

Return of Organization Exempt From Income Tax

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

- ▶ Do not enter social security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2016 calendar year, or tax year beginning, **2016**, and ending

B Check if applicable:	C Name of organization HOLY CROSS ELECTRIC ASSOCIATION, INC	D Employer identification number 84-0229176
<input type="checkbox"/> Address change	Doing business as	E Telephone number (970) 945-5491
<input type="checkbox"/> Name change	Number and street (or P.O. box if mail is not delivered to street address) Room/suite	
<input type="checkbox"/> Initial return	P.O. BOX 2150	G Gross receipts \$ 122,385,149.
<input type="checkbox"/> Final return/terminated	City or town, state or province, country, and ZIP or foreign postal code	
<input type="checkbox"/> Amended return	GLENWOOD SPRINGS CO 81602-2150	H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Application pending	F Name and address of principal officer: BRYAN HANNEGAN P.O. BOX 2150 GLENWOOD SPRINGS CO 81602	
I Tax-exempt status	<input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (12) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	H(c) Group exemption number ▶
J Website: ▶	www.holycross.com	
K Form of organization:	<input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation: 1939 M State of legal domicile: CO

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>HOLY CROSS IS COMMITTED TO PROVIDING ITS MEMBERS WITH THE BEST POSSIBLE SERVICES AT A REASONABLE AND COMPETITIVE COST CONSISTENT WITH SOUND BUSINESS AND ENVIRONMENTAL PRACTICES.</u>		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	7
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	7
	5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	177
	6	Total number of volunteers (estimate if necessary)	6	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	119,372,436.	122,187,219.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	94,066.	147,490.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	793,713.	-37,514.
	12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	120,260,215.	122,297,195.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14	Benefits paid to or for members (Part IX, column (A), line 4)		8,353,754.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	11,222,242.	11,396,982.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ <u>0.</u>		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	99,764,186.	102,102,468.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	110,986,428.	121,853,204.
	19	Revenue less expenses. Subtract line 18 from line 12	9,273,787.	443,991.
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	319,302,366.	320,112,709.
	22	Net assets or fund balances. Subtract line 21 from line 20	207,169,595.	205,422,461.
			112,132,771.	114,690,248.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	BRYAN HANNEGAN	10/23/17			
	Type or print name and title	PRESIDENT & CEO			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Darel W. Packard, CPA		10/25/17		P00424609
	Firm's name	Firm's EIN ▶ 74-3040374			
	Firm's address	Phone no. (913) 831-1150			
	Kevin S Kelso, CPA, P.C., P.A.	6700 Squibb Rd Ste 215 Mission KS 66202			

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

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:

HOLY CROSS IS COMMITTED TO PROVIDING ITS MEMBERS WITH THE BEST POSSIBLE SERVICES AT A REASONABLE
See Form 990, Page 2, Part III, Line 1 (continued)

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No

If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No

If 'Yes,' describe these changes on Schedule O.

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

4 a (Code:) (Expenses \$ including grants of \$) (Revenue \$) PROVIDE ELECTRIC SERVICE TO MEMBERS

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

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

4 d Other program services (Describe in Schedule O.)

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

4 e 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>		X
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?		X
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>		X
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? <i>If 'Yes,' complete Schedule C, Part II.</i>		
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>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If 'Yes,' complete Schedule D, Part I.</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If 'Yes,' complete Schedule D, Part II.</i>		X
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>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If 'Yes,' complete Schedule D, Part IV.</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If 'Yes,' complete Schedule D, Part V.</i>		X
11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If 'Yes,' complete Schedule D, Part VI.</i>	X	
b Did the organization report an amount for investments — other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VII.</i>		X
c Did the organization report an amount for investments — program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VIII.</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part IX.</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If 'Yes,' complete Schedule D, Part X.</i>		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)? <i>If 'Yes,' complete Schedule D, Part X.</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If 'Yes,' complete Schedule D, Parts XI and XII.</i>		X
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 and XII is optional.</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If 'Yes,' complete Schedule E.</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?.		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If 'Yes,' complete Schedule F, Parts I and IV.</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If 'Yes,' complete Schedule F, Parts II and IV.</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If 'Yes,' complete Schedule F, Parts III and IV.</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If 'Yes,' complete Schedule G, Part I</i> (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If 'Yes,' complete Schedule G, Part II.</i>		X
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>		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If 'Yes,' complete Schedule H</i>		X
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? <i>If 'Yes,' complete Schedule I, Parts I and II</i>		X
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>		X
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>	X	
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>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>		
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>		
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If 'Yes,' complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III</i>		X
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>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>	X	
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>	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>		X
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>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		X
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>		X
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>		X
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>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
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>		X
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>		
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>		X
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	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1 a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable 1 a 64		
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable 1 b 0		
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? 1 c	X	
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax State-ments, filed for the calendar year ending with or within the year covered by this return 2 a 177		
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? 2 b	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year? 3 a		X
3 b	If 'Yes,' has it filed a Form 990-T for this year? If 'No' to line 3b, provide an explanation in Schedule O. 3 b		
4 a	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)? 4 a		X
4 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).		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? 5 a		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? 5 b		X
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T? 5 c		
6 a	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? 6 a		X
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 6 b		
7	Organizations that may receive deductible contributions under section 170(c).		
7 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? 7 a		
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided? 7 b		
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? 7 c		
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year 7 d		
7 e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? 7 e		
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7 f		
7 g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? 7 g		
7 h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? 7 h		
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		
9	Sponsoring organizations maintaining donor advised funds.		
9 a	Did the sponsoring organization make any taxable distributions under section 4966? 9 a		
9 b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? 9 b		
10	Section 501(c)(7) organizations. Enter:		
10 a	Initiation fees and capital contributions included on Part VIII, line 12. 10 a		
10 b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10 b		
11	Section 501(c)(12) organizations. Enter:		
11 a	Gross income from members or shareholders. 11 a 118,570,997.		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11 b 6,026,487.		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12 a		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year 12 b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13 a	Is the organization licensed to issue qualified health plans in more than one state? 13 a		
Note. See the instructions for additional information the organization must report on Schedule O.			
13 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 13 b		
13 c	Enter the amount of reserves on hand 13 c		
14 a	Did the organization receive any payments for indoor tanning services during the tax year? 14 a		X
14 b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O. 14 b		

Part VI Governance, Management, and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members... 1b Enter the number of voting members included in line 1a... 2 Did any officer, director, trustee, or key employee have a family relationship... 3 Did the organization delegate control over management duties... 4 Did the organization make any significant changes to its governing documents... 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 in Schedule O.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a 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
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
[] Own website [] Another's website [X] Upon request [] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records:
MINDY TAGLER 3799 HIGHWAY 82 GLENWOOD SPRINGS CO 81602 (970) 945-5491

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) KRISTEN BERTUGLIA DIRECTOR	5.00	X					18,800.	0.	0.	
(2) LYNN DWYER DIRECTOR	5.00	X					11,800.	0.	0.	
(3) ROBERT GARDNER DIRECTOR	5.00	X					20,000.	0.	0.	
(4) MEGAN GILMAN DIRECTOR	5.00	X					22,800.	0.	0.	
(5) MICHAEL GLASS DIRECTOR	5.00	X					12,400.	0.	0.	
(6) DAVE MUNK DIRECTOR	5.00	X					29,400.	0.	0.	
(7) ADAM PALMER DIRECTOR	5.00	X					15,200.	0.	0.	
(8) DELVAN WORLEY CEO	45.00			X			395,678.	0.	115,336.	
(9) TIM CHARLTON CFO	45.00			X			186,472.	0.	78,315.	
(10) MELINDA TAGLER VP, FINANCE	45.00			X			170,042.	0.	78,150.	
(11) RICK ARNHOLD VP, EAGLE/VAIL DIST.	45.00					X	177,303.	0.	115,543.	
(12) DAVID BLEAKLEY VP, ENGINEERING	45.00					X	176,574.	0.	91,153.	
(13) FARSHIDEH JAHANI VP, IT	45.00					X	175,617.	0.	79,925.	
(14) DIANA GOLIS VP, POWER SUPPLY	45.00					X	175,125.	0.	100,028.	

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(15) DAVID O'NEIL VP, GLENWOOD DIST. OPERATIONS	45.00					X	170,576.	0.	85,648.
(16) JOHN ROWLEY VP, HUMAN RESOURCES	45.00					X	169,477.	0.	79,416.
(17)									
(18)									
(19)									
(20)									
(21)									
(22)									
(23)									
(24)									
(25)									

1 b Sub-total	1,927,264.	0.	823,514.
c Total from continuation sheets to Part VII, Section A			
d Total (add lines 1b and 1c)	1,927,264.	0.	823,514.
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 ▶	53		

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
VAUGHAN CONSTRUCTION CO, LLC 259 CO RD 320 RIFLE CO 81650	STEEL BUILDING CONSTRUCTION	2,418,721.
ADVANCED UNDERGROUND CONSTRUCTION, LPO BOX 67 GLENWOOD SPRINGS CO 81602	UNDERGROUND BORING SERVICES	1,679,340.
USIC LOCATING SERVICES, INC PO BOX 713359 CINNCINNATI OH 45271	UNDERGROUND LOATING SERVICES	339,093.
MCCARTER & ENGLISH, LLP 100 MULBERRY ST NEWARK NJ 07102	PROFESSIONAL FEES	284,184.
TRI STATE G&T ASSN PO BOX 33695 DENVER CO 80233	TRANSMISSION SERVICES	130,043.

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 ▶	10
---	----

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	1 a Federated campaigns	1 a					
	b Membership dues	1 b					
	c Fundraising events	1 c					
	d Related organizations	1 d					
	e Government grants (contributions) . .	1 e					
	f All other contributions, gifts, grants, and similar amounts not included above . .	1 f					
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f ▶						
Program Service Revenue	2 a <u>ELECTRIC DISTRIBUTION</u>		221000	118,570,997.	118,570,997.	0.	0.
	b <u>OTHER ELECTRIC REVENUE</u>		221000	2,590,515.	2,590,515.	0.	0.
	c <u>RENT FROM ELECTRIC PROPERTY</u>		221000	197,219.	197,219.	0.	0.
	d <u>CAPITAL CREDITS</u>		221000	828,488.	828,488.	0.	0.
	e						
	f All other program service revenue . . .						
	g Total. Add lines 2a-2f ▶			122,187,219.			
	Other Revenue	3 Investment income (including dividends, interest and other similar amounts) ▶			147,490.	0.	0.
4 Income from investment of tax-exempt bond proceeds . . ▶							
5 Royalties ▶							
6 a Gross rents		(i) Real	(ii) Personal				
			48,066.				
		b Less: rental expenses		87,954.			
		c Rental income or (loss)		-39,888.			
d Net rental income or (loss) ▶			-39,888.	0.	0.	-39,888.	
7 a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other				
		b Less: cost or other basis and sales expenses					
		c Gain or (loss)					
d Net gain or (loss) ▶							
8 a 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 ▶							
9 a Gross income from gaming activities. See Part IV, line 19. a							
b Less: direct expenses b							
c Net income or (loss) from gaming activities ▶							
10 a Gross sales of inventory, less returns and allowances a							
b Less: cost of goods sold b							
c Net income or (loss) from sales of inventory ▶							
11 a <u>CREDIT CARD REBATE</u>		221000	2,374.	2,374.	0.	0.	
b							
c							
d All other revenue							
e Total. Add lines 11a-11d ▶			2,374.				
12 Total revenue. See instructions ▶			122,297,195.	122,189,593.	0.	107,602.	

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	8,353,754.	8,353,754.		
5 Compensation of current officers, directors, trustees, and key employees	1,927,264.	1,927,264.	0.	0.
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	9,469,718.	9,469,718.	0.	0.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	8,500,394.	8,500,394.	0.	0.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	12,469,513.	12,469,513.	0.	0.
23 Insurance				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>COST OF POWER</u>	49,215,398.	49,215,398.	0.	0.
b <u>POWER PRODUCTION EXPENSE</u>	10,645,675.	10,645,675.	0.	0.
c <u>TRANSMISSION EXPENSE</u>	1,802,388.	1,802,388.	0.	0.
d <u>DISTRIBUTION - OPERATIONS</u>	6,681,081.	6,681,081.	0.	0.
e All other expenses	12,788,019.	12,788,019.	0.	0.
25 Total functional expenses. Add lines 1 through 24e.	121,853,204.	121,853,204.	0.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash — non-interest-bearing	5,481,958.	1	7,104,699.
	2 Savings and temporary cash investments	2,600,314.	2	4,100,465.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	11,866,793.	4	10,300,071.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	4,138,856.	8	3,376,298.
	9 Prepaid expenses and deferred charges	2,290,141.	9	1,802,504.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 408,189,364.		
	b Less: accumulated depreciation	10b 125,399,636.	285,522,018.	10c 282,789,728.
	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	7,219,641.	13	8,818,169.
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	182,645.	15	1,820,775.
16 Total assets. Add lines 1 through 15 (must equal line 34)	319,302,366.	16	320,112,709.	
Liabilities	17 Accounts payable and accrued expenses	21,262,411.	17	20,091,078.
	18 Grants payable		18	
	19 Deferred revenue	15,188,102.	19	14,867,532.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	170,719,082.	23	170,463,851.
	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		25	
	26 Total liabilities. Add lines 17 through 25	207,169,595.	26	205,422,461.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund	45,212,008.	31	48,265,380.
	32 Retained earnings, endowment, accumulated income, or other funds	66,920,763.	32	66,424,868.
33 Total net assets or fund balances	112,132,771.	33	114,690,248.	
34 Total liabilities and net assets/fund balances	319,302,366.	34	320,112,709.	

BAA

Form **990** (2016)

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	122,297,195.
2	Total expenses (must equal Part IX, column (A), line 25)	2	121,853,204.
3	Revenue less expenses. Subtract line 2 from line 1	3	443,991.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	112,132,771.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	2,113,486.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	114,690,248.

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.			
2 a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
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			
2 b	Were the organization's financial statements audited by an independent accountant?	X	
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 checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
2 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?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
3 a	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?		X
3 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		

BAA

Form **990** (2016)

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2016

Department of the Treasury Internal Revenue Service

Complete if the organization answered 'Yes' on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990. Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Name of the organization

Employer identification number

HOLY CROSS ELECTRIC ASSOCIATION, INC

84-0229176

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 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two yes/no questions about donor information.

Part II Conservation Easements.

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose of conservation easements, total number and acreage, and various monitoring and reporting questions.

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.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include questions about reporting art and historical treasures and amounts related to these items.

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

- 1 a 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 | 1 c |
| d Additions during the year | 1 d |
| e Distributions during the year | 1 e |
| f Ending balance | 1 f |
- 2 a 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
1 a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment ▶ _____ %
 - b Permanent endowment ▶ _____ %
 - c Temporarily restricted endowment ▶ _____ %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3 a 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
1 a Land		3,715,885.		3,715,885.
b Buildings		55,452,108.	8,414,600.	47,037,508.
c Leasehold improvements				
d Equipment		20,158,144.	14,480,616.	5,677,528.
e Other		328,863,227.	102,504,420.	226,358,807.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				282,789,728.

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) _____		
(I) _____		
Total. (Column (b) must equal Form 990, Part X, column (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) _____		
(10) _____		
Total. (Column (b) must equal Form 990, Part X, column (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) _____	
(10) _____	
Total. (Column (b) must equal Form 990, Part X, column (B) line 15.) ▶	

Part X Other Liabilities.

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

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
(10) _____	
(11) _____	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.) . . . ▶	

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

Part XIII Supplemental Information.

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

Other

THE COOPERATIVES FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED APRIL 30, 2017 WERE EXAMINED BY INDEPENDANT AUDITORS. THE COOPERATIVE PREPARES THIS INCOME TAX RETURN ON A CALENDAR YEAR BASIS.

AN EVALUATION OF WHETHER OR NOT IT HAS ANY UNCERTAIN TAX POSITIONS IS DETERMINED ON AN ANNUAL BASIS BY THE ASSOCIATION. WHILE THE ASSOCIATION BELIEVES IT HAS ADEQUATELY PROVIDED FOR ALL TAX POSITIONS, AMOUNTS ASSERTED BY TAXING AUTHORITIES COULD BE DIFFERENT THAN THE POSITIONS TAKEN BY THE ASSOCIATION. THE ASSOCIATION RECOGNIZES ANY INTEREST AND PENALTIES ASSESSED BY TAXING AUTHORITIES IN INCOME TAX EXPENSE AND, WITH FEW EXCEPTIONS, IS NO LONGER SUBJECT TO FEDERAL, STATE, OR LOCAL INCOME TAX EXAMINATIONS BY TAXING AUTHORITIES FOR YEARS BEFORE 2013.

Pt X, Line 2

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

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

2016

▶ **Complete if the organization answered 'Yes' on Form 990, Part IV, line 23.**

▶ **Attach to Form 990.**

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number

HOLY CROSS ELECTRIC ASSOCIATION, INC

84-0229176

Part I Questions Regarding Compensation

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

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

Schedule J (Form 990) 2016

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

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns(B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 DELVAN WORLEY CEO	(i)	395,679.	0.	0.	64,809.	50,527.	511,015.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 TIM CHARLTON CFO	(i)	186,472.	0.	0.	49,259.	29,056.	264,787.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 MELINDA TAGLER VP, FINANCE	(i)	170,042.	0.	0.	35,512.	42,638.	248,192.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 RICK ARNHOLD VP, EAGLE/VAIL DIST.	(i)	177,303.	0.	0.	72,572.	42,791.	292,666.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 DAVID BLEAKLEY VP, ENGINEERING	(i)	176,574.	0.	0.	47,954.	43,199.	267,727.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 FARSHIDEH JAHANI VP, IT	(i)	175,617.	0.	0.	45,414.	34,511.	255,542.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 DIANA GOLIS VP, POWER SUPPLY	(i)	175,125.	0.	0.	65,596.	34,432.	275,153.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 DAVID O'NEIL VP, GLENWOOD DIST. OPERATIONS	(i)	170,577.	0.	0.	43,010.	42,637.	256,224.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 JOHN ROWLEY VP, HUMAN RESOURCES	(i)	169,477.	0.	0.	36,798.	42,619.	248,894.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

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

SCHEDULE L
(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2016

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

Name of the organization HOLY CROSS ELECTRIC ASSOCIATION, INC	Employer identification number 84-0229176
---	---

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) 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) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by 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-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
			(1)									
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
Total ▶ \$ _____												

Part III Grants or Assistance Benefiting 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 assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

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) DAWN CHARLTON	EMPLOYEE	56,959.	WAGES		X
(2) MICHAEL GLASS	MGR OF ALPINE BANK, VAIL CO	12,400.	DIRECTOR FEES		X
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

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

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is
at www.irs.gov/form990.

OMB No. 1545-0047

2016

**Open to Public
Inspection**

Name of the organization

HOLY CROSS ELECTRIC ASSOCIATION, INC

Employer identification number

84-0229176

Pt VI, Line 6 MEMBER OWNED COOPERATIVE

Pt VI, Line 7a MEMBERS NOMINATE AND ELECT THE BOARD OF DIRECTORS
MERGERS AND CONSOLIDATIONS REQUIRE APPROVAL BY A 2/3 MAJORITY VOTE OF
THE MEMBERS.

Pt VI, Line 7b

Pt VI, Line 8a MINUTES ARE TAKEN AT ALL BOARD MEETINGS

Pt VI, Line 8b NO COMMITTEE HAS THE AUTHORITY TO ACT FOR THE BOARD OF DIRECTORS.
REVIEWED BY CEO, VP OF FINANCE & ACCOUNTING SUPERVISOR PRIOR TO FILING.

Pt VI, Line 11b BOARD OF DIRECTORS RECEIVES DRAFT OF THE RETURN FOR REVIEW.
EACH DIRECTOR MUST SELF CERTIFY ANNUALLY THAT THEY DO NOT HAVE ANY

Pt VI, Line 12c CONFLICTS OF INTEREST AND ARE QUALIFIED TO CONTINUE BEING A DIRECTOR.
THE CEO'S COMPENSATION IS SET BY THE BOARD OF DIRECTORS UTILIZING SALARY

Pt VI, Line 15a DATA FOR GM'S STATEWIDE AND NATIONALLY
SURVEY DATA FROM MTN ST EMPLOYER'S COUNCIL, CREA AND OTHER COOP SURVEYS

Pt VI, Line 15b UTILIZED TO SET COMPENSATION.
DOCUMENTS ARE AVAILABLE ON HCE'S WEBSITE. ALL NEW CONSUMERS ARE SENT A

Pt VI, Line 19 "WELCOME LETTER" EXPLAINING WHERE THE DOCUMENTS CAN BE FOUND.

Pt XI CAPITAL CREDIT REFUNDS TO ESTATES (94,754)

Pt XI RETIRED CAPITAL CREDITS (8,327,564)

Pt XI RETIRED CAPITAL CREDIT GAIN 1,575,907

Pt XI REISSUED & UNDELIVERED CAP CR CHECKS (41,019)

Pt XI CAPITAL CREDIT ADJUSTMENTS (4,855)

Pt XI VOIDED CAPITAL CREDIT CHECKS 652,017

Pt XI TOTAL OTHER CHANGES IN NET ASSETS 6,240,268

Other THE COOPERATIVES FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED APRIL
30, 2017 WERE EXAMINED BY INDEPENDANT AUDITORS. THE COOPERATIVE PREPARES
THIS INCOME TAX RETURN ON A CALENDAR YEAR BASIS.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

- ▶ Complete if the organization answered 'Yes' on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
 - ▶ Attach to Form 990.
- ▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public Inspection

Name of the organization

HOLY CROSS ELECTRIC ASSOCIATION, INC

Employer identification number

84-0229176

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

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

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) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) HOLY CROSS ROUNDUP FOUNDATION PO BOX 2150 GLENWOOD SPRINGS, CO 81602 26-4059527		CO					
(2) _____ _____ _____							
(3) _____ _____ _____							
(4) _____ _____ _____							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) ----- ----- -----												
(2) ----- ----- -----												
(3) ----- ----- -----												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Sec 512(b)(13) controlled entity?	
								Yes	No
(1) ENERGY AND SERVICES EXPERTS 84-1382092 P O BOX 2150 GLENWOOD SPRINGS, CO 81602	DORMANT	CO		C		8,923.	100.00	X	
(2) ----- ----- -----									
(3) ----- ----- -----									

Part V Transactions With Related Organizations. Complete if the organization answered 'Yes' on Form 990, Part IV, line 34, 35b, or 36.

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

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

- a** Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

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

	Yes	No
1 a		X
1 b		X
1 c		X
1 d		X
1 e		X
1 f		X
1 g		X
1 h		X
1 i		X
1 j		X
1 k		X
1 l		X
1 m		X
1 n		X
1 o		X
1 p		X
1 q		X
1 r		X
1 s		X

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership. Complete if the organization answered 'Yes' on Form 990, Part IV, line 37.

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.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) ----- ----- -----													
(2) ----- ----- -----													
(3) ----- ----- -----													
(4) ----- ----- -----													
(5) ----- ----- -----													
(6) ----- ----- -----													
(7) ----- ----- -----													
(8) ----- ----- -----													

Part VII **Supplemental Information.**

Provide additional information for responses to questions on Schedule R. See instructions.

Form **8879-EO**

IRS e-file Signature Authorization for an Exempt Organization

OMB No. 1545-1878

Department of the Treasury
Internal Revenue Service

For calendar year 2016, or fiscal year beginning _____, 2016, and ending _____, 20____

2016

► **Do not send to the IRS. Keep for your records.**
► **Information about Form 8879-EO and its instructions is at www.irs.gov/form8879eo.**

Name of exempt organization

Employer identification number

HOLY CROSS ELECTRIC ASSOCIATION, INC

84-0229176

Name and title of officer

BRYAN HANNEGAN

PRESIDENT & CEO

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

1 a	Form 990 check here . . .	▶	<input checked="" type="checkbox"/>	b	Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1 b	<u>122,297,195.</u>
2 a	Form 990-EZ check here . . .	▶	<input type="checkbox"/>	b	Total revenue, if any (Form 990-EZ, line 9)	2 b	_____
3 a	Form 1120-POL check here . . .	▶	<input type="checkbox"/>	b	Total tax (Form 1120-POL, line 22)	3 b	_____
4 a	Form 990-PF check here . . .	▶	<input type="checkbox"/>	b	Tax based on investment income (Form 990-PF, Part VI, line 5)	4 b	_____
5 a	Form 8868 check here . . .	▶	<input type="checkbox"/>	b	Balance Due (Form 8868, line 3c	5 b	_____

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2016 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize Kevin S Kelso, CPA, P.C., P.A. to enter my PIN 66202 as my signature
ERO firm name Enter five numbers, but do not enter all zeros

on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ _____ Date ▶ 10/23/2017

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN 4831666204
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2016 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ _____ Date ▶ 10/25/17

**ERO Must Retain This Form – See Instructions
Do Not Submit This Form To the IRS Unless Requested To Do So**

BAA For Paperwork Reduction Act Notice, see instructions.

Form **8879-EO** (2016)

Schedule O (Form 990), Supplemental Information to Form 990

Form 990, Page 2, Part III, Line 1 (continued)

Briefly describe the organization's mission:

AND COMPETITIVE COST CONSISTENT WITH SOUND BUSINESS AND
ENVIRONMENTAL PRACTICES.

Schedule O (Form 990 or 990-EZ), Supplemental Information to Form 990 or 990-EZ

Form 990, Page 10, Line 24e All Other Expenses (continued)

Description	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
DISTRIBUTION - MAINTENANCE	2,475,285.	2,475,285.	0.	0.
CONSUMER ACCOUNTS	2,381,444.	2,381,444.	0.	0.
CUSTOMER SERVICE	1,806,979.	1,806,979.	0.	0.
ADMIN. & GENERAL	6,124,311.	6,124,311.	0.	0.

Supporting Statement of:

Form 990 p 11/Line 9, column (B)

Description	Amount
PREPAID EXPENSES	1,687,732.
OTHER DEFFERED DEBITS	114,772.
Total	<u>1,802,504.</u>

Supporting Statement of:

Sch D, page 2/Other col (b)

Description	Amount
INTANGIBLE PLANT	91,051.
PRODUCTION PLANT	102,154,961.
TRANSMISSION PLANT	32,361,291.
DISTRIBUTION PLANT	183,673,668.
CONSTRUCTION - WORK IN PROGRESS	10,582,256.
Total	<u>328,863,227.</u>

Supporting Statement of:

Sch D, page 2/Other col (c)

Description	Amount
AD GENERATION	18,733,081.
AD TRANSMISSION	18,997,112.
AD DISTRIBUTION	64,642,053.
RETIREMENT WORK IN PROGRESS	132,174.
Total	<u>102,504,420.</u>

Form 990 p 10: Part IX Statement of Functional Expenses

Line 22 - Depreciation, Depletion, and Amortization Smart Worksheet

To enter assets, **QuickZoom** to Asset Entry Worksheet ➔

To view a calculated report of all depreciation information for Form 990,
QuickZoom to the Depreciation/Amortization Report ➔

QuickZoom to Form 4562 for Form 990 ➔

The following items carry to line 22 below:

Description	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
A Depreciation	12,469,513.	12,469,513.	0.	0.
B Depletion				
C Amortization				

Part II Smart Worksheet
Complete Form 990, Part VII before Completing Schedule J, page 2, Part II

Note: The first 16 entries on this Smart Worksheet will transfer below and rest will flow to a Continuation Sheet for Schedule J, Part II. Per IRS instructions, if a column is not applicable, enter a 0.

(A) Name and Title	Chk if Bus	(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) Compen- sation reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation				
DELVAN WORLEY	(i)	395,679.	0.	0.	64,809.	50,527.	511,015.	0.
CEO	(ii)	0.	0.	0.	0.	0.	0.	0.
TIM CHARLTON	(i)	186,472.	0.	0.	49,259.	29,056.	264,787.	0.
CFO	(ii)	0.	0.	0.	0.	0.	0.	0.
MELINDA TAGLER	(i)	170,042.	0.	0.	35,512.	42,638.	248,192.	0.
VP, FINANCE	(ii)	0.	0.	0.	0.	0.	0.	0.
RICK ARNHOLD	(i)	177,303.	0.	0.	72,572.	42,791.	292,666.	0.
VP, EAGLE/VAIL DIST.	(ii)	0.	0.	0.	0.	0.	0.	0.
DAVID BLEAKLEY	(i)	176,574.	0.	0.	47,954.	43,199.	267,727.	0.
VP, ENGINEERING	(ii)	0.	0.	0.	0.	0.	0.	0.
See Part II, Officers, Trustees, Key Employees, and Highest Compensated Employees	(i)							
	(ii)							

Sch. R, page 2: Schedule R, Part III and IV

Part IV Smart Worksheet

Note: The first 3 entries on this Smart Worksheet will transfer below and rest will flow to a Schedule R, Part IV continuation sheet.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domi- cile (state or fgn cntry)	(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) Percen- tage owner- ship	(i) Sec 512 (b)(13) con- trolled entity?	
								Yes	No
Name ENERGY AND SERVICES EXPERTS EIN 84-1382092 Address . . . P O BOX 2150 City GLENWOOD SPRINGS St CO Zip 81602 Fore. City Country	DORMANT	State CO FC		C		8,923.	100.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Name _____ EIN _____ Address . . . _____ City _____ St _____ Zip _____ Fore. City Country		State _____ FC						<input type="checkbox"/>	<input type="checkbox"/>

COMPSW

(A) Name and Title	Ck if B u s i n e s s	(B) Avg hrs/wk (list hrs for related orgs below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee) C1 - Indiv trustee or dir C2 - Institutional trustee C3 - Officer C4 - Key employee C5 - Highest compensated employee C6 - Former						(D) Reportable compn from the organi- zation (W-2/ 1099-MISC)	(E)	(F) Est amt of oth compn from org and related orgs
			C1	C2	C3	C4	C5	C6			
(1) MELINDA TAGLER VP, FINANCE	<input type="checkbox"/>	45.00	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	170,042.	0.	78,150.
(1) RICK ARNHOLD VP, EAGLE/VAIL DIST.	<input type="checkbox"/>	45.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	177,303.	0.	115,543.
(1) DAVID BLEAKLEY VP, ENGINEERING	<input type="checkbox"/>	45.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	176,574.	0.	91,153.
(1) FARSHIDEH JAHANI VP, IT	<input type="checkbox"/>	45.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	175,617.	0.	79,925.
(1) DIANA GOLIS VP, POWER SUPPLY	<input type="checkbox"/>	45.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	175,125.	0.	100,028.
(1) DAVID O'NEIL VP, GLENWOOD DIST. OPERATIONS	<input type="checkbox"/>	45.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	170,576.	0.	85,648.
(1) JOHN ROWLEY VP, HUMAN RESOURCES	<input type="checkbox"/>	45.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	169,477.	0.	79,416.

Schedule J, Compensation Information

Part II, Officers, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	Chk if Bus	(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) Compen- sation reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation				
FARSHIDEH JAHANI		(i) 175,617.	(ii) 0.	(iii) 0.	45,414.	34,511.	255,542.	0.
VP, IT		(ii) 0.	0.	0.	0.	0.	0.	0.
DIANA GOLIS		(i) 175,125.	(ii) 0.	(iii) 0.	65,596.	34,432.	275,153.	0.
VP, POWER SUPPLY		(ii) 0.	0.	0.	0.	0.	0.	0.
DAVID O'NEIL		(i) 170,577.	(ii) 0.	(iii) 0.	43,010.	42,637.	256,224.	0.
VP, GLENWOOD DIST. OPERATIONS		(ii) 0.	0.	0.	0.	0.	0.	0.
JOHN ROWLEY		(i) 169,477.	(ii) 0.	(iii) 0.	36,798.	42,619.	248,894.	0.
VP, HUMAN RESOURCES		(ii) 0.	0.	0.	0.	0.	0.	0.