

ORIGINAL

WATER APPLICATION



0000086615

ORIGINAL

ARIZONA CORPORATION COMMISSION

RECEIVED

2008 JUL 14 A 10:32

AZ CORP COMMISSION
DOCKET CONTROL



Arizona Corporation Commission

DOCKETED

JUL 14 2008

FINANCING APPLICATION

DOCKETED BY

YARNELL WATER IMPROVEMENT ASSOCIATION

UTILITY NAME

W-02255A-08-0355

DOCKET NO(S)

You must complete ALL items in the application according to the instructions provided. If you have any questions regarding the application please call (602) 542-4251 for Staff assistance.

IN ORDER TO PROCESS YOUR APPLICATION
PLEASE FORWARD THE ORIGINAL
AND THIRTEEN COPIES OF THE
APPLICATION PLUS
THREE PACKETS OF THE SUPPORTING
DOCUMENTATION TO:

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL CENTER
1200 WEST WASHINGTON STREET
PHOENIX, ARIZONA 85007

Application Information Regarding Arizona Revised Statutes 40-301 and 40-302

The application for financing approval pursuant to Arizona Revised Statutes 40-301 and 40-302 shall include the following information

1. Company Name: Yarnell Water Improvement Association
Physical Address: 22609 Looka Way, Yarnell, Arizona 85362
Mailing Address: PO Box 727, Yarnell, Arizona 85362
Phone Number: 9928) 427-3321 Fax: (928) 427-0243
Email: ywia@w3az.net

2. Name and address of the person authorized, on behalf of applicant, to receive notices and communications regarding the application.

Name: Tammy Zudell, Office Manager
Address: PO Box 727, Yarnell, Arizona 85362
Phone Number: (928) 427-3321 Fax: (928) 427-0243
Email: ywia@w3az.net

3. Description of financing:

Ford Credit
PO Box 7172
Pasadena, CA 91109-7172

Loan amount \$ 19,827.46 Monthly payment \$ 422.91 End Date: 5/26/2011

See attached interest and principle schedule.

4. No expected gross proceeds.
5. Purchase of new company truck, as the 1990 Toyota pickup no longer runs, and the cost to repair would be more than what the truck is worth.
6. A statement that demonstrates why financing is:
 - The company does not have the available revenue to buy the new truck in one payment, but must borrow through Ford Credit. Annual percentage rate of 9.9% . Amount financed \$ 19,827.14, finance charge \$5,547.14, number of payments, 60, monthly payments of \$ 422.91. Pay off in 2011.

06 Ford Truck

Schedule of Interest and Principle payments

Compound Period: Monthly
Nominal Annual Rate: 10.002%

Yarnell Water Improvement Association

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	5/12/2006	19,827.46	1		
2 Payment	6/26/2006	422.91	60	Monthly	5/26/2011

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	5/12/2006				19,827.46
1	6/26/2006	422.91	241.96	180.95	19,646.51
2	7/26/2006	422.91	163.75	259.16	19,387.35
3	8/26/2006	422.91	161.59	261.32	19,126.03
4	9/26/2006	422.91	159.41	263.50	18,862.53
5	10/26/2006	422.91	157.22	265.69	18,596.84
6	11/26/2006	422.91	155.00	267.91	18,328.93
7	12/26/2006	422.91	152.77	270.14	18,058.79
2006 Totals		2,960.37	1,191.70	1,768.67	
8	1/26/2007	422.91	150.52	272.39	17,786.40
9	2/26/2007	422.91	148.25	274.66	17,511.74
10	3/26/2007	422.91	145.96	276.95	17,234.79
11	4/26/2007	422.91	143.65	279.26	16,955.53
12	5/26/2007	422.91	141.32	281.59	16,673.94
13	6/26/2007	422.91	138.98	283.93	16,390.01
14	7/26/2007	422.91	136.61	286.30	16,103.71
15	8/26/2007	422.91	134.22	288.69	15,815.02
16	9/26/2007	422.91	131.82	291.09	15,523.93
17	10/26/2007	422.91	129.39	293.52	15,230.41
18	11/26/2007	422.91	126.94	295.97	14,934.44
19	12/26/2007	422.91	124.48	298.43	14,636.01
2007 Totals		5,074.92	1,652.14	3,422.78	
20	1/26/2008	422.91	121.99	300.92	14,335.09
21	2/26/2008	422.91	119.48	303.43	14,031.66
22	3/26/2008	422.91	116.95	305.96	13,725.70
23	4/26/2008	422.91	114.40	308.51	13,417.19
24	5/26/2008	422.91	111.83	311.08	13,106.11
25	6/26/2008	422.91	109.24	313.67	12,792.44
26	7/26/2008	422.91	106.62	316.29	12,476.15
27	8/26/2008	422.91	103.99	318.92	12,157.23
28	9/26/2008	422.91	101.33	321.58	11,835.65
29	10/26/2008	422.91	98.65	324.26	11,511.39
30	11/26/2008	422.91	95.95	326.96	11,184.43
31	12/26/2008	422.91	93.22	329.69	10,854.74
2008 Totals		5,074.92	1,293.65	3,781.27	
32	1/26/2009	422.91	90.47	332.44	10,522.30
33	2/26/2009	422.91	87.70	335.21	10,187.09

34	3/26/2009	422.91	84.91	338.00	9,849.09
35	4/26/2009	422.91	82.09	340.82	9,508.27
36	5/26/2009	422.91	79.25	343.66	9,164.61
37	6/26/2009	422.91	76.39	346.52	8,818.09
38	7/26/2009	422.91	73.50	349.41	8,468.68
39	8/26/2009	422.91	70.59	352.32	8,116.36
40	9/26/2009	422.91	67.65	355.26	7,761.10
41	10/26/2009	422.91	64.69	358.22	7,402.88
42	11/26/2009	422.91	61.70	361.21	7,041.67
43	12/26/2009	422.91	58.69	364.22	6,677.45
2009 Totals		5,074.92	897.63	4,177.29	
44	1/26/2010	422.91	55.66	367.25	6,310.20
45	2/26/2010	422.91	52.60	370.31	5,939.89
46	3/26/2010	422.91	49.51	373.40	5,566.49
47	4/26/2010	422.91	46.40	376.51	5,189.98
48	5/26/2010	422.91	43.26	379.65	4,810.33
49	6/26/2010	422.91	40.09	382.82	4,427.51
50	7/26/2010	422.91	36.90	386.01	4,041.50
51	8/26/2010	422.91	33.69	389.22	3,652.28
52	9/26/2010	422.91	30.44	392.47	3,259.81
53	10/26/2010	422.91	27.17	395.74	2,864.07
54	11/26/2010	422.91	23.87	399.04	2,465.03
55	12/26/2010	422.91	20.55	402.36	2,062.67
2010 Totals		5,074.92	460.14	4,614.78	
56	1/26/2011	422.91	17.19	405.72	1,656.95
57	2/26/2011	422.91	13.81	409.10	1,247.85
58	3/26/2011	422.91	10.40	412.51	835.34
59	4/26/2011	422.91	6.96	415.95	419.39
60	5/26/2011	422.91	3.52	419.39	0.00
2011 Totals		2,114.55	51.88	2,062.67	
Grand Totals		25,374.60	5,547.14	19,827.46	

Last interest amount increased by 0.02 due to rounding.

PUBLIC NOTICE
OF
AN APPLICATION FOR AN ORDER

AUTHORIZING THE ISSUANCE OF Auto Loan from Ford Credit
BY YARNELL WATER IMPROVEMENT ASSOCIATION

YARNELL WATER IMPROVEMENT ASSOCIATION filed an Application with the Arizona Corporation Commission ("Commission") for an order authorizing Applicant to issue \$ 19,827.46 (gross proceeds) of Ford Credit security to be issued. The application is available for inspection during regular business hours at the office of the Commission in Phoenix, Arizona, and at the Company's office in Yarnell, Arizona.

Intervention in the Commission's proceedings on the application shall be permitted to any person entitled by law to intervene and having a direct substantial interest in this matter. Persons desiring to intervene must file a Motion to Intervene with the Commission which must be served upon applicant and which, at a minimum, shall contain the following information:

1. The name, address and telephone number of the proposed intervenor and of any person upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding.
3. Whether the proposed intervenor desires a formal evidentiary hearing on the application and the reasons for such a hearing.
4. A statement certifying that a copy of the Motion has been mailed to Applicant.

The granting of Motions to Intervene shall be governed by A.A.C. R14-3-105, except that all Motions to Intervene must be filed on, or before, the 15th day after this notice.

AFFIDAVIT OF CUSTOMER NOTIFICATION

I, Tammy Zudell being first duly sworn on her oath says:

That she is the Office Manager for Yarnell Water Improvement Association
verifying that the notice attached hereto, namely,

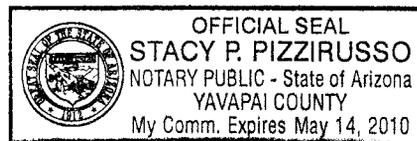
Yarnell Water Improvement Association
Financial Application – Notice to Customers

Has, to the personal knowledge of affidavit, has been mailed to ALL customers
through the US Postal Service on July 11, 2008.

By: Sammy Zudell
Dated this 11th Day of July, 2008.

By: Stacy P. Pizzirusso
Notary Public

My commission expires:



(seal)

10:46 AM

07/09/08

Accrual Basis

YARNELL WATER IMPROVEMENT ASSN

Transactions by Account

As of July 9, 2008

Type	Date	Num	Memo	Split	Amount	Balance
101 · Utility Plant in Service						1,669,948.41
301 · Organization Costs						24,471.00
Total 301 · Organization Costs						24,471.00
302 · Franchise Costs						34,884.00
Total 302 · Franchise Costs						34,884.00
303 · Land & Land Rights						23,732.00
Total 303 · Land & Land Rights						23,732.00
304 · Structures & Improvements						59,612.92
Total 304 · Structures & Improvements						59,612.92
307 · Wells & Springs						1,783.57
Total 307 · Wells & Springs						1,783.57
311 · Pumping Equipment						82,444.93
Check	7/8/2008	4513	repaired pump	102 · NBA Ck ...	7,599.07	90,044.00
Total 311 · Pumping Equipment					7,599.07	90,044.00
320 · Water Treatment Equipment						77,415.57
320.2 · Solution Chemical Feeders						4,908.39
Total 320.2 · Solution Chemical Feeders						4,908.39
320.1 · Water Treatment Plants						72,507.18
Total 320.1 · Water Treatment Plants						72,507.18
Total 320 · Water Treatment Equipment						77,415.57
330 · Distrib Reservoirs & Standpipes						151,422.50
330.1 · Storage Tanks						151,422.50
Total 330.1 · Storage Tanks						151,422.50
Total 330 · Distrib Reservoirs & Standpipes						151,422.50
331 · Transmission & Distr Mains						866,660.62
Total 331 · Transmission & Distr Mains						866,660.62
333 · Services						2,976.06
Total 333 · Services						2,976.06
334 · Meters & Meter Installations						80,456.58
Check	2/7/2008	4319	6- meters	102 · NBA Ck ...	362.52	80,819.10
Check	2/7/2008	4319	rubber meter gaskets (100)	102 · NBA Ck ...	35.00	80,854.10
Check	2/29/2008	4343	6- meters / 12- meter couplings	102 · NBA Ck ...	429.00	81,283.10
Check	5/12/2008	4435	6- steel meter lids, 6- concret...	102 · NBA Ck ...	196.07	81,479.17
Deposit	6/2/2008	883	new meter service	102 · NBA Ck ...	-520.00	80,959.17
Check	6/23/2008	4497	6- 5/8 x 3/4" meters	102 · NBA Ck ...	448.11	81,407.28
Check	6/23/2008	4497	100' poly pipe	102 · NBA Ck ...	31.00	81,438.28
Check	7/2/2008	4505	meter box with lid	102 · NBA Ck ...	65.03	81,503.31
Deposit	7/7/2008	12979	recycled meters	102 · NBA Ck ...	-229.80	81,273.51
Total 334 · Meters & Meter Installations					816.93	81,273.51
335 · Hydrants						63,309.17
Total 335 · Hydrants						63,309.17
339 · Other Plant & Misc Equipment						33,805.34
Check	3/11/2008	4354	chlorination system	102 · NBA Ck ...	1,019.00	34,824.34
Total 339 · Other Plant & Misc Equipment					1,019.00	34,824.34
340 · Office Furniture and Equip						5,398.26
340.1 · Computer & Software						2,357.21
Credit Card Charge	3/1/2008		laptop computer	231.3 · Pitney ...	781.47	3,138.68
Total 340.1 · Computer & Software					781.47	3,138.68

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07/09/08

Accrual Basis

YARNELL WATER IMPROVEMENT ASSN
Transactions by Account
As of July 9, 2008

Type	Date	Num	Memo	Split	Amount	Balance
340 · Office Furniture and Equipt - Other						3,041.05
Total 340 · Office Furniture and Equipt - Other						3,041.05
Total 340 · Office Furniture and Equipt					781.47	6,179.73
341 · Transportation Equipment						21,482.70
Total 341 · Transportation Equipment						21,482.70
343 · Tools, Shop & Garage Equip						7,320.91
Total 343 · Tools, Shop & Garage Equip						7,320.91
345 · Power Operated Equipment						400.00
Total 345 · Power Operated Equipment						400.00
347 · Miscellaneous Equipment						30,572.07
Total 347 · Miscellaneous Equipment						30,572.07
348 · Other Intangible Plant						101,115.73
Total 348 · Other Intangible Plant						101,115.73
101 · Utility Plant in Service - Other						684.48
Total 101 · Utility Plant in Service - Other						684.48
Total 101 · Utility Plant in Service					10,216.47	1,680,164.88
108 · Accum Depreciation - Plant						-1,111,491.37
General Journal	1/31/2008	CE 2	record monthly depreciation	403 · Deprecia...	-2,949.40	-1,114,440.77
General Journal	2/29/2008	DEP...	record monthly depreciation	403 · Deprecia...	-2,949.40	-1,117,390.17
General Journal	3/31/2008	DEP...	record monthly depreciation	403 · Deprecia...	-2,949.40	-1,120,339.57
Total 108 · Accum Depreciation - Plant					-8,848.20	-1,120,339.57
TOTAL					1,368.27	559,825.31

YARNELL WATER IMPROVEMENT ASSN

Profit & Loss

January 1 through July 11, 2008

Jan 1 - Jul 11, 08

Ordinary Income/Expense	
Income	
461 · Metered Water Revenues	
401 · Metered Customer Water Revenues	105,724.00
414 · AR RVS Adjustments	1,188.11
Total 461 · Metered Water Revenues	106,912.11
474 · Other Water Revenues	
405 · Turn On Fee/Un-Lock Fee	460.00
402 · Establishment Fees	520.00
474 · Other Water Revenues - Other	446.67
Total 474 · Other Water Revenues	1,426.67
Total Income	108,338.78
Expense	
615 · Purchased Power	4,484.44
650 · Transportation Expense	
642 · Vehicle Fuel	1,412.57
650 · Transportation Expense - Other	198.81
Total 650 · Transportation Expense	1,611.38
408 · Taxes Other Than Income	
408.11 · Property Taxes	6,071.34
638 · Sales Tax Expense	33.08
Total 408 · Taxes Other Than Income	6,104.42
601 · Salaries & Wages Expense	
601.1 · Salaries & Wages	
601.2 · Employee Insurance Allowance	1,399.16
601.1 · Salaries & Wages - Other	57,525.35
Total 601.1 · Salaries & Wages	58,924.51
601.4 · Payroll Tax Expense	
6751 · Employer FICA	4,519.91
6752 · FUTA Expense	230.03
6753 · SUTA Expense	506.23
Total 601.4 · Payroll Tax Expense	5,256.17
Total 601 · Salaries & Wages Expense	64,180.68
403 · Depreciation Expense	18,006.96
6120 · 612 Bank Service Charges	5.00
621 · Office Supplies & Expense	
655 · Computer Repairs & Maintenance	108.50
639 · Utilities	
758 · Propane	2,375.49
760 · Telephone	2,807.14
Total 639 · Utilities	5,182.63
684 · Dues and Subscriptions	576.37
683 · Printing and Reproduction	397.96
782 · Postage and Delivery	1,281.87
621 · Office Supplies & Expense - Other	2,328.35
Total 621 · Office Supplies & Expense	9,875.68
675 · Miscellaneous	
624 · Employee Train, Seminars &	1,325.34
694 · Licenses and Permits	538.25
Total 675 · Miscellaneous	1,863.59
657 · Insurance-General Liability	
686 · Workers Comp	2,201.72
657 · Insurance-General Liability - Other	2,425.00
Total 657 · Insurance-General Liability	4,626.72

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07/11/08
Accrual Basis

YARNELL WATER IMPROVEMENT ASSN

Profit & Loss

January 1 through July 11, 2008

	Jan 1 - Jul 11, 08
630 · Outside Services	
762 · Trash	228.00
627 · Professional Fees	
791 · Accounting	1,639.75
693 · Engineering	920.00
627 · Professional Fees - Other	0.00
Total 627 · Professional Fees	2,559.75
630 · Outside Services - Other	5,175.00
Total 630 · Outside Services	7,962.75
620 · Repairs & Maintenance	
645 · Operations	
640 · Backhoe Fuel	220.33
644 · Maintenance Supplies	4,819.33
646 · Small Tools	1,254.66
Total 645 · Operations	6,294.32
652 · Equipment Repairs & Maintenance	378.36
620 · Repairs & Maintenance - Other	252.78
Total 620 · Repairs & Maintenance	6,925.46
635 · Water Test	
635.1 · Samples	174.73
Total 635 · Water Test	174.73
Total Expense	125,821.81
Net Ordinary Income	-17,483.03
Other Income/Expense	
Other Income	
419 · Interest Income	190.65
421 · Misc Non Utility Income	
703 · Other Income	954.68
421 · Misc Non Utility Income - Other	25.00
Total 421 · Misc Non Utility Income	979.68
Total Other Income	1,170.33
Other Expense	
427 · Interest Expense	
427.1 · Finance Charge	57.19
427.2 · Loan Interest	6,773.16
427 · Interest Expense - Other	800.51
Total 427 · Interest Expense	7,630.86
Total Other Expense	7,630.86
Net Other Income	-6,460.53
Net Income	-23,943.56

YARNELL WATER IMPROVEMENT ASSN
Balance Sheet
 As of July 8, 2008

	<u>Jul 8, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
131 · Cash	
100 · Petty Cash	100.00
102 · NBA Ck 390100228	3,718.84
Total 131 · Cash	<u>3,818.84</u>
134 · Working Funds	
107 · Stockman's MM 2103001893	276.70
Total 134 · Working Funds	<u>276.70</u>
135 · Temp Cash Investments	
104 · Meridian Bank CD 3121191	12,979.58
Total 135 · Temp Cash Investments	<u>12,979.58</u>
Total Checking/Savings	17,075.12
Accounts Receivable	
141 · Accounts Receivable	
144 · Reserve for Bad Debt	-380.61
141 · Accounts Receivable - Other	13,853.44
Total 141 · Accounts Receivable	<u>13,472.83</u>
Total Accounts Receivable	13,472.83
Other Current Assets	
162 · Prepayments	
163 · Prepaid Vehicle Registration	260.92
Total 162 · Prepayments	<u>260.92</u>
Total Other Current Assets	<u>260.92</u>
Total Current Assets	<u>30,808.87</u>
Fixed Assets	
101 · Utility Plant in Service	
301 · Organization Costs	24,471.00
302 · Franchise Costs	34,884.00
303 · Land & Land Rights	23,732.00
304 · Structures & Improvements	59,612.92
307 · Wells & Springs	1,783.57
311 · Pumping Equipment	90,044.00
320 · Water Treatment Equipment	
320.2 · Solution Chemical Feeders	4,908.39
320.1 · Water Treatment Plants	72,507.18
Total 320 · Water Treatment Equipment	<u>77,415.57</u>
330 · Distrib Reservoirs & Standpipes	
330.1 · Storage Tanks	151,422.50
Total 330 · Distrib Reservoirs & Standpipes	<u>151,422.50</u>
331 · Transmission & Distr Mains	866,660.62
333 · Services	2,976.06
334 · Meters & Meter Installations	81,273.51
335 · Hydrants	63,309.17
339 · Other Plant & Misc Equipment	34,824.34
340 · Office Furniture and Equipt	
340.1 · Computer & Software	3,138.68
340 · Office Furniture and Equipt - Other	3,041.05
Total 340 · Office Furniture and Equipt	<u>6,179.73</u>

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07/08/08

Accrual Basis

YARNELL WATER IMPROVEMENT ASSN

Balance Sheet

As of July 8, 2008

	Jul 8, 08
341 · Transportation Equipment	21,482.70
343 · Tools, Shop & Garage Equip	7,320.91
345 · Power Operated Equipment	400.00
347 · Miscellaneous Equipment	30,572.07
348 · Other Intangible Plant	101,115.73
101 · Utility Plant in Service - Other	684.48
Total 101 · Utility Plant in Service	1,680,164.88
108 · Accum Depreciation - Plant	-1,120,339.57
Total Fixed Assets	559,825.31
TOTAL ASSETS	590,634.18
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
231 · Accounts Payable	-161.97
Total Accounts Payable	-161.97
Other Current Liabilities	
232 · Current Portion - L/T Debt	41,805.24
236 · Accrued Taxes	
243 · Sales Tax Payable	-0.90
238 · Payroll Tax Liabilities	
2384 · SUTA Payable	116.35
2383 · FUTA Payable	219.83
2382 · State W/H Payable	185.75
2381 · FICA/FWH Payable	-17.29
Total 238 · Payroll Tax Liabilities	504.64
240 · Accrued Real Estate Tax	5,926.62
Total 236 · Accrued Taxes	6,430.36
233 · Refundable Meter Deposits	11,618.50
235 · Refundable Customer Deposits	4,559.84
237 · Accrued Interest Payable	9,105.80
241 · Misc Current & Accrued Liab	
241.6 · Workers Comp Payable	-2,267.48
Total 241 · Misc Current & Accrued Liab	-2,267.48
Total Other Current Liabilities	71,252.26
Total Current Liabilities	71,090.29
Long Term Liabilities	
224 · Long-Term Notes & bonds	
227 · N/P Ford Mtr- 06 Ford Serv Trk	12,815.24
225 · N/P GMAC 10216004	30,737.21
226 · GMAC Loan Payable	238,194.35
299 · Current Portion L/T Debt	-41,805.24
Total 224 · Long-Term Notes & bonds	239,941.56
Total Long Term Liabilities	239,941.56
Total Liabilities	311,031.85
Equity	
211 · Paid in Capital Excess of Par	594.00
325 · Unrestricted Net Assets	288,941.91
Net Income	-9,933.58
Total Equity	279,602.33
TOTAL LIABILITIES & EQUITY	590,634.18

STOCK NO.

068788

MOTOR VEHICLE RETAIL INSTALLMENT SALES CONTRACT AND PURCHASE MONEY SECURITY AGREEMENT

Buyer(s)/Debtor(s): YARNELL WATER IMPROVEMENT

Seller/Creditor: JONES FORD MERCURY

Address: 22609 LOOKA WAY BOX 727 YARNELL, AZ 85362

Address: 781 WICKENBURG WAY WICKENBURG AZ 85390

This is an agreement for the installment purchase by you of the Vehicle described below. As used in this Contract, the words "you" and "your" mean the Buyer or Buyers who sign below. The words "we", "us", "our" and "Seller" refer to the Seller whose name and address appear above or to anyone to whom this Contract is assigned (referred to as the "Assignee"). If the Assignee notifies you that it has purchased this Contract, you agree to make all of your payments to the Assignee. This sale is subject to approval of your credit by us and acceptance of this Contract by an Assignee. BY SIGNING BELOW, YOU ALSO AGREE TO ALL OF THE TERMS ON BOTH SIDES OF THIS CONTRACT. PLEASE READ THE BACK CAREFULLY.

The Vehicle which you are purchasing is a:

Table with 7 columns: NEW OR USED, YEAR MODEL, MAKE TRADE NAME, NO. CYL., BODY TYPE, MODEL # OR SERIES, VEHICLE ID#. Row 1: NEW, 2006, FORD, 6, 12PU, RANGER, 1FTZR15E86PA91574

You intend to use the Vehicle primarily for: [] personal, family, or household purposes ("personal use") [] commercial, business, agricultural, or other non-personal uses ("commercial use").

Annual Percentage Rate: 9.9%. Finance Charge: \$5547.14. Total Sale Price: \$29874.60. Insurance: CREDIT LIFE INSURANCE AND CREDIT DISABILITY INSURANCE ARE NOT REQUIRED TO OBTAIN CREDIT, AND WILL NOT BE PROVIDED UNLESS YOU SIGN AND AGREE TO PAY THE ADDITIONAL COST. Security: You are giving a security interest in the Vehicle being purchased. Late Charge: If the Vehicle is purchased for personal use, and a payment is not paid in full within 10 days after it is due, you will pay a late charge of the lesser of \$10.00 or 5% of the unpaid balance of the installment. Prepayment: If you pay off early, you will not have to pay a penalty.

ITEMIZATION OF AMOUNT FINANCED

- 1. Cash Price (incl. accessories) \$ 22295.00 Sales Tax \$ 1445.00 Net Trade-In Deficiency (item 5 if negative) \$ N/A to = Total Cash Price \$ 23740.20
2. Other charges included in this sale include:
** (a) Vehicle Service Contract (Term) to \$ 0.00
(b) Dealer Documentary Fee \$ 199.50
** (c) Other (describe) to \$ N/A
** (d) Other (describe) to \$ 0.00
** (e) Other (describe) to \$ N/A
** (f) Other (describe) to \$ N/A
Total \$ 199.50
3. Payments made on your behalf to Public Officials for Official Fees \$ 387.70
4. Cash Sale Price (sum of items 1, 2 and 3) \$ 24327.40
5. Trade-in \$ 0.00 - \$ 0.00 = \$ 0.00 (5)
Yr. Make & Model Gross Allowance Payoff Net Trade-In (Deficiency)
6. Total Down Payment includes:
(a) Net Trade-In (item 5) (if negative, insert \$0) \$ 0.00
(b) Cash Down Payment (Includes manufacturer's rebate of \$ 3000.00 assigned to Seller) \$ 4500.00
Total Down Payment (a + b) \$ 4500.00
7. Unpaid balance of Cash Sale Price (item 4 less item 6) \$ 19827.40
8. Payments made to others on your behalf:
** (a) Amounts paid to Insurance Companies for Insurance Premiums:
(1) Credit Insurance Premiums \$ 0.00 + (2) Property Insurance Premiums \$ N/A

** (1) To: _____ for: _____ \$ 0.00 (8b)
 ** (2) To: _____ for: _____ \$ 0.00 (8c)
 ** (3) To: _____ for: _____ \$ N/A (8d)

Total Amount Paid to Others (Sum of items 8(a) through 8(d)) \$ _____ (8)
 **Seller may be retaining a portion of this amount.

9. Amount Financed - Amount of credit you will get (item 7 plus item 8) \$ 19827.40

10. If the "Amount Financed" exceeds \$25,000 or if the Vehicle is purchased primarily for commercial use, the "Amount Financed" is also the "Final Cash Price Balance" and the "Total of Payments" is also the "Time Balance."

11. **Property Insurance:** You promise to keep the Vehicle insured for its full value against loss or damage with loss payable endorsement in our favor during the time any amount is unpaid under this Contract. YOU MAY OBTAIN YOUR REQUIRED INSURANCE FROM ANY COMPANY ACCEPTABLE TO US. If you purchase your insurance through Seller, the costs and items of coverage are as follows:

Collision (actual cash value of loss less \$ _____ N/A deductible) and Comprehensive including fire and theft (cash value of loss less \$ _____ N/A deductible)	TERM _____ N/A months	PREMIUM \$ _____ N/A
Other (describe) _____ N/A	_____ N/A months	\$ _____ N/A

If you buy insurance through your own agent, the cost is not included in this Contract. Please give us the name and telephone number of the agent you choose:

Agent's Name _____ Telephone Number _____
 Agent's Address _____ City _____ State _____

Promise to Pay: By signing below, you promise to pay us the Amount Financed, together with finance charges calculated thereon at the Annual Percentage Rate. You agree to make your payments to us set forth in the Payment Schedule shown above. Your final payment may change, depending upon your payment habits. We will apply each payment first to accrued finance charges and late charges and then to reduce your unpaid balance. This means your finance charge will be less when you pay early and more if you pay late. Any charge. If the Vehicle is purchased for commercial use, the late charge will be 5% of the unpaid balance of the installment; if the Vehicle is purchased for personal use, the late charge will be the lesser of \$10.00 or 5% of the unpaid balance of the installment.

Security Interest: To protect us if you do not pay as promised, or if you break some other promise of this Contract, you give us a purchase money security interest in the Vehicle, all accessions thereto, and in any proceeds of the Vehicle. If the Vehicle is purchased for commercial use, this security interest also covers all equipment, accessories, and parts (other than accessions) added to the Vehicle. If the Vehicle is purchased for personal use, this security interest also covers equipment, accessories, and parts (other than accessions) added to the Vehicle within 10 days of the date of this Contract. You also give us a security interest in the proceeds of any physical damage insurance policy on the Vehicle; all insurance, maintenance, service, or other contracts we finance for you; and all proceeds from insurance, maintenance, service, or other contracts we finance for you, including any refunds of premiums or charges from the contracts. This security interest does not cover any other debts you owe us, and this debt is not covered by any other security interest held by us. **NOTICE: BY GIVING US A SECURITY INTEREST IN THE VEHICLE DESCRIBED ABOVE, YOU WAIVE ALL RIGHTS PROVIDED BY LAW TO CLAIM THE VEHICLE EXEMPT FROM LEGAL PROCESS.**

LIMITATIONS/EXCLUSIONS OF PRODUCT WARRANTIES

(a) For "new" vehicles: (1) If the Vehicle is purchased for personal use, Seller makes no implied warranty of merchantability or of fitness for any particular purpose unless Seller also gives you a written warranty, on its own behalf, with respect to the Vehicle, or, at the time of the sale or within 90 days thereafter, Seller enters into a service contract, on its own behalf, with you which applies to the Vehicle. In that event, any implied warranties arising from the sale of the Vehicle shall be limited to the duration of a Seller's written warranty or service contract; (2) If the Vehicle is purchased for commercial use, Seller makes no implied warranty of merchantability or of fitness for any particular purpose. The Vehicle is sold to you AS IS, except for any express warranties made by Seller, on its own behalf, or by the manufacturer of the Vehicle or of any component parts; (3) In all cases, Seller shall not be liable for any consequential damages arising from any breach of any warranty, express or implied.

(b) For "used" vehicles:

(1) Used Car Implied Warranty of Merchantability:

The Seller hereby warrants that the vehicle will be fit for the ordinary purposes for which the vehicle is used for 15 days or 500 miles after delivery, whichever is earlier, except with regard to particular defects disclosed on the first page of this agreement. You (the Purchaser) will have to pay up to \$25.00 for each of the first two repairs the warranty is obtained.

(2) Waiver of Used Car Implied Warranty of Merchantability:

ATTENTION PURCHASER: Sign here only if the dealer told you that this vehicle has the following problem(s) and that you agree to buy the vehicle on those terms:

ATENCION COMPRADOR: Firme aqui solamente si el vendedor to hadicho que el vehiculo tiene el siguiente problema(s) y que usted esta de acierto de compra el vehiculo bajo estos terminos:

1. _____ Buyer/Comprador _____ Date _____
2. _____ Buyer/Comprador _____ Date _____
3. _____

(3) The vehicle is sold "AS IS - NOT EXPRESSLY WARRANTED OR GUARANTEED" unless Seller gives you a separate written instrument showing the terms of any warranty or service contract given by Seller on its own behalf. If the Vehicle is purchased for personal use, Seller makes no implied warranty of fitness for any particular purpose, and the implied warranty of merchantability is limited to 15 days or 500 miles after delivery, whichever is earlier, as set forth above, unless Seller also gives you a written warranty, on its own behalf, with respect to the Vehicle, or, at the time of the sale or within 90 days thereafter, Seller enters into a service contract, on its own behalf, with you which applies to the Vehicle. In that event, any implied warranties arising from the sale of the Vehicle shall be limited to the duration of Seller's written warranty or service contract. If the Vehicle is purchased for commercial use, Seller makes no implied warranty of fitness for any particular purpose, and the implied warranty of merchantability is limited to 15 days or 500 miles after delivery, whichever is earlier. In all cases, Seller shall not be liable for any consequential damages arising from any breach of any warranty, express or implied, except for a breach of the implied warranty of merchantability.

NOTICE TO BUYER: 1. Do not sign this Contract before you read it or if it contains any blank spaces. 2. You are entitled to an exact copy of the Contract you sign.

Annual Percentage Rate (APR) for the installment sale of an automobile may be negotiated with the dealership; and the dealership may receive some portion of the finance charge or receive other compensation for providing the financing.

Liability insurance coverage for bodily injury and property damage caused to others is not included in this contract, unless unless described in item 11 and an appropriate premium charge is shown in item 8(a) above.

SELLER IS REGULATED AND COMPLAINTS CONCERNING THIS CONTRACT MAY BE ADDRESSED TO:

DEPARTMENT OF FINANCIAL INSTITUTIONS
 2910 N. 44th STREET, SUITE 310
 PHOENIX, ARIZONA 85018
 TELEPHONE: (602) 255-4421

Buyer(s) Acknowledge(s) receipt of a fully completed copy of this Contract.

*BUYER Jammy Zuercher
 *BUYER _____

Dated this 12 day of MAY, 20 06 By Ann A. W. Its _____

*OTHER OWNERS: If a person shown on the certificate of title as an owner of the vehicle does not want to be separately liable to pay this debt, please sign below to give us a security interest in the Vehicle, its proceeds, and physical damage insurance policy and any refunds of insurance premiums.

SIGNATURE _____ DATE _____ SIGNATURE _____ DATE _____

□ CASA GRANDE, AZ 85222
1932 N. PINAL
(520) 836-3100 PHX. (480) 963-6111

FORD • LINCOLN • MERCURY
CHRYSLER • DODGE • JEEP
GMC • PONTIAC • BUICK

STOCK NO. 068788

PURCHASER'S NAME **YARNELL WATER IMPROVEMENT**
(PRINT OR TYPE)

DATE 05-12-06

E.MAIL ADDRESS NEW USED DEMO **AS FOLLOWS**

MAKE	FORD	MODEL	RANGER	COLOR	WHITE	TYPE	12PU	YEAR	2006
VEHICLE IDENTIFICATION NUMBER	1FTZR15E86PA91574			MILEAGE	TO BE DELIVERED ON OR ABOUT 05/12/2006				
PRICE OF VEHICLE									22295.00
REBATE									N/A
									3000.00
									N/A
									N/A
	TOTAL								19295.00
	TAX								1445.20
	DEALER DOCUMENTARY FEE								199.50
LICENSE	344.76	TRANSFER	12.50	TITLE	4.00	REGISTRATION FEE	20.00	387.76	
FILING	1.50	POSTAGE	5.00	(1) TOTAL CASH SALE PRICE				21327.46	
DOWN PAYMENT	CASH DEPOSIT SUBMITTED WITH ORDER								1500.00
	ALLOWANCE FOR USED VEHICLE TRADE-IN								N/A
	LESS BALANCE OWING TO -								N/A
	TRADE2:								
DESCRIPTION OF TRADE			VIN			(2) TOTAL DOWN PAYMENT			1500.00
YEAR	MAKE	MODEL	TYPE	MILEAGE			BALANCE DUE (1 less 2)		
				PLATE NO.			19827.46		
				EXP. DATE					

Purchaser intends to use the vehicle primarily for personal, family, or household purposes ("personal use") business, agricultural or other non-personal uses ("commercial use").
Purchaser agrees that this Order includes all of the terms and conditions on both the face and reverse side hereof that this Order cancels and supersedes any prior agreement and as of the date hereof comprises the complete and exclusive statement of the terms of the agreement relating to the purchase of the vehicle covered hereby. This Order is not binding until accepted by Seller and, if a time sale, (1) appropriate financing disclosures are made and (2) a retail installment sale contract and purchase money security agreement ("Contract") is executed. Until a time sale Order becomes binding, Purchaser may cancel it and recover any deposit made. The Contract and this Order shall be subject to cancellation by Seller unless and until approval of the Contract is given by a bank or finance company willing to purchase the Contract from Seller.

LIMITATIONS/EXCLUSIONS OF PRODUCT WARRANTIES

(a) For "new" vehicles: (1) If the vehicle is purchased for personal use, Seller makes no implied warranty of merchantability or of fitness for any particular purpose unless Seller also gives Purchaser a written warranty, on its own behalf, with respect to the vehicle, or, at the time of the sale or within 90 days thereafter, Seller enters into a service contract with Purchaser which applies to the vehicle. In that event, any implied warranties arising from the sale of the vehicle shall be limited to duration of Seller's written warranty or service contract; (2) If the vehicle is purchased for commercial use, Seller makes no implied warranty of merchantability or of fitness for any particular purpose. The vehicle is sold to Purchaser AS IS, except for any express warranties made by Seller, on its own behalf, or by the manufacturer of the vehicle or of any component parts. (3) In all cases, Seller shall not be liable for any consequential damages arising from any breach of any warranty, express or implied.

(b) For "used" vehicles:

(1) Used Car Implied Warranty of Merchantability:

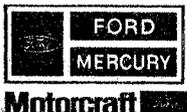
THE SELLER HEREBY WARRANTS THAT THE VEHICLE WILL BE FIT FOR THE ORDINARY PURPOSES FOR WHICH THE VEHICLE IS USED FOR 15 DAYS OR 500 MILES AFTER DELIVERY, WHICHEVER IS EARLIER, EXCEPT WITH REGARD TO PARTICULAR DEFECTS DISCLOSED ON THE FIRST PAGE OF THIS AGREEMENT. YOU (THE PURCHASER) WILL HAVE TO PAY UP TO \$25.00 FOR EACH OF THE FIRST TWO REPAIRS IF THE WARRANTY IS VIOLATED.

(2) Waiver of Used Car Implied Warranty of Merchantability:

ATTENTION PURCHASER: SIGN HERE ONLY IF THE DEALER TOLD YOU THAT THIS VEHICLE HAS THE FOLLOWING PROBLEM(S) AND THAT YOU AGREE TO BUY THE VEHICLE ON THOSE TERMS:

ATENCIÓN COMPRADOR: FIRME AQUI SOLAMENTE SI EL VENDEDOR TE HA DICHO QUE EL VEHICULO TIENE EL SIGUIENTE PROBLEMA (S) Y QUE USTED ESTA DE ACUERTO DE COMPRA EL VEHICULO BAJO ESTOS TERMINOS:

1. _____ Buyer/Comprador
2. _____ Buyer/Comprador



JONES FORD MERCURY L.L.P.
 781 W. WICKENBURG WAY
 WICKENBURG, ARIZONA 85390
 (928) 684-5481

5/12/06 105595
 20

RECEIVED OF _____

YARNELL WATER IMPROVEMENT
Stn # 068788

DOLLARS \$ 1500

FORM NC-146 (3-00)

DETAIL	ACCOUNT	NOTE	HOW PAID
AMOUNT DUE			CASH
AMOUNT PAID		# 3522	CHECK <input checked="" type="checkbox"/>
			CREDIT CARD
			DRAFT
BALANCE DUE			

By A. Wayne
 Thank You



Motor Vehicle Division

96-0165 R05/05 www.azdot.gov

SECURE ODOMETER DISCLOSURE

Void If Altered Or Erased

Vehicle Identification Number <u>1FTZR1SE6PA91574</u>	Year <u>2006</u>	Make <u>FORD</u>	Body Style <u>12PL</u>
Buyer Name <u>YARNELL WATER IMPROVEMENT</u>	Sale Date <u>05/12/2006</u>	Title Number	

Federal and State law require that the seller states the mileage in connection with the transfer of ownership. Failure to complete the odometer statement, or providing a false statement, may result in fines and/or imprisonment.

Odometer Reading (no tenths) _____
 miles kilometers

- Mileage in excess of the odometer mechanical limits.
 NOT Actual Mileage, WARNING - ODOMETER DISCREPANCY.

I certify to the best of my knowledge that the odometer reading is the actual mileage unless one of the boxes above is checked.

Seller/Dealership Name (printed) <u>JONES FORD MERCURY</u>		Dealer Number <u>100007736</u>	
Street Address <u>781 WICKENBURG WAY</u>	City <u>WICKENBURG</u>	State <u>AZ</u>	Zip <u>85390</u>
Agent Name <u>ADA</u>	Seller/Agent Signature <u>A. Wayne</u>		

I am aware of the above odometer certification made by the seller.

Buyer Name (printed) <u>YARNELL WATER IMPROVEMENT</u>	Buyer Signature <u>Sammy Juddell</u>
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BUYER