ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

A

WS-01025A
Ajo Improvement Company - Sewer Division
P. O. Drawer 9
Ajo AZ 85321

ANNUAL REPORT

RECEIVED

APR 01 2005

AZ Corporation Commission
Director Of Utilities

FOR YEAR ENDING

12	31	2004

FOR COMMISSION USE

ANN05	04

COMPANY INFORMATION

Company Name (Business Name) Ajo Improvement Company

Mailing Address Post Office Drawer 9
(Street)

Ajo (City) AZ (State) 85321 (Zip)

(520) 387-7632 Telephone No. (Include Area Code) (520) 387-7627 Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address rmsmith@phelpsdodge.com

Local Office Mailing Address same as above
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: John Fenn (Name) President (Title)

One North Central Avenue (Street) Phoenix (City) AZ (State) 85004 (Zip)

(602) 366-8278 Telephone No. (Include Area Code) (602) 366-7315 Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

On Site Manager:
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

Statutory Agent: C. T. Corp
(Name)

3225 North Central Avenue | Phoenix | AZ | 85004
(Street) | (City) | (State) | (Zip)

(602) 277-4792
Telephone No. (Include Area Code) | Fax No. (Include Area Code | Pager/Cell No. (Include Area Code)

Attorney: S. David Colton
(Name)

One North Central Avenue | Phoenix | AZ | 85004
(Street) | (City) | (State) | (Zip)

(602) 366-8143 | (602) 366-7321
Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Pager/Cell No. (Include Area Code)

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ **Sole Proprietor (S)**
- ☐ **Partnership (P)**
- ☐ **Bankruptcy (B)**
- ☐ **Receivership (R)**
- ☐ **Other (Describe)**_____
- ☒ **C Corporation (C) (Other than Association/Co-op)**
- ☐ **Subchapter S Corporation (Z)**
- ☐ **Association/Co-op (A)**
- ☐ **Limited Liability Company**

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE	☐ COCHISE	☐ COCONINO
☐ GILA	☐ GRAHAM	☐ GREENLEE
☐ LA PAZ	☐ MARICOPA	☐ MOHAVE
☐ NAVAJO	☒ PIMA	☐ PINAL
☐ SANTA CRUZ	☐ YAVAPAI	☐ YUMA
☐ STATEWIDE		

COMPANY NAME Ajo Improvement Company

UTILITY PLANT IN SERVICE

Acct. No.	DECRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights			
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers – Force	150,376	150,376	-0-
361	Collection Sewers – Gravity			
362	Special Collecting Structures			
363	Services to Customers	65,920	65,920	-0-
364	Flow Measuring Devices	23,774	23,774	-0-
365	Flow Measuring Installations			
370	Receiving Wells	231,085	47,753	183,332
380	Treatment and Disposal Equip.			
381	Plant Sewers			
382	Outfall Sewer Lines			
389*	Other Plant and Misc. Equipment	19,444	19,444	-0-
390	Office Furniture and Equipment	1,348	1,123	225
391	Transportation Equipment	11,252	11,252	-0-
393	Tools, Shop and Garage Equip.	11,725	11,725	-0-
394	Laboratory Equipment			
395	Power Operated Equipment	22,531	22,531	-0-
398	Other Tangible Plant			
	TOTALS	537,455	353,898	183,557

This amount goes on the Balance Sheet Acct. No. 108

* This is a lift station pump which was account no. 371 in prior years.

COMPANY NAME
Ajo Improvement Company

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization			
352	Franchises			
353	Land and Land Rights			
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers – Force	150,376	-0-	-0-
361	Collection Sewers – Gravity			
362	Special Collecting Structures			
363	Services to Customers	65,920	-0-	-0-
364	Flow Measuring Devices	23,774	-0-	-0-
365	Flow Measuring Installations			
370	Receiving Wells	231,085	2.8855	6,668
380	Treatment and Disposal Equip.			
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	19,444	-0-	-0-
390	Office Furniture and Equipment	1,348	33.3086	449
391	Transportation Equipment	11,252	-0-	-0-
393	Tools, Shop and Garage Equip.	11,725	-0-	-0-
394	Laboratory Equipment			
395	Power Operated Equipment	22,531	-0-	-0-
398	Other Tangible Plant			
	TOTALS	537,455		7,117

This amount goes on the Comparative Statement of Income and Expense Acct. 403

COMPANY NAME	Ajo Improvement Company

BALANCE SHEET *

Acct .No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 58,353	$ 71,652
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1,252,041	959,355
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	8,844	51,301
162	Prepayments	35,116	-0-
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	$1,354,354	$ 1,082,308
	FIXED ASSETS		
101	Utility Plant in Service	$3,530,864	$ 3,680,261
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(2,425,810)	(2,485,283)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	$ 1,105,054	$1,194,978
182	Deferred, Other	-0-	68,948
	TOTAL ASSETS	$ 2,459,408	$ 2,346,234

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

*All amounts represent the three departments: electric, water and sewer

COMPANY NAME	Ajo Improvement Company

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$1,419,444	$1,932,138
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	2,694	22,723
235	Customer Deposits		
236	Accrued Taxes	34,097	59,741
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	$ 1,456,235	$2,014,602
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$ 311,963	$ 311,963
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	$	$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	$ -0-	$ -0-
	TOTAL LIABILITIES	$	$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$ 392,000	$ 392,000
211	Paid in Capital in Excess of Par Value	3,144,546	3,144,546
215	Retained Earnings	(2,845,336)	(3,516,877)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	$ 691,210	$ 19,669
	TOTAL LIABILITIES AND CAPITAL	$ 2,459,408	$2,346,234

*All amounts represent the three departments: electric, water and sewer

COMPANY NAME	Ajo Improvement Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	$ 92,271	$ 112,685
522	Measured Revenues		
536	Other Wastewater Revenues		
	TOTAL REVENUES	$ 92,271	$ 112,685
	OPERATING EXPENSES		
701	Salaries and Wages	$ 27,191	$ 35,226
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		
715	Purchased Power	462	655
716	Fuel for Power Production		
718	Chemicals		
720	Materials and Supplies	1,993	6,081
731	Contractual Services – Professional	-0-	804
735	Contractual Services – Testing		
736	Contractual Services – Other	-0-	5,832
740	Rents	15,550	15,600
750	Transportation Expense		
755	Insurance Expense		
765	Regulatory Commission Expense		
775 *	Miscellaneous Expense	176,542	128,705
403	Depreciation Expense	7,116	7,116
408	Taxes Other Than Income	7,993	3,013
408.11	Property Taxes	11,304	10,985
409	Income Taxes		
	TOTAL OPERATING EXPENSES	$ 248,151	$ 214,017
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	$	$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	10,400	10,400
	TOTAL OTHER INCOME/EXPENSE	$ 10,400	$ 10,400
	NET INCOME/(LOSS)	$ (166,280)	$ (111,732)

*Includes Account			
	#721 Office Supplies	2,748	6,341
	#730 Outside Services	151,771	109,412
	#758 Health and Life Ins.	21,675	20,447
	#775 Misc Expense	348	(7,495)
		176,542	128,705

COMPANY NAME Ajo Improvement Company

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	10-10-85			
Source of Loan	Promissory Note			
ACC Decision No.	54709			
Reason for Loan	To fund facilities acquired or to be acquired from P.D.			
Dollar Amount Issued	$ 311,963	$	$	$
Amount Outstanding	$ 311,963	$	$	$
Date of Maturity	12-31-08			
Interest Rate	10 %	%	%	%
Current Year Interest*	$ 31,200	$	$	$
Current Year Principle	$ -0-	$	$	$

Meter Deposit Balance at Test Year End $ -0-

Meter Deposits Refunded During the Test Year $ -0-

*Represents all three departments

COMPANY NAME	Ajo Improvement Company

WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Anaerobic Lagoon
DESIGN CAPACITY OF PLANT (Gallons Per Day)	Approximately 400,000 gallons

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
11th Street	2	7.5	125	47,000

FORCE MAINS

Size	Material	Length (Feet)
4-inch	Steel	2000
6-inch	N/A	

MANHOLES

Type	Quantity
Standard	232
Drop	N/A

CLEANOUTS

Quantity
None

COMPANY NAME	Ajo Improvement Company

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4	Clay Tile Cement Asbes	3200 2100
6	Clay Tile	25,200
8	Cement Asbes Clay Tile	36900 4000
10	Cement Asbes Clay Tile	9300 1000
12	Clay Tile Cement Asbes	2800 800
15		
18		
21		
24		
30		
	Total	85,300

SERVICES

Size (in inches)	Material	Quantity
4	Red Clay and Transit	1,200
6		
8		
12		
15		

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY

SOLIDS PROCESSING AND HANDLING FACILITIES	Waste Water Treatment Plant
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	N/A
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
STRUCTURES (Buildings, Fences, Etc.)	6' chain link enclosure
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	One 3 Phase 240V-480V Portable Unit

COMPANY NAME	Ajo Improvement Company

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)		NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW (Gals)	SEWAGE FLOW ON PEAK DAY (Gals)
Jan	* 30	1068	2,594,591	150,321
Feb	* 27	1064	2,591,774	172,074
Mar	* 31	1072	2,534,828	176,549
Apr	* 15	1068	1,150,631	115,552
May	* 0	1055	-0-	-0-
June	* 0	1051	-0-	-0-
July	* 0	1051	-0-	-0-
Aug	* 0	1050	-0-	-0-
Sept	* 0	1055	-0-	-0-
Oct	* 14	1052	452,987	48,086
Nov	* 28	1061	1,207,897	113,550
Dec	* 31	1068	2,155,662	126,266

* Number of days meter recorded readings. The other days the meter malfunctioned.

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Evaporation Pond
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	101,678
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	101,678
ADEQ Reuse Permit Number	N/A
EPA NPDES Permit Number	40-100

STATISTICAL INFORMATION

Total number of customers 1068

Total number of gallons treated Unknown gallons

COMPANY NAME Ajo Improvement Company **YEAR ENDING 12/31/2004**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	Ajo Imp Co consolidates with
Estimated or Actual Federal Tax Liability	its parent company Phelps Dodge Corp
State Taxable Income Reported	Same as above
Estimated or Actual State Tax Liability	

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	N/A
Amount of Gross-Up Tax Collected	N/A
Total Grossed-Up Contributions/Advances	N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE	3-23-05 **DATE**
John Fenn **PRINTED NAME**	President **TITLE**

COMPANY NAME Ajo Improvement Company **YEAR ENDING 12/31/2004**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: $ 8,036.70

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 01 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	John Fenn, President
COMPANY NAME	Ajo Improvement Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only ($)
$ 118,961

(THE AMOUNT IN BOX ABOVE INCLUDES $ 6,275 **IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL

602-366-8770
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	Maricopa
MONTH	March, 2005

THIS 22nd **DAY OF**

KATHRYN RAMSEY
Notary Public - Arizona
Maricopa County
My Comm. Expires Oct 27, 2005

MY COMMISSION EXPIRES 07,05

SIGNATURE OF NOTARY PUBLIC

VERIFICATION AND SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 01 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) John Fenn	TITLE President
COMPANY NAME Ajo Improvement Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
$ 95,126

(THE AMOUNT IN BOX AT LEFT INCLUDES $ 5,045 **IN SALES TAXES BILLED, OR COLLECTED**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.**

X _____
SIGNATURE OF OWNER OR OFFICIAL

607-366-8278
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 23rd **DAY OF**

NOTARY PUBLIC NAME	
COUNTY NAME Maricopa	
MONTH March	,2005

(SEAL)
KATHRYN RAMSEY
Notary Public - Arizona
Maricopa County
My Comm. Expires Oct 27, 2005

MY COMMISSION EXPIRES Oct. 27, 05

X Kathryn Ramsey
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

SEE ATTACHED FINANCIAL STATEMENTS FOR 2004

Trial Balance by FERC Account
321 Ajo Improvement Company
Year = 2004 Period = 12

	Beginning Balance	Ending Balance	Current Changes	January 1 Balance	Year To Date Changes
Assets					
Current Assets					
11310100000000 - Cash - Site Managed Account #3	29,042.35	70,651.71	41,609.36	57,353.40	13,298.31
11310200000000 - Cash - Cash on Hand	1,000.00	1,000.00	0.00	1,000.00	0.00
Cash	**30,042.35**	**71,651.71**	**41,609.36**	**58,353.40**	**13,298.31**
11420100000000 - A/R - Utility Payments	245,876.40	247,492.15	1,615.75	228,565.82	18,926.33
11420300000000 - A/R - ACC Bank Balance	766,558.00	758,996.00	-7,562.00	856,020.00	-97,024.00
11420310000000 - A/R - Due From Employee	559.95	559.95	0.00	0.00	559.95
11420420000000 - I/C - A/R Phelps Dodge Corp.	0.00	0.00	0.00	212,631.00	-212,631.00
Accounts Receivable	**1,012,994.35**	**1,007,048.10**	**-5,946.25**	**1,297,216.82**	**-290,168.72**
11420200000000 - A/R - Utility Payments	0.00	80.00	80.00	0.00	80.00
Accounts Receivables	**0.00**	**80.00**	**80.00**	**0.00**	**80.00**
11420400000000 - ADA - Misc. - Utility Payments	-48,642.02	-47,772.80	869.22	-45,176.49	-2,596.31
Allowance for Doubtful Accounts	**-48,642.02**	**-47,772.80**	**869.22**	**-45,176.49**	**-2,596.31**
11540100000000 - Supplies - Warehouse Inventory	52,738.28	51,300.64	-1,437.64	8,844.58	42,456.06
Supply	**52,738.28**	**51,300.64**	**-1,437.64**	**8,844.58**	**42,456.06**
11420500000000 - Prepaid Consolidated Risk	357.09	0.00	-357.09	0.00	0.00
11420510000000 - Prepaid Other	0.00	0.00	0.00	152.46	-152.46
11420520000000 - Prepaid Porfessional Fees	0.00	0.00	0.00	34,963.15	-34,963.15
Prepaid Expenses	**357.09**	**0.00**	**-357.09**	**35,115.61**	**-35,115.61**
***** Total Current Assets**	**1,047,490.05**	**1,082,307.65**	**34,817.60**	**1,354,353.92**	**-272,046.27**
Fixed Assets					
11010200000000 - Electric Plant In Service - BB	1,515,268.42	1,515,268.42	0.00	1,515,268.42	0.00
11011000000000 - Electric Plt Transfer to Asset	54,827.00	120,303.00	65,476.00	0.00	120,303.00
11014300000000 - Electric Plant Retired	0.00	-9,986.00	-9,986.00	0.00	-9,986.00
11071000000000 - Machinery/CIP-Additions	120,303.00	120,303.00	0.00	0.00	120,303.00
11079900000000 - Machinery/CIP - Trans to Asset	-54,827.00	-120,303.00	-65,476.00	0.00	-120,303.00
13650100000000 - Overhead Conductors & Devices	777.56	777.56	0.00	0.00	777.56
13680100000000 - Line Transformers	4,935.76	4,935.76	0.00	0.00	4,935.76
13690100000000 - Services	2,221.03	2,221.03	0.00	0.00	2,221.03
13700100000000 - Meters	2,512.82	2,512.82	0.00	0.00	2,512.82
21010200000000 - Water Plant In Service - BB	1,478,140.88	1,478,140.88	0.00	1,478,140.88	0.00
21013500000000 - Water Plt Asset Trnfr From Dom	15,567.00	15,567.00	0.00	0.00	15,567.00
21014300000000 - Water Plant Retired	-1,424.79	-4,514.79	-3,090.00	0.00	-4,514.79
23200100000000 - Water Treatment Plant	12,374.83	12,374.83	0.00	0.00	12,374.83
23330100000000 - Services	443.67	443.67	0.00	0.00	443.67
23340100000000 - Meters	2,913.96	2,913.96	0.00	0.00	2,913.96
23350100000000 - Hydrants	1,847.39	1,847.39	0.00	0.00	1,847.39
31010200000000 - Sewer Plant In Service - BB	537,455.00	537,455.00	0.00	537,455.00	0.00
Plant & Equipment	**3,693,336.53**	**3,680,260.53**	**-13,076.00**	**3,530,864.30**	**149,396.23**
11260200000000 - Depreciation Fund -Beg Balance	-646,697.04	-646,697.04	0.00	-646,697.04	0.00
11261000000000 - Depreciation Fund-Current Year	-36,307.01	-40,833.86	-4,526.85	0.00	-40,833.86
11264300000000 - Depreciation Fund - Retired	0.00	9,986.00	9,986.00	0.00	9,986.00
21260200000000 - Depreciation Fund -Beg Balance	-1,432,331.81	-1,432,331.81	0.00	-1,432,331.81	0.00
21261000000000 - Depreciation Fund-Current Year	-9,680.57	-10,456.96	-776.39	0.00	-10,456.96
21263500000000 - Depreciation Fund -Trfr Fr Dom	-15,567.00	-15,567.00	0.00	0.00	-15,567.00
21264300000000 - Depreciation Fund - Retired	1,424.79	4,514.79	3,090.00	0.00	4,514.79
31260200000000 - Depreciation Fund -Beg Balance	-346,781.19	-346,781.19	0.00	-346,781.19	0.00

Trial Balance by FERC Account
321 Ajo Improvement Company
Year = 2004 Period = 12

	Beginning Balance	Ending Balance	Current Changes	January 1 Balance	Year To Date Changes
31261000000000 - Depreciation Fund-Current Year	-6,523.09	-7,116.11	-593.02	0.00	-7,116.11
Accumulated Depreciation	**-2,492,462.92**	**-2,485,283.18**	**7,179.74**	**-2,425,810.04**	**-59,473.14**
***** Total Fixed Assets**	**1,200,873.61**	**1,194,977.35**	**-5,896.26**	**1,105,054.26**	**89,923.09**
Deferred Charges					
11823100000000 - Deferred Other - Addition	68,948.65	68,948.65	0.00	0.00	68,948.65
Deferred Others	**68,948.65**	**68,948.65**	**0.00**	**0.00**	**68,948.65**
***** Total Deferred Charges**	**68,948.65**	**68,948.65**	**0.00**	**0.00**	**68,948.65**
******** Total Assets**	**2,317,312.31**	**2,346,233.65**	**28,921.34**	**2,459,408.18**	**-113,174.53**
Liabilities and Shareholder's Equity					
Current Liabilities					
12333000000000 - Invoices Pending A/P Process	0.00	-1,487.66	-1,487.66	0.00	-1,487.66
12335300000000 - I/C Payable - New Cornelia	-1,611,837.14	-1,629,100.34	-17,263.20	-1,312,901.22	-316,199.12
12335400000000 - I/C Payable - Phelps Dodge Cor	-160,240.56	-243,380.03	-83,139.47	-30,524.25	-212,855.78
12335800000000 - Procard Payable	0.00	-451.06	-451.06	0.00	-451.06
12335900000000 - MRNI / General	0.00	-1,179.00	-1,179.00	0.00	-1,179.00
12415800000000 - Acc Utilities - Power	-76,155.97	-56,539.94	19,616.03	-76,018.29	19,478.35
Accounts Payable	**-1,848,233.67**	**-1,932,138.03**	**-83,904.36**	**-1,419,443.76**	**-512,694.27**
12421000000000 - Accrued Rent / Lease - Propert	-10,139.36	0.00	10,139.36	0.00	0.00
12422000000000 - Accrued Wages & Salaries	-15,236.42	-19,047.10	-3,810.68	-2,693.76	-16,353.34
12423000000000 - Accrued Medical - Additions	0.00	-3,676.16	-3,676.16	0.00	-3,676.16
Accrued Expenses	**-25,375.78**	**-22,723.26**	**2,652.52**	**-2,693.76**	**-20,029.50**
12360100000000 - Accrued Property Tax	-26,384.98	-32,100.97	-5,715.99	-16,940.88	-15,160.09
12360200000000 - Accrued FICA Taxes	0.00	-1,457.10	-1,457.10	0.00	-1,457.10
12360500000000 - Accrued Privilege Tax	-8,035.37	-8,773.02	-737.65	-8,291.37	-481.65
12360800000000 - Accrued Franchise Fee	-16,230.71	-17,409.57	-1,178.86	-8,864.99	-8,544.58
Accrued Taxes	**-50,651.06**	**-59,740.66**	**-9,089.60**	**-34,097.24**	**-25,643.42**
***** Total Current Liabilities**	**-1,924,260.51**	**-2,014,601.95**	**-90,341.44**	**-1,456,234.76**	**-558,367.19**
Long Term Liabilities					
12247000000000 - Long Term Debt - Installment L	-311,963.00	-311,963.00	0.00	-311,963.00	0.00
Long Term Debt	**-311,963.00**	**-311,963.00**	**0.00**	**-311,963.00**	**0.00**
***** Total Long Term Liabilities**	**-311,963.00**	**-311,963.00**	**0.00**	**-311,963.00**	**0.00**
Shareholder's Equity					
12010000000000 - Common Stock Issued - PDC	-392,000.00	-392,000.00	0.00	-392,000.00	0.00
12110100000000 - A. P. to Assoc. Co.- Cont. Cap	-3,144,546.05	-3,144,546.05	0.00	-3,144,546.05	0.00
Common Stock	**-3,536,546.05**	**-3,536,546.05**	**0.00**	**-3,536,546.05**	**0.00**
12150000000000 - Retained Earnings	2,467,971.14	2,467,971.14	0.00	2,467,971.14	0.00
22150000000000 - Retained Earnings	211,084.51	211,084.51	0.00	211,084.51	0.00
32150000000000 - Retained Earnings	166,279.97	166,279.97	0.00	166,279.97	0.00
42150000000000 - Retained Earnings	0.01	0.01	0.00	0.01	0.00
Retained Earnings	**2,845,335.63**	**2,845,335.63**	**0.00**	**2,845,335.63**	**0.00**
***** Total Shareholder's Equity**	**-691,210.42**	**-691,210.42**	**0.00**	**-691,210.42**	**0.00**
******** Total Liabilities and Shareholder's Equity**	**-2,927,433.93**	**-3,017,775.37**	**-90,341.44**	**-2,459,408.18**	**-558,367.19**

Trial Balance by FERC Account
321 Ajo Improvement Company
Year = 2004 Period = 12

	Beginning Balance	Ending Balance	Current Changes	January 1 Balance	Year To Date Changes
Net(Income)/Loss					
Net(Income)/loss Before Taxes					
14002240800000 - Electric Revenue	-1,300,678.52	-1,417,720.20	-117,041.68	0.00	-1,417,720.20
24002340800000 - Water Revenue	-533,339.40	-574,492.70	-41,153.30	0.00	-574,492.70
34002440800000 - Sewer Revenue	-100,928.61	-112,685.35	-11,756.74	0.00	-112,685.35
Sales	**-1,934,946.53**	**-2,104,898.25**	**-169,951.72**	**0.00**	**-2,104,898.25**
14012250993500 - Electric Cost of Sales	971,284.45	1,039,134.31	67,849.86	0.00	1,039,134.31
24012350993500 - Water Cost of Sales	613,112.23	672,403.26	59,291.03	0.00	672,403.26
Electric/Water/Sewer	**1,584,396.68**	**1,711,537.57**	**127,140.89**	**0.00**	**1,711,537.57**
14032274103000 - Electric - Depreciation	36,307.01	40,833.86	4,526.85	0.00	40,833.86
24032374103000 - Water - Depreciation	9,680.57	10,456.96	776.39	0.00	10,456.96
34032474103000 - Sewer - Depreciation	6,523.09	7,116.11	593.02	0.00	7,116.11
Depreciation	**52,510.67**	**58,406.93**	**5,896.26**	**0.00**	**58,406.93**
14002272906000 - Electric Establishments & Re-E	-5,402.80	-5,930.80	-528.00	0.00	-5,930.80
14002272909900 - Electric Reconnect Fees	-175.02	-200.02	-25.00	0.00	-200.02
14022260100101 - Salaries	99,162.72	102,495.55	3,332.83	0.00	102,495.55
14022260200100 - Bonus	1,073.50	2,977.30	1,903.80	0.00	2,977.30
14022262440100 - Gasoline	77.62	77.62	0.00	0.00	77.62
14022262442000 - Highway Diesel Fuel	53.43	53.43	0.00	0.00	53.43
14022262999900 - Other Operating Supplies	5,754.65	5,999.39	244.74	0.00	5,999.39
14022264010000 - Maintenance & Repair Parts	1,788.70	1,788.70	0.00	0.00	1,788.70
14022266400000 - Utilities - Communications	12,812.98	13,941.01	1,128.03	0.00	13,941.01
14022272015501 - Professional Fees - Consulting	233.33	233.33	0.00	0.00	233.33
14022272015510 - Professional Fees - Consulting	120.00	120.00	0.00	0.00	120.00
14022272015520 - Professional Fees - Consulting	237.43	237.43	0.00	0.00	237.43
14022272015599 - Professional Fees - Consulting	214.27	214.27	0.00	0.00	214.27
14022272017510 - Professional Fees - I/S Softwa	2,917.00	5,834.00	2,917.00	0.00	5,834.00
14022272019999 - Outside Services - OTHER	45,016.63	45,769.68	753.05	0.00	45,769.68
14022272100100 - Insurance - Consolidated Risk	-4,125.45	-5,172.99	-1,047.54	0.00	-5,172.99
14022272202000 - Rent / Leases - Property / Ge	1,050.00	1,200.00	150.00	0.00	1,200.00
14022272209900 - Rent / Leases - OTHER	10,291.82	11,459.11	1,167.29	0.00	11,459.11
14022272300500 - Printing / Stationary	476.73	556.85	80.12	0.00	556.85
14022272302000 - Postage	1,533.05	1,644.01	110.96	0.00	1,644.01
14022272304000 - Dues, Books & Subscriptions	11.06	11.06	0.00	0.00	11.06
14022272351000 - Software-Training	1,775.00	3,550.00	1,775.00	0.00	3,550.00
14022272351010 - Computer Software - Sup/Maint	123.33	123.33	0.00	0.00	123.33
14022272400600 - On Site Meals - Cater Meals	84.29	84.29	0.00	0.00	84.29
14022272402000 - Conventions, Meetings & Confer	2,249.90	2,249.90	0.00	0.00	2,249.90
14022272404000 - Employee Travel	480.23	535.73	55.50	0.00	535.73
14022272404500 - Employee Travel - Meals	91.70	91.70	0.00	0.00	91.70
14022275010100 - Allocation of Electric Power	52.67	52.67	0.00	0.00	52.67
14022275010600 - Allocation of Fuels	2,111.50	2,288.50	177.00	0.00	2,288.50
14022275011100 - Allocation of Benefits	57,448.02	61,285.91	3,837.89	0.00	61,285.91
14022275200500 - Transfer to BS-Restructure Res	150.15	150.15	0.00	0.00	150.15
14022280990000 - Other Expenses	56.16	81.16	25.00	0.00	81.16
14022282200000 - Advertising	45.75	57.25	11.50	0.00	57.25
14022282400000 - Allowance for Doubtful Account	8,397.03	7,967.22	-429.81	0.00	7,967.22
14028372016000 - Outside Svcs - Environmental	6,694.20	8,025.79	1,331.59	0.00	8,025.79
14082272800100 - Real Property Taxes	27,820.89	29,911.35	2,090.46	0.00	29,911.35
14082272804000 - Sales & Use Tax	393.21	400.00	6.79	0.00	400.00
14082272808000 - Vehicle Registration	131.71	736.53	604.82	0.00	736.53
14082272809940 - Miscl. Taxes, Fees & Filings	2,824.03	2,824.03	0.00	0.00	2,824.03

Trial Balance by FERC Account
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	Beginning Balance	Ending Balance	Current Changes	January 1 Balance	Year To Date Changes
24002372906000 - Water Establishments & Re-Est.	-6,346.16	-6,953.46	-607.30	0.00	-6,953.46
24002372909900 - Water Reconnect Fees	-1,595.00	-1,875.00	-280.00	0.00	-1,875.00
24022360100101 - Salaries	75,874.25	82,974.86	7,100.61	0.00	82,974.86
24022360200100 - Bonus	937.50	11,726.10	10,788.60	0.00	11,726.10
24022362440100 - Gasoline	77.62	77.62	0.00	0.00	77.62
24022362999900 - Other Operating Supplies	8,132.03	10,638.50	2,506.47	0.00	10,638.50
24022364010000 - Maintenance & Repair Parts	4,249.04	5,271.69	1,022.65	0.00	5,271.69
24022366400000 - Utilities - Communications	558.45	655.05	96.60	0.00	655.05
24022372015099 - Professional Fee - Legal/Other	641.12	641.12	0.00	0.00	641.12
24022372015501 - Professional Fees - Consulting	233.33	233.33	0.00	0.00	233.33
24022372015510 - Professional Fees - Consulting	120.00	120.00	0.00	0.00	120.00
24022372015520 - Professional Fees - Consulting	237.43	237.43	0.00	0.00	237.43
24022372015599 - Professional Fees - Consulting	214.27	214.27	0.00	0.00	214.27
24022372017510 - Professional Fees - I/S Softwa	2,917.00	5,834.00	2,917.00	0.00	5,834.00
24022372019999 - Outside Services - Other	107,547.69	113,935.48	6,387.79	0.00	113,935.48
24022372100100 - Insurance - Consolidated Risk	-4,125.51	-5,173.05	-1,047.54	0.00	-5,173.05
24022372202000 - Rent / Leases - Property / Ge	1,050.00	1,200.00	150.00	0.00	1,200.00
24022372300500 - Printing / Stationary	412.86	412.86	0.00	0.00	412.86
24022372302000 - Postage	2,009.39	2,200.47	191.08	0.00	2,200.47
24022372304000 - Dues, Books & Subscriptions	611.06	611.06	0.00	0.00	611.06
24022372351000 - Software-Training	1,775.00	3,550.00	1,775.00	0.00	3,550.00
24022372351010 - Computer Software - Sup/Maint	123.33	123.33	0.00	0.00	123.33
24022372400600 - On-Site Meetings - Catered Mea	70.99	70.99	0.00	0.00	70.99
24022372404000 - Employee Travel	195.20	195.20	0.00	0.00	195.20
24022372404500 - Employee Travel - Meals	41.56	41.56	0.00	0.00	41.56
24022372809990 - Permits & Licenses	2,734.00	3,801.50	1,067.50	0.00	3,801.50
24022375010400 - Allocation of Water	61.56	61.56	0.00	0.00	61.56
24022375010600 - Allocation of Fuels	2,111.50	2,288.50	177.00	0.00	2,288.50
24022375011100 - Allocation of Benefits	46,233.22	54,409.86	8,176.64	0.00	54,409.86
24022375200500 - Transfer to BS-Restructure Res	59.26	59.26	0.00	0.00	59.26
24022380990000 - Other Expenses	61.34	64.74	3.40	0.00	64.74
24022382200000 - Advertising	45.75	57.25	11.50	0.00	57.25
24022382400000 - Allowance for Doubtful Account	334.92	-36.06	-370.98	0.00	-36.06
24028372016000 - Outside Svcs - Environmental	117,484.00	118,815.59	1,331.59	0.00	118,815.59
24028372019999 - Outside Services - Other	0.00	3,590.82	3,590.82	0.00	3,590.82
24028372809940 - Miscl. Taxes, Fees & Filings	375.00	375.00	0.00	0.00	375.00
24082372800100 - Real Property Taxes	41,206.60	44,405.29	3,198.69	0.00	44,405.29
24082372804000 - Sales & Use Tax	818.48	818.48	0.00	0.00	818.48
24082372808000 - Vehicle Registration	127.79	342.69	214.90	0.00	342.69
24082372809940 - Miscl. Taxes, Fees & Filings	1,138.64	1,138.64	0.00	0.00	1,138.64
34002472906000 - Sewer Establishments & Re-Est.	-6,048.96	-6,655.84	-606.88	0.00	-6,655.84
34002472909900 - Sewer Reconnect Fees	-105.00	-130.00	-25.00	0.00	-130.00
34022460100101 - Salaries	30,247.84	32,384.74	2,136.90	0.00	32,384.74
34022460200100 - Bonus	937.50	2,841.30	1,903.80	0.00	2,841.30
34022462440100 - Gasoline	77.55	77.55	0.00	0.00	77.55
34022462999900 - Other Operating Supplies	5,339.88	6,002.83	662.95	0.00	6,002.83
34022466400000 - Utilities - Communications	558.40	655.00	96.60	0.00	655.00
34022472015501 - Professional Fees - Consulting	233.34	233.34	0.00	0.00	233.34
34022472015510 - Professional Fees - Consulting	120.00	120.00	0.00	0.00	120.00
34022472015520 - Professional Fees - Consulting	237.44	237.44	0.00	0.00	237.44
34022472015599 - Professional Fees - Consulting	214.26	214.26	0.00	0.00	214.26
34022472017510 - Professional Fees - I/S Softwa	2,916.00	5,832.00	2,916.00	0.00	5,832.00
34022472019999 - Outside Services - OTHER	96,293.37	109,412.05	13,118.68	0.00	109,412.05
34022472202000 - Rent / Leases - Property / Ge	14,250.00	15,600.00	1,350.00	0.00	15,600.00

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	Beginning Balance	Ending Balance	Current Changes	January 1 Balance	Year To Date Changes
34022472300500 - Printing / Stationary	149.37	149.37	0.00	0.00	149.37
34022472302000 - Postage	2,009.33	2,200.43	191.10	0.00	2,200.43
34022472304000 - Dues, Books & Subscriptions	11.06	11.06	0.00	0.00	11.06
34022472351000 - Software-Training	1,775.00	3,550.00	1,775.00	0.00	3,550.00
34022472351010 - Computer Software - Sup/Maint	123.34	123.34	0.00	0.00	123.34
34022472400600 - On Site Meals - Cater Meals	70.96	70.96	0.00	0.00	70.96
34022472404000 - Employee Travel	195.21	195.21	0.00	0.00	195.21
34022472404500 - Employee Travel - Meals	41.56	41.56	0.00	0.00	41.56
34022472809940 - Miscl. Taxes, Fees & Filings	586.00	586.00	0.00	0.00	586.00
34022472809990 - Permits & Licenses	2,011.50	2,011.50	0.00	0.00	2,011.50
34022475010100 - Allocation of Electric Power	517.48	554.75	37.27	0.00	554.75
34022475011100 - Allocation of Benefits	17,986.09	20,446.82	2,460.73	0.00	20,446.82
34022475200500 - Transfer to BS-Restructure Res	62.45	62.45	0.00	0.00	62.45
34022480990000 - Other Expenses	61.32	61.32	0.00	0.00	61.32
34022482200000 - Advertising	45.75	57.25	11.50	0.00	57.25
34022482400000 - Allowance for Doubtful Account	-1,155.16	-1,497.51	-342.35	0.00	-1,497.51
34028372016000 - Outside Svcs - Environmental	6,234.20	7,565.80	1,331.60	0.00	7,565.80
34082472800100 - Real Property Taxes	10,558.03	10,984.87	426.84	0.00	10,984.87
34082472804000 - Sales & Use Tax	4.95	4.95	0.00	0.00	4.95
34082472808000 - Vehicle Registration	0.00	214.90	214.90	0.00	214.90
34082472809940 - Miscl. Taxes, Fees & Filings	194.81	194.81	0.00	0.00	194.81
44025475011100 - Allocation of Benefits	-226,563.57	-261,813.60	-35,250.03	0.00	-261,813.60
44028560300150 - Taxes / FICA	32,697.07	38,553.11	5,856.04	0.00	38,553.11
44028560300160 - Taxes / FUI	838.53	850.80	12.27	0.00	850.80
44028560300180 - Taxes / SUI	52.41	53.18	0.77	0.00	53.18
44028560301042 - Vacation Pay - Salary	19,591.52	23,578.64	3,987.12	0.00	23,578.64
44028560301062 - Holiday Pay	8,455.43	11,362.82	2,907.39	0.00	11,362.82
44028560301502 - Bonus Hours Used	829.61	1,254.09	424.48	0.00	1,254.09
44028560301522 - Bonus Hours Refunded	0.00	2,400.78	2,400.78	0.00	2,400.78
44028560303000 - Retirement	16,500.00	18,000.00	1,500.00	0.00	18,000.00
44028560306001 - Workman's Compensation	12,178.87	13,286.04	1,107.17	0.00	13,286.04
44028560307003 - Grp. Ins. expense	528.98	528.98	0.00	0.00	528.98
44028560307012 - Dental	-703.78	-703.78	0.00	0.00	-703.78
44028560307030 - Insurance/Life	-1,963.70	-1,963.70	0.00	0.00	-1,963.70
44028560307052 - LTD Dividend Expense	2,871.99	3,302.23	430.24	0.00	3,302.23
44028560307082 - Insurance / FLEX	85,199.99	96,420.33	11,220.34	0.00	96,420.33
44028560308001 - Post Retirement - FAS 106	22,916.63	24,999.96	2,083.33	0.00	24,999.96
44028560309201 - Salary Continuance	7,359.04	7,359.04	0.00	0.00	7,359.04
44028560309301 - Salary Continuance	4,643.61	6,929.14	2,285.53	0.00	6,929.14
44028560309901 - 401k Matching	10,967.35	11,814.47	847.12	0.00	11,814.47
44028560309942 - Overtime Meals	709.46	843.92	134.46	0.00	843.92
44028560309985 - Legal Services	405.00	405.00	0.00	0.00	405.00
44028560309999 - Other Labor Benefits	2,116.73	2,116.73	0.00	0.00	2,116.73
44028575605020 - PDC Share Services - Accts. Pa	228.52	228.52	0.00	0.00	228.52
44028575605040 - PDC Share Services - Ben.Servi	140.31	193.29	52.98	0.00	193.29
54025262440100 - Gasoline - ENERGY	4,223.00	4,577.00	354.00	0.00	4,577.00
54025266200000 - Utilities - Purchased Power &	570.15	607.42	37.27	0.00	607.42
54025275010100 - Allocation of Electric Power	-570.15	-607.42	-37.27	0.00	-607.42
54025275010600 - Allocation of Fuels	-4,223.00	-4,577.00	-354.00	0.00	-4,577.00
64021260100101 - Salaries	172,262.10	190,302.94	18,040.84	0.00	190,302.94
64021260200100 - Bonus	1,211.12	3,114.92	1,903.80	0.00	3,114.92
64021262640500 - Reagents - Acid	919.53	919.53	0.00	0.00	919.53
64021262642000 - Reagents - Chloride	584.40	584.40	0.00	0.00	584.40
64021262642500 - Reagents - Caustic Soda	5,236.40	8,241.22	3,004.82	0.00	8,241.22

Trial Balance by FERC Account
321 Ajo Improvement Company
Year = 2004 Period = 12

	Beginning Balance	Ending Balance	Current Changes	January 1 Balance	Year To Date Changes
64021262649000 - Reagents - Activated Alumina	32,866.02	31,363.61	-1,502.41	0.00	31,363.61
64021262999900 - Other Operating Supplies	9,894.98	10,286.43	391.45	0.00	10,286.43
64021264010000 - Maintenance & Repair Parts	1,179.09	1,179.09	0.00	0.00	1,179.09
64021272019999 - Outside Services - OTHER	93,985.65	98,473.41	4,487.76	0.00	98,473.41
64021272404000 - Employee Travel	166.65	256.65	90.00	0.00	256.65
64021272404500 - Employee Travel - Meals	345.11	345.11	0.00	0.00	345.11
64021275010100 - Allocation of Electric Power	3,616.37	3,616.37	0.00	0.00	3,616.37
64021275011100 - Allocation of Benefits	104,896.24	125,671.01	20,774.77	0.00	125,671.01
64021275200400 - Water Treatment Plant Redist	-442,387.79	-489,578.82	-47,191.03	0.00	-489,578.82
64021275400300 - Water Treatment Plant Cost.	15,224.13	15,224.13	0.00	0.00	15,224.13
Operating Expenses	**879,560.80**	**975,295.47**	**95,734.67**	**0.00**	**975,295.47**
14272291000301 - Electric - Interest Expense	9,533.36	10,400.03	866.67	0.00	10,400.03
24272391000301 - Water - Interest Expense	9,533.37	10,400.04	866.67	0.00	10,400.04
34272491000301 - Sewer - Interest Expense	9,533.27	10,399.93	866.66	0.00	10,399.93
Interest Expense	**28,600.00**	**31,200.00**	**2,600.00**	**0.00**	**31,200.00**
***** Total Net(Income)/loss Before Taxes**	**610,121.62**	**671,541.72**	**61,420.10**	**0.00**	**671,541.72**
******** Total Net(Income)/Loss**	**610,121.62**	**671,541.72**	**61,420.10**	**0.00**	**671,541.72**
Report Balance	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000110

10/27/2004

PAY TO THE ORDER OF CASELLE INC $ **2,415.10**

Two Thousand Four Hundred Fifteen and 10/100 Dollars DOLLARS

CASELLE INC
P O BOX 100
SPANISH FORK UT 84660

MEMO

⑈000110⑈ ⑆122105045⑆ 3201000613⑈ ⑈0000241510⑈

Ck# 110 Date 11/03/04 Amt $2,415.10

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000115

10/27/2004

PAY TO THE ORDER OF PHELPS DODGE CORP $ **79,827.33**

Seventy-Nine Thousand Eight Hundred Twenty-Seven and 33/100 Dollars DOLLARS

PHELPS DODGE CORP
ONE NORTH CENTRAL
PHOENIX AZ 85004-3014

MEMO

⑈000115⑈ ⑆122105045⑆ 3201000613⑈ ⑈0007982733⑈

Ck# 115 Date 11/02/04 Amt $79,827.33

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000111

10/27/2004

PAY TO THE ORDER OF DEL MAR ANALYTICAL $ **615.50**

Six Hundred Fifteen and 50/100 Dollars DOLLARS

DEL MAR ANALYTICAL
ATTN: ACCOUNTS RECEIVABLE
17461 DERIAN AVE., SUITE 100
IRVINE CA 92614

MEMO

⑈000111⑈ ⑆122105045⑆ 3201000613⑈ ⑈0000061550⑈

Ck# 111 Date 11/02/04 Amt $615.50

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000117

10/28/2004

PAY TO THE ORDER OF PIMA COUNTY TREASURER $ **31,934.80**

Thirty-One Thousand Nine Hundred Thirty-Four and 80/100 Dollars DOLLARS

PIMA COUNTY TREASURER
115 N CHURCH AVE
TUCSON AZ 85701-1199

MEMO PAID UNDER PROTEST

⑈000117⑈ ⑆122105045⑆ 3201000613⑈ ⑈0003193480⑈

Ck# 117 Date 11/02/04 Amt $31,934.80

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000112

10/27/2004

PAY TO THE ORDER OF DEX MEDIA EAST $ **33.18**

Thirty-Three and 18/100 Dollars DOLLARS

DEX MEDIA EAST
P. O. BOX 78041
PHOENIX AZ 85062-8041

MEMO

⑈000112⑈ ⑆122105045⑆ 3201000613⑈ ⑈0000003318⑈

Ck# 112 Date 11/03/04 Amt $33.18

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000118

10/28/2004

PAY TO THE ORDER OF ARIZONA PUBLIC SERVICE CO. CM $ **2,858.09**

Two Thousand Eight Hundred Fifty-Eight and 09/100 Dollars DOLLARS

ARIZONA PUBLIC SERVICE CO. CM
MAIL STATION: 9996
P.O. BOX 53920
PHOENIX AZ 85072-3920

MEMO

⑈000118⑈ ⑆122105045⑆ 3201000613⑈ ⑈0000285809⑈

Ck# 118 Date 11/02/04 Amt $2,858.09

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000113

10/27/2004

PAY TO THE ORDER OF EDWARDSOLUTIONS WATER RESOURCE $ **1,500.00**

One Thousand Five Hundred and 00/100 Dollars DOLLARS

EDWARDSOLUTIONS WATER RESOURCE
EDWARD ALVAREZ, PRESIDENT
19701 W. MEDLOCK DRIVE
LITCHFIELD PARK AZ 85340

MEMO

⑈000113⑈ ⑆122105045⑆ 3201000613⑈ ⑈0000150000⑈

Ck# 113 Date 11/08/04 Amt $1,500.00

446990

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000119

11/04/2004

PAY TO THE ORDER OF ARIZONA DEPT OF TRANSPORTATION $ **31.37**

Thirty-One and 37/100 Dollars DOLLARS

ARIZONA DEPT OF TRANSPORTATION
MOTOR VEHICLE DIVISION
AJO AZ 85321

MEMO

⑈000119⑈ ⑆122105045⑆ 3201000613⑈ ⑈0000003137⑈

Ck# 119 Date 11/18/04 Amt $31.37

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000114

10/27/2004

PAY TO THE ORDER OF MARICOPA COUNTY TREASURER $ **166.20**

One Hundred Sixty-Six and 20/100 Dollars DOLLARS

MARICOPA COUNTY TREASURER

MEMO PAID UNDER PROTEST

⑈000114⑈ ⑆122105045⑆ 3201000613⑈ ⑈0000016620⑈

Ck# 114 Date 11/04/04 Amt $166.20

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
(520) 387-7151

THE STOCKMEN'S BANK
AJO BRANCH
101 LA MINA AVENUE
AJO, AZ 85321
91-694/1221

000120

11/04/2004

PAY TO THE ORDER OF LEGEND TECHNICAL SVCS $ **415.00**

Four Hundred Fifteen and 00/100 Dollars DOLLARS

LEGEND TECHNICAL SVCS
17631 N 25TH AVE
PHOENIX AZ 85023

MEMO

⑈000120⑈ ⑆122105045⑆ 3201000613⑈ ⑈0000041500⑈

Ck# 120 Date 11/09/04 Amt $415.00

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1841

DATE 4-26-04

PAY EXACTLY 120303 00 CTS DOLLARS $ 120,303.00

TO THE ORDER OF
Caribou, Inc.
124 Bridon Way
Jerome, Idaho 83338

⑈001841⑈ ⑆122105045⑆ 320100613⑈ ⑇0012030300⑇

Ck# 1841 Date 05/03/04 Amt $120,303.00

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1850

DATE 4-30-04

PAY EXACTLY 37841 79 CTS DOLLARS $ 37,841.79

TO THE ORDER OF
Beth Ford, Pima County Treas.
Pima County Treasurer's Ofc
P O Box 98765
Phoenix, AZ 85038-0765

PAID UNDER PROTEST

⑈001850⑈ ⑆122105045⑆ 320100613⑈ ⑇0003784179⑇

Ck# 1850 Date 05/07/04 Amt $37,841.79

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1846

DATE 04-26-04

PAY EXACTLY 1687 20 CTS DOLLARS $ 1687.20

TO THE ORDER OF
Westaff
P O Box 54619
Los Angeles, CA 90054-0619

⑈001846⑈ ⑆122105045⑆ 320100613⑈ ⑇0000168720⑇

Ck# 1846 Date 05/05/04 Amt $1,687.20

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1851

DATE April 30, 2004

PAY EXACTLY 195 99 CTS DOLLARS $ 195.99

TO THE ORDER OF
Maricopa County Treasurer
P. O. Box 78574
Phoenix, AZ 85062-8574

PAID UNDER PROTEST

⑈001851⑈ ⑆122105045⑆ 320100613⑈ ⑇0000019599⑇

Ck# 1851 Date 05/11/04 Amt $195.99

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1847

DATE 04-26-04

PAY EXACTLY 1818 39 CTS DOLLARS $ 1818.39

TO THE ORDER OF
SD Myers Substation Solutions
P O Box 931012-N
Cleveland, OH 44193-0343

⑈001847⑈ ⑆122105045⑆ 320100613⑈ ⑇0000181839⑇

Ck# 1847 Date 05/05/04 Amt $1,818.39

APP-101678

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1852

DATE May 7, 2004

PAY EXACTLY 98 00 CTS DOLLARS $ 98.00

TO THE ORDER OF
AZ Department of Environmental Quality
P O Box 18228
Phoenix, AZ 85005-8228

⑈001852⑈ ⑆122105045⑆ 320100613⑈ ⑇0000009800⑇

Ck# 1852 Date 05/13/04 Amt $98.00

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1848

DATE 04-26-04

PAY EXACTLY 1702 99 CTS DOLLARS $ 1702.99

TO THE ORDER OF
Westaff
P O Box 54619
Los Angeles, CA 90054-0619

⑈001848⑈ ⑆122105045⑆ 320100613⑈ ⑇0000170299⑇

Ck# 1848 Date 05/05/04 Amt $1,702.99

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1853

DATE May 7, 2004

PAY EXACTLY 1008 42 CTS DOLLARS $ 1008.42

TO THE ORDER OF
A T & T
P O Box 79425
Phoenix, AZ 85062-8425

⑈001853⑈ ⑆122105045⑆ 320100613⑈ ⑇0000100842⑇

Ck# 1853 Date 05/12/04 Amt $1,008.42

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1849

DATE April 27, 2004

PAY EXACTLY 1000 00 CTS DOLLARS $ 1000.00

TO THE ORDER OF
Edward Alvarez
19701 W Hedlock Drive
Litchfield Park, AZ 85340

⑈001849⑈ ⑆122105045⑆ 320100613⑈ ⑇0000100000⑇

Ck# 1849 Date 05/03/04 Amt $1,000.00

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ

1854

DATE May 7, 2004

PAY EXACTLY 94 06 CTS DOLLARS $ 94.06

TO THE ORDER OF
Table Top Telephone Co, Inc
600 N Second Avenue
Ajo, AZ 85321

⑈001854⑈ ⑆122105045⑆ 320100613⑈ ⑇0000009406⑇

Ck# 1854 Date 05/12/04 Amt $94.06