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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

C Name of organization

EAST RIVER ELECTRIC POWER COOPERATIVE INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

Room/suite

211 S HARTH AVE

City or town, state or country, and ZIP + 4

MADISON, SD 57042

F Name and address of principal officer

JEFFREY L NELSON

211 S HARTH AVE

MADISON,SD 57042

H(a) Is this a group return for affiliates?

☐ Yes ☒ No

H(b) Are all affiliates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number

I Tax-exempt status

☐ 501(c)(3) ☒ 501(c) (12) ◀(insert no) ☐ 4947(a)(1) or ☐ 527

J Website:

WWW EASTRIVER COOP

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation

1949

M State of legal domicile

SD

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities ACQUISITION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER TO MEMBER SYSTEMS			
	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	22	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	21	
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	146	
	6 Total number of volunteers (estimate if necessary)	6	0	
Revenue	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0	
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
	8 Contributions and grants (Part VIII, line 1h) 9 Program service revenue (Part VIII, line 2g) 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	Prior Year	Current Year	
		0	0	
		152,557,083	176,559,726	
		905,977	719,653	
Expenses		1,180,344	822,741	
		154,643,404	178,102,120	
13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	147,879	122,513		
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	8,684,369		
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	11,395,507	12,085,071		
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0		
Net Assets or Fund Balances	b Total fundraising expenses (Part IX, column (D), line 25) ▶0			
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	135,378,162	156,710,167	
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	146,921,548	177,602,120	
	19 Revenue less expenses Subtract line 18 from line 12	7,721,856	500,000	
	20 Total assets (Part X, line 16) 21 Total liabilities (Part X, line 26) 22 Net assets or fund balances Subtract line 21 from line 20	Beginning of Current Year	End of Year	
		282,561,283	294,115,161	
		188,098,248	191,129,465	
		94,463,035	102,985,696	

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

2012-11-01

Date

JEFFREY L NELSON GENERAL MANAGER

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

LAURIE HANSON

Date

2012-10-30

Check if self-employed

☐

Preparer's taxpayer identification number (see instructions)

P00851848

Firm's name (or yours if self-employed), address, and ZIP + 4

EIDE BAILLY LLP

200 EAST 10TH STREET PO BOX 5125

SIoux FALLS, SD 571175125

EIN

45-0250958

Phone no

(605) 339-1999

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2011)

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

EAST RIVER ELECTRIC POWER COOPERATIVE EXISTS TO ENHANCE THE VALUE OF ITS MEMBERS

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

If "Yes," describe these changes on Schedule O

EAST RIVER ELECTRIC POWER COOPERATIVE IS A WHOLESALE ELECTRIC POWER SUPPLY COOPERATIVE SERVING 24 RURAL ELECTRIC COOPERATIVES AND ONE MUNICIPALLY-OWNED ELECTRIC SYSTEM, WHICH IN TURN SERVE MORE THAN 92,000 HOMES AND BUSINESSES AND ABOUT 250,000 CONSUMERS. THE COOPERATIVE OPERATES AND MAINTAINS 2,730 MILES OF HIGH VOLTAGE TRANSMISSION LINE, 224 SUBSTATIONS AND RELATED FACILITIES TO SERVE AN AREA OF 40,000 SQUARE MILES THAT COVERS THE RURAL AREAS OF 41 COUNTIES IN EASTERN SOUTH DAKOTA AND 22 COUNTIES IN WESTERN MINNESOTA.

[illegible][illegible]

4e Total program service expenses ~~\$~~

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)? <i>If "Yes," complete Schedule A</i>	1	No
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	2	No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	
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? <i>If "Yes," complete Schedule C, Part III</i>	5	No
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? <i>If "Yes," complete Schedule D, Part I</i> 	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II</i> 	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> 	9	No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 	10	No
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? <i>If "Yes," complete Schedule D, Part VI.</i> 	11a	Yes
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? <i>If "Yes," complete Schedule D, Part VII.</i> 	11b	No
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? <i>If "Yes," complete Schedule D, Part VIII.</i> 	11c	Yes
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? <i>If "Yes," complete Schedule D, Part IX.</i> 	11d	No
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i> 	11e	Yes
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)? <i>If "Yes," complete Schedule D, Part X.</i> 	11f	Yes
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> 	12a	Yes
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i> 	12b	No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
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? <i>If "Yes," complete Schedule F, Part I</i>	14b	No
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 U S ? <i>If "Yes," complete Schedule F, Part II and IV</i>	15	No
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 U S ? <i>If "Yes," complete Schedule F, Part III and IV</i>	16	No
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? <i>If "Yes," complete Schedule G, Part I</i>	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	No
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	20a	No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
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? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
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?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
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? <i>If "Yes," complete Schedule L, Part I</i>	25a		
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? <i>If "Yes," complete Schedule L, Part I</i>	25b		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
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? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
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 owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34		No
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		
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? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

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
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	1a	48	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements filed for the calendar year ending with or within the year covered by this return. .	2a	146	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	4a		No
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.			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders.	11a	168,072,416	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b	4,018,127	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.	13a		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b		
c	Enter the aggregate amount of reserves on hand.	13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b		

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 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
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Did the organization have members or stockholders?	Yes	
7a	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?		No
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	Yes	
8b	Each committee with authority to act on behalf of the governing body?		No
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		No

Section B. Policies

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

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

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 Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. BARB STROM 211 S HARTH AVE MADISON, SD 57042 (605) 256-4536

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

☐ Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

Form **990** (2011)

Part VII

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	1,545,363	0	518,524

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: 8

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
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>	4	Yes
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>	5	No

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
AMERT CONSTRUCTION CO INC PO BOX 469 MADISON, SD 57042	CONSTRUCTION CONTRACTOR	2,564,078

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 1

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f						
Program Service Revenue			Business Code					
	2a	SALE OF POWER	221000	167,894,424	167,894,424			
	b	G&T CAPITAL CREDITS	221000	5,993,752	5,993,752			
	c	WHEELING REVENUE	221000	2,663,876	2,663,876			
	d	OTHER	221000	7,674	7,674			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		176,559,726				
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		679,426			679,426	
	4	Income from investment of tax-exempt bond proceeds . .						
	5	Royalties						
	6a	Gross rents	(i) Real	(ii) Personal				
			822,741					
			0					
			822,741					
	d	Net rental income or (loss)		822,741	822,741			
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
				100,660				
				60,433				
				40,227				
	d	Net gain or (loss)		40,227			40,227	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from fundraising events . .						
	9a	Gross income from gaming activities See Part IV, line 19	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from gaming activities . .						
	10a	Gross sales of inventory, less returns and allowances	a					
	b	Less cost of goods sold	b					
	c	Net income or (loss) from sales of inventory . .						
Miscellaneous Revenue		Business Code						
11a								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
12	Total revenue. See Instructions		178,102,120	177,382,467	0	719,653		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)
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	122,513			
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	8,684,369			
5	Compensation of current officers, directors, trustees, and key employees	1,133,178			
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	8,602,434			
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,843,622			
9	Other employee benefits				
10	Payroll taxes	505,837			
11	Fees for services (non-employees)				
a	Management				
b	Legal				
c	Accounting				
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other				
12	Advertising and promotion				
13	Office expenses				
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	7,311,363			
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	5,420,391			
23	Insurance				
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	COST OF POWER	136,912,331			
b	TRANSMISSION-OPERATIONS	6,543,281			
c	ADMIN & GENERAL	5,653,326			
d	TRANSMISSION-MAINTENANC	2,409,615			
e					
f	All other expenses	-7,540,140			
25	Total functional expenses. Add lines 1 through 24f	177,602,120			
26	Joint costs. Check here ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing				1	
	2	Savings and temporary cash investments			8,654,938	2	6,215,568
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			20,459,238	4	20,037,598
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			8,713,042	8	9,889,027
	9	Prepaid expenses and deferred charges			6,218,030	9	9,130,125
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	246,838,453			
	b	Less: accumulated depreciation	10b	79,035,889	158,387,077	10c	167,802,564
	11	Investments—publicly traded securities				11	
	12	Investments—other securities. See Part IV, line 11			9,223,898	12	6,445,033
	13	Investments—program-related. See Part IV, line 11			70,905,060	13	74,595,246
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11				15	
16	Total assets. Add lines 1 through 15 (must equal line 34)			282,561,283	16	294,115,161	
Liabilities	17	Accounts payable and accrued expenses			25,945,703	17	15,834,262
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties			132,643,055	23	155,620,749
	24	Unsecured notes and loans payable to unrelated third parties			22,400,000	24	15,000,000
	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			7,109,490	25	4,674,454
	26	Total liabilities. Add lines 17 through 25			188,098,248	26	191,129,465
	Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☐ and complete lines 27 through 29, and lines 33 and 34.					
27		Unrestricted net assets				27	
28		Temporarily restricted net assets				28	
29		Permanently restricted net assets				29	
Organizations that do not follow SFAS 117, check here ☒ and complete lines 30 through 34.							
30		Capital stock or trust principal, or current funds			2,500	30	2,500
31		Paid-in or capital surplus, or land, building or equipment fund			0	31	0
32		Retained earnings, endowment, accumulated income, or other funds			94,460,535	32	102,983,196
33		Total net assets or fund balances			94,463,035	33	102,985,696
34	Total liabilities and net assets/fund balances			282,561,283	34	294,115,161	

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	178,102,120
2	Total expenses (must equal Part IX, column (A), line 25)	2	177,602,120
3	Revenue less expenses Subtract line 2 from line 1	3	500,000
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	94,463,035
5	Other changes in net assets or fund balances (explain in Schedule O)	5	8,022,661
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	102,985,696

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 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		No
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	Yes	
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	

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, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
EAST RIVER ELECTRIC POWER COOPERATIVE INC

Employer identification number
46-0225402

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? ☐ Yes ☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may 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? ☐ Yes ☐ 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)

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area
☐ Protection of natural habitat☐ Preservation of a certified historic structure
☐ Preservation of open space

2

Complete lines 2a–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 Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

In Part XIV, 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.

1a

If the organization elected, as permitted under SFAS 116, 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 XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, 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 relating to these items

a

Revenues included in Form 990, Part VIII, line 1

► \$ _____

b

Assets included in Form 990, Part X

► \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2011

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

- 3

Using the organization's 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 XIV
- 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.

- 1a

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 XIV and complete the following table
- | | |
|----|--------|
| | Amount |
| 1c | |
| 1d | |
| 1e | |
| 1f | |

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- 2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No
- b

If "Yes," explain the arrangement in Part XIV

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or 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 year end balance held as
- a

Board designated or quasi-endowment ▶
- b

Permanent endowment ▶
- c

Term endowment ▶
- 3a

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

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- | | | |
|--------|-----|----|
| | Yes | No |
| 3a(i) | | |
| 3a(ii) | | |
| 3b | | |

4 Describe in Part XIV 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
1a Land		3,265,926		3,265,926
b Buildings		11,896,332	2,263,621	9,632,711
c Leasehold improvements				
d Equipment		110,275,722	36,029,023	74,246,699
e Other		121,400,473	40,743,245	80,657,228
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				167,802,564

Part XI

Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	178,102,120
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	177,602,120
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	500,000
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	8,022,661
9	Total adjustments (net) Add lines 4 - 8	9	8,022,661
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	8,522,661

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	178,084,295
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	178,084,295
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	17,825
c	Add lines 4a and 4b	4c	17,825
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	178,102,120

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	168,899,926
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	168,899,926
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	8,702,194
c	Add lines 4a and 4b	4c	8,702,194
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	177,602,120

Part XIV

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, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	THE COOPERATIVE BELIEVES IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN AFFECTING ITS ANNUAL FILING REQUIREMENTS, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE FINANCIAL STATEMENTS. THE COOPERATIVE WOULD RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS IN INCOME TAX EXPENSE IF SUCH INTEREST AND PENALTIES ARE INCURRED. GENERALLY, THE COOPERATIVE IS NO LONGER SUBJECT TO FEDERAL OR STATE TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2008.
PART XI, LINE 8 - OTHER ADJUSTMENTS		AMORTIZATION OF POSTRETIREMENT BENEFIT TRANSITION OBLIGATION 38,292. RETIREMENT OF CAPITAL CREDITS -700,000. ALLOCATION OF 2011 MARGINS TO MEMBERS IN 2012 8,684,369. TOTAL TO SCHEDULE D, PART XI, LINE 8 8,022,661.
PART XII, LINE 4B - OTHER ADJUSTMENTS		EXPENSES NETTED TO REVENUE FOR GAAP 17,825.
PART XIII, LINE 4B - OTHER ADJUSTMENTS		EXPENSES NETTED TO REVENUE FOR GAAP 17,825. ALLOCATION FO 2011 MARGINS TO MEMBERS IN 2012 8,684,369.

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization
EAST RIVER ELECTRIC POWER COOPERATIVE INC

Employer identification number
46-0225402

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) SD 4-H FOUNDATION BOX 525 BROOKINGS, SD 57007	46-6046086	501(C)(3)	25,000				CHARACTER COUNTS, OUR KIDS OUR FUTURE CAMPAIGN
(2) KIDS VOTING SD1641 DEADWOOD AVE RAPID CITY, SD 57702	46-0438703	501(C)(3)	8,000				CURRICULUM SPONSOR FOR KIDS VOTING
(3) LAIC FORWARD MADISONPO BOX 32 MADISON, SD 57042	51-0183368	501(C)(3)	10,000				ECONOMIC DEVELOPMENT
(4) SDARLBOX 2170 BROOKINGS, SD 57007	36-4293293	501(C)(3)	7,000				AG LEADERSHIP PROGRAM
(5) SDSU FOUNDATION BOX 525 BROOKINGS, SD 57007	46-0273801	501(C)(3)	22,000				SCHOLARSHIPS AND CAPITAL IMPROVEMENT CAMPAIGN
(6) SAVE OUR FARM YOUTHBOX 2120 BROOKINGS, SD 57007	46-0227839	501(C)(3)	8,000				SAFETY PROGRAM FOR FARM YOUTH

2

Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶

6

3

Enter total number of other organizations listed in the line 1 table ▶

0

Part III

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

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

Part IV

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 THE ORGANIZATION MAKES GRANTS TO VARIOUS FISCALLY RESPONSIBLE AND TRUSTWORTHY ORGANIZATIONS IN SOUTH DAKOTA AND MINNESOTA THE GRANTS ARE APPROVED BY THE ORGANIZATION'S BOARD OF DIRECTORS IN THE YEARLY BUDGET AND ALSO AUTHORIZED FOR DISBURSEMENT BY MANAGEMENT UPON RECEIPT OF INVOICE THERE ARE NO RESTRICTIONS ON THE GRANTS EXCEPT FOR THE RECIPIENTS TO USE THE FUNDS AS REPRESENTED IN THE INVOICE TO PROMOTE EDUCATION OR TO PROMOTE ECONOMIC DEVELOPMENT IN THE AREAS SERVED BY EAST RIVER ELECTRIC

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
EAST RIVER ELECTRIC POWER COOPERATIVE INC

Employer identification number
46-0225402

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	☒ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	☐ Compensation committee ☐ Written employment contract ☒ Independent compensation consultant ☒ Compensation survey or study ☐ Form 990 of other organizations ☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	
b	Any related organization?	5b	
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	
b	Any related organization?	6b	
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual.

[illegible]

Part III **Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
	PART I, LINE 1A	USE OF CHARTER AIR IS ALLOWED ONLY WHEN COMMERCIAL AIRLINE SERVICE IS NOT AVAILABLE OR PRACTICAL

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
EAST RIVER ELECTRIC POWER COOPERATIVE INC

Employer identification number
46-0225402

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) Description of transaction	(c) Corrected?	
			Yes	No

2

Enter the amount of tax imposed on 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total										

Part III

Grants or Assistance Benefitting 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 grant or type of assistance

Part IV

Business Transactions Involving Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) BASIN ELECTRIC	KERMIT PEARSON IS DIRECTOR ON EAST RIVER ELECTRIC'S BOARD OF DIRECTORS	114,167,000	EAST RIVER ELECTRIC POWER COOPERATIVE IS A COOPERATIVE MEMBER OWNER OF AND PURCHASES POWER FROM BASIN ELECTRIC AND PAYS BASIN ELECTRIC FOR OTHER COOPERATIVE RELATED EXPENSES KERMIT PEARSON IS EAST RIVER'S ELECTED DIRECTOR TO THE BASIN ELECTRIC BOARD OF DIRECTORS		No

Part V

Supplemental Information
Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
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SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization

EAST RIVER ELECTRIC POWER COOPERATIVE INC

Employer identification number

46-0225402

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	THE COOPERATIVE SHALL HAVE NO STOCK, BUT MEMBERSHIP IN THE COOPERATIVE SHALL BE EVIDENCED BY A MEMBERSHIP CERTIFICATE. MEMBERSHIP IN THE COOPERATIVE SHALL BE OF FOUR CLASSES AS FOLLOWS: (A) CLASS "A" MEMBERSHIP: ANY INCORPORATED COOPERATIVE ASSOCIATION ORGANIZED UNDER STATE LAWS GOVERNING RURAL ELECTRIC COOPERATIVES, FOR THE PURPOSES OF CONSTRUCTING, OPERATING AND MAINTAINING ELECTRIC DISTRIBUTION LINES OR SYSTEMS MAY BECOME A CLASS "A" MEMBER UPON COMPLIANCE WITH THE OTHER MEMBERSHIP REQUIREMENTS OF THESE BYLAWS. EACH CLASS "A" MEMBER SHALL BE ENTITLED TO ONE (1) DIRECTOR AND ONE (1) VOTE AT ANY COOPERATIVE MEETING. (B) CLASS "B" MEMBERSHIP: ANY MUNICIPALITY OR OTHER BODY POLITIC MAY BECOME A CLASS "B" MEMBER UPON COMPLIANCE WITH THE OTHER MEMBERSHIP REQUIREMENTS OF THESE BYLAWS. CLASS "B" MEMBERS SHALL COLLECTIVELY BE ENTITLED TO ONE (1) DIRECTOR AND ONE (1) VOTE AT ANY COOPERATIVE MEETING. (C) CLASS "C" MEMBERSHIP: ANY FIRM, ASSOCIATION, CORPORATION, BUSINESS TRUST, LIMITED LIABILITY COMPANY OR OTHER ENTITY NOT FITTING THE REQUIREMENTS OF CLASS "A" OR "B" MEMBERSHIP MAY BECOME A CLASS "C" MEMBER UPON COMPLIANCE WITH THE OTHER MEMBERSHIP REQUIREMENTS OF THESE BYLAWS. CLASS "C" MEMBERS SHALL COLLECTIVELY BE ENTITLED TO ONE (1) DIRECTOR AND ONE (1) VOTE AT ANY COOPERATIVE MEETING. (D) CLASS "D" MEMBERSHIP: ANY COOPERATIVE, FIRM, ASSOCIATION, CORPORATION, BUSINESS TRUST, LIMITED LIABILITY COMPANY OR OTHER ENTITY NOT FITTING THE REQUIREMENTS OF CLASS "A", "B", OR "C" MEMBERSHIP MAY BECOME A CLASS "D" MEMBER UPON COMPLIANCE WITH THE OTHER MEMBERSHIP REQUIREMENTS OF THESE BYLAWS. CLASS "D" MEMBERS SHALL COLLECTIVELY BE ENTITLED TO ONE (1) DIRECTOR AND ONE (1) VOTE AT ANY COOPERATIVE MEETING.
	FORM 990, PART VI, SECTION A, LINE 8B	THERE ARE NO COMMITTEES WITH AUTHORITY TO ACT ON BEHALF OF THE GOVERNING BODY.
	FORM 990, PART VI, SECTION B, LINE 11	UPON COMPLETION OF EAST RIVER'S 990, THE RETURN WILL BE POSTED TO THE SECURE AREA OF EAST RIVER'S WEB SITE FOR THE DIRECTORS, OFFICERS, AND MANAGER'S REVIEW. AT THE NEXT BOARD MEETING, ANY QUESTIONS OR CONCERNS WILL BE ADDRESSED AND THE 990 WILL BE FILED WITH THE IRS.
	FORM 990, PART VI, SECTION B, LINE 12C	ALL DIRECTORS AND EMPLOYEES ARE COVERED BY THE CONFLICT OF INTEREST POLICY. AN EMPLOYEE OR DIRECTOR SHALL MAKE PROMPT AND FULL DISCLOSURE TO THE BOARD OR TO THE EMPLOYEE'S SUPERVISOR OF ANY POTENTIAL SITUATION WHICH MAY INVOLVE A CONFLICT OF INTEREST. DETERMINATION OF WHETHER A CONFLICT EXISTS AND REVIEW OF THE CONFLICT WILL BE MADE BY THE BOARD. IF THE PERSON INVOLVED IS A BOARD MEMBER OR GENERAL MANAGER, IF THE PERSON INVOLVED IS AN EMPLOYEE, THE EMPLOYEE'S SUPERVISOR WILL MAKE THIS DETERMINATION. ANY EMPLOYEE OR DIRECTOR WHOSE CONDUCT VIOLATES THE CONFLICT OF INTEREST POLICY SHALL BE SUBJECT TO DISCIPLINARY ACTION UP TO AND INCLUDING EXPULSION FROM THE BOARD OR TERMINATION, THIS IS DETERMINED BY THE BOARD OR GENERAL MANAGER.
	FORM 990, PART VI, SECTION B, LINE 15	THE COMPENSATION PLAN IS BASED ON A COMPILATION OF SALARY SURVEY DATA ACQUIRED THROUGH THE SERVICES OF A PROFESSIONAL CONSULTANT. AN AVERAGE OF THE MEDIAN RATES IN THE VARIOUS SURVEYS IS USED TO DETERMINE THE EAST RIVER MARKET RATE. THE BOARD OF DIRECTORS ANNUALLY REVIEWS THE MARKET DATA AND APPROVES ANY CHANGES.
	FORM 990, PART VI, SECTION C, LINE 19	AVAILABLE UPON REQUEST BY CALLING THE OFFICE, STOPPING IN, OR VIA EMAIL.
	FORM 990, PART VII, COLUMN F, OTHER COMPENSATION	INCLUDED IN OTHER COMPENSATION IS THE ESTIMATED CURRENT YEAR INCREASE OR DECREASE IN THE ACTUARIAL VALUE OF THE DEFINED BENEFIT PLAN FOR THE GENERAL MANAGER, ASSISTANT GENERAL MANAGERS AND OTHER HIGHLY COMPENSATED EMPLOYEES. THE CURRENT YEAR INCREASE OR DECREASE DOES NOT REPRESENT CURRENT YEAR CONTRIBUTIONS TO THE PLAN. RATHER, IT IS AN ESTIMATE OF THE INCREASE OR DECREASE IN THE ACTUARIAL VALUE OF THE PLAN AS CALCULATED BY THE PLAN ADMINISTRATOR.
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	AMORTIZATION OF POSTRETIREMENT BENEFIT TRANSITION OBLIGATION 38,292. RETIREMENT OF CAPITAL CREDITS -700,000. ALLOCATION OF 2011 MARGINS TO MEMBERS IN 2012 8,684,369. TOTAL TO FORM 990, PART XI, LINE 5 8,022,661.
	FORM 990, PART IX, LINE 24E STATEMENT OF FUNCTIONAL EXPENSES	THE LABOR, PENSION AND PAYROLL TAXES REPORTED ON LINES 6-10 ARE INCLUDED IN DISTRIBUTION EXPENSE, ADMINISTRATIVE & GENERAL EXPENSE AND CUSTOMER EXPENSE. THEREFORE, LABOR, PENSION AND PAYROLL TAXES ARE SHOWN AS A REDUCTION TO OTHER EXPENSES ON LINE 24E.

Additional Data

Software ID:

Software Version:

EIN: 46-0225402

Name: EAST RIVER ELECTRIC POWER COOPERATIVE INC

Form 990, Special Condition Description:

Special Condition Description

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JAMES RYKEN PRESIDENT	8 00	X		X				16,371	0	5,440
WALLACE JOHNSON VICE-PRESIDENT	5 00	X		X				8,066	0	4,432
ERVIN FINK SECRETARY	4 00	X		X				11,471	0	0
BERT ROGNESS TREASURER	6 00	X		X				15,359	0	0
DAVID ALLEN DIRECTOR	4 00	X						9,647	0	0
GENE BOERGER DIRECTOR	5 00	X						13,455	0	0
RICHARD DAILEY DIRECTOR	4 00	X						9,473	0	0
ALDEN FLAKOLL DIRECTOR	5 00	X						13,106	0	0
KEN GILLASPIE DIRECTOR	5 00	X						12,681	0	0
GALEN GRANT DIRECTOR	5 00	X						12,440	0	0
RICHARD KOUPAL DIRECTOR	4 00	X						11,593	0	0
VERDON LAMB DIRECTOR	4 00	X						11,408	0	0
ROGER MENTZER DIRECTOR	5 00	X						12,552	0	0
KERMIT PEARSON DIRECTOR	4 00	X						8,935	0	0
ISABEL TROBAUGH DIRECTOR	4 00	X						11,521	0	0
ROGER WIDMAN DIRECTOR	4 00	X						4,360	0	0
LYLE WITTE DIRECTOR	5 00	X						12,152	0	0
VICTOR GROSS DIRECTOR	4 00	X						9,927	0	0
PAT HOMAN DIRECTOR	4 00	X						10,459	0	0
LESLIE MEHLHAFF DIRECTOR	4 00	X						9,995	0	0
MARK ROGEN DIRECTOR	4 00	X						10,536	0	0
JAMES LARSON DIRECTOR	6 00	X						65	0	17,479
ALAN VEDVEI DIRECTOR	3 00	X						4,993	0	0
JEFFREY L NELSON GENERAL MANAGER	49 00			X				316,692	0	80,433
GREG HOLLISTER ASSIST GM-ADMINISTRATION	43 00			X				169,850	0	106,139

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JIM EDWARDS ASSIST GM-OPERATIONS	45 00				X			182,914	0	60,657
SCOTT PARSLEY ASSIST GM-MEMBER SERVICE	44 00					X		162,029	0	101,053
ROBERT SAHR GENERAL COUNSEL	43 00					X		126,282	0	38,635
LARRY DEKRAMER SUB/DISPATCH MANAGER	43 00					X		128,084	0	35,669
DANNY WALL TRANS/ENG SERVICES MANAGER	40 00					X		112,517	0	10,534
RANDY HOFFMAN BUDGET SERVICES MANAGER	40 00					X		106,430	0	58,053