

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.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047  
**2020**  
Open to Public Inspection

**A For the 2020 calendar year, or tax year beginning 01-01-2020, and ending 12-31-2020**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C** Name of organization  
SIOUX VALLEY SOUTHWESTERN ELECTRIC COOPERATIVE INC

Doing business as  
SIOUX VALLEY ENERGY

Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
PO BOX 216

City or town, state or province, country, and ZIP or foreign postal code  
COLMAN, SD 570170216

**D** Employer identification number  
46-0189704

**E** Telephone number  
(605) 534-3535

**F** Name and address of principal officer:  
TIM MCCARTHY  
PO BOX 216  
COLMAN, SD 570170216

**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.SIOUXVALLEYENERGY.COM

**K** Form of organization:  Corporation  Trust  Association  Other ▶

**L** Year of formation: 1939

**M** State of legal domicile: SD

**Part I Summary**

**1** Briefly describe the organization's mission or most significant activities:  
TO PROVIDE ELECTRICITY UTILITY 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.

<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	11
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	11
<b>5</b> Total number of individuals employed in calendar year 2020 (Part V, line 2a)	<b>5</b>	103
<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	0
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	-1,330
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 39	<b>7b</b>	0

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)	0	0
<b>9</b> Program service revenue (Part VIII, line 2g)	86,129,758	86,929,729
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	583,981	308,159
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,100,902	3,180,427
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	89,814,641	90,418,315

<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	3,819,643	6,189,338
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	730,453	754,680
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0	0
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	83,456,329	83,475,872
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	88,006,425	90,419,890
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	1,808,216	-1,575

	Beginning of Current Year	End of Year
<b>20</b> Total assets (Part X, line 16)	269,277,083	279,702,399
<b>21</b> Total liabilities (Part X, line 26)	176,383,663	182,680,218
<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	92,893,420	97,022,181

**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  
Date 2021-08-05

GARY FISH BOARD PRESIDENT  
Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date 2021-08-05	Check <input type="checkbox"/> if self-employed	PTIN P01760889
Firm's name ▶ CLIFTONLARSONALLEN LLP			Firm's EIN ▶ 41-0746749	
Firm's address ▶ 2689 COMMERCE DRIVE NW SUITE 201 ROCHESTER, MN 55901			Phone no. (507) 280-2300	

**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:

SIoux VALLEY ENERGY'S MISSION IS "SERVING OUR MEMBERS, ALWAYS".

**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 \$ )  
See Additional Data

**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 ▶

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, and Yes/No response. Rows include questions 1 through 21, with sub-questions a through f for questions 11 and 14. Questions cover topics like political activities, lobbying, donor funds, conservation easements, and financial reporting.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 22 through 38 regarding organizational reporting, compensation, tax-exempt bonds, and controlled entities.

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 [ ]

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1a, 1b, and 1c regarding Form 1096, Forms W-2G, and backup withholding rules.



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

Table with 3 columns: Question, Yes, No. Rows include: 1a (11), 1b (11), 2 (No), 3 (No), 4 (No), 5 (No), 6 (Yes), 7a (Yes), 7b (Yes), 8a (Yes), 8b (No), 9 (No).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a (No), 10b, 11a (Yes), 12a (Yes), 12b (Yes), 12c (Yes), 13 (Yes), 14 (Yes), 15a (Yes), 15b (Yes), 16a (No), 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 Form 1023 (or 1024-A 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.
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:
BETTY VANDERWERFF 47092 SD HWY 34 COLMAN, SD 570170216 (605) 534-3535

**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.
- See instructions for the order in which to list the persons above.

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) ALLAN WEINACHT PRESIDENT	8.30	X		X			13,301	0	0	
(2) GARY FISH VICE PRESIDENT	4.60	X		X			8,701	0	0	
(3) ALLAN KOOIMA SECRETARY	10.50	X		X			9,501	0	0	
(4) DON DEGREEF DIRECTOR	9.80	X					12,251	0	0	
(5) GREGG JOHNSON DIRECTOR	6.80	X					9,351	0	0	
(6) MARK ROGEN DIRECTOR	7.40	X					10,101	0	0	
(7) BRUCE MARTINSON DIRECTOR	5.90	X					10,181	0	0	
(8) DAVE DANIEL TREASURER	4.00	X		X			8,476	0	0	
(9) DAN LEUTHOLD DIRECTOR	8.90	X					6,839	0	1,913	
(10) RODNEY DEMENT DIRECTOR	12.10	X					7,801	0	3,600	
(11) LUCAS ROSKAMP DIRECTOR	7.00	X					10,251	0	0	
(12) TIM MCCARTHY GENERAL MANAGER/CEO	50.00			X			256,972	0	107,972	
(13) BETTY VANDERWERFF DIRECTOR OF FIN & ACCTG	46.00			X			151,009	0	126,461	
(14) THEODORE SMITH DIRECTOR OF ENG & OPS	46.00					X	164,609	0	68,782	
(15) DEBRA BIEVER DIRECTOR OF CUSTOMER & EMP	46.00					X	162,274	0	79,321	
(16) JUSTIN MOOSE MANAGER OF IT	46.00					X	134,973	0	52,924	
(17) CHAD WILLIAMS OPERATIONS MANAGER	46.00					X	124,312	0	66,222	





**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	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b>					
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions) . . . . .	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1f</b>					
	<b>g</b> Noncash contributions included in lines 1a - 1f:\$ . . . . .	<b>1g</b>					
	<b>h Total.</b> Add lines 1a-1f . . . . . ▶						
<b>Program Service Revenue</b>	<b>2a</b> SALE OF POWER	Business Code 221000	86,929,729	86,929,729			
	<b>b</b>						
	<b>c</b>						
	<b>d</b>						
	<b>e</b>						
	<b>f</b> All other program service revenue . . . . .						
	<b>g Total.</b> Add lines 2a-2f. . . . . ▶		86,929,729				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		336,419			336,419	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . . ▶						
	<b>5</b> Royalties . . . . . ▶						
	<b>6a</b> Gross rents	(i) Real	(ii) Personal				
		<b>6b</b> Less: rental expenses					
		<b>6c</b> Rental income or (loss)					
		<b>d</b> Net rental income or (loss) . . . . . ▶					
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other		86,528		
		<b>7b</b> Less: cost or other basis and sales expenses			114,788		
		<b>7c</b> Gain or (loss)			-28,260		
		<b>d</b> Net gain or (loss) . . . . . ▶			-28,260		-28,260
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 . . . . .	<b>8a</b>					
		<b>b</b> Less: direct expenses . . . . .	<b>8b</b>				
	<b>c</b> Net income or (loss) from fundraising events . . . . . ▶						
	<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . .	<b>9a</b>					
<b>b</b> Less: direct expenses . . . . .		<b>9b</b>					
<b>c</b> Net income or (loss) from gaming activities . . . . . ▶							
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>10a</b>	490,853					
	<b>b</b> Less: cost of goods sold . . . . .	<b>10b</b>	961,650				
<b>c</b> Net income or (loss) from sales of inventory . . . . . ▶			-470,797	-470,797			
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
<b>11a</b> CAPITAL CREDITS		900099	3,652,554	3,652,554			
<b>b</b> CORSON DEVELOPMENT		900003	-1,330		-1,330		
<b>c</b>							
<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . . ▶			3,651,224				
<b>12 Total revenue.</b> See instructions . . . . . ▶			90,418,315	90,111,486	-1,330	308,159	

**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

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 . . . . .				
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22 . . . . .				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16. . . . .				
<b>4</b> Benefits paid to or for members . . . . .	6,189,338			
<b>5</b> Compensation of current officers, directors, trustees, and key employees . . . . .	754,680			
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b> Other salaries and wages . . . . .				
<b>8</b> Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions) . . . . .				
<b>9</b> Other employee benefits . . . . .				
<b>10</b> Payroll taxes . . . . .				
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management . . . . .				
<b>b</b> Legal . . . . .				
<b>c</b> Accounting . . . . .				
<b>d</b> Lobbying . . . . .				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees . . . . .				
<b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)				
<b>12</b> Advertising and promotion . . . . .				
<b>13</b> Office expenses . . . . .				
<b>14</b> Information technology . . . . .				
<b>15</b> Royalties . . . . .				
<b>16</b> Occupancy . . . . .				
<b>17</b> Travel . . . . .				
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
<b>19</b> Conferences, conventions, and meetings . . . . .				
<b>20</b> Interest . . . . .	5,799,082			
<b>21</b> Payments to affiliates . . . . .				
<b>22</b> Depreciation, depletion, and amortization . . . . .	6,755,915			
<b>23</b> Insurance . . . . .				
<b>24</b> 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.)				
<b>a</b> COST OF POWER	55,554,310			
<b>b</b> DIST EXP - OPERATIONS	4,999,196			
<b>c</b> ADMIN & GENERAL EXPENSE	3,730,325			
<b>d</b> DIST EXP - MAINTENANCE	2,767,357			
<b>e</b> All other expenses	3,869,687			
<b>25</b> Total functional expenses. Add lines 1 through 24e	90,419,890			
<b>26</b> 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 IX

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	2,828,853	<b>1</b>	2,278,008
	<b>2</b> Savings and temporary cash investments . . . . .	4,647,939	<b>2</b>	4,346,118
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .	7,694,931	<b>4</b>	9,926,968
	<b>5</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons . . . . .		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .	6,237,222	<b>8</b>	6,965,971
	<b>9</b> Prepaid expenses and deferred charges . . . . .	682,564	<b>9</b>	730,651
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 255,912,930		
	<b>b</b> Less: accumulated depreciation	<b>10b</b> 53,627,376	195,632,678	<b>10c</b> 202,285,554
	<b>11</b> Investments—publicly traded securities . . . . .		<b>11</b>	
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .	172,303	<b>12</b>	0
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .	51,062,769	<b>13</b>	52,740,297
	<b>14</b> Intangible assets . . . . .	1,236	<b>14</b>	1,236
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	316,588	<b>15</b>	427,596
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 33) . . . . .	269,277,083	<b>16</b>	279,702,399	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	9,672,972	<b>17</b>	10,160,343
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	2,985,545	<b>19</b>	3,017,080
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D		<b>21</b>	
	<b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .	163,063,244	<b>23</b>	168,801,726
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> 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	661,902	<b>25</b>	701,069
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	176,383,663	<b>26</b>	182,680,218
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 27, 28, 32, and 33.</b>			
	<b>27</b> Net assets without donor restrictions . . . . .		<b>27</b>	
	<b>28</b> Net assets with donor restrictions . . . . .		<b>28</b>	
	<b>Organizations that do not follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 29 through 33.</b>			
	<b>29</b> Capital stock or trust principal, or current funds . . . . .	0	<b>29</b>	0
	<b>30</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .	0	<b>30</b>	0
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds	92,893,420	<b>31</b>	97,022,181
<b>32</b> Total net assets or fund balances . . . . .	92,893,420	<b>32</b>	97,022,181	
<b>33</b> Total liabilities and net assets/fund balances . . . . .	269,277,083	<b>33</b>	279,702,399	

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	90,418,315
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	90,419,890
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	-1,575
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	<b>4</b>	92,893,420
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	4,130,336
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	<b>10</b>	97,022,181

**Part XII Financial Statements and Reporting**

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

- 1** Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 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
- b** Were the organization's financial statements audited by an independent accountant?  
 If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c** If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 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.

	Yes	No
<b>2a</b>		No
<b>2b</b>	Yes	
<b>2c</b>	Yes	
<b>3a</b>	Yes	
<b>3b</b>	Yes	

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 46-0189704

**Name:** SIOUX VALLEY SOUTHWESTERN ELECTRIC  
COOPERATIVE INC

Form 990 (2020)

---

**Form 990, Part III, Line 4a:**

RURAL ELECTRIC DISTRIBUTION COOPERATIVE PROVIDING 855,400 MEGAWATT HOURS OF ELECTRICITY TO 22,330 MEMBER OWNERS.

---

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. Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047 2020 Open to Public Inspection

Name of the organization SIOUX VALLEY SOUTHWESTERN ELECTRIC COOPERATIVE INC

Employer identification number 46-0189704

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.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and questions about donor notification.

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

Form for Part II Conservation Easements. Includes questions about purpose of easements, number of easements, acreage, and monitoring expenses.

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.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting works of art and historical treasures.

**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:

	Amount
<b>1c</b> Beginning balance . . . . .	83,710
<b>1d</b> Additions during the year . . . . .	140,324
<b>1e</b> Distributions during the year . . . . .	113,800
<b>1f</b> Ending balance . . . . .	110,234

- 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" 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
<b>1a</b> Beginning of year balance . . . . .					
<b>b</b> Contributions . . . . .					
<b>c</b> Net investment earnings, gains, and losses					
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> 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** Term 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
<b>3a(i)</b>		
<b>3a(ii)</b>		
<b>3b</b>		

- 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" 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
<b>1a</b> Land . . . . .		956,317		956,317
<b>b</b> Buildings . . . . .		9,426,779	5,372,424	4,054,355
<b>c</b> Leasehold improvements				
<b>d</b> Equipment . . . . .		14,895,141	8,073,835	6,821,306
<b>e</b> Other . . . . .		230,634,693	40,181,117	190,453,576
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ▶				202,285,554

**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 _____		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
<b>Total.</b> (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) G&T PATRONAGE CAPITAL	47,529,516	C
(2) NRUCFC PATRONAGE CAPITAL	2,040,787	C
(3) PATRONAGE CAPITAL - OTHER	1,206,512	C
(4) NRUCFC CAPITAL TERM CERTS	1,697,094	C
(5) VALUE ADDED AG LOANS	17,526	C
(6) ERC LOANS	154,540	C
(7) OTHER PROGRAM RELATED	94,322	C
(8)		
(9)		
(10)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col.(B) line 13.)	52,740,297	

**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)	
(10)	
<b>Total.</b> (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.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) CONSUMER DEPOSITS	667,685
(3) PATRONAGE CAPITAL PAYABLE	33,384
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col.(B) line 25.)	701,069

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.

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .		<b>1</b>	90,419,645
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
<b>a</b>	Net unrealized gains (losses) on investments . . . . .	<b>2a</b>		
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>		
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>		
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .		<b>2e</b>	0
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .		<b>3</b>	90,419,645
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b> :			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>	-1,330	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .		<b>4c</b>	-1,330
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) . . . . .		<b>5</b>	90,418,315

**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.

<b>1</b>	Total expenses and losses per audited financial statements . . . . .		<b>1</b>	84,230,552
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>		
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>		
<b>c</b>	Other losses . . . . .	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>		
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .		<b>2e</b>	0
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .		<b>3</b>	84,230,552
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>	6,189,338	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .		<b>4c</b>	6,189,338
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) . . . . .		<b>5</b>	90,419,890

**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
See Additional Data Table	

**Part XIII** Supplemental Information *(continued)*

Return Reference	Explanation

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 46-0189704

**Name:** SIOUX VALLEY SOUTHWESTERN ELECTRIC  
COOPERATIVE INC

## Supplemental Information

Return Reference	Explanation
PART IV, LINE 1B:	CUSTOMERS HAVE THE OPTION OF PARTICIPATING IN OPERATION ROUND-UP. PARTICIPATING CUSTOMERS ROUND THEIR BILLS UP TO THE NEAREST DOLLAR AND THE DIFFERENCE IS CONTRIBUTED TO THE SIOUX VALLEY ENERGY CUSTOMERS' TRUST, WITH THE FUNDS BEING UTILIZED FOR CHARITABLE GIVING.

## Supplemental Information

Return Reference	Explanation
PART X, LINE 2:	THE COOPERATIVE HAS BEEN GRANTED TAX EXEMPT STATUS UNDER SECTION 501(C)(12) OF THE INTERNAL REVENUE CODE. THE COOPERATIVE EVALUATED ITS TAX POSITIONS AND DETERMINED THAT IT HAS NO UNCERTAIN TAX POSITIONS AS OF DECEMBER 31, 2020 AND 2019.

# Supplemental Information

Return Reference	Explanation
PART XI, LINE 4B - OTHER ADJUSTMENTS:	CORSON DEVELOPMENT K-1 -1,330.

# Supplemental Information

Return Reference	Explanation
PART XII, LINE 4B - OTHER ADJUSTMENTS:	PATRONAGE ALLOCATED TO MEMBERS 6,189,338.

**Schedule J**  
(Form 990)

**Compensation Information**

OMB No. 1545-0047  
**2020**  
**Open to Public Inspection**

**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.**  
▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
SIOUX VALLEY SOUTHWESTERN ELECTRIC  
COOPERATIVE INC

Employer identification number  
46-0189704

**Part I Questions Regarding Compensation**

	Yes	No
<b>1a</b> 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 checked="" type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input type="checkbox"/> Tax idemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<b>b</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	<b>1b</b> Yes	
<b>2</b> 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 on Line 1a?	<b>2</b> Yes	
<b>3</b> 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"/> Independent compensation consultant		
<input type="checkbox"/> Form 990 of other organizations		
<input type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
<b>4</b> 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:		
<b>a</b> Receive a severance payment or change-of-control payment?	<b>4a</b>	No
<b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?	<b>4b</b>	No
<b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?	<b>4c</b>	No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
<b>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</b>		
<b>5</b> 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:		
<b>a</b> The organization?	<b>5a</b>	
<b>b</b> Any related organization?	<b>5b</b>	
If "Yes," on line 5a or 5b, describe in Part III.		
<b>6</b> 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:		
<b>a</b> The organization?	<b>6a</b>	
<b>b</b> Any related organization?	<b>6b</b>	
If "Yes," on line 6a or 6b, describe in Part III.		
<b>7</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.	<b>7</b>	
<b>8</b> 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.	<b>8</b>	
<b>9</b> If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	<b>9</b>	

**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
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 TIM MCCARTHY GENERAL MANAGER/CEO	(i)	256,972	0	0	85,610	22,362	364,944	0
	(ii)	0	0	0	0	0	0	0
2 BETTY VANDERWERFF DIRECTOR OF FIN & ACCTG	(i)	151,009	0	0	99,273	27,188	277,470	0
	(ii)	0	0	0	0	0	0	0
3 DEBRA BIEVER DIRECTOR OF CUSTOMER & EMP	(i)	162,274	0	0	64,121	15,200	241,595	0
	(ii)	0	0	0	0	0	0	0
4 THEODORE SMITH DIRECTOR OF ENG & OPS	(i)	164,609	0	0	50,904	17,878	233,391	0
	(ii)	0	0	0	0	0	0	0
5 CARRIE VUGTEVEEN DIRECTOR OF COM./GOVT. REL	(i)	142,236	0	0	30,996	17,747	190,979	0
	(ii)	0	0	0	0	0	0	0
6 CHAD WILLIAMS OPERATIONS MANAGER	(i)	124,312	0	0	46,462	19,760	190,534	0
	(ii)	0	0	0	0	0	0	0
7 JUSTIN MOOSE MANAGER OF IT	(i)	134,973	0	0	36,556	16,368	187,897	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	THE COOPERATIVE OCCASIONALLY PROVIDES CHARTER TRAVEL FOR GROUPS OF ITS DIRECTORS, OFFICERS, AND EMPLOYEES TO ATTEND MEETINGS OF OTHER ORGANIZATIONS WHEN THIS IS MORE COST EFFECTIVE AND EXPEDIENT THAN ARRANGING FOR OTHER COMMERCIALY AVAILABLE TRAVEL METHODS.

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

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2020****Open to Public Inspection**

Department of the Treasury

Name of the organization

SIOUX VALLEY SOUTHWESTERN ELECTRIC  
COOPERATIVE INC

Employer identification number

46-0189704

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	EACH ELECTRIC ACCOUNT IS A MEMBER.

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	COOPERATIVE IS BROKEN INTO 10 DISTRICTS. 9 DISTRICTS HAVE ONE DIRECTOR. 1 DISTRICT HAS TWO DIRECTORS. MEMBERS CAN VOTE FOR THE DIRECTOR FROM THE DISTRICT IN WHICH THE MEMBER IS LOCATED.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION A, LINE 7B	CHANGES TO THE COOPERATIVE BY-LAWS ARE VOTED ON AT THE ANNUAL MEETING IN WHICH EACH MEMBER HAS THE RIGHT TO VOTE.

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 8B	THERE ARE NO COMMITTEES WITH AUTHORITY TO ACT ON BEHALF OF THE GOVERNING BODY.

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	THE FORM 990 WILL BE PROVIDED TO ALL MEMBERS OF THE BOARD OF DIRECTORS AT A MEETING PRIOR TO THE FILING. EACH BOARD MEMBER WILL HAVE THE OPPORTUNITY TO REVIEW THE RETURN AT THAT TIME. THE RETURN WILL ALSO BE REVIEWED BY THE CFO PRIOR TO FILING OF THE RETURN.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 12C	ALL EMPLOYEES, DIRECTORS, THE GENERAL MANAGER/CEO, THE MANAGEMENT STAFF, AND THE ATTORNEY MUST BE FAMILIAR WITH THE CONFLICT OF INTEREST POLICY. EACH IS REQUIRED TO EXECUTE A CONFLICT OF INTEREST STATEMENT THAT THEY ARE IN COMPLIANCE WITH THE POLICY. ANNUALLY THE DIRECTORS, GENERAL MANAGER/CEO, ATTORNEY AND MANAGEMENT STAFF EXECUTE A NEW STATEMENT. EMPLOYEES EXECUTE ONE AT A TIME OF EMPLOYMENT AND UPDATE WHEN A CONFLICT ARISES. IF A CONFLICT OF INTEREST EXISTS, THEN THE EMPLOYEE AND SUPERVISOR IN COORDINATION WITH MANAGEMENT SHALL COLLECTIVELY DETERMINE WHAT ACTION SHOULD BE TAKEN. IF A DIRECTOR HAS A CONFLICT OF INTEREST HE/SHE SHALL DISQUALIFY THEMSELVES FROM DECISIONS THAT POSE THE CONFLICT OR THE APPEARANCE OF A CONFLICT OF INTEREST. THE DIRECTOR MAY REQUEST AN OPINION OF THE COOPERATIVE ATTORNEY BEFORE SUCH ACTION IS TAKEN.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 15	SIOUX VALLEY ENERGY USES A NATIONAL COMPENSATION SURVEY PROVIDED TO US BY OUR NATIONAL ASSOCIATION, NRECA. THE NATIONAL AVERAGE PAY IS USED AS A GUIDANCE FOR ESTABLISHING INITIAL SALARIES AND YEARLY SALARY CHANGES. YEARS OF EXPERIENCE IN A POSITION ARE ALSO FACTORED IN. USING THE SURVEY DATA HELPS TO ESURE SALARIES REMAIN COMPETITIVE WITH THOSE OFFERED AT OTHER RURAL ELECTRIC COOPERATIVES AND THAT THE DATA REMAINS CONSISTENT FROM YEAR TO YEAR. THIS PROCESS IS USED FOR ALL POSITIONS AT SIOUX VALLEY ENERGY ON AN ANNUAL BASIS. THE LAST YEAR THIS PROCESS WAS UNDERTAKEN WAS 2020. ALL DECISIONS ARE DOCUMENTED WITHIN THE EMPLOYEE PERSONNEL FILE.



**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION C, LINE 19	THE COOPERATIVE MAKES ITS GOVERNING DOCUMENTS AND FINACIAL STATEMENTS AVAILABLE TO THE COOPERATIVE MEMBERS UPON REQUEST.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART XI, LINE 9:	CORSON DEVELOPMENT ASSOCIATION, LLP K-1 1,330. RETIREMENT OF CAPITAL CREDITS -2,060,332. PATRONAGE DIVIDENDS PAID 6,189,338.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART XII, LINE 23	THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, 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 PAID 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.