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Form 990

## Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2015

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- Do not enter social security numbers on this form as it may be made public.
- Information about Form 990 and its Instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

A For the 2015 calendar year, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

B Check if applicable

- Address change
- Name change
- Initial return
- Final return/terminated
- Amended return
- Application pending

C Name of organization

MIDLAND POWER COOPERATIVE

D Employer identification number

42-1378565

E Telephone number

515-386-4111

G Gross receipts \$ 46,860,126

Doing business as

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

1005 E LINCOLN WAY

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

JEFFERSON IA 50129

F Name and address of principal officer

JACK RUNGE  
1005 E LINCOLN WAY  
JEFFERSON IA 50129H(a) Is this a group return for subordinates  Yes  NoH(b) Are all subordinates included?  Yes  No

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

I Tax-exempt status

501(c)(3)

X 501(c) (12) (insert no)

4947(a)(1) or

527

J Website: ► [www.midlandpower.com](http://www.midlandpower.com)

K Form of organization

X Corporation

Trust

Association

Other ►

H(c) Group exemption number ►

L Year of formation 1991 M State of legal domicile IA

## Part I Summary

1 Briefly describe the organization's mission or most significant activities

SALE OF ELECTRICITY TO APPROXIMATELY 8,850 MEMBERS LOCATED IN CENTRAL IOWA  
TO GENERATE INCOME FOR THE SOLE PURPOSE OF MEETING LOSSES AND EXPENSES.

RECEIVED

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 14

4 Number of independent voting members of the governing body (Part VI, line 1b)

4 14

5 Total number of individuals employed in calendar year 2012 (Part VI, line 2a)

5 54

6 Total number of volunteers (estimate if necessary)

6 0

7a Total unrelated business revenue from Part VIII, column (C), line 12

7a 19,576

b Net unrelated business taxable income from Form 990-T, line 34

7b 0

OGDEN SERVICE CENTER

Prior Year

Current Year

8 Contributions and grants (Part VIII, line 1h)

0

9 Program service revenue (Part VIII, line 2g)

43,513,125 44,799,982

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)

309,912 169,763

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

1,825,522 1,467,781

12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)

45,648,559 46,437,526

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)

0

14 Benefits paid to or for members (Part IX, column (A), line 4)

1,200,000 1,000,000

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)

407,825 391,883

16a Professional fundraising fees (Part IX, column (A), line 11e)

0

b Total fundraising expenses (Part IX, column (D), line 25) ►

0

17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)

42,445,266 42,483,811

18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)

44,053,091 43,875,694

19 Revenue less expenses Subtract line 18 from line 12

1,595,468 2,561,832

RECEIVED

Beginning of Current Year End of Year

20 Total assets (Part X, line 16)

93,132,334 100,368,615

21 Total liabilities (Part X, line 26)

52,776,595 57,267,906

22 Net assets or fund balances Subtract line 21 from line 20

40,355,739 43,100,709

## Part II Signature Block

OGDEN UT

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

5/25/16

Jack Runge, President

Date

Type or print name and title

Paid  
Preparer  
Use OnlyPrint/Type preparer's name  
Todd ThorsonPreparer's signature  
J. ThorsonDate  
5/23/16Check  if  
self-employedPTIN  
00791808

Firm's name ► Kiesling Associates LLP

Firm's EIN ► 39-0906430

7780 Office Plaza Dr S Ste 184

Phone no. 515-223-0159

Firm's address ► West Des Moines, IA 50266-2337

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

Form 990 (2015)

For Paperwork Reduction Act Notice, see the separate instructions.  
DAANE  
P 23

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response or note to any line in this Part III 

1 Briefly describe the organization's mission

**SALE OF ELECTRICITY TO APPROXIMATELY 8,850 MEMBERS LOCATED IN CENTRAL IOWA TO GENERATE INCOME FOR THE SOLE PURPOSE OF MEETING LOSSES AND EXPENSES.**2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code       ) (Expenses \$ **43,875,694** including grants of\$       ) (Revenue \$ **44,799,982** )  
**MIDLAND POWER IS A RURAL ELECTRIC COOPERATIVE THAT PROVIDES ELECTRICITY TO ITS MEMBERS.**

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

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

4d Other program services (Describe in Schedule O)  
 (Expenses \$       ) including grants of\$       ) (Revenue \$       )

4e Total program service expenses ► **43,875,694**

## Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	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? If "Yes," complete Schedule C, Part III	5	X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	X
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	X
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	X
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X

## Part IV Checklist of Required Schedules (continued)

20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H  
 b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II

22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III

23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J

24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a  
 b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?  
 c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?  
 d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?

25a **Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I  
 b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I

26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II

27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III

28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)  
 a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV  
 b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV  
 c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV

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

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

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

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

33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I

34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, or IV, and Part V, line 1

35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?  
 b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2

36 **Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2

37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI

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

	Yes	No
20a		X
20b		
21		X
22		X
23	X	
24a		X
24b		
24c		
24d		
25a		
25b		
26		X
27		X
28a		X
28b		X
28c		X
29		X
30		X
31		X
32		X
33		X
34		X
35a		X
35b		
36		
37		X
38	X	

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

Check if Schedule O contains a response or note to any line in this Part V 

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	28
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	54
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</i>	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b	X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country ► See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
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 as charitable contributions?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>	7a	
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?	7b	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7e	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8	
8	<b>Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	9a	
9	<b>Sponsoring organizations maintaining donor advised funds.</b>	9b	
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	<b>Section 501(c)(7) organizations.</b> Enter	10a	
a	Initiation fees and capital contributions included on Part VIII, line 12	10b	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	<b>Section 501(c)(12) organizations.</b> Enter	11a	45,252,414
a	Gross income from members or shareholders	11b	1,774,974
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> 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	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>	13a	
a	Is the organization licensed to issue qualified health plans in more than one state? <i>Note. See the instructions for additional information the organization must report on Schedule O</i>		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
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 line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

### Section A. Governing Body and Management

- 1a Enter the number of voting members of the governing body at the end of the tax year  
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O
- 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?
- 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?
- 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?
- 5 Did the organization become aware during the year of a significant diversion of the organization's assets?
- 6 Did the organization have members or stockholders?
- 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?
- b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?
- 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:
  - a The governing body?
  - b Each committee with authority to act on behalf of the governing body?
- 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

	1a	1b	Yes	No
1a	14			
1b	14			
2			X	
3			X	
4			X	
5			X	
6		X		
7a			X	
7b		X		
8a		X		
8b		X		
9			X	

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

- 10a Did the organization have local chapters, branches, or affiliates?
  - b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?
- 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?
  - b Describe in Schedule O the process, if any, used by the organization to review this Form 990
- 12a Did the organization have a written conflict of interest policy? If "No," go to line 13
  - b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?
  - c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done
- 13 Did the organization have a written whistleblower policy?
- 14 Did the organization have a written document retention and destruction policy?
- 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?
  - a The organization's CEO, Executive Director, or top management official
  - b Other officers or key employees of the organization
 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?
  - b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

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

### Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ►
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 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  Other (explain in Schedule O)
- 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 during the tax year
- 20 State the name, address, and telephone number of the person who possesses the organization's books and records ►

JEFF BROPHY

1005 E LINCOLN WAY

JEFFERSON

IA 50129

515-386-4111

Form 990 (2015)

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

 Check if Schedule O contains a response or note to any line in this Part VII 
**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee"
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highly compensated	Former			
(1) JACK RUNGE PRESIDENT	5.85 0.00	X		X				7,600	0	16
(2) TOM ROSS VICE PRESIDENT	5.81 0.00	X		X				6,700	0	16
(3) PAUL HEINEMAN TREASURER	2.77 0.00	X		X				3,900	0	16
(4) RANDY CHRISTENSEN SECRETARY	3.97 0.00	X		X				3,950	0	25
(5) MICHAEL COLEMAN ASST SEC/TREASURER	5.55 0.00	X		X				5,900	0	16
(6) KIM RINKER DIRECTOR	6.66 0.00	X						6,025	0	16
(7) TOM INGEBRITSON DIRECTOR	4.21 0.00	X						4,750	0	16
(8) JAMES WEIGEL DIRECTOR	3.46 0.00	X						4,500	0	16
(9) CHARLES GILBERT DIRECTOR	3.75 0.00	X						5,900	0	16
(10) EARL CHECK DIRECTOR	3.44 0.00	X						4,500	0	5
(11) JIM MARSO DIRECTOR	2.73 0.00	X						2,650	0	16

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		or director	institu tional trustee	Officer	Key employee	Highest compen sated employee	Found er			
(12) KEVIN RASMUSSEN DIRECTOR	3.13 0.00	X						4,750	0	16
(13) JOEL SKOW DIRECTOR	5.04 0.00	X						6,150	0	16
(14) LARRY TILTON FORMER DIRECTOR	0.83 0.00	X						1,300	0	12
(15) RICK THOMPSON DIRECTOR	4.08 0.00	X						3,850	0	16
(16) WILLIAM MCKIM CEO	40.00 0.00		X					182,662	0	24,409
(17) JEFF BROPHY VP OF FINANCE	40.00 0.00		X					92,969	0	19,184
1b Sub-total								348,056		43,827
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								348,056		43,827

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 ►1

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	5	X

## Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. 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
WATTS ELECTRIC COMPANY WAVERLY NE 68462	13351 DOVERS STREET OH LINE REBUILD	5,552,818
NORTH CENTRAL LINE SERVICE LTD ALTA IA 51002	PO BOX 86 OH LINE REBUILD	903,800
IES COMMERCIAL INC. HOLDREDGE NE 68949	120 SOUTH LINCOLN STREET OH LINE REBUILD	667,741
LEGACY POWER LINE, INC. WADENA MN 56482	12822 HWY 10 OH LINE REBUILD	586,851
POOR BOY TREE SERVICE INC. FAIR PLAY MO 65649	273 EAST 410TH ROAD LINE MAINT	179,266

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 ►

5

## Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Program Service Revenue 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		►				
2a SALE OF POWER		Busn Code	*			
221000		44,771,457	44,771,457			
b MONITORING SERVICES		517000	14,417	14,417		
c ENVIROWATCH MONITORING		517000	14,108		14,108	
d						
e						
f All other program service revenue						
g Total. Add lines 2a-2f		►	44,799,982			
3 Investment income (including dividends, interest, and other similar amounts)			139,963			139,963
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
(i) Real		(ii) Personal				
6a Gross rents			564			
b Less rental exps						
c Rental inc or (loss)			564			
d Net rental income or (loss)		►				
7a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other			
b Less cost or other basis & sales exps			29,800			
c Gain or (loss)			29,800			
d Net gain or (loss)		►				29,800
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	330,272				
b Less cost of goods sold	b	422,600				
c Net income or (loss) from sales of inventory		►	-92,328	-97,796	5,468	
Miscellaneous Revenue		Busn Code				
11a CAPITAL CREDITS			1,559,545	1,559,545		
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		►	1,559,545			
12 Total revenue. See instructions		►	46,437,526	46,248,187	19,576	169,763

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line 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 domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members	1,000,000	1,000,000		
5 Compensation of current officers, directors, trustees, and key employees	391,883	391,883		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)				
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	1,744,801	1,744,801		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,912,321	2,912,321		
23 Insurance				
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a COST OF POWER	31,675,521	31,675,521		
b DIST EXP- MAINTENANCE	2,254,581	2,254,581		
c OTHER MISC EXPENSES	1,339,855	1,339,855		
d DIST EXP- OPERATIONS	1,331,453	1,331,453		
e All other expenses	1,225,279	1,225,279		
25 Total functional expenses Add lines 1 through 24e	43,875,694	43,875,694	0	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ► <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

## Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X 

		(A) Beginning of year		(B) End of year
	1 Cash—non-interest bearing	893,841	1	536,820
	2 Savings and temporary cash investments	4,766,378	2	3,802,172
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	4,794,389	4	5,134,453
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
Assets	7 Notes and loans receivable, net	258,000	7	410,000
	8 Inventories for sale or use	1,264,285	8	1,469,657
	9 Prepaid expenses and deferred charges	2,055,962	9	1,798,144
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	106,676,648		
	b Less accumulated depreciation	34,943,506	10c	71,733,142
	11 Investments—publicly traded securities		11	
	12 Investments—other securities See Part IV, line 11		12	
	13 Investments—program-related See Part IV, line 11	13,115,738	13	15,415,810
	14 Intangible assets	54,780	14	54,780
	15 Other assets See Part IV, line 11	13,637	15	13,637
	16 Total assets. Add lines 1 through 15 (must equal line 34)	93,132,334	16	100,368,615
	17 Accounts payable and accrued expenses	5,311,051	17	4,901,576
	18 Grants payable		18	
	19 Deferred revenue	1,248,034	19	892,590
	20 Tax-exempt bond liabilities		20	
Liabilities	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	45,225,730	23	50,579,474
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	991,780	25	894,266
	26 Total liabilities. Add lines 17 through 25	52,776,595	26	57,267,906
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ► <input type="checkbox"/> 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 (ASC 958), check here ► <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds	40,355,739	32	43,100,709
	33 Total net assets or fund balances	40,355,739	33	43,100,709
	34 Total liabilities and net assets/fund balances	93,132,334	34	100,368,615

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI 

1 Total revenue (must equal Part VIII, column (A), line 12)	1	46,437,526
2 Total expenses (must equal Part IX, column (A), line 25)	2	43,875,694
3 Revenue less expenses Subtract line 2 from line 1	3	2,561,832
4 Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	40,355,739
5 Net unrealized gains (losses) on investments	5	
6 Donated services and use of facilities	6	
7 Investment expenses	7	0
8 Prior period adjustments	8	
9 Other changes in net assets or fund balances (explain in Schedule O)	9	183,138
10 Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	43,100,709

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII 

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	<input checked="" type="checkbox"/>
2b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	<input checked="" type="checkbox"/>
2c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	<input checked="" type="checkbox"/>
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3a	<input checked="" type="checkbox"/>
	3b	<input checked="" type="checkbox"/>

Form 990 (2015)

**SCHEDULE D  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**► Complete if the organization answered "Yes" on Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

► Attach to Form 990.

► Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2015**Open to Public  
Inspection

Name of the organization

Employer Identification number

**MIDLAND POWER COOPERATIVE****42-1378565****Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 6

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

**Part II Conservation Easements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)	
<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year	
a Total number of conservation easements	<b>Held at the End of the Tax Year</b>
b Total acreage restricted by conservation easements	2a
c Number of conservation easements on a certified historic structure included in (a)	2b
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2c
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►	2d
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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►	
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements	

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2015

DAA

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

<input type="checkbox"/> a Public exhibition	<input type="checkbox"/> d Loan or exchange programs
<input type="checkbox"/> b Scholarly research	<input type="checkbox"/> e Other
<input type="checkbox"/> c Preservation for future generations	

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on 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 XIII and complete the following table

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

**Part V Endowment Funds.**

Complete if the organization answered "Yes" on 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 Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ► %

b Permanent endowment ► %

c Temporarily restricted endowment ► %

The percentages on lines 2a, 2b, and 2c should equal 100%

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" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds

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

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. 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		321,857		321,857
b Buildings		7,054,510	2,378,836	4,675,674
c Leasehold improvements				
d Equipment		89,939,267	32,546,950	57,392,317
e Other		9,361,014	17,720	9,343,294
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10c)			►	<b>71,733,142</b>

Schedule D (Form 990) 2015

**Part VII Investments—Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		

Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ►

**Part VIII Investments—Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) CORNBELT- PATRONAGE CAPITAL	7,570,871	Cost
(2) FEDERAL ECONOMIC DEVELOP LOANS	3,304,662	Cost
(3) CIPCO- PATRONAGE CAPITAL	2,343,840	Cost
(4) NRUCFC CAPITAL TERM CERT	1,165,970	Cost
(5) SPECIAL FUNDS REVOLVING LOANS	636,016	Cost
(6) NRUCFC- PATRONAGE CAPITAL	310,545	Cost
(7) OTHER INVESTMENTS	83,906	Cost
(8)		
(9)		

Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ►

15,415,810

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ►

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED POST RETIREMENT BENEFITS	738,985
(3) CONSUMER DEPOSITS	155,281
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ►

894,266

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**  
 Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1 Total revenue, gains, and other support per audited financial statements	1	<b>46,400,899</b>
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a Net unrealized gains (losses) on investments	2a	
b Donated services and use of facilities	2b	
c Recoveries of prior year grants	2c	
d Other (Describe in Part XIII)	2d	
e Add lines 2a through 2d	2e	
3 Subtract line 2e from line 1	3	<b>46,400,899</b>
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>36,627</b>
b Other (Describe in Part XIII)	4b	
c Add lines 4a and 4b	4c	<b>36,627</b>
5 Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	<b>46,437,526</b>

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**  
 Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1 Total expenses and losses per audited financial statements	1	<b>42,839,067</b>
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 XIII)	2d	
e Add lines 2a through 2d	2e	
3 Subtract line 2e from line 1	3	<b>42,839,067</b>
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 XIII)	4b	<b>1,036,627</b>
c Add lines 4a and 4b	4c	<b>1,036,627</b>
5 Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	<b>43,875,694</b>

**Part XIII Supplemental Information.**

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

**Part XII, Line 4b - Expense Amounts Included on Return - Other**

ALLOCATED PATRONAGE DIVIDEND	\$ 1,000,000
COSTS INCLUDED AS EXP ON 990 AND REV ON FIN STATEMENTS	\$ 36,627

**Part XIV - Supplemental Financial Information**
**PART X, LINE 2:**

THE COOPERATIVE HAS QUALIFIED AS A TAX-EXEMPT ORGANIZATION, UNDER SECTION 501(C)(12) OF THE INTERNAL REVENUE CODE, AND ACCORDINGLY, INCOME TAXES HAVE NOT BEEN RECORDED IN THE ACCOMPANYING STATEMENTS.

THE COOPERATIVE EVALUATED ITS TAX POSITIONS AND DETERMINED THAT IT HAS NO

UNCERTAIN TAX POSITIONS AS OF DECEMBER 31, 2015 AND 2014. WITH FEW EXCEPTIONS, THE COOPERATIVE IS NO LONGER SUBJECT TO FEDERAL, STATE, OR LOCAL INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2012.

**PART XI, LINE 4B- OTHER ADJUSTMENTS:**

COSTS INCLUDED AS EXPENSES ON 990 AND	
REVENUES ON FINANCIAL STATEMENTS	<b>36,627</b>

**PART XII, LINE 4B- OTHER ADJUSTMENTS:**

COSTS INCLUDED AS EXPENSES ON 990 AND	
REVENUES ON FINANCIAL STATEMENTS	<b>36,627</b>
ALLOCATED PATRONAGE DIVIDEND	<b>1,000,000</b>
<b>TOTAL TO SCHEDULE D, PART XII, LINE 4B</b>	<b>1,036,627</b>

**SCHEDULE J**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Compensation Information**  
For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees  
► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
► Attach to Form 990.  
► Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2015**

Open to Public  
Inspection

Name of the organization

**MIDLAND POWER COOPERATIVE**

Employer identification number  
**42-1378565**

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

**4** During the year, did any person listed on 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?  
**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?  
**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

**a** The organization?  
**b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III

**6** For persons listed on 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?  
**b** Any related organization?

If "Yes" on line 6a or 6b, describe in Part III

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described on lines 5 and 6? If "Yes," describe in Part III

**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2015

DAA

For each individual whose compensation must be reported on 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, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation			
WILLIAM MCKIM	182,662	0	0	0	10,906	13,503
1 CEO	0	0	0	0	0	0
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

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

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

OMB No 1545-0047

**2015**

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Inspection

Department of the Treasury  
Internal Revenue Service

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

► Attach to Form 990 or 990-EZ.

► Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

**MIDLAND POWER COOPERATIVE**

Employer Identification number

**42-1378565**

**Form 990 - Additional Information**

**PART IX, LINE 4:** THE IRS INSTRUCTIONS STATE THAT PATRONAGE DIVIDENDS PAID BY SECTION 501(C)(12) ORGANIZATIONS TO THEIR MEMBERS SHOULD BE REPORTED ON LINE 4. THE ORGANIZATION HAS INTERPRETED PATRONAGE DIVIDENDS TO MEAN PATRONAGE DIVIDENDS ALLOCATED OR TO BE ALLOCATED FOR THE CURRENT YEAR. SINCE THIS ALLOCATION IS NOT AN EXPENSE UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP), THIS HAS RESULTED IN A RECONCILING ITEM TO NET ASSETS IN PART XI ON PAGE 12 OF THE FORM 990 AND IN PART XII ON SCHEDULE D.

**Form 990, Part VI - Additional Information**

**SECTION A, LINE 6:** ALL ELECTRIC CUSTOMERS OF THE COOPERATIVE ARE VOTING MEMBERS OF THE COOPERATIVE. EACH MEMBER HAS ONE VOTE AT THE ANNUAL MEETING OF THE MEMBERSHIP.

**SECTION A, LINE 7A:** MEMBERS OF THE BOARD OF DIRECTORS ARE ELECTED TO THREE YEAR TERMS BY THE MEMBERS OF THE COOPERATIVE AT THE COOPERATIVE'S ANNUAL MEETING.

**SECTION A, LINE 7B:** ANY MERGERS OR AMENDMENTS TO THE ARTICLES OF INCORPORATION OR BY-LAWS ARE SUBJECT TO APPROVAL BY THE COOPERATIVE'S MEMBERS.

**SECTION B, LINE 11:** THE 990 RETURN WILL BE PRESENTED TO THE BOARD OF DIRECTORS AND APPROVED BY THE BOARD BEFORE IT IS FILED.

Name of the organization

MIDLAND POWER COOPERATIVE

Employer identification number

42-1378565

SECTION B, LINE 12C: DIRECTORS ARE REQUIRED TO FILL OUT A CONFLICT OF INTEREST DISCLOSURE STATEMENT ANNUALLY.

SECTION B, LINE 15: MIDLAND POWER COOPERATIVE'S BOARD OF DIRECTORS PERFORMS AN ANNUAL REVIEW OF THE GENERAL MANAGER USING NRECA SURVEY DATA TO DETERMINE THE RATE OF PAY. THE GENERAL MANAGER USES THE SAME NRECA DATA THE BOARD USES IN DETERMINING THE SALARIES OF THE KEY EMPLOYEES AND HOURLY EMPLOYEES THAT ARE NON-UNION.

SECTION C, LINE 19: ANNUAL REPORTS ARE DISTRIBUTED AT THE ANNUAL MEETING THAT CONTAIN THE FINANCIAL STATEMENTS, ALL OTHER POLICIES ARE AVAILABLE UPON REQUEST.

Form 990, Part VI, Line 6 - Classes of Members or Stockholders  
ALL ELECTRIC CUSTOMERS OF THE COOPERATIVE ARE VOTING MEMBERS OF THE COOPERATIVE. EACH MEMBER HAS ONE VOTE AT THE ANNUAL MEETING OF THE MEMBERSHIP.

Form 990, Part VI, Line 7a - Election of Members and Their Rights  
MEMBERS OF THE BOARD OF DIRECTORS ARE ELECTED TO THREE YEAR TERMS BY THE MEMBERS OF THE COOPERATIVE AT THE COOPERATIVE'S ANNUAL MEETING.

Form 990, Part VI, Line 7b - Decisions Subject to Approval of Members  
ANY MERGERS OR AMENDMENTS TO THE ARTICLES OF INCORPORATION OR BY-LAWS ARE SUBJECT TO APPROVAL BY THE COOPERATIVE'S MEMBERS.

Form 990, Part VI, Line 11b - Organization's Process to Review Form 990

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Page 1 of 3

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Schedule O (Form 990 or 990-EZ) (2015)

Name of the organization

MIDLAND POWER COOPERATIVE

Employer identification number

42-1378565

THE 990 RETURN WILL BE PRESENTED TO THE BOARD OF DIRECTORS AND APPROVED BY THE BOARD BEFORE IT IS FILED.

Form 990, Part VI, Line 12c - Enforcement of Conflicts Policy

DIRECTORS ARE REQUIRED TO FILL OUT A CONFLICT OF INTEREST DISCLOSURE STATEMENT ANNUALLY.

Form 990, Part VI, Line 15a - Compensation Process for Top Official  
MIDLAND POWER COOPERATIVE'S BOARD OF DIRECTORS PERFORMS AN ANNUAL REVIEW OF THE GENERAL MANAGER USING NRECA SURVEY DATA TO DETERMINE THE RATE OF PAY.

Form 990, Part VI, Line 15b - Compensation Process for Officers

THE GENERAL MANAGER USES THE SAME NRECA DATA THE BOARD USES IN DETERMINING THE SALARIES OF THE KEY EMPLOYEES AND HOURLY EMPLOYEES THAT ARE NON-UNION.

Form 990, Part VI, Line 19 - Governing Documents Disclosure Explanation  
ANNUAL REPORTS ARE DISTRIBUTED AT THE ANNUAL MEETING THAT CONTAIN THE FINANCIAL STATEMENTS, ALL OTHER POLICIES ARE AVAILABLE UPON REQUEST.

Form 990, Part XI, Line 9 - Other Changes in Net Assets Explanation

RETIREMENT OF CAPITAL CREDITS	\$ -946,601
CHANGES IN OTHER EQUITIES	\$ 129,739
PATRONAGE ALLOCATION	\$ 1,000,000
<b>Total</b>	<b>\$ 183,138</b>

Form 990, Part XII - Additional Information

LINE 2C: THE OVERSIGHT OF THE FINANCIAL STATEMENTS AND THE SELECTION OF AN

Name of the organization

**MIDLAND POWER COOPERATIVE**

Employer identification number

**42-1378565**

INDEPENDENT ACCOUNTANT TO PERFORM THE AUDIT OF THE FINANCIAL STATEMENTS BY  
THE BOARD OF DIRECTORS HAS NOT CHANGED.