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Return of Organization Exempt From Income Tax

2012

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



Department of the Treasury Internal Revenue Service

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

A For the 2012 calendar year, or tax year beginning May 1, 2012, and ending Apr 30, 2013

B Check if applicable: Address change, Name change, Initial return, Terminated, Amended return, Application pending. C Name of organization: AHA WATER COOPERATIVE INC. Doing Business As: C/O CHERYL RABOIN, CPA 5 SHORT BLUFF RD NEWPORT VT 05855. D Employer Identification Number: 33-1028233. E Telephone number: (802) 334-3040. G Gross receipts \$ 110,627.

F Name and address of principal officer: GRAHAM HOLDER 24 CHENIER PIERREFONDS, CA. H(a) Is this a group return for affiliates? Yes No. H(b) Are all affiliates included? Yes No.

I Tax-exempt status: 501(c)(3) [X] 501(c)(12) [ ] (insert no.) 4947(a)(1) or 527. J Website: http://www.alpinehaven.org/index\_files/watercoop.htm. H(c) Group exemption number.

K Form of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other [ ]. L Year of Formation: 1998. M State of legal domicile: VT.

Part I Summary

1 Briefly describe the organization's mission or most significant activities: PROVIDE WATER SERVICE

2 Check this box [ ] 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 9. 4 Number of independent voting members of the governing body (Part VI, line 1b) 4 9. 5 Total number of individuals employed in calendar year 2012 (Part V, line 2a) 5. 6 Total number of volunteers (estimate if necessary) 6. 7a Total unrelated business revenue from Part VIII, column (C), line 7a 7a 0. 7b Net unrelated business taxable income from Form 990-T, line 34 7b 0.

8 Contributions and grants (Part VIII, line 1h) 105,721. 9 Program service revenue (Part VIII, line 2g) 104,632. 10 Investment income (Part VIII, column (A), lines 3, 4, and 4a) 249. 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11) 3,826. 12 Total revenue - add lines 8 through 11 (must equal Part VII, column (A), line 12) 109,796. 110,627.

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 14 Benefits paid to or for members (Part IX, column (A), line 4) 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 16a Professional fundraising fees (Part IX, column (A), line 11e) 16b Total fundraising expenses (Part IX, column (D), line 25) 0. 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 121,331. 103,572. 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 121,331. 103,572. 19 Revenue less expenses. Subtract line 18 from line 12 -11,535. 7,055.

20 Total assets (Part X, line 16) Beginning of Current Year 1,366,533. End of Year 1,327,651. 21 Total liabilities (Part X, line 26) 1,381,523. 1,335,586. 22 Net assets or fund balances Subtract line 21 from line 20 -14,990. -7,935.

Part II Signature Block

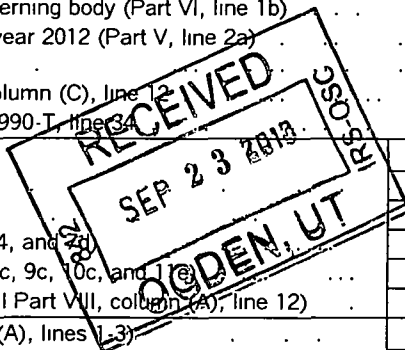
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer: [Signature] Date: Sept 13, 2013. Type or print name and title: GRAHAM K HOLDER, PRESIDENT

Paid Preparer Use Only: Print/Type preparer's name: Gene A. Besaw, CPA. Preparer's signature: [Signature]. Date: 9/9/13. Check self-employed [ ] if PTIN: P00125781. Firm's name: GENE A. BESAW AND ASSOCIATES PC. Firm's address: 401 E MAIN ST NEWPORT VT 05855. Firm's EIN: 03-0358671. Phone no: (802) 334-5093.

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

SCANNED OCT 22 2013 Activities & Governance



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**Part III** Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:

PROVIDE WATER SERVICE

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 organization's program service accomplishments for each of its three largest program services, as measured 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 \$ 103,572. including grants of \$ ) (Revenue \$ 104,632.)

PROVIDE WATER SERVICE TO ALPINE HAVEN PROPERTY OWNERS ASSOCIATION INC, A 501(c)(4) ORGANIZATION.

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

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

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

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

4e Total program service expenses ▶ 103,572.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A		X
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 <b>Section 501(c)(3) organizations</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI	X	
b 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		X
c 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		X
d 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		X
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X	X	
f 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 (ASC 740)? If 'Yes,' complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, and XII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Parts III and IV		X
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 (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

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

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If 'Yes,' complete Schedule I, Parts I and III		X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If 'Yes,' complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25		X
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, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If 'Yes,' complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If 'Yes,' complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If 'Yes,' complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If 'Yes,' complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If 'Yes,' complete Schedule L, Part IV	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? If 'Yes,' complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If 'Yes,' complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If 'Yes,' complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If 'Yes,' complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with 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		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	X	

BAA

Form 990 (2012)

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

Check if Schedule O contains a response to any question in this Part V

		Yes	No
<b>1 a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. <b>1 a</b> 3		
<b>1 b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. <b>1 b</b> 0		
<b>1 c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? <b>1 c</b> X	X	
<b>2 a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. <b>2 a</b>		
<b>2 b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>2 b</b>		
<b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)			
<b>3 a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year? <b>3 a</b>		X
<b>3 b</b>	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O. <b>3 b</b>		
<b>4 a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? <b>4 a</b>		X
<b>4 b</b>	If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. <b>4 b</b>		
<b>5 a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? <b>5 a</b>		X
<b>5 b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? <b>5 b</b>		X
<b>5 c</b>	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T? <b>5 c</b>		
<b>6 a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? <b>6 a</b>		X
<b>6 b</b>	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? <b>6 b</b>		
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>7 a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? <b>7 a</b>		X
<b>7 b</b>	If 'Yes,' did the organization notify the donor of the value of the goods or services provided? <b>7 b</b>		
<b>7 c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? <b>7 c</b>		X
<b>7 d</b>	If 'Yes,' indicate the number of Forms 8282 filed during the year. <b>7 d</b>		
<b>7 e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <b>7 e</b>		X
<b>7 f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <b>7 f</b>		X
<b>7 g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? <b>7 g</b>		
<b>7 h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? <b>7 h</b>		
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? <b>8</b>		
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>9 a</b>	Did the organization make any taxable distributions under section 4966? <b>9 a</b>		
<b>9 b</b>	Did the organization make a distribution to a donor, donor advisor, or related person? <b>9 b</b>		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>10 a</b>	Initiation fees and capital contributions included on Part VIII, line 12. <b>10 a</b>		
<b>10 b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. <b>10 b</b>		
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>11 a</b>	Gross income from members or shareholders. <b>11 a</b> 108,346.		
<b>11 b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them). <b>11 b</b> 2,086.		
<b>12 a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? <b>12 a</b>		
<b>12 b</b>	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year. <b>12 b</b>		
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>13 a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>13 a</b>		
<b>Note.</b> See the instructions for additional information the organization must report on Schedule O.			
<b>13 b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. <b>13 b</b>		
<b>13 c</b>	Enter the amount of reserves on hand. <b>13 c</b>		
<b>14 a</b>	Did the organization receive any payments for indoor tanning services during the tax year? <b>14 a</b>		X
<b>14 b</b>	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O. <b>14 b</b>		

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

Check if Schedule O contains a response to any question in this Part VI

**Section A. Governing Body and Management**

		Yes	No
<b>1 a</b> Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O	<b>1 a</b> 9		
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent	<b>1 b</b> 9		
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	<b>2</b>		X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	<b>3</b>		X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	<b>4</b>	X	
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?	<b>5</b>		X
<b>6</b> Did the organization have members or stockholders?	<b>6</b>	X	
<b>7 a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	<b>7 a</b>	X	
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?	<b>7 b</b>	X	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
<b>a</b> The governing body?	<b>8 a</b>	X	
<b>b</b> Each committee with authority to act on behalf of the governing body?	<b>8 b</b>	X	
<b>9</b> Is there any officer, director or 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	<b>9</b>		X

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

	Yes	No
<b>10 a</b> Did the organization have local chapters, branches, or affiliates?	<b>10 a</b>	X
<b>b</b> If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	<b>10 b</b>	
<b>11 a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	<b>11 a</b>	X
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12 a</b> Did the organization have a written conflict of interest policy? If 'No,' go to line 13.	<b>12 a</b>	X
<b>b</b> Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	<b>12 b</b>	
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done	<b>12 c</b>	
<b>13</b> Did the organization have a written whistleblower policy?	<b>13</b>	X
<b>14</b> Did the organization have a written document retention and destruction policy?	<b>14</b>	X
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official	<b>15 a</b>	X
<b>b</b> Other officers of key employees of the organization If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions)	<b>15 b</b>	X
<b>16 a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	<b>16 a</b>	X
<b>b</b> If 'Yes,' did the organization follow 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?	<b>16 b</b>	

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
 Own website  Another's website  Upon request  Other (explain in Schedule O)
- 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 during the tax year
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization  
 CHERYL RABOIN CPA 5 SHORT BLUFF ROAD NEWPORT VT 05855 (802) 334-3040

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

Check if Schedule O contains a response to any question in this Part VII

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

**1 a** 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

- 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, if any. 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 neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ALBERT PERRY VICE PRESIDENT	12.00			X				0.	0.	0.
(2) JEFF USHEROFF VICE PRESIDENT	1.00			X				0.	0.	0.
(3) GILLES CARON TREASURER	2.00			X				0.	0.	0.
(4) JIM TOWNSEND DIRECTOR	1.00	X						0.	0.	0.
(5) OBADIAH DART DIRECTOR	0.50	X						0.	0.	0.
(6) GRAHAM HOLDER PRESIDENT	3.00			X				0.	0.	0.
(7) NICK BARLETTA SECRETARY	2.00			X				0.	0.	0.
(8) BILL HAYMAN DIRECTOR	1.00	X						0.	0.	0.
(9) HENRY SAUVAGNAT DIRECTOR	1.00	X						0.	0.	0.
(10)										
(11)										
(12)										
(13)										
(14)										



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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) -----										
(16) -----										
(17) -----										
(18) -----										
(19) -----										
(20) -----										
(21) -----										
(22) -----										
(23) -----										
(24) -----										
(25) -----										
<b>1 b Sub-total</b>							0.	0.	0.	
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>							0.	0.	0.	

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

	Yes	No
3 Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If 'Yes,' complete Schedule J for such individual.</i>		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? <i>If 'Yes' complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If 'Yes,' complete Schedule J for such person</i>		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. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation

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

**Part VIII** Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	<b>1 a</b> Federated campaigns					
	<b>1 b</b> Membership dues	104,632.				
	<b>1 c</b> Fundraising events					
	<b>1 d</b> Related organizations					
	<b>1 e</b> Government grants (contributions)					
	<b>1 f</b> All other contributions, gifts, grants, and similar amounts not included above					
	<b>g</b> Noncash contributions included in lns 1a-1f: \$					
	<b>h Total.</b> Add lines 1a-1f		104,632.			
<b>PROGRAM SERVICE REVENUE</b>	<b>Business Code</b>					
	<b>2 a</b> -----					
	<b>2 b</b> -----					
	<b>2 c</b> -----					
	<b>2 d</b> -----					
	<b>2 e</b> -----					
	<b>2 f</b> All other program service revenue					
<b>g Total.</b> Add lines 2a-2f						
<b>OTHER REVENUE</b>	<b>3</b> Investment income (including dividends, interest and other similar amounts)		195.	0.	0.	195.
	<b>4</b> Income from investment of tax-exempt bond proceeds					
	<b>5</b> Royalties					
	<b>6 a</b> Gross rents	(i) Real				
		(ii) Personal				
	<b>b</b> Less: rental expenses					
	<b>c</b> Rental income or (loss)					
	<b>d</b> Net rental income or (loss)					
	<b>7 a</b> Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
	<b>b</b> Less: cost or other basis and sales expenses					
	<b>c</b> Gain or (loss)					
	<b>d</b> Net gain or (loss)					
	<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	<b>a</b>				
	<b>b</b> Less: direct expenses	<b>b</b>				
	<b>c</b> Net income or (loss) from fundraising events					
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19	<b>a</b>				
	<b>b</b> Less: direct expenses	<b>b</b>				
	<b>c</b> Net income or (loss) from gaming activities					
	<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>a</b>				
	<b>b</b> Less: cost of goods sold	<b>b</b>				
	<b>c</b> Net income or (loss) from sales of inventory					
Miscellaneous Revenue	Business Code					
<b>11 a</b> FINANCE CHARGE	522100	3,714.	3,714.	0.	0.	
<b>b</b> MISCELLANEOUS	999999	2,086.	2,086.	0.	0.	
<b>c</b> -----						
<b>d</b> All other revenue						
<b>e Total.</b> Add lines 11a-11d		5,800.				
<b>12 Total revenue.</b> See instructions		110,627.	5,800.	0.	195.	

**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).

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal	3,437.		3,437.	
c Accounting	4,201.		4,201.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amt exceeds 10% of line 25, column (A) amt, list line 11g expenses on Sch O)				
12 Advertising and promotion				
13 Office expenses	691.	0.	691.	0.
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	54,745.	54,745.	0.	0.
23 Insurance	4,027.	4,027.	0.	0.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O).				
a CONTRACT SUPERVISION	10,447.	10,447.		
b UTILITIES	8,386.	8,386.		
c MAINTENANCE AND REPAIRS	8,022.	8,022.		
d BOOKKEEPING	3,966.		3,966.	
e All other expenses	5,650.	5,650.		
25 Total functional expenses. Add lines 1 through 24e	103,572.	91,277.	12,295.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

Check if Schedule O contains a response to any question in this Part X

		(A)		(B)
		Beginning of year		End of year
ASSETS	1 Cash — non-interest-bearing	37,798.	1	45,222.
	2 Savings and temporary cash investments	77,430.	2	78,874.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	17,303.	4	21,207.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	2,343.	9	2,559.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,543,582.		
	b Less: accumulated depreciation	10b 363,793.	1,231,659.	10c 1,179,789.
	11 Investments — publicly traded securities		11	
	12 Investments — other securities. See Part IV, line 11		12	
	13 Investments — program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)		1,366,533.	16	1,327,651.
LIABILITIES	17 Accounts payable and accrued expenses	27,015.	17	30,879.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	1,323,212.	23	1,273,411.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	31,296.	25	31,296.
	26 <b>Total liabilities.</b> Add lines 17 through 25		1,381,523.	26
NET ASSETS OR FUND BALANCES	<b>Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds	-14,990.	32	-7,935.
33 Total net assets or fund balances	-14,990.	33	-7,935.	
34 <b>Total liabilities and net assets/fund balances</b>		1,366,533.	34	1,327,651.

BAA

Form 990 (2012)

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	110,627.
2	Total expenses (must equal Part IX, column (A), line 25)	2	103,572.
3	Revenue less expenses. Subtract line 2 from line 1	3	7,055.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-14,990.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities ...	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-7,935.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

- 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.
- 2 a Were the organization's financial statements compiled or reviewed by an independent accountant?  
If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant?  
If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- 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.
- 3 a 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
2 a		X
2 b	X	
2 c		X
3 a		X
3 b		

BAA

**SCHEDULE D  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**  
 ▶ Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
 ▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2012**

Open to Public Inspection

Name of the organization

Employer identification number

AHA WATER COOPERATIVE INC

33-1028233

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements.	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a)	2 c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2 d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  Yes  No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

- 1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_
- (ii) Assets included in Form 990, Part X ▶ \$ \_\_\_\_\_
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items
- a Revenues included in Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_
- b Assets included in Form 990, Part X ▶ \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other \_\_\_\_\_
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b If 'Yes,' explain the arrangement in Part XIII and complete the following table:
- |                                 | Amount |
|---------------------------------|--------|
| c Beginning balance             | 1 c    |
| d Additions during the year     | 1 d    |
| e Distributions during the year | 1 e    |
| f Ending balance                | 1 f    |
- 2 a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No
- b If 'Yes,' explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII  Yes  No

**Part V Endowment Funds.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current	(b) Prior year	(c) Two years	(d) Three years	(e) Four years
1 a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment  \_\_\_\_\_ %
  - b Permanent endowment  \_\_\_\_\_ %
  - c Temporarily restricted endowment  \_\_\_\_\_ %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

- 3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- (i) unrelated organizations
  - (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

- b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other	1,543,582.		363,793.	1,179,789.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				1,179,789.

BAA





Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows and sub-rows (a-e) for adjustments. Total revenue reported as 110,627.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows and sub-rows (a-e) for adjustments. Total expenses reported as 103,572.

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information

Series of horizontal dashed lines provided for entering supplemental information.



**SCHEDULE L**  
**(Form 990 or 990-EZ)**

**Transactions With Interested Persons**

OMB No 1545-0047

**2012**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

▶ Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, 28c, or Form 990-EZ, Part V, line 38a or 40b.  
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization: **AHA WATER COOPERATIVE INC** Employer identification number: **33-1028233**

**Part I Excess Benefit Transactions** (section 501(c)(3) and section 501(c)(4) organizations only).  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$ \_\_\_\_\_  
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**  
Complete if the organization answered 'Yes' on Form 990-EZ, Page V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
<b>Total</b>												

**Part III Grants or Assistance Benefiting Interested Persons.**  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of Assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2012



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

**Supplemental Information to Form 990 or 990-EZ**

OMB No 1545-0047

**2012**

Department of the Treasury  
Internal Revenue Service

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

Open to Public  
Inspection

Name of the organization

AHA WATER COOPERATIVE INC

Employer identification number

33-1028233

Pt VI, Line 6 The Organization has members

Pt VI, Line 7a Decided by vote of a majority of the members voting in person or by ballot.

Pt VI, Line 7b 20% of total members constitutes a quorum for the transaction of business at all meetings.

Pt VI, Line 11b There is no special process to review the 990; it

goes to the Treasurer to be signed.

Pt VI, Line 15b THERE ARE NO EMPLOYEES.

Pt VI, Line 19 THE INFORMATION IS PROVIDED UPON REQUEST.

Pt XII, Line 2c THE BOARD OF DIRECTORS ASSUMES RESPONSIBILITY FOR OVERSIGHT

OF THE AUDIT OF THE COOPERATIVE'S FINANCIAL STATEMENTS AND

SELECTION OF AN INDEPENDENT ACCOUNTANT.

**SCHEDULE R**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

OMB No 1545-0047

**2012**



**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization: **AHA WATER COOPERATIVE INC**  
Employer identification number: **33-1028233**

**Part I Identification of Disregarded Entities** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) -----					
(2) -----					
(3) -----					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) ALPINE HAVEN PROPERTY OWNERS' ASSOCIATION PO BOX 108 MONTGOMERY CENTER, VT 05471 04-3344641	HOMEOWNER ASSOCIATION	VT	501(C)(4)				
(2) -----							
(3) -----							
(4) -----							

**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												
-----												
-----												
(2) -----												
-----												
-----												
(3) -----												
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**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Sec 512(b)(13) controlled entity?	
								Yes	No
(1) -----									
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-----									
(2) -----									
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-----									
(3) -----									
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**Part IV Transactions With Related Organizations** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34, 35b, or 36.)

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
<b>a</b> Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
<b>b</b> Gift, grant, or capital contribution to related organization(s)		X
<b>c</b> Gift, grant, or capital contribution from related organization(s)		X
<b>d</b> Loans or loan guarantees to or for related organization(s)		X
<b>e</b> Loans or loan guarantees by related organization(s)		X
<b>f</b> Dividends from related organization(s)		X
<b>g</b> Sale of assets to related organization(s)		X
<b>h</b> Purchase of assets from related organization(s)		X
<b>i</b> Exchange of assets with related organization(s)		X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s)		X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s)		X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s)		X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s)		X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
<b>o</b> Sharing of paid employees with related organization(s)		X
<b>p</b> Reimbursement paid to related organization(s) for expenses		X
<b>q</b> Reimbursement paid by related organization(s) for expenses		X
<b>r</b> Other transfer of cash or property to related organization(s)		X
<b>s</b> Other transfer of cash or property from related organization(s)		X

**2** If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) ALPINE HAVEN PROPERTY OWNERS ASSOCIATION INC.	L	1,104.CASH	
(2) ALPINE HAVEN PROPERTY OWNERS ASSOCIATION INC.	M	1,200.CASH	
(3)			
(4)			
(5)			
(6)			



**Part VII Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													
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(8) -----													
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**Part VII** Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Area with horizontal dashed lines for supplemental information.

Schedule O (Form 990 or 990-EZ), Supplemental Information to Form 990 or 990-EZ  
**Form 990, Page 10, Line 24e All Other Expenses (continued)**

Description	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
CHEMICALS AND TESTING	1,550.	1,550.		
PROPANE & HTG	389.	389.		
TELEPHONE	423.	423.		
TRAVEL & MISCELLANEOUS	1,329.	1,329.		
FEES & DUES	220.	220.		
ANNUAL MEETING SUPPLIES	106.	106.		
MUNICIPAL TAXES - WELL LAND	1,633.	1,633.		
	<u>5650</u>	<u>5650</u>		

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AHA WATER COOPERATIVE, INC.  
Federal ID #: 33-1028233  
Asset Summary - Federal Tax Basis  
Period Ended 4/30/13

Company: 015  
Page: 1

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add SDA	Prior Depr.	Current Depr.	Ending Depr.
Group # 1 WATER SYSTEM												
1	1	WATER SYSTEM	02/28/03	N	MCRS SL	25	93,623 87	0 00	0 00	34,328 71	3,744 95	38,073 66
2	1	MECHANICAL COSTS	12/15/06	N	MCRS SL	10	50,000 00	0 00	0 00	27,500 00	5,000 00	32,500 00
3	1	WATER SYSTEM	12/15/06	N	MCRS SL	30	1,225,002 65	0 00	0 00	224,974 99	40,833 42	265,808 41
4	1	LAND	12/15/06	N			23,470 70	0 00	0 00	0 00	0 00	0 00
5	1	WATER SYSTEM	11/06/07	N	MCRS SL	30	138,946 98	0 00	0 00	20,842 06	4,631 57	25,473 63
6	1	Curb Stops	04/20/09	N	MCRS SL	30	1,929 00	0 00	0 00	200 94	64 30	265 24
7	1	Meter Pits	04/15/09	N	MCRS SL	30	1,035 00	0 00	0 00	107 81	34 50	142 31
8	1	Pump Motor	03/13/08	N	MCRS SL	10	1,189 50	0 00	0 00	475 80	118 95	594 75
9	1	METER PITS	11/07/09	N	MCRS SL	25	1,035 00	0 00	0 00	103 50	41 40	144 90
10	1	SONIC WATER LEVEL	12/22/09	N	MCRS SL	15	998 00	0 00	0 00	166 33	66 53	232 86
11	1	PUMP AND INSTALLA	12/18/09	N	MCRS SL	25	3,475 00	0 00	0 00	347 50	139 00	486 50
12	1	System Improvement	07/13/12	N	MCRS SL	25	1,060 00	0 00	0 00	0 00	21 20	21 20
13	1	New radio with installati	06/20/12	N	MCRS SL	10	980 28	0.00	0 00	0 00	49 01	49 01
Group # 1 Total							<u>1,542,745.98</u>	<u>0.00</u>	<u>0.00</u>	<u>309,047.64</u>	<u>54,744.83</u>	<u>363,792.47</u>
Grand Total							<u>1,542,745.98</u>	<u>0.00</u>	<u>0.00</u>	<u>309,047.64</u>	<u>54,744.83</u>	<u>363,792.47</u>

*Year end payable*

*835 -*  
1543580.98

**Supporting Statement of:**

Form 990 p 11/Line 17, column (A)

Description	Amount
Accounts Payable	23,146.
Accrued Expenses	3,869.
Total	<u>27,015.</u>

**Supporting Statement of:**

Form 990 p 11/Line 17, column (B)

Description	Amount
ACCOUNTS PAYABLE	26,804.
ACCRUED EXPENSES	4,075.
Total	<u>30,879.</u>

**Supporting Statement of:**

Form 990 p 11/Line 23, column (A)

Description	Amount
CURRENT PORTION - VEDA LOAN	49,800.
NOTE PAYABLE - VEDA	1,273,412.
Total	<u>1,323,212.</u>

**Supporting Statement of:**

Form 990 p 11/Line 23, column (B)

Description	Amount
CURRENT PORTION - VEDA LOAN	49,800.
NOTE PAYABLE - VEDA	1,223,611.
Total	<u>1,273,411.</u>

BYLAWS

OF

413013  
AHA WATER COOPERATIVE, INC.

33-1028233  
ARTICLE 1  
Membership

**Section 1. Qualifications and Obligations.** Any person may become a member in the Cooperative by owning fee simple title to real property which is provided with water from the Cooperative and by paying the working capital advance and service fees hereinafter specified in Section 2. No person may hold more than one (1) membership in the Cooperative. All members agree to exclusively use the water supply of the Cooperative. Membership in the Cooperative shall not be transferred or alienated except as an appurtenance to real property to be provided with water. Memberships given to two or more persons in a partnership may be transferable to the surviving member or members of a partnership in the event of death or withdrawal from business of one or more of the partners, and the membership in the name of the head of a family who dies may be transferred to the succeeding head of that family who lives on the premises and is receiving services from the Cooperative.

**Section 2. Membership and Service Connection Fees.** For payment of membership and working capital advance as determined by the Board of Directors of the Cooperative, the members shall be eligible to receive one water connection. The Board will also periodically set a connection fee, capital improvement fee and the fee for the consumption of water.

**Section 3. Joint Membership.** A joint membership may be issued to two or more adults using one water service connection and if approved by the Board of Directors and the membership accepted subject to their compliance with the requirements set forth in Section 1 of this Article I. The term "member" as used in these Bylaws shall be deemed to include the persons holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect to the holders of a joint membership shall be as follows:

- (a) A waiver of notice signed by any one of the joint members shall constitute a joint waiver;
- (b) Expulsion of any one of the joint members shall terminate the joint membership;
- (c) Notice to any one of the joint members shall be deemed notice to both joint members;
- (d) Withdrawal of any one of the joint members shall terminate the joint membership;

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(e) Only one of the joint members may be elected or appointed as an officer or a Director, provided that the one so chosen meets the qualifications for such office;

(f) Joint members are entitled to only one vote, to be exercised by the individual appointed by the joint members. In case of any dispute arising between the owners of a joint membership, the Cooperative shall consider the person whose name appears first on the deed to the real property as having preferred rights; and

(g) Upon the death of any of the joint holders of a membership, such membership shall be held solely by the survivor, provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

**Section 4. Water Supply.** Each member shall be provided with water by the Cooperative for all water used on the member's real property located in the Towns of Montgomery and Westfield, in and around an area known as Alpine Haven, and shall pay therefore at rates which shall from time to time be fixed by the Board of Directors, provided however, that the Board of Directors may limit the amount of water which the Cooperative shall be required to furnish to any one member. It is expressly understood that amounts paid for water in excess of the cost of service and a reserve amount are furnished by the members as a working capital advance and each member shall be credited with the working capital advance so furnished as provided in these Bylaws. Cost of service shall be defined as all operating expenses, ordinary and extraordinary, incurred by the Cooperative, including capital expenditures and a reserve, in operating the water system. Each member shall pay to the Cooperative such minimum amount per month regardless of the water consumed, as shall be fixed by the Board of Directors from time to time. Each member shall pay all amounts owed by him to the Cooperative as and when the same shall become due and payable.

**Section 5. No Profit to Members.** Members shall have no individual or separate interest in the property or assets of the Corporation except insofar as assets are remaining upon dissolution, after the payment of all other debts and liabilities of the Cooperative, and as to those assets, only insofar as members remain entitled to reimbursement of working capital advances previously credited to them pursuant to Article IX hereinafter set forth.

**Section 6A. Disconnection/Termination of Membership.** The Cooperative may disconnect water service from any member who fails to pay the working capital advance and service fees determined by the Board. The Board will adopt a disconnect policy which includes a notice provision to the delinquent member. In order for the disconnected member to be reconnected and placed in good standing, the member must pay a disconnection and reconnection fee. A member shall cease to be a member if he/she sells the real property being supplied with water by the Cooperative. The Board of Directors of the Cooperative may, by the affirmative vote of not less than two-thirds of all Directors, expel any member who shall have refused or failed to comply with any of the provisions of the Articles of Incorporation, Bylaws or rules or regulations adopted by the Board of Directors, but only if such members shall have been given written notice by the Clerk of the Cooperative that such refusal or failure make him liable

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to expulsion and such refusal or failure shall have continued for at least ten (10) days after such notice was given. The Cooperative may disconnect water connection of any expelled member. Any expelled member may be reinstated by vote of the Board of Directors or by vote of the members at any annual or special meeting duly warned.

Upon withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate. Termination of membership in any manner shall operate as a release of all rights, title and interest of the member in the property and assets of the Cooperative, except as otherwise provided in Section 5 above. Termination of membership shall not relieve a member from the responsibility for paying all amounts owed to the Cooperative.

**Section 6B. Withdrawal from the Cooperative.**

A Service Unit\* may be withdrawn by its owner from the lots served by the Cooperative upon (i) payment of the applicable Withdrawal Fee, plus the disconnect fee, and (ii) delivery to the COOPERATIVE of a perpetual release of any obligation to provide water to each Service Unit being withdrawn. The Withdrawal Fee shall be an amount of money equal to the remaining capital contribution obligation attributable to each Service Unit being withdrawn, which is calculated as follows:

- I. \$1,500,000.00, divided by
- II. 30, divided by
- III. the aggregate number of all of the Service Units to which the Cooperative provides or is obligated to provide water service at the time the withdrawal notice is received by the Cooperative, multiplied by
- IV. the difference between (i) 2,036 minus (ii) the numerical value of the calendar year in which the withdrawal occurs.

The Board of Directors may adopt additional uniform terms and conditions upon which a Service Unit may be withdrawn from the Cooperative.

\* For the purposes of this section, "Service Unit" means a lot (including an undeveloped lot) or a dwelling unit to which the Cooperative provides or is obligated to provide water service.

**Section 7. Members' Liability.** A member shall not be liable or responsible for debts of the Cooperative, and the property of the members shall not be subject to attachment or execution thereof.

**ARTICLE II**  
**Meetings of Members**



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**Section 1. Annual Meeting.** The annual meeting of the members shall be held on the last Saturday in the month of June of each year at a time and place to be designated by the Board, or such later date as the Board of Directors shall determine, provided that such date is no later than sixty (60) days from the last Saturday of June. Written notice thereof shall be given by mail or personal delivery at least fifteen (15) days in advance of the meeting date.

**Section 2. Special Meetings.** Special meetings of the members may be called by the president of the Board of Directors, by three (3) Directors acting at a regular or special Board of Directors meeting, or upon written request signed by at least twenty (20) percent of all members, and it shall thereupon be the duty of the Clerk to cause notice of such meeting to be given as hereinafter provided. A request for a special meeting must specify any matters which are proposed to be decided by a vote of the members. The Clerk may not refuse to call such a meeting; however, the Board of Directors may refuse to submit to a vote any matter which it believes the members do not have authority to decide, according to law, the Articles of Incorporation of the Cooperative, or these Bylaws. Written notice shall be given to the members at least fifteen (15) days in advance of the meeting and the notice shall contain a statement of the purpose of the meeting.

**Section 3. Quorum.** At least twenty percentum (20%) of the total number, present in person, shall constitute a quorum for the transaction of business at all meetings of the members. If less than a quorum is present at any meeting, a majority of those present in person or represented by mailed ballot, may adjourn the meeting from time to time without further notice. In case of a joint membership, the presence at a meeting of more than one member of the joint membership, shall be regarded as the presence of one member.

**Section 4. Voting.** Each membership shall be entitled to only one vote. All questions shall be decided by a vote of a majority of the members voting thereon in person, except as otherwise provided by law, the Articles of Incorporation or these Bylaws. No person, otherwise eligible for membership in the Cooperative, shall be entitled to vote upon any matter if such person shall be delinquent in the payment of any fee, charge or assessment levied by the Cooperative. All matters to be submitted for a vote may be submitted by ballot.

**Section 5. Order of Business.** The order of business at the annual meeting of the members, and so far as possible at all meetings of the members, shall be essentially as follows:

1. Report as to members present in person in order to determine whether a quorum exists.
2. Reading of unapproved minutes of previous meetings of the members, and the taking of necessary action thereof.
3. Receive the budget for the forthcoming fiscal year, consisting of operating revenues and expenses and a capital plan and budget and schedule of rates, each of which shall be deemed accepted as presented by the Board of Directors unless disapproved by vote of the members.

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4. Presentation and consideration of, and acting upon, reports of officers, Directors and committees.
5. Election of Directors.
6. Act upon any other matter of business lawfully before the meeting.

### **ARTICLE III** **Directors**

**Section 1. General Powers and Tenure.** The business and affairs of the Cooperative shall be managed by a Board of Directors consisting of not less than five (5) nor more than nine (9) Directors. At each annual meeting of the members, or adjournment thereof, approximately one-third of the Directors shall be elected to serve a term of three (3) years and until their successors shall have been elected and shall have qualified. A Director must be a member of the Cooperative in order to be eligible for election. [At the first election of Directors, one-third of the Directors shall be elected for a one (1) year term, and two-thirds shall be elected for three (3) year terms.]

The Board of Directors shall exercise all of the powers of the Cooperative, except such as are by law or by the Articles of Incorporation of the Cooperative, or by these Bylaws, conferred upon or reserved to the members.

**Section 2. Qualifications.** No member shall be eligible to become a Director, or to hold any position of trust in the Cooperative, who is not a member of the Cooperative.

**Section 3. Vacancies.** A vacancy in the Board of Directors shall be deemed to exist upon the death, resignation or incapacity of a Director. In addition, if a Director misses three (3) consecutive Board meetings, the Board, by majority vote, may remove the Director, creating a vacancy. Vacancies in the Board of Directors shall be filled for the unexpired term of the Director being replaced by majority vote of the remaining Board; provided, however, that two or more vacancies occurring in any fiscal year shall be filled by vote of the members at a special meeting thereof or at the annual meeting of the member if such vacancy occurs within ninety (90) days prior to the annual meeting.

**Section 4. Nomination.** Any five (5) members of the Cooperative may propose a member for election as a Director of the Cooperative, or such person may be nominated from the floor and endorsed by five (5) members at a meeting of the members. Election of Directors shall be held at the annual meeting in any manner consistent with Vermont law and these Bylaws.

**Section 5. Removal of Directors.** A Director may be removed without cause upon a three-fourths vote of the Board or a majority vote of the members.

**Section 6. Compensation.** The Directors shall not receive any salary for their services. No Director shall receive compensation for serving the Cooperative in any other

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capacity, nor shall any close relative of a Director receive compensation unless such compensation shall be specifically authorized by a unanimous vote of the Board of Directors.

**Section 7. Rules and Regulations.** The Board of Directors shall have power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation of the Cooperative, or these Bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

**Section 8. Water System / Change in Rates.** The Board of Directors shall maintain, administer and operate a water supply system for the benefit of the members, and to be solely responsible for establishing equitable rates, fees and charges among water system users sufficient to pay operational and maintenance expenses thereof, pay debt service on any obligations incurred with respect to such system, and fund a capital replacement and reserve account. Such rates, fees and charges shall be collected from users thereof and others benefitting thereby through any remedy allowed by law and in accordance with rules, regulations and policies adopted by the Board of Directors. In addition, the Board of Directors shall make, promulgate and enforce such rules, regulations and orders as the Board shall deem necessary to preserve and protect the integrity, purity, quality and quantity of such water system, including all sources, transmission and distribution lines, and storage and treatment facilities. The Board shall not operate such water supply system as a public utility, but at all times shall be mindful that such system is owned in common by the members of the Cooperative.

**Section 9. Fiscal Year.** The fiscal year of the Cooperative shall end on April 30<sup>th</sup>.

#### ARTICLE IV Meetings of the Directors

**Section 1. Regular Meetings.** The Board of Directors shall meet at least twice in each calendar year, provided, however, that the first regular Directors' meeting in each calendar year shall be held to coincide with the annual meeting of the members of the Cooperative. Notice of the time and place of each meeting and an agenda of the subjects to be acted upon shall be given by mail, telefax, or personal delivery not less than seven (7) calendar days prior to the designated meeting time. All business shall be transacted by majority vote of the Directors in attendance at any meeting. A majority of the Board of Directors shall constitute a quorum. Any action taken in the absence of a quorum shall become effective upon written assent thereto by a majority of the entire Board of Directors, delivered to the Clerk of the Cooperative. To the fullest extent permitted by law, any action properly before the Board of Directors may be considered and taken by telephonic means (where each Director can hear each other simultaneously) provided that a majority of the Board of Directors so participates and that a record thereof is prepared and approved by all Directors so participating.

**Section 2. Special Meetings.** Special meetings of the Board of Directors may be called by the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place for the holding of any special meeting of the Board of Directors called by them.

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**Section 3. Notice.** Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given at least five (5) days previous thereto, by written notice, delivered personally, telefaxed, or mailed, to each Director at his/her last known address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except in case a trustee shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been called or convened.

**Section 4. Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided, that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

**Section 5. Manner of Acting.** The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. Conduct of meetings of the Board shall be in accordance with Robert's Rules of Order (current addition).

**Section 6. Members Attending Board Meetings.** Meetings of the Board of Directors shall be opened to the membership. Members desiring to present the specific matters for consideration shall do so in writing setting forth the specific matter to be presented, and hand delivered or mailed so as to be received by the Cooperative office not later than ten (10) days prior to the Board of Director's meeting. Notice will then be given to the member stating a time to appear. The Board of Directors may waive the foregoing notice requirement at any time when informed that a member wishes to appear before the Board to present a subject which could be classified under the term "emergency". Nothing contained herein shall be construed in derogation of the Board of Directors' right to conduct meetings, or portions thereof, in executive sessions.

**Section 7. Non-Members Attending Board Meetings.** Attendance at Board of Directors' meetings by non-members shall be at the pleasure of and within the discretion of the Board of Directors.

## ARTICLE V Officers

**Section 1. Number.** The officers of the Cooperative shall be a President, Vice President, Clerk and Treasurer, and such other officers as may be appointed by the Board of Directors. The offices of clerk and treasurer may be held by the same person. The Board of Directors may elect or appoint such other officers, agents or employees as it deems necessary or advisable, and shall prescribe their duties and powers.

**Section 2. Election and Terms of Office.** The officers shall be elected annually by and from the Board of Directors at the first meeting of the Board of Directors for a term of two (2) years and until their successors shall have been duly elected and shall have qualified, subject to the provisions of these Bylaws. The officers shall thereafter be elected at each bi-annual

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meeting of Directors.

**Section 3. Removal.** Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Cooperative will be served.

**Section 4. Vacancies.** Except as otherwise provided in these Bylaws, a vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term, and the person so elected shall hold office until his successor shall have been elected by the Board of Directors.

**Section 5. President.** The President shall:

- (a) Preside at all meetings of the members and the Board of Directors;
- (b) Sign, with the Clerk or Treasurer, certificates of membership, the issue of which shall have been authorized by resolution of the Board of Directors, and may sign needs, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors, to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors, or by these Bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (c) In general shall perform all duties incident to the office of the president, and such other duties as may be prescribed by the Board of Directors from time to time.

**Section 6. Vice President.** In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President, and shall perform such other duties as from time to time may be assigned to him by the Board of Directors.

**Section 7. Clerk.** The Clerk shall:

- (a) Keep a record of all votes and proceedings of the members and the Board of Directors, in one or more books provided for that purpose;
- (b) See that all notices are duly given in accordance with these Bylaws or as required by law;
- (c) Be custodian of the corporate records, which shall be kept within the State of Vermont, and of the seal of the Cooperative, and see that the seal of the Cooperative is affixed to all certificates of membership prior to the issue thereof and to all documents, the execution of which, on behalf of the Cooperative, under its seal is duly authorized in accordance with the provisions of these Bylaws;
- (d) Keep a record of the names of the members, the date of their membership

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and of others served by the Cooperative and of the place of residence of each, which record shall be open to the inspection of the members during business hours upon a request for appointment. A copy of the up-to-date membership list shall be made available to any member upon request and payment by the member of the actual cost of reproduction;

- (e) Sign with the President certificates of membership, the issue of which shall have been authorized by resolution of the Board of Directors;
- (f) Have general charges of the books of the Cooperative in which a record of members is kept;
- (g) Keep on file at all times a complete copy of the Bylaws of the Cooperative containing all amendments thereto, which copy shall be open to the inspection of any member upon a request for an appointment, or upon a request for a photocopy to be mailed to the member;
- (h) Procure and file in the office of the Clerk of the town where the principal office of the Cooperative is located, and also keep on file in his own office, certified copies of all papers required by law to be filed with the Secretary of State, except the annual report;
- (i) In general perform all duties incident to the office of Clerk, and such other duties as from time to time may be assigned to him by the Board of Directors; and
- (j) Any member of record, upon written demand stating the purpose, thereof, shall have the right to examine in person, or by agent or attorney at any reasonable time or times upon a request for an appointment, for any proper purpose, its books and records of account, minutes and records of membership other than water accounts and personal records, and make extracts therefrom. No members may use, or make available for use, information obtained for any use other than a use related to the management or business of the Cooperative.

**Section 8. Treasurer.** The Treasurer shall:

- (a) Have charge and custody of and be responsible for all funds and securities of the Cooperative;
- (b) Be responsible for the receipt of and issuance of receipts for moneys due and payable to the Cooperative from any source whatsoever, and for the deposit of all such moneys in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these Bylaws; and
- (c) In general perform all duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him by the Board of Directors.

**Section 9. Bonds of Officers.** The Board of Directors may require the Treasurer, or any other office of the Cooperative charged with responsibility for the custody of any of its funds

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or property, to give bond in such sum and with such surety as the Board of Directors shall determine. The Board of Directors in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

**Section 10. Other Officers / Committees.** The Board of Directors shall be authorized by majority vote to select such other officers and appoint such committees as are deemed necessary to supervise and carry out the Cooperative's activities.

**Section 11. Reports.** The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year, and showing the condition of the Cooperative at the close of such year.

**Section 12. Manager.** The Board of Directors may engage the services of a manager, who need not be a member of the Cooperative, and to fix his/her terms of employment or engagement, duties and compensation. All matters relating to the employment of persons by the Cooperative shall be determined by the Board of Directors. Neither shall serve at the same time as he or she shall be a member of the Board of Directors. No person, while serving as a Director shall enter into a contract to furnish goods or services to the Cooperative except upon unanimous written consent of all Directors.

## ARTICLE VI

### Contracts, Checks and Deposits

**Section 1. Contracts.** Except as otherwise provided in these Bylaws, the Board of Directors may authorize any office or officers, agent or agents, to enter into any contract or execute an deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

**Section 2. Checks, Drafts, etc.** All checks, drafts or other orders for the payment of money, and all notes or other evidence of indebtedness issue in the name of the Cooperative shall be signed by such officer or officers, agent of agents, employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board of Directors.

**Section 3. Deposits.** All funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the Board of Directors may select.

## ARTICLE VII

### Waiver of Notice

Any member or Director may waive, in writing, any notice of meetings required to be given by these Bylaws.

## ARTICLE VIII

### Indemnity

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To the fullest extent permitted by law, the Cooperative shall indemnify its officers, Directors, members serving on committees, employees and agents against loss, damage, claim and expense arising out of their service on behalf of the Cooperative. To the extent commercially available, the Cooperative shall procure and maintain casualty, commercial general liability, and officers and directors liability insurance with respect to its property, activities, officers, directors, employees and agents.

#### **ARTICLE IX** **Non-Profit Operation**

**Section 1. Interest or Dividends on Cash Prohibited.** The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its members.

**Section 2. Working Capital Advance in Connection with Furnishing Water.** In furnishing of water, the Cooperative's operations shall be so conducted that all members will, through their patronage, furnish working capital advances for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on patronage basis to all its members for all amounts received and receivable from the furnishing of water in excess of operating costs and expenses properly chargeable against the furnishing of water. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the members as a working capital advance. The Cooperative is obligated to reimburse by credits to a capital account for each member all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such manner that at the end of each fiscal year, the amount of working capital advance, if any, so furnished by each member, and the Cooperative shall, within a reasonable time after the close of the fiscal year, notify each member of the amount of capital reimbursement so credited to his account. All such amounts reimbursed by way of credit to the capital account of any member shall have the same status as though they had been paid to the member in the nature of the repayment of a loan obligation. Working capital advances shall be treated as contingent liabilities on the books of the Corporation.

All other amounts received by the Cooperative from its operations in excess of costs and expenses shall, in so far as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year; and (b) to the extent not needed for that purpose, allocated to reimbursement of working capital advances.

In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding credits in respect of working capital advances shall be retired without priority on a prorata basis. If, at any time prior to the dissolution or liquidation, the Board of Directors shall determine that the financial condition of the Cooperative will not be impaired thereby, the working capital advances then credited by way of reimbursement to members' accounts may be retired in full or in part. Any such reimbursement shall be made in order of priority according to the year in which the capital was



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furnished and credited, the working capital advances first received by the Cooperative being first retired.

Working capital advances credited by way of reimbursement to the account of each member, shall be assignable only on the books of the Cooperative pursuant to written instructions from the assignor and only to successors in interest or successors in occupancy in all or a part of such members' premises served by the Cooperative, unless the Board of Directors, acting under policies of general application, shall determine otherwise.

The members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Cooperative and each member, and both the Cooperative and the members are bound by such contract, as fully as though each member had individually assigned a separate instrument containing such terms and provisions.

#### **ARTICLE X** **Amendment of Bylaws**

The proposed amendment shall be presented to a meeting of the members, the notice of which shall set forth or have attached thereto the proposed amendment. The proposed amendment shall be effective upon approval by the affirmative vote of not less than a majority of those members voting thereon at such meeting; provided, however, that any proposed amendment to Article IX, Section 1, of these Bylaws shall not be effective unless approved by the affirmative vote of not less than two-thirds (2/3) of all the members of the Cooperative.

#### **ARTICLE XI** **Dissolution**

Upon Dissolution, and following payment of all debts and liabilities of the corporation, including reimbursement of all working capital advances, the remaining assets shall be distributed as follows:

1. to one or more persons recognized as exempt under Section 501(c)(3) of the Internal Revenue Code; or
2. if the Corporation is not recognized as exempt under Section 501(c)(3) of the Internal Revenue Code, to one or more public benefit corporations as defined under Vermont law; or
3. to the Town of Westfield, Vermont

as may be approved by the Board of Directors. Provided, however, that no such final net asset distribution may be made to any member, director or officer of the corporation.

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I hereby certify that the foregoing constitutes the Bylaws of AHA Water Cooperative, Inc. that were in effect immediately after the conclusion of the August 18, 2012 annual meeting of the members and that are in effect as of the date hereof.

DATED June ~~26~~, 2013.

  
\_\_\_\_\_  
Nick Barletta, Secretary

# Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **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.

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*

**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.*

Enter filer's identifying number, see instructions

<b>Type or print</b>  File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	AHA WATER COOPERATIVE INC	33-1028233
	Number, street, and room or suite number. If a P.O. box, see instructions	Social security number (SSN)
	C/O CHERYL RABOIN, CPA 5 SHORT BLUFF RD City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	VT 05855	

Enter the Return code for the return that this application is for (file a separate application for each return)  01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ▶ CHERYL RABOIN CPA -----

Telephone No. ▶ (802) 334-3040 ----- 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.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until Dec 16, 2013, to file the exempt organization return for the organization named above.

The extension is for the organization's return for:

- ▶  calendar year 20 \_\_\_\_ or
- ▶  tax year beginning May 1, 2012, and ending Apr 30, 2013.

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3a 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 . . . . .	<b>3a</b>	\$	0.
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 . . . . .	<b>3b</b>	\$	0.
c <b>Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions . . . . .	<b>3c</b>	\$	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