

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:

Provide safe and reliable electricity at the lowest possible cost to the cooperative membership.

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 [x] 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 [x] 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 \$)

The Benton Rural Electric Association (Benton REA) is a not for profit member owned electric cooperative. It has approximately 10,885 member/owners to whom it delivers electricity through its distribution system. The sale and distribution of electrical service is the main program service.

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

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

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

4e Total program service expenses

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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		✓
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		✓
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		✓
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		
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		✓
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		✓
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		✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		✓
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		✓
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? If "Yes," complete Schedule D, Part V		✓
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	✓	
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		✓
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		✓
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		✓
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	✓	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	✓	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	✓	
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		✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		✓
14a Did the organization maintain an office, employees, or agents outside of the United States?		✓
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		✓
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		✓
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		✓
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)		✓
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		✓
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		✓
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		✓
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		✓

Part IV Checklist of Required Schedules *(continued)*

		Yes	No
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		✓
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	✓	
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		✓
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 or 22, for receivables from or 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? <i>If "Yes," complete Schedule L, Part II</i>	26		✓
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		✓
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, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>	28a		✓
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	28b		✓
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>	28c		✓
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		✓
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		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		✓
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		✓
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		✓
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		✓
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		✓
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		✓
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		✓
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	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	115	
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance *(continued)*

			Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	78	<input type="checkbox"/>	<input type="checkbox"/>
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		<input checked="" type="checkbox"/>	<input type="checkbox"/>
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		<input checked="" type="checkbox"/>	<input type="checkbox"/>
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b		<input checked="" type="checkbox"/>	<input type="checkbox"/>
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		<input type="checkbox"/>	<input checked="" type="checkbox"/>
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)	4b		<input type="checkbox"/>	<input type="checkbox"/>
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		<input type="checkbox"/>	<input checked="" type="checkbox"/>
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		<input type="checkbox"/>	<input checked="" type="checkbox"/>
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		<input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		<input type="checkbox"/>	<input type="checkbox"/>
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		<input type="checkbox"/>	<input type="checkbox"/>
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		<input type="checkbox"/>	<input type="checkbox"/>
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		<input type="checkbox"/>	<input type="checkbox"/>
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		<input type="checkbox"/>	<input type="checkbox"/>
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		<input type="checkbox"/>	<input type="checkbox"/>
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		<input type="checkbox"/>	<input type="checkbox"/>
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		<input type="checkbox"/>	<input type="checkbox"/>
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		<input type="checkbox"/>	<input type="checkbox"/>
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		<input type="checkbox"/>	<input type="checkbox"/>
9 Sponsoring organizations maintaining donor advised funds.				
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		<input type="checkbox"/>	<input type="checkbox"/>
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		<input type="checkbox"/>	<input type="checkbox"/>
10 Section 501(c)(7) organizations. Enter:				
a Initiation fees and capital contributions included on Part VIII, line 12	10a		<input type="checkbox"/>	<input type="checkbox"/>
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		<input type="checkbox"/>	<input type="checkbox"/>
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders	11a	41,578,492	<input type="checkbox"/>	<input type="checkbox"/>
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	3,727,015	<input type="checkbox"/>	<input type="checkbox"/>
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		<input type="checkbox"/>	<input type="checkbox"/>
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		<input type="checkbox"/>	<input type="checkbox"/>
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		<input type="checkbox"/>	<input type="checkbox"/>
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		<input type="checkbox"/>	<input type="checkbox"/>
c Enter the amount of reserves on hand	13c		<input type="checkbox"/>	<input type="checkbox"/>
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		<input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b		<input type="checkbox"/>	<input type="checkbox"/>
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	15		<input type="checkbox"/>	<input checked="" type="checkbox"/>
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16		<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

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

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

Table with 4 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990. 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 13 Did the organization have a written whistleblower policy? 14 Did the organization have a written document retention and destruction policy? 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official 15b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed None
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection Indicate how you made these available. Check all that apply. [] Own website [X] Another's website [] Upon request [] Other (explain on Schedule O)
19 Describe on 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 Steven Catlow, Benton Rural Electric Association, 402 7th Street, Prosser, WA 99350

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

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

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

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) Michael Freepons ----- President	10 ----- 0			✓	✓			10,925		269
(2) Connie Krull ----- Vice President	3 ----- 0	✓		✓				5,225		235
(3) Catherine Russell ----- Secretary/Treasurer	4 ----- 0	✓		✓				8,835		235
(4) Buddy Treadway ----- Trustee	3.85 ----- 0	✓						6,887		106
(5) Bob Evans ----- Trustee	2 ----- 0	✓						8,265		174
(6) Tim Grow ----- Trustee	6 ----- 0	✓						7,315		251
(7) Scott Fisher ----- Trustee	1 ----- 0	✓						7,125		235
(8) Ron Johnson ----- Trustee	8 ----- 0	✓						14,345		235
(9) Michael Bradshaw ----- General Manager	45 ----- 0			✓				231,778		49,405
(10) Derek Miller ----- Engineering Manager	50 ----- 0				✓			184,549		32,153
(11) Jeff Bastow ----- Information Technology Manager	40 ----- 0					✓		175,740		44,409
(12) Jeff Ekrut ----- Operations Manager	45 ----- 0				✓			170,147		25,358
(13) Troy Berglund ----- Member Services Manager	50 ----- 0					✓		165,965		40,395
(14) Christopher Hill ----- Journeyman Lineman	45 ----- 0					✓		163,578		36,932

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

(A) Name and title	(B) Average hours per week 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) Richard Johnson Line Foreman	45 0					✓	159,056		37,465	
(16) Steven Catlow Manager of Finance	40 0			✓			155,066		42,373	
(17) Jeb Knox Line Superintendent	45 0					✓	149,388		39,254	
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Subtotal							1,624,189		349,484	
c Total of continuation sheets to Part VII, Section A							0		0	
d Total (add lines 1b and 1c)							1,624,189		349,484	

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 **31**

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

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
Boyd's Tree Service, 6350 W Brinkley RD, Suite 120, Kennewick, WA 99338	Tree Trimming	428,759
Pacific Pole Inspection, 1500 Cloverdale Rd, Kalama, WA 98625	Pole Testing	155,593
Marsh Mundorf Pratt Sullivan & Mckenzie 4220 132nd St SE Mill Creek, WA 98012	Legal Services	107,264

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 **3**

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	1g \$					
	h Total. Add lines 1a-1f						
				Business Code			
Program Service Revenue	2a Sale of Electricity		221000	41,541,788	41,541,788		
	b Pole Rental		53130	121,273		121,273	
	c						
	d						
	e						
	f All other program service revenue . .						
	g Total. Add lines 2a-2f			41,663,061			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			1,138,932		1,138,932	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6a Gross rents	6a	(i) Real				
			(ii) Personal				
	b Less: rental expenses	6b					
	c Rental income or (loss)	6c					
	d Net rental income or (loss)						
	7a Gross amount from sales of assets other than inventory	7a	(i) Securities				
			(ii) Other		1,609,414		
	b Less: cost or other basis and sales expenses	7b					
	c Gain or (loss)	7c		1,609,414			
	d Net gain or (loss)			1,609,414	1,609,414		
8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	8a						
b Less: direct expenses	8b						
c Net income or (loss) from fundraising events . .							
9a Gross income from gaming activities. See Part IV, line 10	9a						
b Less: direct expenses	9b						
c Net income or (loss) from gaming activities . . .							
10a Gross sales of inventory, less returns and allowances	10a						
b Less: cost of goods sold	10b						
c Net income or (loss) from sales of inventory . .							
Miscellaneous Revenue				Business Code			
	11a Internet Service Provider		517000	1,244,540	1,244,540		
	b						
	c						
	d All other revenue						
e Total. Add lines 11a-11d			1,244,540				
12 Total revenue. See instructions			45,655,947	43,151,202	1,244,540	1,260,205	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members	7,171,458			
5 Compensation of current officers, directors, trustees, and key employees	1,973,673			
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (nonemployees):				
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	542,919			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,705,745			
23 Insurance				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Purchase Power	21,709,647			
b Operations and Maintenance	5,736,957			
c Customer Accounts Service	1,977,031			
d Administration and General	2,199,392			
e All other expenses	1,639,125			
25 Total functional expenses. Add lines 1 through 24e	45,655,947			
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year	
Assets	1 Cash—non-interest-bearing	1,249,280	1	1,586,522	
	2 Savings and temporary cash investments	11,570,000	2	16,364,822	
	3 Pledges and grants receivable, net		3		
	4 Accounts receivable, net	9,029,978	4	3,425,171	
	5 Loans and other receivables from 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		5		
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use	1,660,697	8	1,950,752	
	9 Prepaid expenses and deferred charges	69,030	9	58,719	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 109,570,509			
	b Less: accumulated depreciation	10b 41,808,811	- 70,437,221	10c	67,761,698
	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	2,879,333	13	2,935,413	
	14 Intangible assets		14		
	15 Other assets. See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 33)	96,895,538	16	94,083,097		
Liabilities	17 Accounts payable and accrued expenses	5,602,923	17	5,918,599	
	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 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		22		
	23 Secured mortgages and notes payable to unrelated third parties	1,712,759	23	1,147,091	
	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	13,870,185	25	5,820,434	
	26 Total liabilities. Add lines 17 through 25	21,185,867	26	12,886,124	
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 27, 28, 32, and 33.				
	27 Net assets without donor restrictions		27		
	28 Net assets with donor restrictions		28		
	Organizations that do not follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 29 through 33.				
	29 Capital stock or trust principal, or current funds		29		
	30 Paid-in or capital surplus, or land, building, or equipment fund	1,345,183	30	1,497,234	
	31 Retained earnings, endowment, accumulated income, or other funds	74,364,488	31	79,699,739	
32 Total net assets or fund balances	75,709,671	32	81,196,973		
33 Total liabilities and net assets/fund balances	96,895,538	33	94,083,097		

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	45,655,947
2	Total expenses (must equal Part IX, column (A), line 25)	2	45,655,947
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 32, column (A))	4	75,709,671
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 on Schedule O)	9	5,487,302
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	81,196,973

Part XII Financial Statements and Reporting

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

		Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a		✓
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. <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	✓	
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 on 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		✓
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 on Schedule O and describe any steps taken to undergo such audits	3b		

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SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

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.

2019

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Name of the organization: Benton Rural Electric Association; Employer identification number: 91-0143426

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, and questions about donor advisement.

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, total acreage, and monitoring. Includes a 'RECEIVED' stamp dated APR 23 2021 from IRS-OSU.

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 and amounts for 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 make 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 program
 - 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 |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a** Board designated or quasi-endowment ▶ _____ %
 - b** Permanent endowment ▶ _____ %
 - c** 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:
- | | Yes | No |
|---|---------------|----|
| (i) Unrelated organizations | 3a(i) | |
| (ii) Related organizations | 3a(ii) | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 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
1a Land		508,915		508,915
b Buildings		1,942,669	1,197,361	745,308
c Leasehold improvements	0		0	0
d Equipment	8,552,552		6,724,178	1,828,374
e Other	98,566,373		33,887,272	64,679,101
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				67,761,698

Part VII. Investments—Other Securities.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII. Investments—Program Related.

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

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX. Other Assets.

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X. Other Liabilities.

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

(a) Description of liability	(b) Book value
1. (1) Federal income taxes	
(2) Deferred Credits	4,391,665
(3) Deferred Compensation	591,375
(4) Retired Managers Obligation	157,458
(5) Retiree Sick leave Conversion	679,936
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	5,820,434

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 FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII .

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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.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total revenue reported as 45,655,947.

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.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total expenses reported as 38,484,489.

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.

Schedule D Part X(2) The Cooperative is exempt from all federal and state income taxes under section 501(c)(12) of the Internal Revenue Code

while functioning for the benefits of its members. The Cooperative adopted Accounting Standards Codification (ASC) 740-10, relating to

accounting for uncertain tax positions. The Cooperative does not have any uncertain tax positions

Part XII (4b) To conform to the 2011 990 change in section IX line 4: The Cooperative reported year end margins as an expense in

section IX line 4. All margins are annually allocated to the membership based on their patronage. The amount was reported as

net margins on the audited financial statements. To reconcile the audited financials to the amount reported in the 990 we have shown

the net margins on line 4b of Part XII.

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Part XIII Supplemental Information *(continued)*

Area with horizontal dashed lines for supplemental information.

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SCHEDULE J (Form 990)

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

OMB No. 1545-0047

2019

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization Benton Rural Electric Association

Employer identification number

91-0143426

Part I Questions Regarding Compensation

- 1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. First-class or charter travel, Travel for companions, Tax indemnification 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 (such as maid, chauffeur, chef)

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

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

- 3 Indicate which, if any, of the following the 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? b Participate in, or receive payment from, a supplemental nonqualified retirement plan? c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

- 5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: a The organization? b Any related organization? If "Yes" 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? b Any related organization? If "Yes" on line 6a or 6b, describe in Part III.

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

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

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

Table with 3 columns: Question ID, Yes, No. Rows correspond to questions 1a, 1b, 2, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, 8, 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 aren't 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 Michael Bradshaw General Manager	231,778			23,637	25,768	281,183	
2 Derek Miller Engineering Manager	184,549			18,764	13,389	216,702	
3 Jeff Bastow Information Technology Manager	175,740			18,968	25,441	220,149	
4 Jeff Ekrut Operations Manager	170,147			0	25,358	195,505	
5 Troy Berglund Member Services Manager	165,965			15,225	25,170	206,360	
6 Christopher Hill Journeyman Lineman	163,578			11,987	24,946	200,510	
7 Richard Johnson Line Foreman	159,056			12,533	24,932	196,521	
8 Steven Catlow Manager of Finance	155,066			17,090	25,283	197,439	
9 Jeb Knox Line Superintendent	149,388			14,190	25,064	188,642	
10							
11							
12							
13							
14							
15							
16							

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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.

Most Rural Electric Cooperatives in the nation offer a defined benefit pension plan program which guarantees that an employee will receive, upon reaching their normal retirement date, a defined pension benefit based on years of service and a percentage of salary. The Benton Rural Electric Association (Benton REA) chose not to implement the defined benefit retirement program for their employees due to the typical high cost. However, to remain competitive in the job market and to retain and recruit for professional positions, Benton REA identified key positions and developed a program to supplement the company's 401K retirement program for these positions. The individuals listed on the Form J as officers and highly compensated employees represent employees within these key positions. As such they receive as part of their compensation: taxable bonuses paid every two years that are paid out through a recruitment and retention program in lieu of company contributions to the otherwise expensive defined benefit programs. The recruitment and retention program ends for the individual employees, if they leave the company for any reason including retirement.

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

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

▶ Attach to Form 990 or 990-EZ.

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

Name of the organization

Employer identification number

Benton Rural Electric Association

91-0143426

Part VI, Section A, #6: The organization is an electric distribution cooperative consisting of approximately 10,885 members who purchase electricity from the cooperative, and each has a Patronage Capital(equity) account based upon electrical usage.

Part VI, Section A, #7a & b: The members elect the board of trustees which make up the governing body. The members approve the articles of incorporation and any changes thereto.

Part VI, Section B, #11b: The governing body did receive a copy of the 990 for review before it was filed. After the financials were audited the 990 was reviewed by the governing body at the regular May, 2020 monthly board meeting. The Cooperatives independent auditors also received a copy of the 990 and it was reviewed by them before mailing.

Part VI, Section B, #12c: The Cooperative requires in February an annual survey for the prior year to be completed by all Trustees, Officers, Key Employees, and Highly Compensated to disclose any potential conflicts of interest that may have existed. Pursuant to the corporation bylaws section 3 04.3 (a): In all circumstances, Trustees are under a continuing obligation to disclose to the full Board of Trustees any situation that presents the possibility of a conflict or disparity of interest either directly or indirectly between them and the Association.

Part VI, Section B, #15a & 15b. Annually the cooperative participates in a regional survey to determine fair and competitive compensation of all non-union employees as compared to other utilities which hold similar positions. The CEO, top management officers, highly compensated and key employees are among those positions in the survey. The Board of Trustees then reviews the results of the survey and determines the wage increase if any for the following year. The Fall of 2019 was the latest survey.

COPY

Name of the organization

Employer identification number

Benton Rural Electric Association

91-0143426

Part VI, Section C, #19: The Benton Rural Electric Association(Benton REA) is a not-for-profit member-owned electric cooperative. As a private electric cooperative, the member owners of Benton REA have full access to financial statements, all polices and governing documents. All members receive a copy of the bylaws, which are also on the Benton REA website. Benton REA conducts an annual membership meeting, in which the annual financial statements are posted and presented to the membership. Plus, each Benton REA member receives a monthly magazine (Ruralite) that includes financial statements annually. Any margins the Benton REA has are allocated to the members who purchased electricity in that year, and those members receive a mailed notice of their allocation. A file of record is kept for each membership, which includes all allocations of margins and any patronage capital payments made to the corresponding member.

Part XI #9: As part of being a not-for-profit member owned cooperative, the Benton Rural Electric allocates any margins at year end. The Benton REA Board of Trustees then decides to retire all or a portion of those allocated margins. The cooperative as directed by the Board of Trustees have retired(paid to membership) a portion of the current allocated margins. This retirement results in a change to the Total Net Assets or Fund Balances ending amount. To comply with the 2011 Change to Part IX #4 we have netted the year ending margins against the retired portion of current allocated margins (7,171,458-1,684,156=5,487,302) this allows the cooperative to reconcile net assets for end of year 2019 line #10.

Part I #14 & Part IX #4: To comply with the 2011 change to Part IX #4 "patronage dividends paid by section 501 (c) (12) organization to their members", we have included the Cooperatives year ending net margins in the Statement of Functional Expenses as benefits being paid to members. GAAP does not recognize this as an expense but is being reported as such to comply with the noted change. Pursuant to the Articles and Bylaws of the Cooperative, we fully allocate previous year ending margins to the individual Patronage Capital accounts of the membership.