



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

IMPROVING QUALITY OF LIFE THROUGH RELIABLE AND AFFORDABLE ELECTRIC SERVICE TO THE MEMBERS

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

If "Yes," describe these changes on Schedule O














4a	(Code	(Expenses \$	including grants of \$	(Revenue \$
	PROVIDING ELECTRIC ENERGY TO OUR MEMBERS - 86,005 ACTIVE SERVICES AT YEAR END WERE PROVIDED ELECTRICITY ON A COOPERATIVE BASIS THROUGH THE ALLOCATION OF PATRONAGE CAPITAL			

[illegible][illegible]

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

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> . . . . .	1	No
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)? . . . .	2	No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> . . . . .	3	No
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> . . . . .	4	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> . . . . .	5	
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>  . . . . .	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II</i>  . . . .	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>  . . . . .	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>  . . . . .	9	No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>  . . . . .	10	No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>  . . . . .	11a	Yes
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i>  . . . . .	11b	No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i>  . . . . .	11c	Yes
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i>  . . . . .	11d	No
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>  . . . . .	11e	Yes
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X.</i>  . . . . .	11f	Yes
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>  . . . . .	12a	Yes
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>  . . . . .	12b	No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> . . . . .	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States? . . . . .	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i> . . . . .	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? <i>If "Yes," complete Schedule F, Parts II and IV</i> . . . . .	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? <i>If "Yes," complete Schedule F, Parts III and IV</i> . . . . .	16	No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i> . . . . .	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> . . . . .	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> . . . . .	19	No
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i> . . . . .	20a	No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? <b>Note.</b> Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions) . . . . .	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . .</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . .</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . .</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25 . . .</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . .	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . .	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . .	24d		
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . .</i>	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I . . .</i>	25b		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II . . .</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III . . .</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . .</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . .</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . .</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II . . .</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I . . .</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 . . .</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? . . .	35	Yes	
a	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> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . .</i>	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI . . .</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . .	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance				
Check if Schedule O contains a response to any question in this Part V <input type="checkbox"/>				
			Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	238	
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		
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	272	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	Yes	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).				
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).				
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?				
8				
9 Sponsoring organizations maintaining donor advised funds.				
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11 Section 501(c)(12) organizations. Enter				
a	Gross income from members or shareholders.	11a	167,836,623	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b	3,324,473	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?				
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.				
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b		
c	Enter the amount of reserves on hand.	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?				
14a				
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b		No

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.  
Check if Schedule O contains a response to any question in this Part VI ☒

Section A. Governing Body and Management

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

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates? . . . . .	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? . . . . .	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990 . . . . .			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	12c	Yes	
13	Does the organization have a written whistleblower policy? . . . . .	13	Yes	
14	Does the organization have a written document retention and destruction policy? . . . . .	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? . . . . .			
a	The organization's CEO, Executive Director, or top management official . . . . .	15a	Yes	
b	Other officers or key employees of the organization . . . . .	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions) . . . . .			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	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 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ BRUCE ANDREWS 1000 S JP WRIGHT LOOP ROAD JACKSONVILLE, AR 720765264 (501) 982-4545

Part VII

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ROBERT HILL CHAIRMAN	7.30	X		X				27,660	0	0
(2) LARRY WOOD VICE CHAIR	4.30	X		X				35,972	0	0
(3) ROBERT MAERTENS SEC./TREAS.	8.10	X		X				38,312	0	0
(4) BJ SWAFFAR DIRECTOR	4.00	X						27,998	0	0
(5) JIMMIE CROCKETT DIRECTOR	4.80	X						35,849	0	0
(6) PEGGY CUSICK DIRECTOR	5.80	X						27,110	0	0
(7) TOM HASTY JR. DIRECTOR	5.70	X						30,047	0	0
(8) RICK LOVE DIRECTOR	5.20	X						36,102	0	0
(9) DAVID LUEBKE DIRECTOR	4.40	X						32,797	0	0
(10) DON CRABBE PRESIDENT/CEO	47.50			X				331,051	0	320,507
(11) BRAD FORD COO	45.00			X				170,798	0	96,299
(12) BRUCE ANDREWS CFO	45.00			X				174,270	0	81,977
(13) CHARLES N. FRIZZELL VP - MARKETING & COMM.	45.00					X		117,462	0	72,433
(14) LARRY L. HARP VP - OPERATIONS	45.00					X		140,024	0	117,013
(15) JONATHAN R. JOYCE VP - ENGINEERING	45.00					X		138,577	0	92,766
(16) THEODORE DEWEESE JR. SERVICEMAN	58.00					X		107,455	0	22,187

**Part VII**

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
<b>1b</b>	<b>Sub-Total</b>									
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A</b>									
<b>d</b>	<b>Total (add lines 1b and 1c)</b>							1,471,484	0	803,182

2

Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization

7

3

Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*

3

No

4

For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? *If "Yes," complete Schedule J for such individual*

4

Yes

5

Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*

5

No

Section B. Independent Contractors

1

Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
UNDERGROUND UTILITY CONTRACTORS INC PO BOX 5095 CABOT, AR 72023	DISTRIBUTION PLANT CONSTRUCTION	4,969,125
ARKANSAS ELECTRIC COOPERATIVESINC 1 COOPERATIVE WAY LITTLE ROCK, AR 722194208	RIGHT OF WAY CLEARING	4,004,210
APPLE TREE SERVICE INC 316 N CEDAR STREET NORTH LITTLE ROCK, AR 72114	RIGHT OF WAY CLEARING	2,466,834
OSMOSE UTILITIES SERVICE INC PO BOX 8000 BUFFALO, NY 14267	POLE INSPECTION, TREATMENT, & MAPPING	605,030
MULTI STATES INC 15223 IRONTON RD LITTLE ROCK, AR 72219	TRANSFORMER REPAIR	382,101

2

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

12



Part VIII

Statement of Revenue

			(A)	(B)	(C)	(D)		
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections  512, 513, or 514		
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . . .	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f . . . . .						
	Program Service Revenue			Business Code				
2a		SALE OF ELECTRICITY	221000	165,793,222	165,793,222			
b		PATRONAGE DIVIDENDS	221000	5,930,706	5,930,706			
c		SERVICE FEES	221000	1,100,069	1,100,069			
d								
e								
f		All other program service revenue						
g		Total. Add lines 2a-2f . . . . .		172,823,997				
Other Revenue		3	Investment income (including dividends, interest and other similar amounts) . . . . .		1,895,042			1,895,042
	4	Income from investment of tax-exempt bond proceeds . . .						
	5	Royalties . . . . .		14,722			14,722	
	6a	Gross Rents	(i) Real	(ii) Personal				
				1,221,903				
		b	Less rental expenses		4,268			
		c	Rental income or (loss)		1,217,635			
	d	Net rental income or (loss) . . . . .		1,217,635	221,798	33,817	962,020	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
				91,686				
		b	Less cost or other basis and sales expenses		75,801			
		c	Gain or (loss)		15,885			
	d	Net gain or (loss) . . . . .		15,885			15,885	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .						
		a						
		b	Less direct expenses . . . . .	b				
	c	Net income or (loss) from fundraising events . . .						
	9a	Gross income from gaming activities See Part IV, line 19 . . .	a					
		b	Less direct expenses . . . . .	b				
		c	Net income or (loss) from gaming activities . . .					
	10a	Gross sales of inventory, less returns and allowances . . . . .						
a			294,580					
b		Less cost of goods sold . . . . .	b	280,963				
c	Net income or (loss) from sales of inventory . . .		13,617	13,617				
Miscellaneous Revenue		Business Code						
11a								
	b							
	c							
	d	All other revenue . . . . .						
	e	Total. Add lines 11a-11d . . . . .						
12	Total revenue. See Instructions . . . . .		175,980,898	173,059,412	33,817	2,887,669		

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees . . . . .	1,466,749			
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	8,935,664			
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	1,566,449			
9	Other employee benefits . . . . .	3,258,173			
10	Payroll taxes . . . . .	729,477			
a	Fees for services (non-employees)				
	Management . . . . .				
b	Legal . . . . .				
c	Accounting . . . . .				
d	Lobbying . . . . .				
e	Professional fundraising services See Part IV, line 17 . . . . .				
f	Investment management fees . . . . .				
g	Other . . . . .				
12	Advertising and promotion . . . . .				
13	Office expenses . . . . .				
14	Information technology . . . . .				
15	Royalties . . . . .				
16	Occupancy . . . . .				
17	Travel . . . . .				
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
19	Conferences, conventions, and meetings . . . . .				
20	Interest . . . . .	12,169,108			
21	Payments to affiliates . . . . .				
22	Depreciation, depletion, and amortization . . . . .	12,691,804			
23	Insurance . . . . .				
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O )				
a	PURCHASED POWER	92,622,416			
b	DISTRIBUTION EXPENSE	14,990,792			
c	CUSTOMER SERVICE	3,105,567			
d	ADMIN & GENERAL EXP	2,333,287			
e	UNRELATED BUS INC TAX	5,000			
f	All other expenses	536,713			
25	Total functional expenses. Add lines 1 through 24f	154,411,199			
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

						(A)		(B)
						Beginning of year		End of year
Assets	1	Cash—non-interest-bearing . . . . .				954,727	1	3,172,389
	2	Savings and temporary cash investments . . . . .				9,662,510	2	12,217,228
	3	Pledges and grants receivable, net . . . . .					3	
	4	Accounts receivable, net . . . . .				12,509,166	4	11,585,455
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .					5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Schedule L . . . . .					6	
	7	Notes and loans receivable, net . . . . .					7	
	8	Inventories for sale or use . . . . .				162,100	8	176,682
	9	Prepaid expenses and deferred charges . . . . .				1,110,403	9	1,140,423
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	10a	407,218,883				
	b	Less: accumulated depreciation . . . . .	10b	116,956,483	280,082,194	10c	290,262,400	
	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 . . . . .			74,735,604	13	79,725,941	
	14	Intangible assets . . . . .					14	
	15	Other assets. See Part IV, line 11 . . . . .			10,212,669	15	8,884,056	
	16	Total assets. Add lines 1 through 15 (must equal line 34) . . . . .			389,429,373	16	407,164,574	
Liabilities	17	Accounts payable and accrued expenses . . . . .			4,129,951	17	4,068,976	
	18	Grants payable . . . . .				18		
	19	Deferred revenue . . . . .				19		
	20	Tax-exempt bond liabilities . . . . .				20		
	21	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .				21		
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .				22		
	23	Secured mortgages and notes payable to unrelated third parties . . . . .			196,084,669	23	193,763,682	
	24	Unsecured notes and loans payable to unrelated third parties . . . . .				24		
	25	Other liabilities. Complete Part X of Schedule D . . . . .			24,109,293	25	26,816,999	
	26	Total liabilities. Add lines 17 through 25 . . . . .			224,323,913	26	224,649,657	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.							
	27	Unrestricted net assets . . . . .					27	
	28	Temporarily restricted net assets . . . . .					28	
	29	Permanently restricted net assets . . . . .					29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.							
	30	Capital stock or trust principal, or current funds . . . . .			679,235	30	687,745	
	31	Paid-in or capital surplus, or land, building or equipment fund . . . . .			0	31	0	
	32	Retained earnings, endowment, accumulated income, or other funds . . . . .			164,426,225	32	181,827,172	
	33	Total net assets or fund balances . . . . .			165,105,460	33	182,514,917	
	34	Total liabilities and net assets/fund balances . . . . .			389,429,373	34	407,164,574	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	175,980,898
2	Total expenses (must equal Part IX, column (A), line 25)	2	154,411,199
3	Revenue less expenses Subtract line 2 from line 1	3	21,569,699
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	165,105,460
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-4,160,242
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	182,514,917

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <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?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
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		

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11, or 12.  
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization  
FIRST ELECTRIC COOPERATIVE CORPORATION

Employer identification number  
71-0056715

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div>YesNo</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div>YesNo</div>	

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

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

4

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

5

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

YesNo

6

Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ►

7

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

YesNo

9

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

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

1a

If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1

► \$

(ii) Assets included in Form 990, Part X

► \$

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a

Revenues included in Form 990, Part VIII, line 1

► \$

b

Assets included in Form 990, Part X

► \$

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

Cat No 52283D

Schedule D (Form 990) 2010

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance . . . . .				
b	Contributions . . . . .				
c	Investment earnings or losses . . . . .				
d	Grants or scholarships . . . . .				
e	Other expenditures for facilities and programs . . . . .				
f	Administrative expenses . . . . .				
g	End of year balance . . . . .				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations . . . . .

(ii) related organizations . . . . .

b

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

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

4

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

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .		3,028,537		3,028,537
b Buildings . . . . .		13,916,110	3,945,568	9,970,542
c Leasehold improvements . . . . .				
d Equipment . . . . .		380,201,337	113,010,915	267,190,422
e Other . . . . .		10,072,899		10,072,899
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . ▶				290,262,400



Part XIReconciliation of Change in Net Assets from Form 990 to Financial Statements			
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	175,980,898
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	154,411,199
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	21,569,699
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-4,160,242
9	Total adjustments (net) Add lines 4 - 8	9	-4,160,242
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	17,409,457

Part XIIReconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements . . . . .	1	175,974,242
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments . . . . .	2a	
b	Donated services and use of facilities . . . . .	2b	
c	Recoveries of prior year grants . . . . .	2c	
d	Other (Describe in Part XIV) . . . . .	2d	4,268
e	Add lines 2a through 2d . . . . .	2e	4,268
3	Subtract line 2e from line 1 . . . . .	3	175,969,974
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	
b	Other (Describe in Part XIV) . . . . .	4b	10,924
c	Add lines 4a and 4b . . . . .	4c	10,924
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 ) . . . . .	5	175,980,898

Part XIIIReconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements . . . . .	1	154,404,543
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities . . . . .	2a	
b	Prior year adjustments . . . . .	2b	
c	Other losses . . . . .	2c	
d	Other (Describe in Part XIV) . . . . .	2d	4,268
e	Add lines 2a through 2d . . . . .	2e	4,268
3	Subtract line 2e from line 1 . . . . .	3	154,400,275
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	
b	Other (Describe in Part XIV) . . . . .	4b	10,924
c	Add lines 4a and 4b . . . . .	4c	10,924
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 ) . . . . .	5	154,411,199

Part XIVSupplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
Description of Uncertain Tax Positions Under FIN 48	Part X	ON JANUARY 1, 2009, THE COOPERATIVE ADOPTED THE "UNCERTAIN TAX POSITIONS" PROVISIONS OF ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA. THE PRIMARY TAX POSITION OF THE COOPERATIVE IS ITS FILING STATUS AS A TAX EXEMPT ENTITY. THE COOPERATIVE DETERMINED THAT IT IS MORE LIKELY THAN NOT THAT ITS TAX POSITION WILL BE SUSTAINED UPON EXAMINATION BY THE INTERNAL REVENUE SERVICE, AND THAT ALL TAX BENEFITS ARE LIKELY TO BE REALIZED UPON SETTLEMENT WITH TAXING AUTHORITIES.
Part XI, Line 8 - Other Adjustments		NET INCREASE IN MEMBERSHIPS 8,510. OTHER COMPREHENSIVE INCOME PROVISION FOR POSTRETIREMENT BENEFITS 863,428. UNCLAIMED CAPITAL CREDIT RETIREMENTS RETAINED PER STATE LAW 976,777. PATRONAGE CAPITAL RETIREMENTS - 6,008,960. TRANSFER TO OTHER EQUITIES 3.
Part XII, Line 2d - Other Adjustments		TOWER RENTAL EXPENSES ALLOCATED TO TOWER RENTAL INCOME 4,268.
Part XII, Line 4b - Other Adjustments		GENERAL EXPENSES RECLASSED TO NON-OPERATING MARGINS 10,924.
Part XIII, Line 2d - Other Adjustments		TOWER RENTAL EXPENSES ALLOCATED TO TOWER RENTAL INCOME 4,268.
Part XIII, Line 4b - Other Adjustments		GENERAL EXPENSES RECLASSED TO NON-OPERATING MARGINS 10,924.
		Part IX THE AMOUNT OF OTHER ASSETS ON FORM 990, PAGE 11, PART IX, LINE 15 DOES NOT EQUAL OR EXCEED 5 PERCENT OF THE TOTAL ASSETS ON FORM 990, PAGE 11, PART X, LINE 16, COLUMN B. CONSEQUENTLY IN ACCORDANCE WITH IRS INSTRUCTIONS SCHEDULE D, PART IX HAS BEEN LEFT BLANK.



Additional Data

Software ID:

Software Version:

EIN: 71-0056715

Name: FIRST ELECTRIC COOPERATIVE CORPORATION

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
PATRONAGE CAPITAL - CFC	4,372,110	C
PATRONAGE CAPITAL - AECC	55,443,853	C
PATRONAGE CAPITAL - AECI	4,875,785	C
PATRONAGE CAPITAL - NISC	255,190	C
PATRONAGE CAPITAL - FEDERATED RURAL ELECTRIC INSURANCE EXCHANGE	466,725	C
PATRONAGE CAPITAL - NRTC	39,879	C
PATRONAGE CAPITAL - ARESIT	310,498	C
CAPITAL TERM CERTIFICATES - CFC	12,724,776	C
MEMBER CAPITAL SECURITIES	1,000,000	C
INVESTMENT IN CRC	20,778	C
OTHER INVESTMENTS	3,200	C
ENERGY EFFICIENCY LOANS	213,147	C

# Schedule J

## (Form 990)

## Compensation Information

Department of the Treasury  
Internal Revenue Service

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

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

▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

# 2010

## Open to Public Inspection

**Name of the organization**  
FIRST ELECTRIC COOPERATIVE CORPORATION

**Employer identification number**

71-0056715

## 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 in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax indemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div> <div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</div></div>		
<b>1b</b>	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain.		
<b>2</b>	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?		
<b>3</b>	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div> <div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
<b>4</b>	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:		
<b>4a</b>	Receive a severance payment or change-of-control payment from the organization or a related organization?		No
<b>4b</b>	Participate in, or receive payment from, a supplemental nonqualified retirement plan?		No
<b>4c</b>	Participate in, or receive payment from, an equity-based compensation arrangement?		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) and 501(c)(4) organizations only must complete lines 5-9.</b>		
<b>5</b>	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
<b>5a</b>	The organization?		
<b>5b</b>	Any related organization?		
	If "Yes," to line 5a or 5b, describe in Part III.		
<b>6</b>	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
<b>6a</b>	The organization?		
<b>6b</b>	Any related organization?		
	If "Yes," to line 6a or 6b, describe in Part III.		
<b>7</b>	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.		
<b>8</b>	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III.		
<b>9</b>	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

**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 in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(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 reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) DON CRABBE	(i) (ii)	294,177 0	6,376 0	30,498 0	300,977 0	19,530 0	651,558 0	 0
(2) BRAD FORD	(i) (ii)	156,134 0	3,624 0	11,040 0	81,683 0	14,616 0	267,097 0	 0
(3) BRUCE ANDREWS	(i) (ii)	168,651 0	3,869 0	1,750 0	67,481 0	14,496 0	256,247 0	 0
(4) CHARLES N FRIZZELL	(i) (ii)	110,184 0	2,753 0	4,525 0	54,745 0	17,688 0	189,895 0	 0
(5) LARRY L HARP	(i) (ii)	133,059 0	3,238 0	3,727 0	102,397 0	14,616 0	257,037 0	 0
(6) JONATHAN R JOYCE	(i) (ii)	132,883 0	3,165 0	2,529 0	78,150 0	14,616 0	231,343 0	 0
( 7 )								
( 8 )								
( 9 )								
( 10 )								
( 11 )								
( 12 )								
( 13 )								
( 14 )								
( 15 )								
( 16 )								

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
Supplemental Information	Part III	Part II, Column C INCLUDED IN THIS AMOUNT IS THE INCREASE IN ACTUARIAL VALUE OF BENEFITS PAYABLE UNDER A DEFINED BENEFIT RETIREMENT PLAN. THE CONTRIBUTION RATE FOR PARTICIPANTS IN THE NRECA R&S DEFINED BENEFIT PENSION PLAN ARE THE SAME FOR ALL INDIVIDUALS IN THIS MULTI-EMPLOYER PLAN. THE CHANGE IN ACTUARIAL VALUE FOR EACH PARTICIPANT, HOWEVER, VARIES WITH AGE. IN OTHER WORDS, THE OLDER A PLAN PARTICIPANT IS, THE GREATER THE INCREASE IN THAT INDIVIDUAL'S CHANGE IN ACTUARIAL VALUE, ALL OTHER THINGS BEING EQUAL. BECAUSE THIS RELATES TO A MULTI-EMPLOYER PLAN, CASH CONTRIBUTION TO THE PLAN IN LIEU OF THE ACTUARIAL INCREASE ARE EXPENSED IN THE FINANCIAL STATEMENTS. DON CRABBE ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$296,077 401(K) EMPLOYER MATCH 4,900 TOTAL COLUMN C 300,977 LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (296,077) ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 81,529 TOTAL COOPERATIVE CASH CONTRIBUTION \$86,429 BRAD FORD ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$78,447 401(K) EMPLOYER MATCH 3,236 TOTAL COLUMN C 81,683 LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (78,447) ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 43,222 TOTAL COOPERATIVE CASH CONTRIBUTION \$46,458 BRUCE ANDREWS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$63,997 401(K) EMPLOYER MATCH 3,484 TOTAL COLUMN C 67,481 LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (63,997) ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 46,568 TOTAL COOPERATIVE CASH CONTRIBUTION \$50,052 CHARLES N FRIZZELL ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$52,409 401(K) EMPLOYER MATCH 2,336 TOTAL COLUMN C 54,745 LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (52,409) ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 31,145 TOTAL COOPERATIVE CASH CONTRIBUTION \$33,481 LARRY L HARP ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$99,622 401(K) EMPLOYER MATCH 2,775 TOTAL COLUMN C 102,397 LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (99,622) ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 35,952 TOTAL COOPERATIVE CASH CONTRIBUTION \$38,727 JONATHAN R JOYCE ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$75,379 401(K) EMPLOYER MATCH 2,771 TOTAL COLUMN C 78,150 LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (75,379) ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 36,801 TOTAL COOPERATIVE CASH CONTRIBUTION \$39,572

Schedule L  
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2010

Open to Public Inspection

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization  
FIRST ELECTRIC COOPERATIVE CORPORATION

Employer identification number  
71-0056715

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

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

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b)Relationship between interested person and the organization	(c)Amount of grant or type of assistance

Part IV

Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) ARKANSAS ELECTRIC COOPERATIVES INC	THE PRESIDENT/CEO AND A DIRECTOR OF THE COOPERATIVE SERVE ON AECI'S BOARD	15,535,644	THE COOPERATIVE PURCHASES ELECTRIC UTILITY SUPPLIES FROM ARKANSAS ELECTRIC COOPERATIVES, INC		No
(2) ARKANSAS ELECTRIC COOPERATIVE CORP	THE PRESIDENT/CEO AND A DIRECTOR OF THE COOPERATIVE SERVE ON AECC'S BOARD	92,622,416	THE COOPERATIVE PURCHASES WHOLESALE ELECTRICITY FROM ARKANSAS ELECTRIC COOPERATIVE CORP		No
(3) ARKANSAS RURAL ELECTRIC SELF INSURANCE TRUST	THE PRESIDENT/CEO SERVES ON THE TRUST'S BOARD	215,522	THE COOPERATIVE PURCHASES WORKER'S COMPENSATION INSURANCE FROM ARKANSAS RURAL ELECTRIC SELF INSURANCE TRUST		No

Part V

Supplemental Information

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

Identifier	Return Reference	Explanation
------------	------------------	-------------

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2010

Open to Public  
Inspection

Name of the organization FIRST ELECTRIC COOPERATIVE CORPORATION	Employer identification number 71-0056715
--------------------------------------------------------------------	----------------------------------------------

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		BUSINESS RELATIONSHIP DON CRABBE (CEO) AND ROBERT HILL (DIRECTOR) BOTH SERVE ON THE BOARD OF ARKANSAS ELECTRIC COOPERATIVE CORPORATION (AECC) AT THE REQUEST OF AND FOR THE BENEFIT OF THE COOPERATIVE DON CRABBE (CEO) AND BJ SWAFFAR (DIRECTOR) BOTH SERVE ON THE BOARD OF ARKANSAS ELECTRIC COOPERATIVES, INC (AECI) AT THE REQUEST OF AND FOR THE BENEFIT OF THE COOPERATIVE

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		THE COOPERATIVE WAS FORMED BY THE MEMBERS TO PROVIDE ELECTRIC SERVICE AT COST ON A COOPERATIVE BASIS



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

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7b		THE FOLLOWING ACTS REQUIRE APPROVAL OF THE MEMBERS OF THE COOPERATIVE 1 DISSOLUTION/LIQUIDATION OF THE COOPERATIVE 2 MERGER OR CONSOLIDATION OF THE COOPERATIVE WITH ANOTHER ORGANIZATION 3 THE DISPOSAL OF A SUBSTANTIAL PORTION OF THE COOPERATIVE'S ASSETS 4 INCREASE IN BONDED INDEBTEDNESS

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

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 12c	ON AN ANNUAL BASIS, THE COOPERATIVE WILL REQUIRE THE BOARD OF DIRECTORS AND ITS OFFICERS TO COMPLETE AND SIGN A CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM AND SUBMIT THEM TO THE GENERAL MANAGER/CEO AND BOARD CHAIRMAN

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 15	THE BOARD OF DIRECTORS USE A RETENTION AND COMPENSATION PLAN COMMITTEE AND THE EXPERTISE OF AN INDEPENDENT COMPENSATION CONSULTANT WHEN DETERMINING THE COMPENSATION OF THE PRESIDENT/CEO THE INDEPENDENT COMPENSATION CONSULTANT ANALYZES THE COMPENSATION PAID TO THE CEOS OF ELECTRIC COOPERATIVES OF SIMILAR SIZE STATEWIDE AND NATIONWIDE THE CEO USES THE EXPERTISE OF AN INDEPENDENT COMPENSATION CONSULTANT AND A COMPENSATION SURVEY WHEN DETERMINING THE COMPENSATION OF THE COOPERATIVE'S OTHER EMPLOYEES MEETING THE DEFINITION OF OFFICER AND KEY EMPLOYEES, IF ANY THE SURVEY INCLUDES SALARIES FROM SIMILAR COOPERATIVES THROUGHOUT ARKANSAS AND THE NATION

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 19	THE COOPERATIVE PROVIDES A SUMMARIZED COPY OF THE AUDITED FINANCIAL STATEMENTS TO ALL MEMBERS OF THE COOPERATIVE PRIOR TO THE ANNUAL MEETING THE COOPERATIVE'S BYLAWS AND ANNUAL REPORT ARE ALSO AVAILABLE ON THE COOPERATIVE'S WEBSITE THE COOPERATIVE MAKES A COMPLETE COPY OF THE AUDITED FINANCIAL STATEMENTS AVAILABLE AT THE ANNUAL MEETING AND UPON REQUEST OF ANY MEMBER

Identifier	Return Reference	Explanation
INDEPENDENT DIRECTORS	Form 990, Part VI, Line 1b	BJ SWAFFAR PER IRS FORM 990 INSTRUCTIONS IS NOT AN INDEPENDENT DIRECTOR BECAUSE HE IS ON THE BOARD OF ARKANSAS ELECTRIC COOPERATIVE, INC (AECI) THE COOPERATIVE PURCHASES ELECTRIC UTILITY SUPPLIES FROM AECI THE COOPERATIVE IS ALSO A MEMBER OF AECI AS SUCH, MR SWAFFAR IS THE COOPERATIVE'S REPRESENTATIVE ON AECI'S BOARD MR SWAFFAR HAS NO OWNERSHIP INTEREST IN AECI AND RECEIVES NO DIRECT OR INDIRECT BENEFIT FROM THE COOPERATIVE DOING BUSINESS WITH ARKANSAS ELECTRIC COOPERATIVE, INC ROBERT HILL, SR PER IRS FORM 990 INSTRUCTIONS IS NOT AN INDEPENDENT DIRECTOR BECAUSE HE IS ON THE BOARD OF ARKANSAS ELECTRIC COOPERATIVE CORP (AECC) THE COOPERATIVE PURCHASES ITS ELECTRIC ENERGY FROM ARKANSAS ELECTRIC COOPERATIVE CORP THE COOPERATIVE IS ALSO A MEMBER OF ARKANSAS ELECTRIC COOPERATIVE CORP AS SUCH, MR HILL IS THE COOPERATIVE'S REPRESENTATIVE ON AECC'S BOARD MR HILL HAS NO OWNERSHIP INTEREST IN AECC AND RECEIVES NO DIRECT OR INDIRECT BENEFIT FROM THE COOPERATIVE DOING BUSINESS WITH AECC

Identifier	Return Reference	Explanation
TO PROVIDE DETAIL REGARDING OFFICER'S OTHER COMPENSATION	Form 990, Part VII, Column F	IN ORDER TO PROVIDE RETIREMENT BENEFITS TO ITS EMPLOYEES, THE COOPERATIVE HAS ESTABLISHED A DEFINED CONTRIBUTION PLAN UNDER SECTION 401(K) OF THE INTERNAL REVENUE CODE AS PART OF THE PLAN DOCUMENT, THE COOPERATIVE PROVIDES A MATCHING CONTRIBUTION UP TO 8% OF A PARTICIPATING EMPLOYEE'S BASE SALARY BASE FOR ALL EMPLOYEES HIRED IN 2006 OR LATER YEARS FOR ALL EMPLOYEES HIRED PRIOR TO 2006 THE COOPERATIVE PROVIDES A MATCHING CONTRIBUTION OF UP TO 2% FOR ALL PARTICIPATING EMPLOYEES ADDITIONALLY, THE COOPERATIVE PARTICIPATES IN A MULTI-EMPLOYER DEFINED BENEFIT PLAN CONTRIBUTIONS TO THIS PLAN ARE BASED ON THE FULL FUNDING LIMITATION OF SUCH PLAN EMPLOYER CONTRIBUTIONS FOR BOTH PLANS ARE AVAILABLE TO PARTICIPATING EMPLOYEES, INCLUDING OFFICERS AND KEY EMPLOYEES, MEETING THE ELIGIBILITY REQUIREMENTS OF SUCH PLANS ONLY EMPLOYEES HIRED PRIOR TO 2006 ARE ELIGIBLE TO PARTICIPATE IN THE MULTI-EMPLOYER DEFINED BENEFIT PLAN THE COOPERATIVE ALSO PROVIDES HEALTH, DENTAL, VISION AND LIFE INSURANCE TO ALL EMPLOYEES, INCLUDING OFFICERS AND KEY EMPLOYEES, THROUGH A QUALIFIED PLAN THE AMOUNTS REPORTED ON PART VII, COLUMN (F) FOR THE OFFICER OR KEY EMPLOYEE IS COMPRISED OF THE ACTUARIAL INCREASE IN THE DEFINED BENEFIT PLAN FOR THE OFFICER, THE TOTAL AMOUNT CONTRIBUTED TO THE 401(K) PENSION PLAN AND THE INSURANCE PREMIUMS PAID FOR THE BENEFIT OF THE OFFICER OR KEY EMPLOYEE IN ADDITION TO THE ABOVE PENSION PLANS, THE COOPERATIVE ALSO PROVIDES POST-RETIREMENT HEALTH INSURANCE BENEFITS THROUGH AN UNFUNDED WELFARE BENEFIT PLAN THE PER PERSON VALUE OF THESE BENEFITS HAS NOT BEEN ESTIMATED



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

Identifier	Return Reference	Explanation
ACCOUNTING SYSTEM	Form 990, Part IX	THE ACCOUNTING RECORDS OF THE COOPERATIVE ARE MAINTAINED IN ACCORDANCE WITH THE UNIFORM SYSTEM OF ACCOUNTS AS PRESCRIBED BY THE FEDERAL ENERGY REGULATORY COMMISSION FOR CLASS A AND B ELECTRIC UTILITIES MODIFIED FOR ELECTRIC BORROWERS OF THE NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION (CFC) THE UNIFORM SYSTEM OF ACCOUNTS DOES NOT RECORD EXPENSES IN THE GENERAL EXPENSE CATEGORIES PROVIDED ON PART IX LINES 1 - 23 THE COOPERATIVE WILL BREAK OUT SALARIES AND WAGES, EMPLOYEE BENEFITS AND PAYROLL TAXES THAT ARE ALLOCATED IN ACCORDANCE WITH THEIR ACCOUNTING SYSTEM, BUT OTHER EXPENSES THAT ARE DESCRIBED IN LINES 1 - 23 WILL BE REPORTED ON LINE 24 UNDER THE EXPENSE CATEGORIES REQUIRED BY THE UNIFORM SYSTEM OF ACCOUNTS

Identifier	Return Reference	Explanation
RECONCILIATION OF WAGES PER RETURN TO FORM W-3	Form 990, Part IX, Lines 5-7	SALARIES AND WAGES ARE ALLOCATED TO ASSET, LIABILITY, AND EXPENSE ACCOUNTS BASED ON THE ACCOUNTING SYSTEM DESCRIBED ABOVE IN AN EFFORT TO EXPLAIN WHY THE AMOUNTS REPORTED ON LINES 5-7 DO NOT AGREE TO THE W-3 THE FOLLOWING RECONCILIATION IS PROVIDED TOTAL PER LINES 5-7 \$10,402,413 LESS DIRECTORS FEES REPORTED ON 1099-MISC (291,848) LESS EMPLOYEE OFFICER BENEFITS INCLUDED IN LINE 5 (498,783) PLUS WAGES ALLOCATED TO RENTAL ACTIVITIES 397 PLUS SALARIES AND WAGES ALLOCATED TO ASSET ACCOUNTS 4,188,130 RECONCILIATION TO W-3 \$13,800,309

Identifier	Return Reference	Explanation
BREAKDOWN OF EXPENSES INCLUDED IN ADMINISTRATIVE AND GENERAL	Form 990, Part IX, Line 24	THE FOLLOWING IS A BREAKDOWN OF THE EXPENSES REPORTED AS ADMINISTRATIVE AND GENERAL EXPENSE ON FORM 990, PART IX, LINE 24 OFFICE SUPPLIES AND EXPENSE \$416,041 OUTSIDE SERVICES EMPLOYED 213,761 OTHER INSURANCE 140,129 ANNUAL MEETING EXPENSE 49,251 CAPITAL CREDITS EXPENSE 91,755 DIRECTOR EXPENSES 392,607 MAINTENANCE OF GENERAL PLANT 537,586 REGULATORY COMMISSION EXPENSE 341,090 MISCELLANEOUS GENERAL EXPENSE 151,067 TOTAL ADMINISTRATIVE AND GENERAL EXPENSE PER 990 \$2,333,287

Identifier	Return Reference	Explanation
TO PROVIDE DETAIL REGARDING OTHER EXPENSES	Form 990, Part IX, Line 24f	THE FOLLOWING IS A BREAKDOWN OF THE EXPENSES REPORTED AS OTHER EXPENSES ON FORM 990, PART IX, LINE 24F TRANSMISSION EXPENSE \$382,886 MISCELLANEOUS GENERAL EXPENSE 147,821 TAXES 6,006 TOTAL OTHER EXPENSES PER FORM 990, LINE 24F \$536,713

Identifier	Return Reference	Explanation
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 5	NET INCREASE IN MEMBERSHIPS 8,510 OTHER COMPREHENSIVE INCOME PROVISION FOR POSTRETIREMENT BENFITS 863,428 UNCLAMINED CAPITAL CREDIT RETIREMENTS RETAINED PER STATE LAW 976,777 PATRONAGE CAPITAL RETIREMENTS -6,008,960 TRANSFER TO OTHER EQUITIES 3 Total to Form 990, Part XI, Line 5 -4,160,242

Identifier	Return Reference	Explanation
AUDIT COMMITTEE	Form 990, Part XII, Line 2c	THE BOARD OF DIRECTORS HAVE ASSIGNED MEMBERS TO AN AUDIT COMMITTEE TO OVERSEE THE FINANCIAL STATEMENT AUDIT AND SELECT THE INDEPENDENT FINANCIAL STATEMENT AUDITOR

SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

FIRST ELECTRIC COOPERATIVE CORPORATION

Employer identification number

71-0056715

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) FIRST ELECTRIC TRUST  1000 S JP WRIGHT LOOP ROAD  JACKSONVILLE, AR 72076 31-1586917	DISBURSEMENT OF FUNDS FOR CHARITABLE PURPOSES IN THIS COOP 'S SERVICE AREA	AR	501(c)(3)	Line 7	N/A		No



Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

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

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) FIRST ENERGY SERVICES OF ARKANSAS INC PO BOX 5018 JACKSONVILLE, AR 72078 62-1695757	INACTIVE	AR	N/A	C			100.000 %

Part V

Transactions With Related Organizations

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

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

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

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

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

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

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

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

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

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

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

Yes

No

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds			
(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) FIRST ELECTRIC TRUST - NA LESS THAN 50000	P	0	
(2)			
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2010

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

[illegible]

**Part VII**   **Supplemental Information**

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

Identifier	Return Reference	Explanation
------------	------------------	-------------