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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 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

OMB No 1545-0047

2015

Open to Public Inspection

A For the 2015 calendar year, or tax year beginning 01-01-2015 , and ending 12-31-2015

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

C Name of organization

SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE INC

Doing business as

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

350 N HASKELL

Room/suite

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

WILLCOX, AZ 85643

F Name and address of principal officer

CREDEN HUBER
350 N HASKELL
WILLCOX, AZ 85643

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

☐ Yes ☒ No

H(b) Are all subordinates 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 SSVEC ORG

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1938

M State of legal domicile AZ

Part I Summary			
Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO PROVIDE QUALITY AND RELIABLE ELECTRIC SERVICE TO MEMBERS OF THE COOPERATIVE		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
Revenue	3 Number of voting members of the governing body (Part VI, line 1a)		3 10
	4 Number of independent voting members of the governing body (Part VI, line 1b)		4 10
	5 Total number of individuals employed in calendar year 2015 (Part V, line 2a)		5 236
	6 Total number of volunteers (estimate if necessary)		6 0
	7a Total unrelated business revenue from Part VIII, column (C), line 12		7a 303,893
Expenses	b Net unrelated business taxable income from Form 990-T, line 34		7b 174,647
Net Assets or Fund Balances			

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

2016-09-23

Date

CREDEN HUBER CEO/GENERAL MANAGER

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

Matt R Willis

Preparer's signature

Matt R Willis

Date

2016-09-23

Check ☒ if self-employed

PTIN

P00419741

Firm's name

▶ BOLINGER SEGARS GILBERT AND MOSS LLP

Firm's EIN

▶ 75-0882037

Firm's address

▶ 8215 NASHVILLE AVENUE

Phone no

(806) 747-3806

LUBBOCK, TX 79423

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

Form990(2015)

Part III

Statement of Program Service Accomplishments

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

☐Yes☒No

1

Briefly describe the organization's mission

WE SHALL BE THE VENDOR OF CHOICE FOR ENERGY AND OTHER SERVICES, BY PROVIDING THE BEST VALUE TO OUR MEMBERS THROUGH COMPETITIVE PRICING, EXCEPTIONAL CUSTOMER SERVICE, AND SUPERIOR COMPETENCE WE RECOGNIZE THE VALUE OF THE EMPLOYEES AND ACKNOWLEDGE THEIR INITIATIVE, INTEGRITY, AND COMMITMENT TO OUR CUSTOMERS' SATISFACTION WE SHALL CONTINUE OUR STRONG COMMITMENT TO OUR COMMUNITIES AND UPHOLD THE HIGHEST DEGREE OF CORPORATE INTEGRITY

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

PROVIDING ELECTRIC ENERGY TO OUR MEMBERS - 51,555 ACTIVE SERVICES AT YEAR END WERE PROVIDED ELECTRICITY ON A COOPERATIVE BASIS THROUGH THE ALLOCATION OF PATRONAGE CAPITAL

4b

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

ELECTRIC DISTRIBUTION SERVICES (THE DELIVERY, BUT NOT THE SALE OF ELECTRICITY, TO A CUSTOMER OVER LINES OWNED, OPERATED AND MAINTAINED BY THE COOPERATIVE) WERE PROVIDED TO THE CLASS B MEMBERSHIP ON A COOPERATIVE BASIS

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

Form 990 (2015)

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	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (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? If "Yes," complete Schedule C, Part 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? 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	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? If "Yes," complete Schedule D, Part 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? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
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	No
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	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? If "Yes," complete Schedule D, Part VI. 	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? If "Yes," complete Schedule D, Part VII 	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? If "Yes," complete Schedule D, Part VIII 	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? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	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)? If "Yes," complete Schedule D, Part X 	11f	Yes
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a	No
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	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	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? If "Yes," complete Schedule F, Parts I and IV	14b	No
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	No
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	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? If "Yes," complete Schedule G, Part I (see instructions)	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? If "Yes," complete Schedule G, Part II	18	No
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	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

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? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
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? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
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? <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 lines 24b through 24d and complete Schedule K. If "No," go to line 25a</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), 501(c)(4), and 501(c)(29) 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	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? <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 employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <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 direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
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, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
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 11b 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 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.	297	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
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.	236	
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	Yes
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	Yes
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	No
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	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 as charitable contributions?		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. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		8	
9a Did the sponsoring organization make any taxable distributions under section 4966?		9a	
b Did the sponsoring 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	98,150,937
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		11b	2,597,466
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. See the instructions for additional information the organization must report on Schedule O.		13a	
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	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 or note to any line 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		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O		
b	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?	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	Yes	
b	Each committee with authority to act on behalf of the governing body?	Yes	
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		No
b		
11a	Yes	
b		
12a	Yes	
b	Yes	
c	Yes	
13	Yes	
14	Yes	
15		
a	Yes	
b	Yes	
16a		No
b		
16b		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	AZ
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 ☐ 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	CREDEN HUBER 350 N HASKELL AVE WILLCOX, AZ 85643 (520) 384-2221

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, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099- MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) PAT ENGLISH PRESIDENT	6 15 1 00	X		X				15,725	0	0
(2) EDWARD MOLINA VICE PRESIDENT	5 00 1 00	X		X				9,150	0	0
(3) KATHRYN THATCHER SECRETARY	11 54 1 00	X		X				14,100	0	0
(4) DANIEL BARRERA TREASURER	7 00 1 00	X		X				10,563	0	0
(5) HAROLD HINKLEY DIRECTOR (1/2015 - 4/2015)	2 10 1 00	X						1,750	0	0
(6) DONALD GENE MANRING DIRECTOR	10 89 1 00	X						13,375	0	0
(7) DONALD KYTE DIRECTOR	4 00 1 00	X						6,875	0	0
(8) DAVID LUNA DIRECTOR	6 00 1 00	X						13,600	0	0
(9) CURTIS NOLAN DIRECTOR	7 00 1 00	X						11,900	0	0
(10) THOMAS GOODMAN DIRECTOR	6 62 1 00	X						11,400	0	0
(11) LEX HERRON DIRECTOR (5/2015 - 12/2015)	5 00 1 00	X						10,425	0	0
(12) CREDEN HUBER CEO/GENERAL MANAGER	48 00			X				404,280	0	122,723
(13) KIRBY CHAPMAN CFO & ADMIN OFFICER	50 00			X				230,325	0	71,785
(14) ANSELMO TORRES CHIEF OPERATIONS & ENGINEE	60 00				X			211,552	0	20,345

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
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(15) JACK BLAIR CHIEF MEMBER SERVICES	45 00				X			194,644	0	9,782
(16) ORSON GARNSEY IT MANAGER	44 00					X		142,616	0	37,593
(17) JAMES GROSS CONTROLLER	43 00					X		139,607	0	32,819
(18) NATHAN HODGES FOREMAN II	46 00					X		134,490	0	16,821
(19) DANIEL WILSON ENGINEERING MANAGER	47 00					X		129,726	0	29,336
(20) RICHARD ELLIS JOURNEYMAN LINEMAN	52 00					X		128,917	0	44,582
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								1,835,020	0	385,786

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 34

		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
POWER ENGINEERS 3940 GLENBROOK DR HAILEY, ID 83333	ENGINEERING & CONSULTING SERVICES	480,891
OSG BILLING SERVICE PO BOX 5895 ENGLEWOOD, NJ 07631	BILLING SERVICE	436,897
ASPLUNDH PO BOX 827464 PHILADELPHIA, PA 19182	TREE TRIMMING SERVICES	385,501
KE&G CONSTURCTION 1601 PASEO SAN LUIS 202 SIERRA VISTA, AZ 85635	CONSTRUCTION - DIRTWORK	331,793
SUTHERLAND ASBILL & BRENNAN 999 PEACHTREE ST NE 2300 ATLANTA, GA 30309	LEGAL SERVICES	197,477

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 14

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		
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	ELECTRICITY SALES	221000	93,462,932	93,462,932			
	b	PATRONAGE DIVIDENDS	221000	3,089,100	3,089,100			
	c	DISTRIBUTION SERVICES	221000	1,175,231	1,175,231			
	d	SERVICE FEES	221000	642,050	642,050			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		98,369,313				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		121,635			121,635	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties		45			45	
	6a	Gross rents	(i) Real	(ii) Personal				
			7,790					
		b	Less rental expenses	0				
		c	Rental income or (loss)	7,790				
	d	Net rental income or (loss)		7,790			7,790	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b	Less cost or other basis and sales expenses					
		c	Gain or (loss)					
	d	Net gain or (loss)						
	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					
			105,616					
		b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory		17,796		17,796		
	Miscellaneous Revenue		Business Code					
	11a	POLE ATTACHMENT INCOME	221000	701,364			701,364	
	b	INTERNET COMMISSIONS	519100	239,152		239,152		
	c	OUTSIDE SERVICES	811000	46,844		46,844		
	d	All other revenue		101		101		
e	Total. Add lines 11a-11d		987,461					
12	Total revenue. See Instructions		99,504,040	98,369,313	303,893	830,834		

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	166,460			
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	7,720,096			
5	Compensation of current officers, directors, trustees, and key employees	1,384,299			
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	6,520,717			
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,832,868			
9	Other employee benefits	2,038,483			
10	Payroll taxes	575,867			
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	5,671,485			
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	11,085,162			
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	PURCHASED POWER	50,677,303			
b	DISTRIBUTION EXPENSE	6,607,512			
c	ADMIN & GENERAL EXP	2,679,441			
d	UNRELATED BUS INC TAX	48,887			
e	All other expenses	2,495,460			
25	Total functional expenses. Add lines 1 through 24e	99,504,040			
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 ☐ 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)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		2,277,833	1	1,110,437
	2	Savings and temporary cash investments		2,322,373	2	3,010,585
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		6,434,681	4	6,810,262
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L.			6	
	7	Notes and loans receivable, net		135,098	7	110,038
	8	Inventories for sale or use		3,174,247	8	2,538,829
	9	Prepaid expenses and deferred charges		1,964,469	9	1,941,593
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a344,791,258			
	b	Less: accumulated depreciation	10b127,756,979	216,406,955	10c	217,034,279
	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.		47,376,340	13	49,834,148
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11.		7,954,912	15	7,304,238
	16	Total assets. Add lines 1 through 15 (must equal line 34).		288,046,908	16	289,694,409
Liabilities	17	Accounts payable and accrued expenses		13,084,895	17	12,690,863
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D.			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.			22	
	23	Secured mortgages and notes payable to unrelated third parties		169,714,894	23	165,846,589
	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.		8,131,217	25	6,586,179
	26	Total liabilities. Add lines 17 through 25.		190,931,006	26	185,123,631
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), 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 (ASC 958), check here ☒ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds		192,740	30	192,950
	31	Paid-in or capital surplus, or land, building or equipment fund		0	31	0
	32	Retained earnings, endowment, accumulated income, or other funds		96,923,162	32	104,377,828
	33	Total net assets or fund balances		97,115,902	33	104,570,778
	34	Total liabilities and net assets/fund balances		288,046,908	34	289,694,409

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	99,504,040
2	Total expenses (must equal Part IX, column (A), line 25)	2	99,504,040
3	Revenue less expenses Subtract line 2 from line 1	3	0
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	97,115,902
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	7,454,876
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	104,570,778

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 ☐ 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? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a	No
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 ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2b	No
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	
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?	3a	No
3b 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	3b	

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► 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.

Name of the organization
SULPHUR SPRINGS VALLEY ELECTRIC
COOPERATIVE INC

Employer identification number

86-0059728

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? ☐ Yes ☐ 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? ☐ Yes ☐ 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)

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

2

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

	Held at the End of the 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, and not on a historic structure listed in the National Register

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____

4

Number of states where property subject to conservation easement is located ► _____

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting, 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)?

☐ Yes ☐ No

9

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" 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

► \$ _____

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets

(continued)

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" 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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	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 in Part XIII

☐

Part V

Endowment Funds.

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

	(a)Current year	(b)Prior year	b (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

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

b

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

☐

4

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

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' to 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)	Accumulated (c)depreciation	(d)Book value
1a Land		2,296,554		2,296,554
b Buildings		12,601,415	4,367,739	8,233,676
c Leasehold improvements				
d Equipment		322,865,975	123,389,240	199,476,735
e Other		7,027,314		7,027,314
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				217,034,279

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	
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	
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 XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue Add lines 3 and 4c.(This must equal Form 990, Part I, line 12)		5	

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	
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	
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		
c	Add lines 4a and 4b		4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)		5	

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

Return Reference	Explanation
Part X, Line 2	THE COOPERATIVE HAS ADOPTED THE "UNCERTAIN TAX POSITIONS" PROVISIONS OF ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA THE PRIMARY TAX POSITION OF THE COOPERATIVE IS ITS FILING STATUS AS A TAX EXEMPT ENTITY THE COOPERATIVE DETERMINED THAT IT IS MORE LIKELY THAN NOT THAT ITS TAX POSITION WILL BE SUSTAINED UPON EXAMINATION BY THE INTERNAL REVENUE SERVICE, OR OTHER STATE TAXING AUTHORITY AND THAT ALL TAX BENEFITS ARE LIKELY TO BE REALIZED UPON SETTLEMENT WITH TAXING AUTHORITIES
SCHEDULE D	Part IX THE AMOUNT OF OTHER ASSETS ON FORM 990, PAGE 11, PART X, LINE 15 DOES NOT EQUAL OR EXCEED 5 PERCENT OF THE TOTAL ASSETS ON FORM 990, PAGE 11, PART X, LINE 16, COLUMN B CONSEQUENTLY IN ACCORDANCE WITH IRS INSTRUCTIONS SCHEDULE D, PART IX HAS BEEN LEFT BLANK

[illegible]

Additional Data

Software ID:

Software Version:

EIN: 86-0059728

Name: SULPHUR SPRINGS VALLEY ELECTRIC
COOPERATIVE INC

Form 990, Schedule D, Part VIII - Investments Program Related

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)PATRONAGE CAPITAL - AEPCO	42,255,144	C
(2)PATRONAGE CAPITAL - CFC	2,590,237	C
(3)PATRONAGE CAPITAL - NISC	62,280	C
(4)PATRONAGE CAPITAL - NRTC	38,282	C
(5)PATRONAGE CAPITAL - FEDERATED	440,486	C
(6)PATRONAGE CAPITAL - CRC	19,655	C
(7)COBANK EQUITY INVESTMENT	635,441	C
(8)ASSOCIATED ORGANIZATIONS - GENERAL FUNDS	1,010	C
(9)ASSOCIATED ORGANIZATIONS - GCSECA BLDG	182,881	C
(10)CAPITAL TERM CERTIFICATES-CFC	3,608,732	C

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," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
SULPHUR SPRINGS VALLEY ELECTRIC
COOPERATIVE INC

Employer identification number
86-0059728

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 Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000 Part II can be duplicated if additional space is needed

(a) Name and address of organization or government	(b) EIN	(c) IRC 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) SIERRA VISTA CHAMBER OF COMMERCE 21 EAST WILCOX DRIVE SIERRA VISTA,AZ 85635	74-2586694	501(C)(6)	7,540				SPONSORING LOCAL ACTIVITIES HOSTED BY THE CHAMBER OF COMMERCE
COCHISE EDUCATION (2) FOUNDATION PO BOX 208 C/O ROBERT BLAKELY BISBEE,AZ 85603	26-3735497	501(C)(3)	5,350				SPONSORSHIP OF TEACHER OF THE YEAR BANQUET
NORTHERN COCHISE (3) COMMUNITY HOSPITAL 901 W REX ALLEN DR WILLCOX,AZ 85643	86-0208451	501(C)(3)	6,150				SPONSOR FUNDRAISING EVENT
(4) REX ALLEN DAYS INC PO BOX 429 WILLCOX,AZ 85643	51-0166786	501(C)(3)	5,740				ANNUAL SPONSORSHIP AND QUEEN'S CROWN SPONSORSHIP
(5) THE SALVATION ARMY PO BOX 1838 SIERRA VISTA,AZ 85636	94-1156347	501(C)(3)	9,750				SUPPORT FOR COMMUNITY CENTER
(6) BOYS AND GIRLS CLUB OF SIERRA VISTA INC 1746 PASEO SAN LUIS SIERRA VISTA,AZ 85636	86-0801728	501(C)(3)	8,000				DONATIONS FOR GREAT FUTURE CAMPAIGN AND DINNER AND KARS FOR KIDS EVENT

2

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

5

3

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

1

Part III

Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22
Part III can be duplicated 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. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
Schedule I, Part II	ALL GRANTS, SPONSORSHIPS AND DONATIONS ARE MADE TO NON-PROFIT AND CIVIC ORGANIZATIONS THAT ARE LOCATED IN THE COOPERATIVE'S SERVICE AREA ALL DONATIONS ARE INTENDED TO IMPROVE THE COMMUNITIES IN WHICH OUR MEMBERS RESIDE

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.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
SULPHUR SPRINGS VALLEY ELECTRIC
COOPERATIVE INC

Employer identification number

86-0059728

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 on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	☐ First-class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☒ Health or social club dues or initiation fees ☐ 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 of 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 directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
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		
	☐ Compensation committee ☒ Independent compensation consultant ☐ Form 990 of other organizations ☐ Written employment contract ☐ Compensation survey or study ☒ 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?	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), 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?	5a	
b	Any related organization?	5b	
	If "Yes," on 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?	6a	
b	Any related organization?	6b	
	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 in lines 5 and 6? If "Yes," describe in Part III	7	
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	8	
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

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			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred on prior Form 990
		Base (i) compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 CREDEN HUBER CEO/GENERAL MANAGER	(i)	357,520	795	45,965	112,007	10,716	527,003	0
	(ii)	0	0	0	0	0	0	0
2 KIRBY CHAPMAN CFO & ADMIN OFFICER	(i)	196,660	560	33,105	63,220	8,565	302,110	0
	(ii)	0	0	0	0	0	0	0
3 ANSELMO TORRES CHIEF OPERATIONS & ENGINEE	(i)	187,470	250	23,832	5,838	14,507	231,897	0
	(ii)	0	0	0	0	0	0	0
4 JACK BLAIR CHIEF MEMBER SERVICES	(i)	170,676	555	23,413	5,161	4,621	204,426	0
	(ii)	0	0	0	0	0	0	0
5 ORSON GARNSEY IT MANAGER	(i)	140,989	1,100	527	27,865	9,728	180,209	0
	(ii)	0	0	0	0	0	0	0
6 JAMES GROSS CONTROLLER	(i)	133,574	5,210	823	30,675	2,144	172,426	0
	(ii)	0	0	0	0	0	0	0
7 NATHAN HODGES FOREMAN II	(i)	112,533	690	21,267	14,137	2,684	151,311	0
	(ii)	0	0	0	0	0	0	0
8 DANIEL WILSON ENGINEERING MANAGER	(i)	126,148	2,665	913	19,442	9,894	159,062	0
	(ii)	0	0	0	0	0	0	0
9 RICHARD ELLIS JOURNEYMAN LINEMAN	(i)	119,135	1,520	8,262	39,447	5,135	173,499	0
	(ii)	0	0	0	0	0	0	0

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.

Return Reference	Explanation
Part I, Line 1a	PART I, LINE 1A - HEALTH OR SOCIAL CLUB DUES OR INITIATION FEES - THE COOPERATIVE HAS A WELLNESS PROGRAM THAT WILL REIMBURSE EMPLOYEES FOR 50% OF THEIR OUT OF POCKET COSTS FOR PARTICIPATION IN QUALIFIED WELLNESS ACTIVITIES. THE TOTAL ANNUAL REIMBURSEMENT IS LIMITED TO \$360 PER EMPLOYEE AND \$360 FOR AN EMPLOYEE SPOUSE, PROVIDED THE SPOUSE IS COVERED UNDER THE COOPERATIVE'S HEALTH INSURANCE PROGRAM. EMPLOYEES ARE ELIGIBLE TO PARTICIPATE IN THE WELLNESS PROGRAM AFTER 60 DAYS OF EMPLOYEMENT.
FORM 990, PART II, COLUMN C	INCLUDED IN THIS AMOUNT IS THE INCREASE IN ACTUARIAL VALUE OF BENEFITS PAYABLE UNDER A DEFINED BENEFIT RETIREMENT PLAN. THE CONTRIBUTION RATE FOR PARTICIPANTS IN THE NRECA R&S DEFINED BENEFIT PENSION PLAN ARE THE SAME FOR ALL INDIVIDUALS IN THIS MULTI-EMPLOYER PLAN. THE CHANGE IN ACTUARIAL VALUE FOR EACH PARTICIPANT, HOWEVER, VARIES WITH AGE. IN OTHER WORDS, THE OLDER A PLAN PARTICIPANT IS, THE GREATER THE INCREASE IN THAT INDIVIDUAL'S CHANGE IN ACTUARIAL VALUE, ALL OTHER THINGS BEING EQUAL. BECAUSE THIS RELATES TO A MULTI-EMPLOYER PLAN, CASH CONTRIBUTION TO THE PLAN IN LIEU OF THE ACTUARIAL INCREASE ARE EXPENSED IN THE FINANCIAL STATEMENTS. CREDEN HUBER ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$104,407. EMPLOYER CONTRIBUTION TO 401(K) PLAN 7,600. TOTAL REPORTED IN COLUMN C 112,007. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (104,407). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 98,681. EXPENSE TO THE COOPERATIVE 106,281. KIRBY CHAPMAN ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 57,190. EMPLOYER CONTRIBUTION TO 401(K) PLAN 6,030. TOTAL REPORTED IN COLUMN C 63,220. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (57,190). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 55,160. EXPENSE TO THE COOPERATIVE 61,190. ANSELMO TORRES ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 0. EMPLOYER CONTRIBUTION TO 401(K) PLAN 5,838. TOTAL REPORTED IN COLUMN C 5,838. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (0). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 53,558. EXPENSE TO THE COOPERATIVE 59,396. JACK BLAIR ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 0. EMPLOYER CONTRIBUTION TO 401(K) PLAN 5,161. TOTAL REPORTED IN COLUMN C 5,161. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN 0. ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 47,070. EXPENSE TO THE COOPERATIVE 52,231. ORSON GARNSEY ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 24,914. EMPLOYER CONTRIBUTION TO 401(K) PLAN 2,951. TOTAL REPORTED IN COLUMN C 27,865. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (24,914). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 39,610. EXPENSE TO THE COOPERATIVE 42,561. JAMES GROSS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 26,664. EMPLOYER CONTRIBUTION TO 401(K) PLAN 4,011. TOTAL REPORTED IN COLUMN C 30,675. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (26,664). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 36,582. EXPENSE TO THE COOPERATIVE 40,593. NATHAN HODGES ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 11,394. EMPLOYER CONTRIBUTION TO 401(K) PLAN 2,743. TOTAL REPORTED IN COLUMN C 14,137. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (11,394). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 24,980. EXPENSE TO THE COOPERATIVE 27,723. DANIEL WILSON ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 15,509. EMPLOYER CONTRIBUTION TO 401(K) PLAN 3,933. TOTAL REPORTED IN COLUMN C 19,442. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (15,509). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 35,283. EXPENSE TO THE COOPERATIVE 39,216. RICHARD ELLIS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 36,937. EMPLOYER CONTRIBUTION TO 401(K) PLAN 2,510. TOTAL REPORTED IN COLUMN C 39,447. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (36,937). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 22,917. EXPENSE TO THE COOPERATIVE 25,427.

Additional Data

Software ID:
Software Version:
EIN: 86-0059728
Name: SULPHUR SPRINGS VALLEY ELECTRIC
COOPERATIVE INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred 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				
1CREDEN HUBER CEO/GENERAL MANAGER	(i)	357,520	795	45,965	112,007	10,716	527,003	0
	(ii)	-	-	-	-	-	-	-
1KIRBY CHAPMAN CFO & ADMIN OFFICER	(i)	196,660	560	33,105	63,220	8,565	302,110	0
	(ii)	-	-	-	-	-	-	-
2ANSELMO TORRES CHIEF OPERATIONS & ENGINEE	(i)	187,470	250	23,832	5,838	14,507	231,897	0
	(ii)	-	-	-	-	-	-	-
3JACK BLAIR CHIEF MEMBER SERVICES	(i)	170,676	555	23,413	5,161	4,621	204,426	0
	(ii)	-	-	-	-	-	-	-
4ORSON GARNSEY IT MANAGER	(i)	140,989	1,100	527	27,865	9,728	180,209	0
	(ii)	-	-	-	-	-	-	-
5JAMES GROSSCONTROLLER	(i)	133,574	5,210	823	30,675	2,144	172,426	0
	(ii)	-	-	-	-	-	-	-
6NATHAN HODGES FOREMAN II	(i)	112,533	690	21,267	14,137	2,684	151,311	0
	(ii)	-	-	-	-	-	-	-
7DANIEL WILSON ENGINEERING MANAGER	(i)	126,148	2,665	913	19,442	9,894	159,062	0
	(ii)	-	-	-	-	-	-	-
8RICHARD ELLIS JOURNEYMAN LINEMAN	(i)	119,135	1,520	8,262	39,447	5,135	173,499	0
	(ii)	-	-	-	-	-	-	-

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 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.**

OMB No 1545-0047

2015

**Open to Public
Inspection**

Name of the organization SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE INC	Employer identification number 86-0059728
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Return Reference	Explanation
Form 990, Part VI, Section A, line 6	THE COOPERATIVE WAS FORMED BY THE MEMBERS TO PROVIDE ELECTRIC SERVICE AT COST ON A COOPERATIVE BASIS

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	THE MEMBERS OF THE COOPERATIVE VOTE ON THE BOARD OF DIRECTORS ELECTIONS ARE DONE ON A ONE MEMBER ONE VOTE BASIS

Return Reference	Explanation
Form 990, Part VI, Section A, line 7b	THE FOLLOWING ACTS REQUIRE APPROVAL OF THE MEMBERS OF THE COOPERATIVE 1 DISSOLUTION/LIQUIDATION OF THE COOPERATIVE, 2 MERGER OR CONSOLIDATION OF THE COOPERATIVE WITH ANOTHER ORGANIZATION, 3 DISPOSAL OF A SUBSTANTIAL PORTION OF THE COOPERATIVE'S ASSETS, 4 AMENDMENT TO THE ARTICLES OF INCORPORATION, 5 AMENDMENT TO THE BYLAWS

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	MANAGEMENT PRESENTED A COPY OF THE FORM 990 TO THE BOARD FOR REVIEW AND APPROVAL PRIOR TO FILING

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	THE DIRECTORS REVIEW THE CONFLICT OF INTEREST POLICY ANNUALLY, AND IMMEDIATELY ADDRESS ANY QUESTIONS OR CONCERNS IF THEY ARISE. THE BOARD OF DIRECTORS AND OFFICERS ARE ALSO REQUIRED TO DISCLOSE ANY ACTION OR SITUATION THAT MIGHT VIOLATE THE POLICY TO THE FULL BOARD OF DIRECTORS AS SOON AS POSSIBLE.

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	THE BOARD OF DIRECTORS USE THE EXPERTISE OF AN INDEPENDENT COMPENSATION CONSULTANT WHEN DETERMINING THE COMPENSATION OF THE GENERAL MANAGER THE BOARD AND THE GENERAL MANAGER USE THE EXPERTISE OF AN INDEPENDENT COMPENSATION CONSULTANT WHEN DETERMINING THE COMPENSATION OF THE COOPERATIVE'S OTHER EMPLOYEES MEETING THE DEFINITION OF OFFICER AND KEY EMPLOYEES, IF ANY

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	THE COOPERATIVE ANNUALLY MAILES A SUMMARIZED COPY OF THE AUDITED FINANCIAL STATEMENTS TO THE MEMBERS OF THE COOPERATIVE. THE COOPERATIVE ALSO PROVIDES COPIES OF THEIR CURRENT AND PAST ANNUAL REPORTS AND GOVERNING DOCUMENTS ON THEIR WEBSITE. THE COOPERATIVE WILL PROVIDE A COMPLETE COPY OF THE AUDITED FINANCIAL STATEMENTS, CONFLICT OF INTEREST POLICY, OR GOVERNING DOCUMENTS TO ANY MEMBER WHO REQUESTS A COPY

Return Reference	Explanation
Form 990, Part VII, Column F	IN ORDER TO PROVIDE RETIREMENT BENEFITS TO ITS EMPLOYEES, THE COOPERATIVE HAS ESTABLISHED A DEFINED CONTRIBUTION PLAN UNDER SECTION 401(K) OF THE INTERNAL REVENUE CODE. EMPLOYER CONTRIBUTIONS TO THE PLAN ARE MADE PURSUANT TO THE PLAN DOCUMENT. ADDITIONALLY, THE COOPERATIVE PARTICIPATES IN A MULTI-EMPLOYER DEFINED BENEFIT PLAN. CONTRIBUTIONS TO THIS PLAN ARE BASED ON THE FULL FUNDING LIMITATION OF SUCH PLAN. EMPLOYER CONTRIBUTIONS FOR BOTH PLANS ARE AVAILABLE TO PARTICIPATING EMPLOYEES, INCLUDING OFFICERS, KEY EMPLOYEES, AND HIGHLY COMPENSATED EMPLOYEES MEETING THE ELIGIBILITY REQUIREMENTS OF SUCH PLANS. THE COOPERATIVE ALSO PROVIDES HEALTH, DENTAL, VISION AND LIFE INSURANCE TO ALL ELIGIBLE EMPLOYEES THROUGH A QUALIFIED PLAN. THE AMOUNTS REPORTED ON PART VII, COLUMN (F) FOR THE OFFICER, KEY EMPLOYEES, AND HIGHLY COMPENSATED EMPLOYEES IS COMPRISED OF THE ACTUARIAL INCREASE IN THE DEFINED BENEFIT PLAN, THE TOTAL AMOUNT CONTRIBUTED TO THE 401(K) PENSION PLAN AND INSURANCE PAID ON BEHALF OF AND FOR THEIR BENEFIT. IN ADDITION TO THE ABOVE PENSION PLANS, THE COOPERATIVE ALSO PROVIDES POST-RETIREMENT HEALTH INSURANCE BENEFITS THROUGH AN UNFUNDED WELFARE BENEFIT PLAN. THE VALUE OF THESE BENEFITS HAS NOT BEEN ESTIMATED.

Return Reference	Explanation
Form 990, Part VIII, Line 2	PATRONAGE DIVIDENDS RESULT FROM THE PURCHASE OF WHOLESALE POWER FROM A GENERATION & TRANSMISSION COOPERATIVE. PATRONAGE DIVIDENDS ALSO RESULT FROM THE PAYMENT OF INTEREST FROM COOPERATIVE BANKS AND THE PURCHASE OF SUPPLIES AND SERVICES FROM OTHER COOPERATIVE ORGANIZATIONS. THE EXPENSES ASSOCIATED WITH PURCHASES FROM AND PAYMENTS TO SUCH COOPERATIVE ORGANIZATIONS ARE A DIRECT COMPONENT OF COST OF THE ELECTRIC SERVICE PROVIDED BY THE COOPERATIVE TO ITS MEMBERS.

Return Reference	Explanation
Form 990, Part IX	THE ACCOUNTING RECORDS OF THE COOPERATIVE ARE MAINTAINED IN ACCORDANCE WITH THE RUS UNIFORM SY STEM OF ACCOUNTS AS PRESCRIBED FOR ELECTRIC BORROWERS OF THE RURAL UTILITIES SERVICE(RUS) THE UNIFORM SY STEM OF ACCOUNTING DOES NOT RECORD EXPENSES IN THE GENERAL EXPENSE CATEGORIES PROVIDED ON PART IX LINES 1 - 23 THE COOPERATIVE SEPARATELY REPORTS SALARIES AND WAGES, EMPLOY EE BENEFITS AND PAYROLL TAXES THAT ARE ALLOCATED IN ACCORDANCE WITH THEIR ACCOUNTING SY STEM, BUT OTHER EXPENSES THAT ARE DESCRIBED IN LINES 1 - 23 ARE REPORTED ON LINE 24 UNDER THE EXPENSE CATEGORIES REQUIRED BY THE UNIFORM SY STEM OF ACCOUNTS

Return Reference	Explanation
Form 990, Part IX, Lines 5-7	SALARIES AND WAGES ARE ALLOCATED TO ASSET, LIABILITY, AND EXPENSE ACCOUNTS BASED ON THE ACCOUNTING SYSTEM DESCRIBED ABOVE. THE FOLLOWING SCHEDULE RECONCILES AMOUNTS REPORTED ON LINES 5-7 TO THE TOTAL WAGES ACCRUED AND/OR PAID. TOTAL PER LINES 5-7 \$7,905,016 LESS DIRECTORS FEES REPORTED ON 1099-MISC (118,863) LESS EMPLOYEE OFFICER BENEFITS INCLUDED IN LINE 5 (194,508) LESS KEY EMPLOYEE BENEFITS INCLUDED IN LINE 5 (30,128) PLUS SALARIES AND WAGES ALLOCATED TO NONOPERATING MARGINS 15,549 PLUS SALARIES AND WAGES CAPITALIZED DIRECTLY TO PLANT 3,644,667 PLUS SALARIES AND WAGES CAPITALIZED/EXPENSED INDIRECTLY THROUGH CLEARING AND OTHER ACCOUNTS 2,965,445 TOTAL WAGES ACCRUED AND/OR PAID \$14,187,178

Return Reference	Explanation
Form 990, Part IX, Line 24	ADMINISTRATIVE AND GENERAL EXPENSE IS COMPRISED OF THE FOLLOWING OFFICE SUPPLIES AND EXPENSE \$156,338 OUTSIDE SERVICES EMPLOY ED 816,143 INSURANCE - INJURIES AND DAMAGES 232,420 DUES PAID ASSOCIATED ORGANIZATIONS 210,827 FORT HUACHUCA EXPENSES 394,531 SAFETY 47,513 DIRECTORS EXPENSES 1,671 EMPLOYEE ACTIVITIES 79,489 MAINTENANCE OF GENERAL PLANT 152,810 CAPITAL CREDITS 8,675 MISCELLANEOUS GENERAL EXPENSE 579,024 TOTAL ADMINISTRATIVE AND GENERAL EXPENSE PER 990 \$2,679,441

Return Reference	Explanation
Form 990, Part IX, Line 24e	THE FOLLOWING IS A BREAKDOWN OF THE EXPENSES REPORTED AS OTHER EXPENSES ON FORM 990, PART IX, LINE 24E TAX - OTHER \$ 8,474 CONSUMER ACCOUNT AND SERVICE 1,695,905 SALES EXPENSE 142,198 TRANSMISSION EXPENSE 484,300 INTERNET EXPENSES 82,568 PHONE CARD EXPENSES 248 OUTSIDE EXPENSES 25,881 OTHER DEDUCTIONS 55,886 TOTAL OTHER EXPENSES PER FORM 990 LINE 24E \$2,495,460

Return Reference	Explanation
Form 990, Part IX, Line 4	PURSUANT TO THE FORM 990 INSTRUCTIONS, THE AMOUNT OF PATRONAGE DIVIDENDS PAID TO THE MEMBERS (HEREINAFTER REFERRED TO AS "PATRONS") SHOULD BE REPORTED ON PART IX, LINE 4 THE PHRASE "PATRONAGE DIVIDENDS PAID" REFERS TO THE PROCESS, SUBSEQUENT TO YEAR-END, BY WHICH THE COOPERATIVE ALLOCATES PATRONAGE CAPITAL TO AND, THEREFORE, OPERATES AT COST WITH ITS PATRONS THE COOPERATIVE'S TAX EXEMPT PURPOSE IS TO PROVIDE ELECTRICITY TO ITS PATRONS AND TO DO SO ON A COOPERATIVE BASIS TAX LAW DEFINES "OPERATING ON A COOPERATIVE BASIS" AS SUBORDINATION OF CAPITAL, DEMOCRATIC CONTROL, AND OPERATION AT COST THE COOPERATIVE OPERATES AT COST THROUGH THE ALLOCATION OF TRUE PATRONAGE DIVIDENDS (ALSO REFERRED TO AS ALLOCATIONS OF PATRONAGE CAPITAL) TO ITS PATRONS PATRONAGE DIVIDENDS ARE CONSIDERED PAID IF THE ALLOCATION IS MADE (1) PURSUANT TO A PRE-EXISTING OBLIGATION, (2) FROM THE MARGINS PRODUCED FROM THE TRANSACTIONS DONE WITH OR FOR PATRONS, AND (3) IN A FAIR AND EQUITABLE MANNER ON THE BASIS OF PATRONAGE (I.E. PURCHASES) ADDITIONALLY, THE ALLOCATION OF PATRONAGE DIVIDENDS SHOULD BE MADE WITHIN A REASONABLE TIME PERIOD AFTER THE CLOSE OF THE COOPERATIVE'S YEAR-END OF DECEMBER 31 EACH ONE OF THESE REQUIREMENTS FOR A TRUE PATRONAGE DIVIDEND IS PROVIDED FOR IN THE NON-PROFIT OPERATION ARTICLE OF THE COOPERATIVE'S BYLAWS THE AMOUNT REPORTED ON PART IX, LINE 4 REPRESENTS THE AMOUNT OF PATRONAGE CAPITAL THAT IS EITHER ALLOCATED OR TO BE ALLOCATED TO THE PATRONS RESULTING FROM THEIR PURCHASE OF ELECTRICITY FROM THE COOPERATIVE FOR THE 2015 CALENDAR YEAR BECAUSE PATRONAGE DIVIDENDS ARE THE PROCESS BY WHICH THE COOPERATIVE OPERATES AT COST WITH ITS PATRONS AND THEREBY A KEY COMPONENT TO ACCOMPLISHING ITS EXEMPT PURPOSE, THE COOPERATIVE HAS REPORTED SUCH AMOUNTS AS AN EXPENSE FOR FORM 990 REPORTING PATRONAGE DIVIDENDS ARE NOT AN EXPENSE FOR FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, HOWEVER

Return Reference	Explanation
FORM 990, PART X, LINES 17 AND 25	THE COOPERATIVE PREVIOUSLY INCLUDED ACCRUED EXPENSES ("OTHER CURRENT ACCRUED LIABILITES") AS COMPONENTS OF OTHER LIABILITIES ON LINE 25 OF PART X. HOWEVER, FOR THE 2015 CALENDAR YEAR, THE COOPERATIVE BEGAN REPORTING THIS AMOUNT ON LINE 17 IN ACCORDANCE WITH FORM 990 INSTRUCTIONS. TO INCREASE CONSISTENCY, ACCRUED EXPENSES IN THE AMOUNT OF \$7,962,427 FOR "OTHER CURRENT ACCRUED LIABILITES" FOR THE 2014 CALENDAR YEAR HAVE BEEN RECLASSIFIED FROM LINE 25 TO LINE 17.

Return Reference	Explanation
Form 990, Part XI, line 9	NET CHANGE IN MEMBERSHIPS 210 PATRONAGE CAPITAL CREDIT RETIREMENTS -299,452 PATRONAGE CAPITAL ASSIGNABLE 7,720,096 GAIN ON RETIREMENT OF ESTATE CAPITAL CREDITS 24,821 OTHER COMPREHENSIVE INCOME - PROVISION FOR PENSIONS AND BENEFITS 15,365 OTHER CHANGE IN EQUITY -6,164

Return Reference	Explanation
Form 990, Part XII, Line 2	AUDITED FINANCIAL STATEMENTS WERE PREPARED BY AN INDEPENDENT ACCOUNTANT FOR THE COOPERATIVE'S FISCAL YEAR END OF JUNE 30TH THE TAX RETURN HAS BEEN AND CONTINUES TO BE PREPARED BASED ON A CALENDAR YEAR END OF DECEMBER 31 THE BOARD OF DIRECTORS HAVE ASSIGNED MEMBERS TO AN AUDIT COMMITTEE TO OVERSEE THE FINANCIAL STATEMENT AUDIT AND SELECT THE INDEPENDENT FINANCIAL STATEMENT AUDITOR

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990. ▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE INC	Employer identification number 86-0059728
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Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.					
(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.							
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1)SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE FOUNDATION 350 N HASKELL WILLCOX, AZ 85643 86-0488826	FUND EDUCATIONAL YOUTH ACTIVIES AND QUALIFIED PROGRAMS	AZ	501(c)(3)	PF	SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE INC	Yes	
(2)SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE CHARITABLE TRUST 350 N HASKELL WILLCOX, AZ 85643 86-0993649	ASSISTANCE TO NATURAL DISASTER VICTIMS AND FAMILIES	AZ	501(c)(3)	Line 7	SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE INC	Yes	

Part III

Identification of Related Organizations Taxable as a Partnership

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

Part V

Transactions With Related Organizations

Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

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

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

a Receipt of (i) interest, (ii)annuities, (iii)royalties, or(iv)rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

j Lease of facilities, equipment, or other assets to related organization(s)

k Lease of facilities, equipment, or other assets from related organization(s)

l Performance of services or membership or fundraising solicitations for related organization(s)

m Performance of services or membership or fundraising solicitations by related organization(s)

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

r Other transfer of cash or property to related organization(s)

s Other transfer of cash or property from related organization(s)

Yes

No

1a

No

1b

No

1c

No

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

No

1k

No

1l

No

1m

No

1n

No

1o

No

1p

No

1q

Yes

1r

No

1s

No

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)SULPHUR SPRINGS VALLEY ELECTRIC COOP FOUNDATION - NA LESS THAN 50000	Q		CASH

Schedule R (Form 990) 2015

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

[illegible]

Part VII

Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation
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