

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation).

2004
Open to Public InspectionDepartment of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2004 calendar year, or tax year beginning 10/1/2004, and ending 9/30/2005

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

C Name of organization LEWIS & CLARK RURAL WATER SYSTEM, INC.
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
401 E. 8TH STREET
 City or town State or country ZIP + 4
SIoux FALLS SD 57103

D Employer identification number 36-3755632

E Telephone number (605) 336-8688

F Accounting method: ☐ Cash ☒ Accrual
☐ Other (specify)

G Website:

J Organization type (check only one) ☒ 501(c)(4) (insert no.) 4947(a)(1) or 527

K Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 29,533,756

H and I are not applicable to section 527 organizations.
H(a) Is this a group return for affiliates? ☐ Yes ☒ No
H(b) If "Yes," enter number of affiliates
H(c) Are all affiliates included? ☐ Yes ☒ No
 (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No
I Group Exemption Number
M Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

1 Contributions, gifts, grants, and similar amounts received:			
a Direct public support	1a		
b Indirect public support	1b		
c Government contributions (grants)	1c	25,804,545	
d Total (add lines 1a through 1c) (cash \$ noncash \$)	1d		25,804,545
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		3,221,744
3 Membership dues and assessments	3		
4 Interest on savings and temporary cash investments	4		206,931
5 Dividends and interest from securities	5		
6 a Gross rents	6a		
b Less: rental expenses	6b		
c Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7 Other investment income (describe)	7		
8 a Gross amount from sales of assets other than inventory	(A) Securities 8a	(B) Other 8b	
b Less: cost or other basis and sales expenses	8b		
c Gain or (loss) (attach schedule)	8c		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
a Gross receipts (including \$ contributions reported on line 1a)	9a		
b Less: direct expenses other than fundraising expenses	9b		
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
10 a Gross sales of inventory, less returns and allowances	10a		
b Less: cost of goods sold	10b		
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
11 Other revenue (from Part VII, line 103)	11		300,536
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		29,533,756
13 Program services (from line 44, column (B))	13		116,797
14 Management and general (from line 44, column (C))	14		248,192
15 Fundraising (from line 44, column (D))	15		
16 Payments to affiliates (attach schedule)	16		
17 Total expenses (add lines 16 and 44, column (A))	17		364,989
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		29,168,767
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		15,485,670
20 Other changes in net assets or fund balances (attach explanation)	20		-1,575
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		44,652,862

673

SCANNED MAR 15 2006
Revenue

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25	108,706	54,353	54,353
26	Other salaries and wages	26			
27	Pension plan contributions	27	19,862	9,931	9,931
28	Other employee benefits	28			
29	Payroll taxes	29	13,529	6,765	6,764
30	Professional fundraising fees	30			
31	Accounting fees	31	15,181		15,181
32	Legal fees	32			
33	Supplies	33	13,763	6,882	6,881
34	Telephone	34	9,556	4,778	4,778
35	Postage and shipping	35	4,957	2,479	2,478
36	Occupancy	36	30,729		30,729
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39	16,201	16,201	
40	Conferences, conventions, and meetings	40	9,044	9,044	
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42	12,728	6,364	6,364
43	Other expenses not covered above (itemize): a R/E TAXES	43a	2,543		2,543
b	LOBBYING EXPENSE	43b	77,358		77,358
c	INSURANCE	43c	9,136		9,136
d	ADVERTISING	43d	2,874		2,874
e	PUBLIC RELATIONS	43e	12,923		12,923
f	DUES SUBSCRIPTIONS MISC & UTILITIES	43f	5,899		5,899
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	364,989	116,797	248,192

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____;

(iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See page 25 of the instructions.)What is the organization's primary exempt purpose? ☒ SEE STATEMENT

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)	
a TO IMPROVE THE WATER SUPPLIES TO RESIDENTS OF SE SOUTH DAKOTA AND THE ADJACENT AREAS OF SW MINNESOTA AND NW IOWA. BEGIN CONSTRUCTION OF THE WATER SYSTEM (Grants and allocations \$ _____)	116,797
b _____ (Grants and allocations \$ _____)	
c _____ (Grants and allocations \$ _____)	
d _____ (Grants and allocations \$ _____)	
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	116,797

Extension Attached

Form **990****Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No 1545-0047

2005**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2005 calendar year, or tax year beginning **10/1/2005**, and ending **9/30/2006**

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

C Name of organization: **LEWIS & CLARK RURAL WATER SYSTEM, INC.**
 Number and street (or P O box if mail is not delivered to street address) Room/suite
401 E. 8TH STREET
 City or town State or country ZIP + 4
SIoux FALLS SD 57103

D Employer identification number: **36-3755632**

E Telephone number: _____

F Accounting method: ☐ Cash ☒ Accrual
☐ Other (specify) _____

G Website: _____

J Organization type (check only one) ☒ 501(c)(4) (insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **33,546,360**

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? ☐ Yes ☒ No
H(b) If "Yes," enter number of affiliates: _____
H(c) Are all affiliates included? ☐ Yes ☐ No (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No
I Group Exemption Number: _____

M Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

1 Contributions, gifts, grants, and similar amounts received:

a Direct public support	1a	
b Indirect public support	1b	
c Government contributions (grants)	1c	25,042,690
d Total (add lines 1a through 1c) (cash \$ 25,042,690 noncash \$)		25,042,690

2 Program service revenue including government fees and contracts (from Part VII, line 93) **2** 7,287,041

3 Membership dues and assessments **3**

4 Interest on savings and temporary cash investments **4** 1,136,071

5 Dividends and interest from securities **5**

6a Gross rents **6a**

b Less: rental expenses **6b**

c Net rental income or (loss) (subtract line 6b from line 6a) **6c**

7 Other investment income (describe) **7**

8a Gross amount from sales of assets other than inventory	(A) Securities	(B) Other
b Less: cost or other basis and sales expenses	8a	
c Gain or (loss) (attach schedule)	8b	
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>		
a Gross revenue (not including \$ contributions reported on line 1a)	9a	
b Less: direct expenses other than fundraising expenses	9b	
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c	

10a Gross sales of inventory, less returns and allowances **10a**

b Less: cost of goods sold **10b**

c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) **10c**

11 Other revenue (from Part VII, line 103) **11** 80,558

12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11) **12** 33,546,360

13 Program services (from line 44, column (B)) **13** 126,832

14 Management and general (from line 44, column (C)) **14** 251,706

15 Fundraising (from line 44, column (D)) **15**

16 Payments to affiliates (attach schedule) **16**

17 Total expenses (add lines 16 and 44, column (A)) **17** 378,538

18 Excess or (deficit) for the year (subtract line 17 from line 12) **18** 33,167,822

19 Net assets or fund balances at beginning of year (from line 73, column (A)) **19** 44,652,862

20 Other changes in net assets or fund balances (attach explanation) **20** 7,445

21 Net assets or fund balances at end of year (combine lines 18, 19, and 20) **21** 77,828,129

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.
(HTA)

Form 990 (2005)

25P

SCANNED APR 30 2007 Rev

Part II**Statement of
Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25	133,971	66,985	66,986
26	Other salaries and wages	26			
27	Pension plan contributions	27	15,565	7,782	7,783
28	Other employee benefits	28			
29	Payroll taxes	29	14,483	7,241	7,242
30	Professional fundraising fees	30			
31	Accounting fees	31	5,417		5,417
32	Legal fees	32			
33	Supplies	33	15,057	7,528	7,529
34	Telephone	34	6,938	3,469	3,469
35	Postage and shipping	35	4,301	2,150	2,151
36	Occupancy	36	30,665		30,665
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39			
40	Conferences, conventions, and meetings	40	13,117	13,117	
41	Interest	41	12,729	12,729	
42	Depreciation, depletion, etc. (attach schedule)	42	11,663	5,831	5,832
43	Other expenses not covered above (itemize):				
a	See attached statement	43a	114,632		114,632
b		43b			
c		43c			
d		43d			
e		43e			
f		43f			
g		43g			
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	378,538	126,832	251,706

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Line 43 (990) - Other Deductions

114,632

114,632

		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
	Description				
1	REAL ESTATE TAXES	7,370		7,370	
2	CONSULTING & LOBBYING EXPENSE	74,419		74,419	
3	INSURANCE	9,184		9,184	
4	PUBLIC RELATIONS	12,985		12,985	
5	ADVERTISING	2,369		2,369	
6	DUES & SUBSCRIPTIONS	4,955		4,955	
7	UTILITIES	2,347		2,347	
8	MISCELLANEOUS EXPENSE	1,003		1,003	
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

Form **990**Department of the
Treasury
Internal Revenue
Service**Return of Organization Exempt From Income Tax**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2006**Open to Public
Inspection****A For the 2006 calendar year, or tax year beginning 10-01-2006 and ending 09-30-2007****B** Check if applicable:☐ Address change☐ Name change☐ Initial return☐ Final return☐ Amended return☐ Application pendingPlease
use IRS
label or
print or
type. See
Specific
Instruc-
tions.**C** Name of organization
LEWIS & CLARK RURAL WATER SYSTEM INCNumber and street (or P O box if mail is not delivered to street address) Room/suite
401 E 8TH STREETCity or town, state or country, and ZIP + 4
SIOUX FALLS, SD 57103**D** Employer identification number

36-3755632

E Telephone number

(605) 336-8688

F Accounting method ☐ Cash ☒ Accrual☐ Other (specify) ▶♦ **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).****G** Web site: ▶**J** Organization type (check only one) ☒ 501(c) (4) (insert no) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than 25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.**H** and **I** are not applicable to section 527 organizations**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes" enter number of affiliates ▶**H(c)** Are all affiliates included? ☐ Yes ☒ No
(If "No," attach a list. See instructions.)**H(d)** Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No**I** Group Exemption Number ▶**M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 39,844,571**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)**

1 Contributions, gifts, grants, and similar amounts received					
a	Contributions to donor advised funds	1a			
b	Direct public support (not included on line 1a)	1b			
c	Indirect public support (not included on line 1a)	1c			
d	Government contributions (grants) (not included on line 1a)	1d	29,374,685		
e	Total (add lines 1a through 1d) (cash \$ 29,374,685 noncash \$)	1e		29,374,685	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		9,299,816	
3	Membership dues and assessments	3			
4	Interest on savings and temporary cash investments	4		1,051,078	
5	Dividends and interest from securities	5			
6a	Gross rents	6a			
b	Less rental expenses	6b			
c	Net rental income or (loss) subtract line 6b from line 6a	6c			
7	Other investment income (describe ▶)	7			
8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
b	Less cost or other basis and sales expenses	8a		8b	
c	Gain or (loss) (attach schedule)	8c			
d	Net gain or (loss) Combine line 8c, columns (A) and (B)	8d			
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>				
a	Gross revenue (not including \$ of contributions reported on line 1b)	9a			
b	Less direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events Subtract line 9b from line 9a	9c			
10a	Gross sales of inventory, less returns and allowances	10a			
b	Less cost of goods sold	10b			
c	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a	10c			
11	Other revenue (from Part VII, line 103)	11		118,992	
12	Total revenue Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12		39,844,571	
13	Program services (from line 44, column (B))	13		199,526	
14	Management and general (from line 44, column (C))	14		392,423	
15	Fundraising (from line 44, column (D))	15			
16	Payments to affiliates (attach schedule)	16			
17	Total expenses Add lines 16 and 44, column (A)	17		591,949	
18	Excess or (deficit) for the year Subtract line 17 from line 12	18		39,252,622	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		77,828,129	
20	Other changes in net assets or fund balances (attach explanation)	20		12,827	
21	Net assets or fund balances at end of year Combine lines 18, 19, and 20	21		117,093,578	

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22a	Grants paid from donor advised funds (attach Schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a				
22b	Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b				
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25a	Compensation of current officers, directors, key employees etc. Listed in Part V-A (attach schedule)	25a	265,191	132,596	132,595	
b	Compensation of former officers, directors, key employees etc. listed in Part V-B (attach schedule)	25b				
c	Compensation and other distributions not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c				
26	Salaries and wages of employees not included on lines 25a, b and c	26				
27	Pension plan contributions not included on lines 25a, b and c	27	25,866	12,933	12,933	
28	Employee benefits not included on lines 25a - 27	28				
29	Payroll taxes	29	20,708	10,354	10,354	
30	Professional fundraising fees	30				
31	Accounting fees	31	5,983		5,983	
32	Legal fees	32	4,566		4,566	
33	Supplies	33	28,228	14,114	14,114	
34	Telephone	34	8,340	4,170	4,170	
35	Postage and shipping	35	4,488	2,244	2,244	
36	Occupancy	36	32,580		32,580	
37	Equipment rental and maintenance	37				
38	Printing and publications	38				
39	Travel	39	16,928	8,464	8,464	
40	Conferences, conventions, and meetings	40	14,414	7,207	7,207	
41	Interest	41				
42	Depreciation, depletion, etc. (attach schedule)	42	14,889	7,444	7,445	
43	Other expenses not covered above (itemize)					
a	See Additional Data Table	43a				
b		43b				
c		43c				
d		43d				
e		43e				
f		43f				
g		43g				
44	Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	591,949	199,526	392,423	0

Joint Costs. Check ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Additional Data

Software ID:

Software Version:

EIN: 36-3755632

Name: LEWIS & CLARK RURAL WATER SYSTEMIN

Form 990, Part II, Line 43 - Other expenses not covered above (itemize):

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.				
		(A) Total	(B) Program services	(C) Management and general
a EXPENSES	43a			
b REAL ESTATE	43b	11,754		11,754
c CONSULTING & LOBBING EXPENSE	43c	89,521		89,521
d INSURANCE	43d	10,889		10,889
e PUBLIC RELATIONS	43e	24,677		24,677
f ADVERTISING	43f	2,264		2,264
g DUES & SUBSCRIPTIONS	43g	6,325		6,325
h UTILITIES	43h	3,531		3,531
i MISCELLANEOUS	43i	807		807

Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

2007**Open to Public Inspection**Department of the
Treasury
Internal Revenue
Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2007 calendar year, or tax year beginning 10-01-2007 and ending 09-30-2008**B** Check if applicable:☐ Address change☐ Name change☐ Initial return☐ Final return☐ Amended return☐ Application pendingPlease
use IRS
label or
print or
type. See
Specific
Instruc-
tions.**C** Name of organization
LEWIS & CLARK RURAL WATER SYSTEM INCNumber and street (or P.O. box if mail is not delivered to street address) Room/suite
401 E 8TH STREETCity or town, state or country, and ZIP + 4
SIOUX FALLS, SD 57103**D** Employer identification number

36-3755632

E Telephone number

(605) 336-8688

F Accounting method ☐ Cash ☒ Accrual☐ Other (specify) ▶◆ **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).****G** Web site: ▶**J** Organization type (check only one) ☒ 501(c) (4) (insert no) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.**H and I are not applicable to section 527 organizations****H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes" enter number of affiliates ▶**H(c)** Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list. See instructions.)**H(d)** Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No**I** Group Exemption Number ▶**M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 42,778,317**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)**

1	Contributions, gifts, grants, and similar amounts received			
a	Contributions to donor advised funds	1a		
b	Direct public support (not included on line 1a)	1b		
c	Indirect public support (not included on line 1a)	1c		
d	Government contributions (grants) (not included on line 1a)	1d	36,988,174	
e	Total (add lines 1a through 1d) (cash \$ 36,988,174 noncash \$)	1e		36,988,174
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		4,660,118
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4		826,477
5	Dividends and interest from securities	5		
6a	Gross rents	6a		
b	Less: rental expenses	6b		
c	Net rental income or (loss) subtract line 6b from line 6a	6c		
7	Other investment income (describe ▶)	7		
8a	Gross amount from sales of assets other than inventory	(A) Securities	8a	(B) Other
b	Less: cost or other basis and sales expenses	8b		
c	Gain or (loss) (attach schedule)	8c		
d	Net gain or (loss) Combine line 8c, columns (A) and (B)	8d		
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>			
a	Gross revenue (not including \$ of contributions reported on line 1b)	9a		
b	Less: direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events Subtract line 9b from line 9a	9c		
10a	Gross sales of inventory, less returns and allowances	10a	88,401	
b	Less: cost of goods sold	10b	122,039	
c	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a <input checked="" type="checkbox"/>	10c		-33,638
11	Other revenue (from Part VII, line 103)	11		215,147
12	Total revenue Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12		42,656,278
13	Program services (from line 44, column (B))	13		238,383
14	Management and general (from line 44, column (C))	14		491,212
15	Fundraising (from line 44, column (D))	15		
16	Payments to affiliates (attach schedule)	16		
17	Total expenses Add lines 16 and 44, column (A)	17		729,595
18	Excess or (deficit) for the year Subtract line 17 from line 12	18		41,926,683
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		117,093,578
20	Other changes in net assets or fund balances (attach explanation) <input checked="" type="checkbox"/>	20		47,263
21	Net assets or fund balances at end of year Combine lines 18, 19, and 20	21		159,067,524

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22a	Grants paid from donor advised funds (attach Schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a				
22b	Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b				
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25a	Compensation of current officers, directors, key employees etc. Listed in Part V-A (attach schedule)	25a	289,075	144,538	144,537	
b	Compensation of former officers, directors, key employees etc. listed in Part V-B (attach schedule)	25b				
c	Compensation and other distributions not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c				
26	Salaries and wages of employees not included on lines 25a, b and c	26				
27	Pension plan contributions not included on lines 25a, b and c	27	14,103	7,052	7,051	
28	Employee benefits not included on lines 25a - 27	28	24,379	12,190	12,189	
29	Payroll taxes	29	22,963	11,482	11,481	
30	Professional fundraising fees	30				
31	Accounting fees	31	5,221		5,221	
32	Legal fees	32				
33	Supplies	33	18,547	9,274	9,273	
34	Telephone	34	8,717	4,359	4,358	
35	Postage and shipping	35	4,302	2,151	2,151	
36	Occupancy	36	32,609		32,609	
37	Equipment rental and maintenance	37	10,926	5,463	5,463	
38	Printing and publications	38				
39	Travel	39	15,637	7,819	7,818	
40	Conferences, conventions, and meetings	40	10,286	5,143	5,143	
41	Interest	41				
42	Depreciation, depletion, etc. (attach schedule) <input checked="" type="checkbox"/>	42	57,823	28,912	28,911	
43	Other expenses not covered above (itemize)					
a	See Additional Data Table	43a				
b		43b				
c		43c				
d		43d				
e		43e				
f		43f				
g		43g				
44	Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	729,595	238,383	491,212	0

Joint Costs. Check ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Additional Data

Software ID: 07000184

Software Version: 2007.1.9

EIN: 36-3755632

Name: LEWIS & CLARK RURAL WATER SYSTEM INC

Form 990, Part II, Line 43 - Other expenses not covered above (itemize):

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.				
		(A) Total	(B) Program services	(C) Management and general
a REAL ESTATE TAXES	43a	9,078		9,078
b CONSULTING & LOBBYING EXPENSE	43b	131,070		131,070
c INSURANCE	43c	11,375		11,375
d PUBLIC RELATIONS	43d	15,090		15,090
e ADVERTISING	43e	3,537		3,537
f DUES & SUBSCRIPTIONS	43f	6,408		6,408
g UTILITIES	43g	8,623		8,623
h MISCELLANEOUS EXPENSE	43h	827		827
i UNIFORMS/CLOTHING	43i	3,638		3,638
j WATER SALES	43j	25,361		25,361

Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

Department of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)**2008****Open to Public
Inspection**

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2008 calendar year, or tax year beginning 10-01-2008 and ending 09-30-2009

- B** Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termination
- ☐ Amended return
- ☐ Application pending

Please
use IRS
label or
print or
type. See
Specific
Instruc-
tions.**C** Name of organization
LEWIS & CLARK RURAL WATER SYSTEM INC

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
401 E 8TH STREETCity or town, state or country, and ZIP + 4
SIOUX FALLS, SD 57103**D** Employer identification number

36-3755632

E Telephone number

(605) 336-8688

G Gross receipts \$ 44,720,789

F Name and address of Principal Officer
TROY LARSON
401 E 8TH SUITE 306
SIOUX FALLS, SD 57103

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list. See instructions.)

H(c) Group Exemption Number

I Tax-exempt status ☒ 501(c) (4) (insert no) ☐ 4947(a)(1) or ☐ 527

J Web site: HTTP://WWW.LCRWS.ORG

K Type of organization ☒ Corporation ☐ trust ☐ association ☐ other

L Year of Formation 1990 **M** State of legal domicile SD

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO DEVELOP AND OPERATE A HIGH QUALITY THREE STATE WATER SUPPLY SYSTEM TO SERVE THE GROWING NEEDS OF THE REGION		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	20
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	20
	5 Total number of employees (Part V, line 2a)	5	4
	6 Total number of volunteers (estimate if necessary)	6	
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	36,988,174	38,369,332
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,660,118	5,353,609
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	826,477	807,712
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	181,509	190,136
		42,656,278	44,720,789
	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)			0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		327,557	373,511
16a Professional fundraising fees (Part IX, column (A), line 11e)			0
b (Total fundraising expenses, Part IX, column (D), line 25 ⁰)			
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)		402,038	1,143,527
18 Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))		729,595	1,517,038
19 Revenue less expenses Subtract line 18 from line 12	41,926,683	43,203,751	
Net Assets or Fund Balances		Beginning of Year	End of Year
	20 Total assets (Part X, line 16)	200,701,693	336,140,526
	21 Total liabilities (Part X, line 26)	41,634,169	133,853,403
	22 Net assets or fund balances Subtract line 21 from line 20	159,067,524	202,287,123

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.

Please Sign Here

Signature of officer: TROY LARSON EXECUTIVE DIRECTOR
Date: 2010-04-01

Paid Preparer's Use Only

Preparer's signature: DWIGHT W BERGLIN
Date: 2010-04-01
Check if self-employed ☐

Firm's name (or yours if self-employed), address, and ZIP + 4: QUAM AND BERGLIN CPA'S
PO BOX 426
ELK POINT, SD 57025

Preparer's PTIN (See Gen. Inst.):
EIN: (605) 356-3374
Phone no: (605) 356-3374

May the IRS discuss this return with the preparer shown above? (See instructions.) ☒ Yes ☐ No

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	0			
2 Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	101,262	50,631	50,631	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	204,407	102,204		
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0			
9 Other employee benefits	43,866	21,933	21,933	
10 Payroll taxes	23,976	11,988	11,988	
11 Fees for services (non-employees)				
a Management	0			
b Legal	0			
c Accounting	5,316		5,316	
d Lobbying	140,663		140,663	
e Professional fundraising See Part IV, line 17				
f Investment management fees	0			
g Other	0			
12 Advertising and promotion	1,695		1,695	
13 Office expenses	34,360	17,180	17,180	
14 Information technology	0			
15 Royalties	0			
16 Occupancy	34,582		34,582	
17 Travel	15,572	7,786	7,786	
18 Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19 Conferences, conventions and meetings	10,647	5,323	5,324	
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	439,223	219,611	219,612	
23 Insurance	12,535		12,535	
24 Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a UTILITIES	17,856		17,856	
b WATER SALES	365,649		365,649	
c REAL ESTATE TAXES	5,389		5,389	
d DUES SUBSCRIPTIONS	6,215		6,215	
e PUBLIC RELATIONS	17,923		17,923	
f All other expenses	35,902		35,902	
25 Total functional expenses. Add lines 1 through 24f	1,517,038	436,656	1,080,382	0
26 Joint Costs. Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2009Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

Open to Public Inspection**A For the 2009 calendar year, or tax year beginning 10-01-2009 and ending 09-30-2010****B** Check if applicable:☐ Address change☐ Name change☐ Initial return☐ Terminated☐ Amended return☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
LEWIS & CLARK RURAL WATER SYSTEM INC.

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
401 E 8TH STREETCity or town, state or country, and ZIP + 4
SIOUX FALLS, SD 57103**D** Employer identification number

36-3755632

E Telephone number

(605) 336-8688

G Gross receipts \$ 38,647,509**F** Name and address of principal officerTROY LARSON
401 E 8TH SUITE 306
SIOUX FALLS, SD 57103**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)**H(c)** Group exemption number ▶**I** Tax-exempt status ☒ 501(c) (4) (insert no) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ HTTP://WWW.LCRWS.ORG**K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation 1990**M** State of legal domicile SD**Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities TO DEVELOP AND OPERATE A HIGH QUALITY THREE STATE WATER SUPPLY SYSTEM TO SERVE THE GROWING NEEDS OF THE REGION			
	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	20	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	20	
	5	Total number of employees (Part V, line 2a)	5	4	
	6	Total number of volunteers (estimate if necessary)	6		
Revenue	7a	Total gross 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		
	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year	
	9	Program service revenue (Part VIII, line 2g)	38,369,332	31,939,189	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,353,609	5,971,578	
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	807,712	550,662	
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	190,136	186,080	
			44,720,789	38,647,509	
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
		14	Benefits paid to or for members (Part IX, column (A), line 4)		0
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	373,511	429,468	
16a		Professional fundraising fees (Part IX, column (A), line 11e)		0	
b		Total fundraising expenses (Part IX, column (D), line 25) ▶ ⁰			
17		Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	1,143,527	1,205,944	
18		Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,517,038	1,635,412	
19		Revenue less expenses Subtract line 18 from line 12	43,203,751	37,012,097	
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)	336,140,526	361,687,491	
	22	Net assets or fund balances Subtract line 21 from line 20	133,853,403	122,376,723	
		202,287,123	239,310,768		

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

2011-04-13
DateTROY LARSON EXECUTIVE DIRECTOR EXECUTIVE DIRECTOR
Type or print name and title**Paid Preparer's Use Only**

Preparer's signature JUDITH QUAM

Date 2011-04-13

Check if self-employed ☐

Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4
QUAM AND BERGLIN CPA'S
PO BOX 426
ELK POINT, SD 57025

EIN ▶

Phone no ▶ (605) 356-3374

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

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	0			
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	103,794	51,897	51,897	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	245,282	122,641	122,641	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0			
9	Other employee benefits	53,009	26,504	26,505	
10	Payroll taxes	27,383	13,691	13,692	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	0			
c	Accounting	5,448		5,448	
d	Lobbying	165,730		165,730	
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	0			
g	Other	0			
12	Advertising and promotion	6,358		6,358	
13	Office expenses	51,015	25,507	25,508	
14	Information technology	0			
15	Royalties	0			
16	Occupancy	34,031		34,031	
17	Travel	19,663	9,831	9,832	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	8,160	4,080	4,080	
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	468,555	234,277	234,278	
23	Insurance	12,948		12,948	
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	UTILITIES	18,785		18,785	
b	WATER SALES	383,679		383,679	
c	REAL ESTATE TAXES	5,615		5,615	
d	DUES SUBSCRIPTIONS	6,921		6,921	
e	PUBLIC RELATIONS	17,509		17,509	
f	All other expenses	1,527		1,527	
25	Total functional expenses. Add lines 1 through 24f	1,635,412	488,428	1,146,984	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
UTILITIES	18,785		18,785	
WATER SALES	383,679		383,679	
REAL ESTATE TAXES	5,615		5,615	
DUES SUBSCRIPTIONS	6,921		6,921	
PUBLIC RELATIONS	17,509		17,509	

Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2010Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

Open to Public Inspection**A For the 2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011****B** Check if applicable:☒ Address change☐ Name change☐ Initial return☐ Terminated☐ Amended return☐ Application pending**C** Name of organization
LEWIS & CLARK RURAL WATER SYSTEM INC

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)
46986 MONTY STREET

Room/suite

City or town, state or country, and ZIP + 4
TEA, SD 57064**D** Employer identification number

36-3755632

E Telephone number

(605) 368-2400

G Gross receipts \$ 43,398,052**F** Name and address of principal officerTROY LARSON
46986 MONTY STREET
TEA, SD 57064**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶**I** Tax-exempt status ☐ 501(c)(3) ☒ 501(c)(4) (insert no) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ HTTP://WWW.LCRWS.ORG**K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation 1990**M** State of legal domicile SD**Part I Summary**

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
TO DEVELOP AND OPERATE A HIGH QUALITY THREE STATE WATER SUPPLY SYSTEM TO SERVE THE GROWING NEEDS OF THE REGION TO DEVELOP AND OPERATE A HIGH QUALITY THREE STATE WATER SUPPLY SYSTEM TO SERVE THE GROWING NEEDS OF THE REGION**2** Check this box ☐ 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** 20**4** Number of independent voting members of the governing body (Part VI, line 1b) **4** 20**5** Total number of individuals employed in calendar year 2010 (Part V, line 2a) **5** 6**6** Total number of volunteers (estimate if necessary) **6** 0**7a** Total unrelated business revenue from Part VIII, column (C), line 12 **7a** 0**b** Net unrelated business taxable income from Form 990-T, line 34 **7b** 0

Revenue

8 Contributions and grants (Part VIII, line 1h) 31,939,189 36,474,861**9** Program service revenue (Part VIII, line 2g) 5,971,578 6,734,678**10** Investment income (Part VIII, column (A), lines 3, 4, and 7d) 550,662 188,513**11** Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 186,080 0**12** Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 38,647,509 43,398,052

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) 0**14** Benefits paid to or for members (Part IX, column (A), line 4) 0**15** Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 429,468 542,507**16a** Professional fundraising fees (Part IX, column (A), line 11e) 0**b** Total fundraising expenses (Part IX, column (D), line 25) ▶⁰**17** Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) 1,205,944 1,253,670**18** Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) 1,635,412 1,796,177**19** Revenue less expenses Subtract line 18 from line 12 37,012,097 41,601,875

Net Assets or Fund Balances

20 Total assets (Part X, line 16) 361,687,491 361,811,847**21** Total liabilities (Part X, line 26) 122,376,723 80,899,204**22** Net assets or fund balances Subtract line 21 from line 20 239,310,768 280,912,643**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 officer2012-03-22
DateTROY LARSON EXECUTIVE DIRECTOR DIRECTOR
Type or print name and title**Paid Preparer Use Only**

Print/Type preparer's name DWIGHT W BERGLIN

Preparer's signature DWIGHT W BERGLIN

Date 2012-03-22

Check if self-employed ☐

PTIN

Firm's name ▶ QUAM AND BERGLIN CPAS

Firm's EIN ▶

Firm's address ▶ PO BOX 426

Phone no ▶ (605) 356-3374

ELK POINT, SD 57025

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

Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2011**Open to Public Inspection**

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2011 calendar year, or tax year beginning 10-01-2011 and ending 09-30-2012**B** Check if applicable:☐ Address change☐ Name change☐ Initial return☐ Terminated☐ Amended return☐ Application pending**C** Name of organization
LEWIS & CLARK RURAL WATER SYSTEM INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
46986 MONTY STREETCity or town, state or country, and ZIP + 4
TEA, SD 57064**D** Employer identification number

36-3755632

E Telephone number

(605) 368-2400

G Gross receipts \$ 21,731,360**F** Name and address of principal officer
TROY LARSON
46986 MONTY STREET
TEA, SD 57064**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☒ No
If "No," attach a list (see instructions)**H(c)** Group exemption number ▶**I** Tax-exempt status ☐ 501(c)(3) ☒ 501(c)(4) (insert no) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ HTTP://WWW.LCRWS.ORG**K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation 1990**M** State of legal domicile SD**Part I Summary****1** Briefly describe the organization's mission or most significant activities

TO DEVELOP AND OPERATE A HIGH QUALITY THREE STATE WATER SUPPLY SYSTEM TO SERVE THE GROWING NEEDS OF THE REGION

2 Check this box ☐ 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** 20**4** Number of independent voting members of the governing body (Part VI, line 1b)**4** 20**5** Total number of individuals employed in calendar year 2011 (Part V, line 2a)**5** 6**6** Total number of volunteers (estimate if necessary)**6****7a** Total unrelated business revenue from Part VIII, column (C), line 12**7a** 0**b** Net unrelated business taxable income from Form 990-T, line 34**7b**

Activities & Governance

Revenue

8 Contributions and grants (Part VIII, line 1h)

Prior Year

Current Year

36,474,861 14,067,769

9 Program service revenue (Part VIII, line 2g)

6,734,678 7,628,548

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)

188,513 35,043

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

0

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

43,398,052 21,731,360

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)

0

14 Benefits paid to or for members (Part IX, column (A), line 4)

0

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

542,507 774,965

16a Professional fundraising fees (Part IX, column (A), line 11e)

0

b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0**17** Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)

1,253,670 8,228,197

18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)

1,796,177 9,003,162

19 Revenue less expenses Subtract line 18 from line 12

41,601,875 12,728,198

Net Assets or Fund Balances

20 Total assets (Part X, line 16)

Beginning of Current Year

End of Year

361,811,846 353,219,595

21 Total liabilities (Part X, line 26)

80,899,203 59,575,834

22 Net assets or fund balances Subtract line 21 from line 20

280,912,643 293,643,761

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

2013-03-28

Date

TROY LARSON EXECUTIVE DIRECTOR

Type or print name and title

Paid

Preparer's signature

JUDITH QUAM

Date
2013-03-28Check if self-employed ☐

Preparer's taxpayer identification number (see instructions)

Preparer's Use Only

Firm's name (or yours if self-employed), address, and ZIP + 4

QUAM AND BERGLIN CPAS

PO BOX 426

ELK POINT, SD 57025

EIN ▶

Phone no ▶ (605) 356-3374

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

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)

Check if Schedule O contains a response to any question 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 governments and organizations in the United States See Part IV, line 21	0			
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	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)	0			
7	Other salaries and wages	610,589	305,294	305,295	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0			
9	Other employee benefits	113,815	56,907	56,908	
10	Payroll taxes	50,561	25,280	25,281	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	0			
c	Accounting	7,792		7,792	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	0			
g	Other	132,747	66,373	66,374	
12	Advertising and promotion	19,144	9,572	9,572	
13	Office expenses	42,410	21,205	21,205	
14	Information technology	0			
15	Royalties	0			
16	Occupancy	0			
17	Travel	34,138	17,069	17,069	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	3,273	1,636	1,637	
20	Interest	14,189	7,094	7,095	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	7,426,633	3,713,316	3,713,317	
23	Insurance	39,360	19,680	19,680	
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	WATER TREATMENT SUPPLIES	336,184	168,092	168,092	
b	UTILITIES	109,452	54,726	54,726	
c	REAL ESTATE TAXES	7,469	3,734	3,735	
d	DUES SUBSCRIPTIONS	5,576	2,788	2,788	
e					
f	All other expenses	49,830	24,915	24,915	
25	Total functional expenses. Add lines 1 through 24f	9,003,162	4,497,681	4,505,481	0
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				

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2012

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 10-01-2012, 2012, and ending 09-30-2013

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization LEWIS & CLARK RURAL WATER SYSTEM INC		D Employer identification number 36-3755632
	Doing Business As		E Telephone number (605) 368-2400
	Number and street (or P.O. box if mail is not delivered to street address) 46986 MONTY STREET	Room/suite	
	City or town, state or country, and ZIP + 4 TEA, SD 57064		
	F Name and address of principal officer TROY LARSON 46986 MONTY STREET TEA, SD 57064		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number
I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c)(4) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: HTTP://WWW.LCRWS.ORG			
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 1990	M State of legal domicile SD

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO DEVELOP AND OPERATE A HIGH QUALITY THREE STATE WATER SUPPLY SYSTEM TO SERVE THE GROWING NEEDS OF THE REGION		
	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	20
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	20
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	13
	6 Total number of volunteers (estimate if necessary)	6	
	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		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	14,067,769	4,119,000
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	7,628,548	12,366,283
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	35,043	18,891
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	21,731,360	16,504,174
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	774,965	1,059,593
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25) ⁰		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	8,228,197	12,838,270	
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	9,003,162	13,897,863	
19 Revenue less expenses Subtract line 18 from line 12	12,728,198	2,606,311	
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)	353,219,595	345,485,637
	22 Net assets or fund balances Subtract line 21 from line 20	59,575,834	49,235,720
		293,643,761	296,249,917

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 TROY LARSON EXECUTIVE DIRECTOR	2014-03-27 Date			
	Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name DWIGHT W BERGLIN	Preparer's signature	Date 2014-03-27	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name QUAM AND BERGLIN PC CPAs		Firm's EIN		
	Firm's address PO BOX 426 ELK POINT, SD 57025		Phone no (605) 356-3374		
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

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 to any question 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 governments and organizations in the United States. See Part IV, line 21.	0			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22.	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4 Benefits paid to or for members.	0			
5 Compensation of current officers, directors, trustees, and key employees.	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).	0			
7 Other salaries and wages.	859,313	429,656	429,657	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	0			
9 Other employee benefits.	131,990	65,995	65,995	
10 Payroll taxes.	68,290	34,145	34,145	
11 Fees for services (non-employees):				
a Management.	0			
b Legal.	0			
c Accounting.	9,201		9,201	
d Lobbying.	146,321	73,160	73,161	
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.	31,368	31,368		
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	0			
12 Advertising and promotion.	9,403	4,702	4,701	
13 Office expenses.	33,158	16,579	16,579	
14 Information technology.	0			
15 Royalties.	0			
16 Occupancy.	0			
17 Travel.	15,675	7,837	7,838	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19 Conferences, conventions, and meetings.	2,230	1,115	1,115	
20 Interest.	13,479	6,740	6,739	
21 Payments to affiliates.	0			
22 Depreciation, depletion, and amortization.	10,072,217	5,036,109	5,036,108	
23 Insurance.	110,539	55,270	55,269	
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 WATER TREATMENT SUPPLIES	2,296,950	1,148,475	1,148,475	
b UTILITIES	26,590	13,295	13,295	
c REAL ESTATE TAXES	6,297	3,149	3,148	
d DUES SUBSCRIPTIONS	5,742	2,871	2,871	
e All other expenses	59,100	29,550	29,550	
25 Total functional expenses. Add lines 1 through 24e.	13,897,863	6,960,016	6,937,847	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).				

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

- ▶ Do not enter Social Security numbers on this form as it may be made public. By law, the IRS generally cannot redact the information on the form.
▶ Information about Form 990 and its instructions is at www.irs.gov/form990

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 10-01-2013, 2013, and ending 09-30-2014

- B** Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization LEWIS & CLARK RURAL WATER SYSTEM INC		D Employer identification number 36-3755632
Doing Business As		
Number and street (or P O box if mail is not delivered to street address)	Room/suite	E Telephone number (605) 368-2400
46986 MONTY STREET		
City or town, state or province, country, and ZIP or foreign postal code TEA, SD 57064		G Gross receipts \$ 14,516,167

F Name and address of principal officer TROY LARSON 46986 MONTY STREET TEA, SD 57064	H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶
--	--

I Tax-exempt status ☐ 501(c)(3) ☒ 501(c)(4) (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ HTTP://WWW.LCRWS.ORG

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ **L** Year of formation 1990 **M** State of legal domicile SD

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO DEVELOP AND OPERATE A HIGH QUALITY THREE STATE WATER SUPPLY SYSTEM TO SERVE THE GROWING NEEDS OF THE REGION		
	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	20
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	20
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	15
Revenue	6 Total number of volunteers (estimate if necessary)	6	
	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	
	8 Contributions and grants (Part VIII, line 1h)	Prior Year 4,119,000	Current Year 1,557,825
	9 Program service revenue (Part VIII, line 2g)	12,366,283	12,953,822
Expenses	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	18,891	4,520
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	16,504,174	14,516,167
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	1,059,593	1,104,473
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	12,838,270	13,651,523
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	13,897,863	14,755,996
Net Assets or Fund Balances	19 Revenue less expenses Subtract line 18 from line 12	2,606,311	-239,829
	20 Total assets (Part X, line 16)	Beginning of Current Year 345,485,637	End of Year 344,277,121
	21 Total liabilities (Part X, line 26)	49,235,720	48,267,033
	22 Net assets or fund balances Subtract line 21 from line 20	296,249,917	296,010,088

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 TROY LARSON EXECUTIVE DIRECTOR	Date 2015-03-24			
	Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name TERRI L POST	Preparer's signature	Date 2015-03-24	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶ QUAM AND BERGLIN CPAS	Firm's EIN ▶			
	Firm's address ▶ PO BOX 426 ELK POINT, SD 57025	Phone no (605) 356-3374			
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

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 governments and organizations in the United States. See Part IV, line 21.	0			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22.	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4 Benefits paid to or for members.	0			
5 Compensation of current officers, directors, trustees, and key employees.	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).	0			
7 Other salaries and wages.	875,333	437,666	437,667	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	0			
9 Other employee benefits.	161,827	80,913	80,914	
10 Payroll taxes.	67,313	33,656	33,657	
11 Fees for services (non-employees):				
a Management.	0			
b Legal.	0			
c Accounting.	9,392		9,392	
d Lobbying.	174,692	87,346	87,346	
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.	191,574	191,574		
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	0			
12 Advertising and promotion.	9,026	4,513	4,513	
13 Office expenses.	27,303	13,651	13,652	
14 Information technology.	0			
15 Royalties.	0			
16 Occupancy.	0			
17 Travel.	24,870	12,435	12,435	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19 Conferences, conventions, and meetings.	4,722	2,361	2,361	
20 Interest.	12,814	6,407	6,407	
21 Payments to affiliates.	0			
22 Depreciation, depletion, and amortization.	10,370,939	5,185,470	5,185,469	
23 Insurance.	111,616	55,808	55,808	
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 WATER TREATMENT SUPPLIES	2,648,719	1,324,359	1,324,360	
b UTILITIES	27,088	13,544	13,544	
c REAL ESTATE TAXES	2,653	1,326	1,327	
d DUES SUBSCRIPTIONS	6,411	3,205	3,206	
e All other expenses	29,704	14,852	14,852	
25 Total functional expenses. Add lines 1 through 24e.	14,755,996	7,469,086	7,286,910	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).				

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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

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

OMB No 1545-0047

2014**Open to Public Inspection****A For the 2014 calendar year, or tax year beginning 10-01-2014, and ending 09-30-2015****B** Check if applicable:☐ Address change☐ Name change☐ Initial return☐ Final return/terminated☐ Amended return☐ Application pending**C** Name of organization
LEWIS & CLARK RURAL WATER SYSTEM INC

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
46986 MONTY STREETCity or town, state or province, country, and ZIP or foreign postal code
TEA, SD 57064**F** Name and address of principal officer
TROY LARSON
46986 MONTY STREET
TEA, SD 57064**D** Employer identification number

36-3755632

E Telephone number

(605) 368-2400

G Gross receipts \$ 30,273,551**I** Tax-exempt status ☐ 501(c)(3) ☒ 501(c)(4) (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: [HTTP://WWW.LCRWS.ORG](http://WWW.LCRWS.ORG)**H(a)** Is this a group return for subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number**K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation 1990**M** State of legal domicile SD**Part I Summary****1** Briefly describe the organization's mission or most significant activities
TO DEVELOP AND OPERATE A HIGH QUALITY THREE STATE WATER SUPPLY SYSTEM TO SERVE THE GROWING NEEDS OF THE REGION**2** Check this box ☐ 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	20
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	20
5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	17
6 Total number of volunteers (estimate if necessary)	6	
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	

Activities & Governance

Revenue

Expenses

Net Assets or Fund Balances

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	1,557,825	17,691,032
9 Program service revenue (Part VIII, line 2g)	12,953,822	12,553,362
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,520	29,157
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		0
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	14,516,167	30,273,551
13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
14 Benefits paid to or for members (Part IX, column (A), line 4)		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	1,104,473	1,206,939
16a Professional fundraising fees (Part IX, column (A), line 11e)		0
b Total fundraising expenses (Part IX, column (B), line 25) <input type="checkbox"/> 0		
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	13,651,523	14,184,114
18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	14,755,996	15,391,053
19 Revenue less expenses Subtract line 18 from line 12	-239,829	14,882,498

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	344,277,121	378,449,637
21 Total liabilities (Part X, line 26)	48,267,033	67,616,854
22 Net assets or fund balances Subtract line 21 from line 20	296,010,088	310,832,783

Part II Signature Block

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

Sign Here

Signature of officer

2016-04-01
DateTROY LARSON EXECUTIVE DIRECTOR
Type or print name and title**Paid Preparer Use Only**Print/Type preparer's name
TERRI L POSTPreparer's signature
TERRI L POSTDate
2016-04-01Check ☐ if self-employed

PTIN

Firm's name ☐ QUAM AND BERGLIN CPASFirm's EIN ☐Firm's address ☐ PO BOX 426

Phone no (605) 356-3374

ELK POINT, SD 57025

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2014)

**LEWIS AND CLARK
RURAL WATER SYSTEM, INC.**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

SEPTEMBER 30, 2016 and 2015

QUAM, BERGLIN & POST, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Changes in Net Position

This section shows the condensed financial comparison of revenues and expenses.

Lewis and Clark Rural Water System, Inc Change in Net Position

	Business-Type Activities		
	2016	2015	Variance
Operating Revenues			
Water Sales	\$ 6,047,095	\$ 5,810,876	\$ 236,219
Purchased Water	(51,439)	(60,628)	9,189
Local Capacity Fees	4,331,487	6,459,568	(2,128,081)
Capital Grants & Contributions	13,406,934	17,691,032	(4,284,098)
Other Income	1,077,997	282,918	795,079
Nonoperating Revenue			
Interest Income	218,571	(30,646)	249,217
Total Revenues	\$ 25,030,645	\$ 30,153,120	\$ (5,122,475)
Operating Expenses			
Water Treatment Plant Expenses	\$ 3,039,868	\$ 3,026,747	\$ (13,121)
Payroll Expenses	1,412,871	1,206,939	(205,932)
Professional Services	67,918	113,029	45,111
Meetings	6,055	8,796	2,741
Travel	19,686	19,852	166
Dues and Subscriptions	9,492	7,294	(2,198)
Real Estate Taxes	1,591	2,823	1,232
Lobbying Expenses	115,066	162,195	47,129
Advertising	4,725	611	(4,114)
Office Expenses	54,594	57,447	2,853
Insurance	112,840	124,704	11,864
Depreciation	11,247,425	10,550,708	(696,717)
Interest/Amortization Expense	43,009	30,270	(12,739)
Miscellaneous	40,748	19,010	(21,738)
Total Expenses	\$ 16,175,888	\$ 15,330,425	\$ (845,463)
Excess (Deficiency)	\$ 8,854,757	\$ 14,822,695	\$ (5,967,938)
Beginning Net Position	310,832,783	296,010,088	14,822,695
Ending Net Position	\$ 319,687,540	\$ 310,832,783	\$ 8,854,757

CAPITAL ASSET ADMINISTRATION

By the end of September 30, 2016, the Lewis and Clark Rural Water System had invested \$4,930,209 in construction in progress, which is a decrease of \$14,123,517 during the year. The project must be constructed within the requirements of the co-operative agreement with the Department of the Interior Bureau of Reclamation.