 0 ► 0 a 0 b 0 ► 0 Business Code 20,250 0 0 0 ► 20,250 553,871 397,517 20,250			
	11a ADVERTISING b c d All other revenue e Total. Add lines 11a-11d 12 Total revenue. See instructions.				

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).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(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	0			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	10,000	10,000		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	65,064		65,064	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	0			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0			
9 Other employee benefits	0			
10 Payroll taxes	0			
11 Fees for services (non-employees)				
a Management	0			
b Legal	98		98	
c Accounting	283		283	
d Lobbying	0			
e Professional fundraising services See Part IV, line 17				
f Investment management fees	0			
g Other	59,997	58,917	1,080	
12 Advertising and promotion	0			
13 Office expenses	67,122	45,108	22,014	
14 Information technology	0			
15 Royalties	0			
16 Occupancy	0			
17 Travel	12,007	5,891	6,116	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	0	0	0	0
23 Insurance	500		500	
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 COMMITTEE EXPENSES	361,656	333,208	28,448	
b	0			
c	0			
d	0			
e	0			
f All other expenses	0			
25 Total functional expenses. Add lines 1 through 24f	576,727	453,124	123,603	0
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) Beginning of year	(B) End of year
Assets	1 Cash—non-interest-bearing	385,637	1 363,521
	2 Savings and temporary cash investments	2	2
	3 Pledges and grants receivable, net	0 3	0
	4 Accounts receivable, net	0 4	0
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	5	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	6
	7 Notes and loans receivable, net	0 7	0
	8 Inventories for sale or use	8	8
	9 Prepaid expenses and deferred charges	4,027 9	3,323
	10a Land, buildings, and equipment: cost or other basis Complete Part VI of Schedule D	10a 0	0
	b Less: accumulated depreciation	10b 0	0 10c 0
	11 Investments—publicly traded securities	0 11	0
	12 Investments—other securities See Part IV, line 11	0 12	0
	13 Investments—program-related See Part IV, line 11	0 13	0
	14 Intangible assets	0 14	0
	15 Other assets See Part IV, line 11	0 15	0
	16 Total assets. Add lines 1 through 15 (must equal line 34)	389,664	16 366,844
Liabilities	17 Accounts payable and accrued expenses	17	17
	18 Grants payable	18	18
	19 Deferred revenue	19	19
	20 Tax-exempt bond liabilities	20	20
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	21	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	22
	23 Secured mortgages and notes payable to unrelated third parties	0 23	0
	24 Unsecured notes and loans payable to unrelated third parties	0 24	0
	25 Other liabilities. Complete Part X of Schedule D	0 25	0
	26 Total liabilities. Add lines 17 through 25	0 26	0
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	27	27
	28 Temporarily restricted net assets	28	28
	29 Permanently restricted net assets	29	29
	Organizations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds	30	30
	31 Paid-in or capital surplus, or land, building, or equipment fund	31	31
	32 Retained earnings, endowment, accumulated income, or other funds	389,664 32	366,844
	33 Total net assets or fund balances	389,664	33 366,844
	34 Total liabilities and net assets/fund balances	389,664	34 366,844

Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990: Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.

2a Were the organization's financial statements compiled or reviewed by an independent accountant?
 2b Were the organization's financial statements audited by an independent accountant?
 c 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?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis

3a 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?
 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.

	Yes	No
2a	X	
2b	X	
2c		
3a	X	
3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

AZ WATER ASSOCIATION

Employer identification number

86-1037705

Part I Reason for Public Charity Status (All organizations must complete this part) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state.
 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
 9 An organization that normally receives (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III.)
 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 a Type I b Type II c Type III—Functionally integrated d Type III—Other
 e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
 f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
 g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 (ii) A family member of a person described in (i) above?
 (iii) A 35% controlled entity of a person described in (i) or (ii) above?
 h Provide the following information about the supported organization(s).

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
									0
									0
									0
									0
									0
Total									0

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	0	0				0
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0				0
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0				0
4 Total. Add lines 1 through 3	0	0	0	0	0	0
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						0

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	0	0	0	0	0	0
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	0	0				0
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0	0				0
11 Total support. Add lines 7 through 10						0
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	0.00%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	0.00%
16a 33 1/3% support test-2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
b 33 1/3% support test-2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
17a 10%-facts-and-circumstances test-2009. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
b 10%-facts-and-circumstances test-2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a ,or 17b, check this box and see instructions ► <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I)
Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	104,171	171,785	165,020	147,271	124,678	712,925
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	365,757	377,934	470,549	427,939	414,343	2,056,522
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
5 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
6 Total. Add lines 1 through 5	469,928	549,719	635,569	575,210	539,021	2,769,447
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b	0	0	0	0	0	0
8 Public support (Subtract line 7c from line 6)						2,769,447

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6	469,928	549,719	635,569	575,210	539,021	2,769,447
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	0	0	10,858	10,197	3,424	24,479
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975			10,960	13,140	20,250	44,350
c Add lines 10a and 10b	0	0	21,818	23,337	23,674	68,829
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	0	0	0	0	0	0
13 Total support. (Add lines 9, 10c, 11, and 12)	469,928	549,719	657,387	598,547	562,695	2,838,276
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	97.57%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	98.29%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	2.43%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	1.71%
19a 33 1/3% support tests-2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ► <input checked="" type="checkbox"/>		
b 33 1/3% support tests-2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► <input type="checkbox"/>		

Part IV

Supplemental Information. Complete this part to provide the explanations required by Part II, line 10, Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

OMB No. 1545-0047

2009

Open To Public
Inspection

Name of the organization

AZ WATER ASSOCIATION

Employer identification number

86-1037705

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17
Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a <input type="checkbox"/> Mail solicitations	e <input type="checkbox"/> Solicitation of non-government grants
b <input type="checkbox"/> Internet and email solicitations	f <input type="checkbox"/> Solicitation of government grants
c <input type="checkbox"/> Phone solicitations	g <input type="checkbox"/> Special fundraising events
d <input type="checkbox"/> In-person solicitations	

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
				0	0	0
Total				0	0	0

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

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Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000

	(a) Event #1 SCHOLARSHIP GOLF (event type)	(b) Event #2 FUND FOR PEOPLE EV (event type)	(c) Other events NONE (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts . . .	32,450	78,059	0
	2 Less Charitable contributions . . .	0	0	0
	3 Gross income (line 1 minus line 2) . . .	32,450	78,059	0
Direct Expenses	4 Cash prizes . . .	0	48,000	0
	5 Noncash prizes . . .	0	2,729	0
	6 Rent/facility costs . . .	0	1,695	0
	7 Food and beverages . . .	2,098	799	0
	8 Entertainment . . .	0	0	0
	9 Other direct expenses . . .	18,926	24,836	0
	10 Direct expense summary. Add lines 4 through 9 in column (d)			► (99,083)
	11 Net income summary. Combine line 3, column (d), and line 10			► 11,426

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue . . .			0
Direct Expenses	2 Cash prizes . . .			0
	3 Noncash prizes . . .			0
	4 Rent/facility costs . . .			0
	5 Other direct expenses . . .			0
	6 Volunteer labor . . .	<input type="checkbox"/> Yes % <input type="checkbox"/> No	<input type="checkbox"/> Yes % <input type="checkbox"/> No	<input type="checkbox"/> Yes % <input type="checkbox"/> No
	7 Direct expense summary. Add lines 2 through 5 in column (d)			► (0)
	8 Net gaming income summary. Combine line 1, column d, and line 7			► 0

9 Enter the state(s) in which the organization operates gaming activities:
 a Is the organization licensed to operate gaming activities in each of these states?
 b If "No," explain:

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?
 b If "Yes," explain:

11 Does the organization operate gaming activities with nonmembers?
 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

	Yes	No
9a		
10a		
11		
12		

		Yes	No
13	Indicate the percentage of gaming activity operated in	13a	%
	a The organization's facility	13b	%
	b An outside facility		
14	Enter the name and address of the person who prepares the organization's gaming/special events books and records:		
	Name ►		
	Address ►		
15a	Does the organization have a contract with a third party from whom the organization receives gaming revenue?	15a	
	b If "Yes," enter the amount of gaming revenue received by the organization ► \$		
	amount of gaming revenue retained by the third party ► \$		
	c If "Yes," enter name and address of the third party:		
	Name ►		
	Address ►		
16	Gaming manager information		
	Name ►		
	Gaming manager compensation ► \$	0	
	Description of services provided ►		
	<input type="checkbox"/> Director/officer	<input type="checkbox"/> Employee	<input type="checkbox"/> Independent contractor
17	Mandatory distributions:	17a	
	a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?		
	b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$		

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22
Use Part IV and Schedule I-1 (Form 990) if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
SCHOLARSHIP	14	10,000	0		
	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
► Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

AZ WATER ASSOCIATION

Employer identification number

86-1037705

Form 990 Part VI Section A Line 4 BYLAWS NAME IS CHANGED FROM ARIZONA WATER & POLLUTION

CONTROL ASSOCIATION TO THE ARIZONA WATER ASSOCIATION.

Form 990 Part VI Section B Line 11A THE TREASURER OF THE ORGANIZATION DISTRIBUTES A PDF COPY

OF THE 990 TO ALL BOARD MEMBERS FOR REVIEW AND COMMENT PRIOR TO THE RETURN BEING FILED

Form 990 Part VI Section B Line 12C AT EACH BOARD AND COMMITTEE MEETING, IF THERE IS A

DISCUSSION OF SELECTING OR ENGAGING A VENDOR OR SERVICE PROVIDER, ALL IN ATTENDANCE ARE ASKED

PARTICIPATE THIS DISCUSSION IF THERE COULD BE A PERCEIVED CONFLICT. ANNUALLY THE ORGANIZATION

REVIEWS AND DISCUSSES THE CONFLICT OF INTEREST POLICY AND REQUESTS THAT EACH BOARD MEMBER LIST

AND ACKNOWLEDGE ANY KNOWN CONFLICTS.

Form 990 Part VI Section B Line 15A THE EXECUTIVE COMMITTEE REVIEWS THE COMPENSATION FOR ALL

OFFICERS AND KEY EMPLOYEES BY COMPARING THEIR COMPENSATION TO THE COMPENSATION OF INDIVIDUALS

IN LIKE POSITIONS IN COMPARABLE ORGANIZATIONS. THE COMMITTEE THEN APPROVES ANY CHANGES IN

COMPENSATION BASED ON THIS INFORMATION.

**BYLAWS OF THE
AZ WATER ASSOCIATION**

ARTICLE I - NAME

1 1 The name of the corporation is the AZ Water Association, hereinafter designated the "Association", and abbreviated as "AZ Water".

ARTICLE II - OBJECTIVES

2.1 The objectives of the Association shall be:

- (a) To benefit our state through the protection and enhancement of Arizona's water and environmental resources by advancing and providing leadership in the water environment profession.
- (b) To improve the professional status of all personnel engaged in any aspect of protecting and improving the water environment
- (c) To actively advance the Arizona Section in support of the American Water Works Association (AWWA)
- (d) To actively advance the Arizona Member Association in support of the Water Environment Federation (WEF)

ARTICLE III - MEMBERSHIP

3.1 Any individual interested in helping to achieve any of the Association's objectives may be considered a candidate for membership

3.2 Membership classifications within the Association shall be Active Member, Life Member, and Student Member

3.3 Active Members

3.3.1 An Active Member shall be any person professionally engaged or interested in the advancement of knowledge relating to the objectives of the Association

3.3.2 An Active Member shall be an eligible voting member of the Association, entitled to the rights and privileges granted by the Association, including the right to hold office and serve on committees.

3.4 Life Members

3.4.1 A Life Member is a person who has been a member in good standing in the Association for twenty-five (25) years or more and who has participated in Association activities.

3.4.2 Life Members shall have all the rights and privileges of an Active Member and shall pay no Association membership dues

3.4.3 Members elected for Life Membership shall receive appropriate recognition at the Annual Conference.

3.5 Student Member

3.5.1 A Student Member shall be a college or university student who spends at least one-half time on academic course work or equivalent.

3.5.2 Student Members may not retain this class of membership beyond the first anniversary date following termination of qualification as a Student Member.

3.5.3 Student Members shall have all the rights and privileges of an Active Member except for holding office.

ARTICLE IV - HEADQUARTERS & OPERATIONS

4.1 The headquarters of the Association shall be designated by the Association's Board of Directors.

4.2 All matters pertaining to the operation of the Association shall be in accordance with the Articles of Incorporation, these Bylaws, and Policies and Procedures.

ARTICLE V - ELIGIBILITY TO VOTE

5 1 All members of the Association in good standing are eligible to vote

ARTICLE VI - FINANCE

6.1 Membership Dues

- 6.1.1 Membership dues shall be determined by the Board of Directors for each category of membership.
- 6.1.2 Membership dues are payable for a twelve-month period.
- 6.1.3 Annual membership dues shall be billed directly to the members by the Association. Dues shall be payable within one month after a member's anniversary date.

6.2 Arrears

- 6.2.1 Members whose dues have not been paid within one month after the anniversary date will be given notice of such default by the Association. If the dues remain unpaid fifteen days after such notice, the members in default may be removed from the roll of the Association

6.3 Financial Controls

- 6.3.1 All Association finances shall be managed in accordance with these Bylaws and the Policies and Procedures of the Association.
- 6.3.2 The Association shall conduct, on an annual basis, an independent audit of all Association finances. The audit shall be conducted by a qualified financial advisor who is neither an employee of the Association nor member of the Board of Directors.

ARTICLE VII - GOVERNANCE

7.1 Authority and Purpose of the Board of Directors

- 7.1.1 The Board of Directors has the authority to govern the operation of the Association and to be consistent with the Articles of Incorporation, Bylaws, and Policies and Procedures of the Association.

7.2 Structure of the Board of Directors

- 7.2.1 The Association shall have a governing board, consisting of a President, President Elect, Vice President, Secretary, Treasurer, Immediate Past President, AWWA Director, WEF Delegate, and other such Directors as deemed necessary for the proper functioning of the Association.

- 7.2.2 The officers of the governing board shall be the President, President Elect, Vice President, Secretary, Treasurer, Immediate Past President, AWWA Director, and WEF Delegate.

7.3 Eligibility to Serve on the Board of Directors

- 7.3.1 Any member of the Association in good standing who resides in Arizona shall be eligible to hold an elective office in the Association

- 7.3.2 Board Members must also be a member in good standing of the AWWA and WEF.

- 7.3.3 Two or more offices may not be held by the same individual.

7.4 Nominations for Members of the Board of Directors

- 7.4.1 The Association shall conduct an appropriate nomination and election process for the following members of the Board of Directors: President, President Elect, Vice President, Secretary, Treasurer, AWWA Director, WEF Delegate, and Directors

- 7.4.2 A Nominating Committee shall be appointed by the President for all elected positions other than AWWA Director and WEF Delegate. The Nominating Committee shall consist of a minimum of five (5) members in accordance with the Association's Policies and Procedures.

- 7.4.3 The Nominating Committee shall ask for nominations to be submitted to the Committee at least 60 days prior to the actual election, by announcement. The Nominating Committee shall review all nominations to determine eligibility and willingness to serve. All eligible names will be forwarded to the President for review and action by the Board of Directors. The Nominating Committee shall submit a minimum of one (1) name for each vacant office for the ensuing Association year. Notice shall be sent to all voting members at least 30 days prior to voting at the annual business meeting.

7.5 Election of Members of the Board of Directors

7.5.1 All members of the Association in good standing are eligible to vote in an election for members of the Board of Directors.

7.5.2 Members of the Board of Directors shall be elected at the annual business meeting by a two-thirds (2/3) vote of the eligible voting members present

7.6 Terms of Office for Board of Directors

7.6.1 The AWWA Director and WEF Delegate shall be elected for a term of three years or as otherwise required by the Bylaws of AWWA and WEF. The term shall commence with their respective terms of office on the Board of AWWA and the House of Delegates of WEF.

7.6.2 The term of the President, President Elect, Vice President, and Directors shall be one (1) year, with the understanding that a three (3) year commitment is involved, and each year's term is subject to re-election. Terms of office shall commence on the first day of the month following the month in which the Association's Annual Conference is held.

7.6.3 The term of Secretary and Treasurer shall be three (3) years. Terms of office shall commence on the first day of the month following the month in which the Association's Annual Conference is held.

7.6.4 The term of Immediate Past President shall be for one (1) year. Term of office shall commence on the first day of the month following the month in which the Association's Annual Conference is held.

7.7 Vacancies on the Board of Directors

7.7.1 In case of a vacancy in the office of the AWWA Director and WEF Delegate, a successor to serve for the remainder of the term shall be selected by the Association Board of Directors. The Association shall notify the AWWA and WEF of such selection.

7.7.2 In case of a vacancy in the office of the President, President Elect, Vice President, Secretary, Treasurer, Immediate Past President, and Directors, the Board of Directors shall appoint a suitable replacement to complete the term of the vacant position

7.8 Duties of the Board of Directors

7.8.1 **President**

7.8.1.1 General Supervision of the affairs of the Association.

7.8.1.2 Preside at all conferences and meetings of the Association and at meetings of the Board of Directors

7.8.1.3 Be an ex-officio member of all committees other than the nominating committee.

7.8.1.4 Perform such other duties as may be assigned by the Board of Directors.

7.8.2 **President Elect and Vice President**

7.8.2.1 Assist the President in the performance of prescribed duties.

7.8.2.2 Preside at conferences and meetings of the association and at meetings of the Board of Directors in the absence of the President

7.8.2.3 Be an ex-officio member of all committees other than the nominating committee.

7.8.2.4 Perform such other duties as may be assigned by the Board of Directors.

7.8.3 **Secretary**

7.8.3.1 Prepare the agenda for, and attend all meetings of the Board of Directors, and record and distribute the proceedings of such meetings to the Board Members.

7.8.3.2 Maintain records of the Association, including a list of members of the Association.

7.8.3.3 Perform such other duties as may be assigned by the Board of Directors.

7.8.4 Treasurer

- 7.8.4.1 Serve as financial officer of the Association.
- 7.8.4.2 Take charge of the funds of the Association and custody of its investments, if any, and see that all funds due the Association are collected carefully and deposited promptly in depositories approved by the Board of Directors
- 7.8.4.3 Pay all bills as appropriate, account for all expenditures, and maintain recording of all assets and liabilities.
- 7.8.4.4 Make a report for the fiscal year showing all receipts, expenditures, and other assets and liabilities for review of the Board of Directors, and submit a summary report thereof at the annual business meeting
- 7.8.4.5 Prepare the annual budget, with the help of the Finance and Budget Committee.
- 7.8.4.6 Prepare and submit all required state and federal income tax documents.
- 7.8.4.7 Perform such other duties as may be assigned by the Board of Directors

7.8.5 AWWA Director

- 7.8.5.1 AWWA Director shall represent the Association on the AWWA Board of Directors and shall act to work with the President and other members of the Board of Directors to coordinate and unify the actions of both the Association and AWWA.

7.8.6 WEF Delegate

- 7.8.6.1 WEF Delegate shall represent the Association on the WEF House of Delegates and shall act to work with the President and other members of the Board of Directors to coordinate and unify the actions of both the Association and WEF.

7.8.7 Directors

- 7.8.7.1 Shall serve on the Board of Directors.
- 7.8.7.2 Shall serve on committees responsible for organizational development and auditing, and other committees as assigned by the President or the President's designee(s).
- 7.8.7.3 Perform such other duties as may be assigned by the Board of Directors.

7.9 Removal and Resignation

- 7.9.1 At a properly called regular or special meeting, any officer, director, committee chair, member, or other agent of the Association may be removed by a 3/4 vote of the Board of Directors whenever in the judgement of the Board, the best interests of the Association will be served thereby; but such removal shall be without prejudice to the contract rights, if any, of the person(s) so removed
- 7.9.2 Any director, committee chair, or other agent of the Association may resign at any time by giving written notice to the President of the Board of Directors. Acceptance of such resignation shall not be necessary to make it effective unless the notice so provides

ARTICLE VIII - COMMITTEES

- 8.1 The Board of Directors may establish standing committees to conduct Association programs and business.
- 8.2 The Board of Directors has the authority to dissolve standing committees
- 8.3 Standing committees shall be established and shall convene in accordance with the Association's Policies and Procedures. All standing committee meetings should be conducted generally in accordance with the latest edition of "Robert's Rules of Order."

ARTICLE IX - MEETINGS

9.1 Board of Director Meetings

- 9.1.1 Regular meetings of the Board of Directors shall be held periodically within the State of Arizona at a time and place to be designated by the President.

9.1.2 A quorum of the Board of Directors shall consist of a majority of its members. No member shall have more than one vote

9.2 Regular Meetings

9.2.1 The Association shall hold at least one (1) annual business meeting in each fiscal year. This meeting shall be held at the same time and place as the annual conference meeting of the Association. The time and place of all meetings of the Association shall be fixed by the Board of Directors or by a committee appointed by them.

9.2.2 Fifteen (15) eligible voting members present in person shall constitute a quorum for the Association's annual business meeting

ARTICLE X - AMENDMENTS TO BYLAWS

10.1 The Board of Directors will approve proposed Bylaw amendment(s) prior to bringing them to the vote of the membership.

10.2 These Bylaws may be amended at any annual business meeting of the Association by a two-thirds (2/3) vote of eligible voting members present at the meeting, provided however that all members shall have written notice at least 30 days in advance in which to consider the proposed amendment(s) prior to voting.

10.3 At the discretion of the Board of Directors, the Bylaws may also be amended by a mailed ballot with an affirmative vote of two-thirds (2/3) of ballots returned by eligible voting members. All eligible voting members shall be provided a copy of the proposed amendment(s) with the mailed ballot and shall be given at least 30 days to return the ballot.

ARTICLE XI - DISSOLUTION

11.1 In case of dissolution of the Association, such portions of the funds or property thereof in the hands of the Secretary and Treasurer, as may have been derived from the general funds of the AWWA and WEF, shall be returned to the respective organization.

11.2 The balance of the Association funds or property shall be disposed of by transfer and distribution to any one or more corporations, funds, or foundations with like purposes or goals.

11.3 The receiving organization shall:

- (a) be operated exclusively for scientific or educational purposes,
- (b) not be conducted or operated for profit, and no part of the net earnings of which inures to the benefit of any private shareholders or individual,
- (c) not be operated such that a substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation, and not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

The receiving organization would then qualify under the provisions of Section 501 (c)(3) of the United States Internal Revenue Code as they now exist or as they may hereinafter be amended

11.4 Such receiving organization(s) shall be selected by vote of two-thirds (2/3) of the members of the Association at a meeting called for this purpose, or if for any reasons such disposition cannot be affected, then such funds shall be so distributed pursuant to the order, judgement, or decree of a court having jurisdiction over the assets and property of the Association.

ARTICLE XII - INDEMNIFICATION

12.1 Each member, officer, and director of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, or any settlement thereof, reasonably incurred by or imposed upon him in any proceeding to which he may be a party, or in which he may become involved solely by reason of his being or having been a member, officer, or director of the Association, whether or not he is a member, officer or director of the Association at the time such expenses are incurred, except in such cases wherein such person is adjudged guilty of willful malfeasance in the performance of his duties, provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association.

Approved by the AZ Water Board of Directors, November 14, 2008

Approved by the AZ Water Membership at the Annual Business Meeting, May 8, 2009

Application for Extension of Time To File an
Exempt Organization Return

► File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box. ►
- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only. ►

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization Arizona Water & Pollution Control Association	Employer identification number 86-1037705
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P O box, see instructions 1042 Willow Creek Rd, A101- 510	
	City, town or post office, state, and ZIP code For a foreign address, see instructions Prescott	AZ 86301

Check type of return to be filed (file a separate application for each return).

<input type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input checked="" type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- The books are in the care of ► DEBORAH MUSE 1042 Willow Creek Rd, A101- 510 Prescott AZ 86301

Telephone No. ► 928-717-9905 FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15/2010, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► calendar year 2009 or

► tax year beginning _____, and ending _____.

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3 a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a \$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	3c \$ 0

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box. . . . ►
- Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the extended due date for filing the return. See instructions	Name of Exempt Organization Arizona Water & Pollution Control Association Number, street, and room or suite no. If a P.O. box, see instructions. 1042 Willow Creek Rd, A101- 510 City, town or post office, state, and ZIP code For a foreign address, see instructions Prescott AZ 86301	Employer identification number 86-1037705 For IRS use only
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Check type of return to be filed (File a separate application for each return):

Form 990 Form 990-PF Form 1041-A Form 6069
 Form 990-BL Form 990-T (sec. 401(a) or 408(a) trust) Form 4720 Form 8870
 Form 990-EZ Form 990-T (trust other than above) Form 5227

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ► DEBORAH MUSE 1042 Willow Creek Rd, A101- 510 Prescott AZ 86301
Telephone No. ► 928-717-9905 FAX No. ►
- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box ► If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

4	I request an additional 3-month extension of time until	11/15/2010	.
5	For calendar year 2009	, or other tax year beginning	, and ending
6	If this tax year is for less than 12 months, check reason: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Change in accounting period		
7	State in detail why you need the extension More time is requested to acquire all information needed to complete and file an accurate return.		

8 a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c	Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	8c	\$ 0

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ►

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Title ► spa/poa

Date ► 8/11/2010

Form 8868 (Rev. 4-2009)