



Annual  
**Report**

Safety is first  
Safety is last  
Safety is always

**2021**

**ALLAMAKEE  
CLAYTON**  
ELECTRIC COOPERATIVE

Your Touchstone Energy® Cooperative 

# YOU'RE INVITED!

*PLEASE JOIN US FOR OUR*

## ANNUAL MEETING DRIVE-THROUGH

**Monday, September 12, 2022 | 1:30 – 6:30 p.m.**

Allamakee-Clayton Electric Cooperative HEADQUARTERS

Director elections for Districts A and B will occur via mail or can be dropped off during the drive-through service at the Cooperative on Monday, September 12, 2022, from 1:30 p.m. to 6:30 p.m. Employees and directors will greet you, register you for prizes and give you your annual meeting gift and hot to-go meal (while they last and must be present).



### OUR MISSION

Allamakee-Clayton Electric Cooperative is dedicated to enhancing the quality of life for our members, partners, and neighbors by providing safe, reliable, and affordable electric services and other innovative solutions.

# PRESIDENT AND GENERAL MANAGER **REPORT**



JEFF BRADLEY  
PRESIDENT



HOLLEE MCCORMICK  
EVP/GENERAL  
MANAGER

We lead busy lives. We find ourselves multitasking, constantly checking phones and email to keep up with the demands of modern life. Thanks to technology, we can accomplish many tasks electronically and remotely to be more efficient. And with so many pressing obligations, we like to protect our “spare” time. For the last two years, we’ve held our annual meeting via a drive-through, with rave reviews and record-breaking attendance. We’ve had dozens of members who’ve never attended an annual meeting, attend and enjoy the process. We’re holding a drive-through again, as we’ve found that we get to interact with every single vehicle and our members appreciate the ease, while still engaging with their electric co-op.

## **COMMUNITY INVOLVEMENT**

While rural Americans probably do a better job of staying connected to our neighbors (in part because we need to), it is not something we should take for granted. As a member of the community, you have a valuable perspective—and we invite you to share it with the Co-op. We hosted our First Annual Member Appreciation Picnic in June. Unlike other organizations, the co-op is owned and governed by its members, so it’s important as directors that we listen to the concerns and suggestions of our members. We also enjoyed visiting with you during the county fairs, parades, and farmers’ markets this year. The simple act of smiling, saying hello, and shaking someone’s hand truly lifts both parties.

## **COLLABORATING WITH LEGISLATORS**

Allamakee-Clayton Electric Cooperative is a local business that powers economic development and prosperity for our region. As a cooperative, we have deep roots here, and we listen closely to our members to

better understand the community’s needs. In addition, our leadership, board members, and employees live and work right here in the region we serve. We’re proud to power your life and bring good things to the community. We hope you’ll reach out to ACEC on matters of importance so we can continue to advocate on your behalf and improve the quality of life for our members.

## **OPERATION ROUND UP**

All co-ops adhere to the seven cooperative principles, including Concern for Community, and the Operation Round Up program perfectly embodies this core principle. The program is a charitable program unique to electric cooperatives designed to provide financial assistance to support and improve non-profit organizations and communities throughout the ACEC service area. By voluntarily “rounding up” your electric bill and contributing a few cents every month, you can help support local non-profits and charities right here in your community.

## **CONNECTED COMMUNITIES BECOME THRIVING COMMUNITIES**

In 2021, our AC Skyways division has expanded to over 1,000 subscribers and is still growing. We serve these subscribers with mostly wireless broadband internet and some satellite internet in the heart of our service territory. But, when it comes to high-speed internet, fiber is truly the gold standard. The State of Iowa is committed to high-speed, reliable broadband for Iowans, and we’re happy to see the progress connecting rural Iowa. The Office of the Chief Information Officer of the State of Iowa (OCIO) awarded ACEC five grant opportunities totaling just over \$8 million. The grant opportunities are allowing us to deploy fiber in west Waukon

and areas of northern Allamakee County. Connected communities become thriving communities, so internet connectivity today is as electricity was in the 30s and 40s.

## **PLUGGED IN**

Electricity is our business. There is no denying that. Therefore, we are intrigued and have been paying attention to EVs for the past few years. The Co-op purchased the EV in 2021 with the intent to learn, educate and spread awareness. We’ve shared information from the driving range, and drivability to charging information. We intend to continue learning and educating our membership on electric vehicles; we are learning, and others can too. If you haven’t had the opportunity to ‘kick the tires’, just give us a call.

## **SAFETY ABOVE ALL ELSE**

Our mission is to provide safe, reliable, and affordable energy. This means we have a responsibility to you, our members, which is why we share tips and reminders to help raise awareness about the dangers of electricity. We also have a responsibility to our employees. We are committed to a culture of safety that is integral to our daily operations. We belong to the Rural Electric Safety Achievement Program, our lineworkers are equipped with the proper personal protective equipment and we hold monthly safety meetings for all staff covering a variety of safety topics. Safety is First. Safety is Last. Safety is Always.

We get out of life what we put into it. Allamakee-Clayton Electric Cooperative is connected to you by more than just powerlines. We are your neighbors, and we look forward to seeing you at your annual meeting drive-through on Mon., Sept. 12.

# 2022 DAIRYLAND DIRECTOR REPORT

## Safety, Reliability, and Cost Management



With an overarching goal of Sustainability, Dairyland Power Cooperative's leadership team and the Board of Directors are focused on providing safe and reliable electricity for Dairyland's 24 member cooperatives while transitioning to a low-carbon future.

### ASSET RELIABILITY AND ENERGY DIVERSIFICATION

- On June 1, 2021, Dairyland safely retired the coal-fired Genoa Station #3 (G-3). Decommissioning the facility is in progress, focusing on reuse and donations of materials that benefit the community. A study is also underway to find a positive future site plan for both Dairyland and the Genoa community.
- Following the closing of G-3, Dairyland's purchase of the RockGen Energy Center, a 503 megawatt (MW) natural gas plant in Cambridge, Wis., was a strategic fit for its power supply portfolio. RockGen supports the growth of wind and solar energy in the region and provides reliable electricity in all weather conditions.
- Renewable additions include the Tatanka Ridge Wind Farm (Deuel County, S.D.), which began operation in 2021. Dairyland has a power purchase agreement (PPA) to receive energy from a 52 MW portion of the wind farm. Dairyland also has a PPA with Ranger Solar for the 149 MW Badger State Solar facility (Jefferson, Wis.), scheduled to be operational in 2023.
- The regulatory approval process continues for the Nemadji Trail Energy Center. Basin Electric Power Cooperative has joined Dairyland and Minnesota Power as a project partner for the proposed 525-625 MW natural gas generation facility (Superior, Wis.), planned to be operational in 2025.
- Dedicated facility maintenance strengthens power plant reliability. In 2021, the John P. Madgett Station and Elk Mound Generation Station set power production records, reliably serving Dairyland's members during extreme temperatures.

### SAFETY

- Nothing is sustainable without a culture of safety, which remains the highest priority at Dairyland. In 2021, Dairyland achieved 245+ days without a lost-time injury as they strive for an operational goal of zero incidents.
- Dairyland has implemented a behavior-based safety program to strengthen and maintain a safety culture. As a result, while addressing the continuing challenges of the pandemic, Dairyland consistently demonstrated its agility and commitment to safety and regulatory compliance while reliably delivering critical power.

### FINANCIAL AND COMPETITIVE STRENGTH

- The Board approved a budget supporting Dairyland's strategic business plan, which resulted in an estimated 0.4% percent decrease in the average wholesale rate for Dairyland's member cooperatives beginning Jan. 1, 2022. Dairyland also implemented a new wholesale rate design in May 2021 to provide additional flexibility for member cooperatives.
- Cost management actions and sound 2021 fiscal performance resulted in strong margins. As a result, Dairyland provided \$4 million of rate credits to members in 2021, reduced future expenses, and invested in business development opportunities. In addition, Dairyland maintained its cash retirement of Capital Credits of 2 percent resulting in 2021 cash retirements of \$4.7 million and had four power cost adjustments (PCA) credits totaling \$3.7 million. Dairyland also instituted the revenue volatility adjustment (RVA) as part of its new rate design. The RVA returned an additional \$9.2 million to the members.
- Dairyland has credit ratings of "A3" with a stable outlook from Moody's and "A+" also with a stable outlook from Standard and Poor's.

- Dairyland is also investing in regional transmission opportunities. We have strengthened regional transmission infrastructure by working with other utilities to absorb changing generation sources while maintaining reliability and adding value for members.
- The Board supported accelerating the build-out plan for middle-mile fiber-optic communications on Dairyland's transmission infrastructure, primarily for communication. As the program progresses, fiber optic communication capacity could support rural broadband service providers in the communities ACEC and Dairyland's other member cooperatives serve.

### GROWTH AND INNOVATION

- Growth and Innovation foster sustainable business and long-term competitive rates for members. Dairyland has expanded shared services for members in Information Technology, Human Resources, and Publication Services and established a Business Development Fund to seek new revenue opportunities.

- Allamakee-Clayton and Dairyland were among 31 cooperatives to create CHARGE EV, LLC, in 2020 to build interest in the growth of electric vehicles (EV). As a result, the CHARGE<sup>TM</sup> network of cooperative-powered EV chargers is growing in rural areas. Additionally, Dairyland is working with local businesses to help them learn more about adding EVs to their fleets.

While Dairyland evolves, our Cooperative Principles and member satisfaction remain at the forefront. Dairyland is committed to transparent governance and strong relationships with members. As a Touchstone Energy<sup>®</sup> cooperative, Dairyland positively impacts its local communities and improves the quality of life for cooperative members. I am confident that Dairyland will continue to provide our cooperative with safe, reliable, affordable, and sustainable power today and for future generations.



**JEFF BRADLEY**  
ACEC BOARD  
PRESIDENT

DAIRYLAND POWER  
BOARD DIRECTOR

# ALLAMAKEE-CLAYTON ELECTRIC COMMUNITY CONTRIBUTIONS

OPERATION ROUND UP  
**NEW!**

SCHOLARSHIPS:  
**\$4,050**

RE CARE PROGRAM:  
**\$33,372.30**

DONATIONS:  
**\$9,455**

# DISTRICT A

## CANDIDATES

### DAN BECHTEL

Waukon, Iowa

Jefferson Township

Resides on a third-generation farm. 12-year owner of Rainbow Quarry, LLC. Member of United Church of Christ. Wife Sandra. ACEC member since 2008.

In addition to reliable electric service, Dan said he believes members deserve a steady, uninterrupted supply of energy. In addition, he possesses management skills and can see things from other people's points of view.

Renewable energy is consistently getting more attention, and Dan said, "All energy sources have their place; we just need to find a way to fill all the little gaps."



### BRICE WOOD

Lansing, Iowa

Layette Township

Resides south of Lansing since he and his family moved back to the area in 2015. Spouse Katherine. ACEC member since 2015.

Brice's background is in power generation and transmission of renewable energy as a former wind turbine technician. "Working as a board member, I could bring a unique and educated perspective since I have personally maintained and troubleshot high-voltage power transmission equipment." As a board member, he would use his experiences to help make decisions to keep reliable and affordable electric service available to the members.

When asked about renewable energy, Brice commented that renewable and sustainable energy sources are essential for long-term energy goals and help prolong our traditional ways of producing power with finite resources. "I worked with many different platforms of wind turbine generators, and I would bring firsthand knowledge of the inner workings of wind energy and power generation with 5½ years of experience in the industry."

"Supporting sustainable and ecologically friendly power sources is an excellent investment for our future. With fast-moving advances in battery technology and other alternative power sources keeping up with new trends is essential."

Along with reliable service, he thinks members expect transparent and member-conscious leaders to help make decisions to make their money go further.



# DISTRICT B

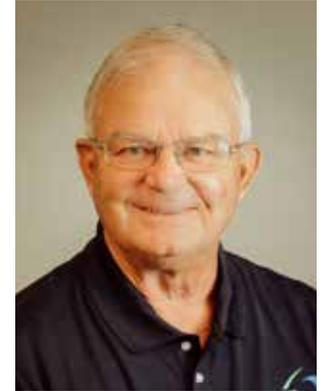
## CANDIDATES

### ROGER ARTHUR

Sumner, Iowa

Center Township

Actively engaged in a farming operation raising corn and soybeans. ACEC member since 1972. Board director since 1992. Spouse Cheryl.



Previously served as a director and President of Iowa Association of Electric Cooperatives, the state association. In addition, he was the director and officer, including president of the National Rural Utilities Cooperative Finance Cooperation, the national finance corporation for electric cooperatives. He also served as director, vice president, and president of AgVantage FS.

"We have an extremely efficient, well-run electric cooperative, and I believe we are headed in the right direction," said Roger. "My wife, Cheryl, and I have invested in ACEC's SunSource Community Solar from its beginning, and I encourage others to participate in this program as well." The Arthurs also installed geothermal, another form of renewable energy, in their home.

Roger said electric energy becomes more complex and challenging with new federal and state regulations and mandates. He believes our cooperative needs to be the go-to source for accurate information and guidance on renewable energy for our members and communities.

"I feel I have the knowledge and experience to again serve on this board that provides safe, reliable, and affordable electricity."

# DISTRICT B

## CANDIDATES

### ROBERT KLEVE

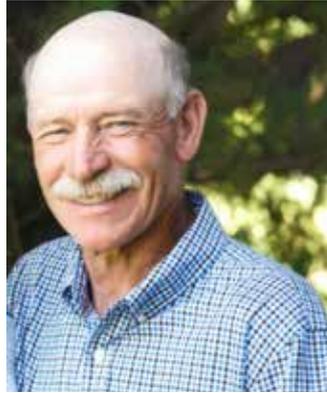
**Castalia, Iowa**  
**Clermont Township**

Farms with his son and works at Farmers Union Co-op in Postville for the past 5 years. Spouse, Karen. ACEC member since 1986.

Served on the Church Council at St. Peter's in Clermont for 12 years.

When asked what talent he would bring to the board, Bob said, "I would like to see the REC keep going in the right direction for helping customers [members] and lower our use of electricity."

In addition to reliable electric service, Bob feels that "finding ways to keep electric prices low and still build new ways to help the Cooperative is important."



### DAMIEN MATT

**Clermont, Iowa**  
**Clermont Township**

Resides and works on his family farm, specializing in a cow-calf and feedlot operation, as well as row crops. Served in the Iowa Army National Guard and was deployed to Afghanistan in 2010-2011 in support of Operation Enduring Freedom. An Iowa State University graduate with a degree in Agricultural Studies. Currently lives north of Clermont with his wife, Caytlin, and son, Holden (1). ACEC Member since 2019.

Currently serves on the Fayette County Farm Bureau Board of Directors and the Fayette County Cattleman's Association Board of Directors. Also, an active member of Clermont American Legion Post 375. Past Chairman of the St. Joseph the Worker Pastoral Council, which serves the Catholic communities in Clermont, West Union, Fayette, and Sumner.

When asked why he desires to serve on the board, "As a young father, I have a vested interest in the long-term success of our communities,"



said Damien. "If elected as a director, my approach to decision-making would be guided by what would be best for our membership."

Damien commented that while renewable energy certainly is important, it should never supersede the importance of reliability. He thinks that a balanced approach to electricity generation will ensure a resilient system best suited to meet demands. "I believe developing new renewable energy sources should fit into a broad and diverse energy portfolio."

He offered in closing that. "As a member myself, I expect the cooperative to be responsive to the membership's demands and interests, as well as maintain competitive electrical rates, which are fundamental to the economic development in our communities."

### AL STEFFENS

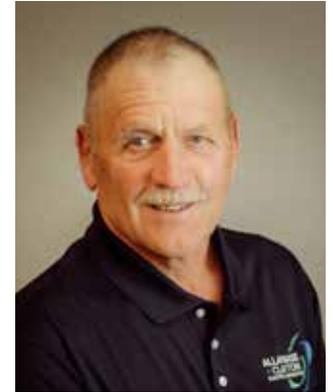
**Clermont, Iowa**  
**Dover Township**

Owns beef and crop family farm with two sons. Former owner of 100-cow registered Holstein dairy for 42 years. Wife, Brenda. ACEC member since 1974.

Dover Township Trustee, Fayette County Zoning and Adjustment board. Past president of Farm Credit Services of America, Vice-chairman of Clermont Rural Fire Board, board member for DHIA, District I Holsteins, Fayette County Holsteins, Fayette County Extension, West Clermont Lutheran Church, and Clermont Township clerk.

Al hopes to continue moving REC ahead for the next generation looking for new ways to move the co-op ahead. "I've learned from serving on various boards to open an ear to the members and listen to them for new ideas." He trained in risk management, leadership, and finance while serving on other boards and believes you also have to listen to any concerns from members so they can be taken back for discussion. "When you're a board member, people call you, ask you questions, and give you ideas that you bring back to the boardroom, so the board knows what everyone is thinking."

Al just completed his first term and attended several NRECA Director Courses and looks forward to seeing what the new technologies will be for ACEC. Regarding renewable energy, "I support wind and solar and think they are great, but my main concern as a member, like you, is to have reliable electricity at affordable prices."

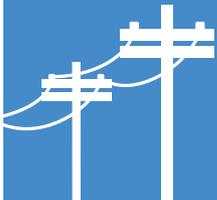


# GET TO KNOW ALLAMAKEE-CLAYTON ELECTRIC



**9,993**  
ELECTRIC  
METERS

**7,118**  
MEMBERS



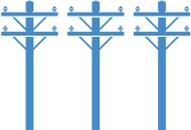
TOTAL MILES  
of LINE:  
**2,522**

**238** PRIVATE  
generation  
systems



**12,358**  
Average kwh  
use per month by  
RESIDENTIAL MEMBERS

MEMBERS PER  
MILE OF LINE:  
**3.96**



**NINE**  
MEMBER-ELECTED  
**DIRECTORS**



Jeff Bradley,  
president



Michael Gibbs,  
vice president



Cindy Heffern,  
secretary-  
treasurer



Roger Arthur,  
director



Nelson  
Converse,  
director



Greg  
Formanek,  
director



Butch Fossum,  
director



Jerry Keleher,  
director



Al Steffens,  
director

## **7** COOPERATIVE PRINCIPLES

1. Open and Voluntary Membership
2. Democratic Member Control
3. Members' Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation Among Cooperatives
7. Concern for Community

**41**



NUMBER OF  
**EMPLOYEES**

ENERGY  
EFFICIENCY  
DOLLARS  
**\$116,355**



# BALLOT FOR DIRECTORS

ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE, INC.

Detach ballot here

**QUALIFY FOR  
A CHANCE  
TO WIN A \$25  
BILL CREDIT!**

Detach and return  
your ballot by  
mail and it may be  
one of ten ballots  
drawn for a \$25  
electric bill credit.

Come to the  
drive-through to  
vote on business  
of your ELECTRIC  
COOPERATIVE,  
and be eligible for  
an additional bill  
credit or an ACEC  
SunSource solar  
panel subscription.

Detach ballot here

## BALLOT FOR DIRECTORS

ALLAMAKEE-CLAYTON  
ELECTRIC COOPERATIVE, INC.

Postville, Iowa

**DRIVE-THROUGH**  
**September 12, 2022**

### DIRECTOR DISTRICT "A"

[Vote for one]

- DAN BECHTEL**  
Waukon, Iowa  
Jefferson Township
- BRICE WOOD**  
Lansing, Iowa  
Lafayette Township

### DIRECTOR DISTRICT "B"

[Vote for two]

- ROGER ARTHUR**  
Sumner, Iowa  
Center Township
- BOB KLEVE**  
Castalia, Iowa  
Clermont Township
- DAMIEN MATT**  
Clermont, Iowa  
Clermont Township
- AL STEFFENS**  
Clermont, Iowa  
Dover Township

*There were no nominations by petition.*  
**Director District Map located on page 15.**



**FIND YOUR VOTING  
BALLOT ON BACK**

## **QUALIFY FOR A CHANCE TO WIN A \$25 BILL CREDIT!**

Detach and return your ballot by mail and it may be one of ten ballots drawn for a \$25 electric bill credit.

Come to the drive-through to vote on business of your **ELECTRIC COOPERATIVE**, and be eligible for an additional bill credit or an ACEC SunSource solar panel subscription.



Your Touchstone Energy® Cooperative 

**PO Box 715 ■ Postville, IA 52162**

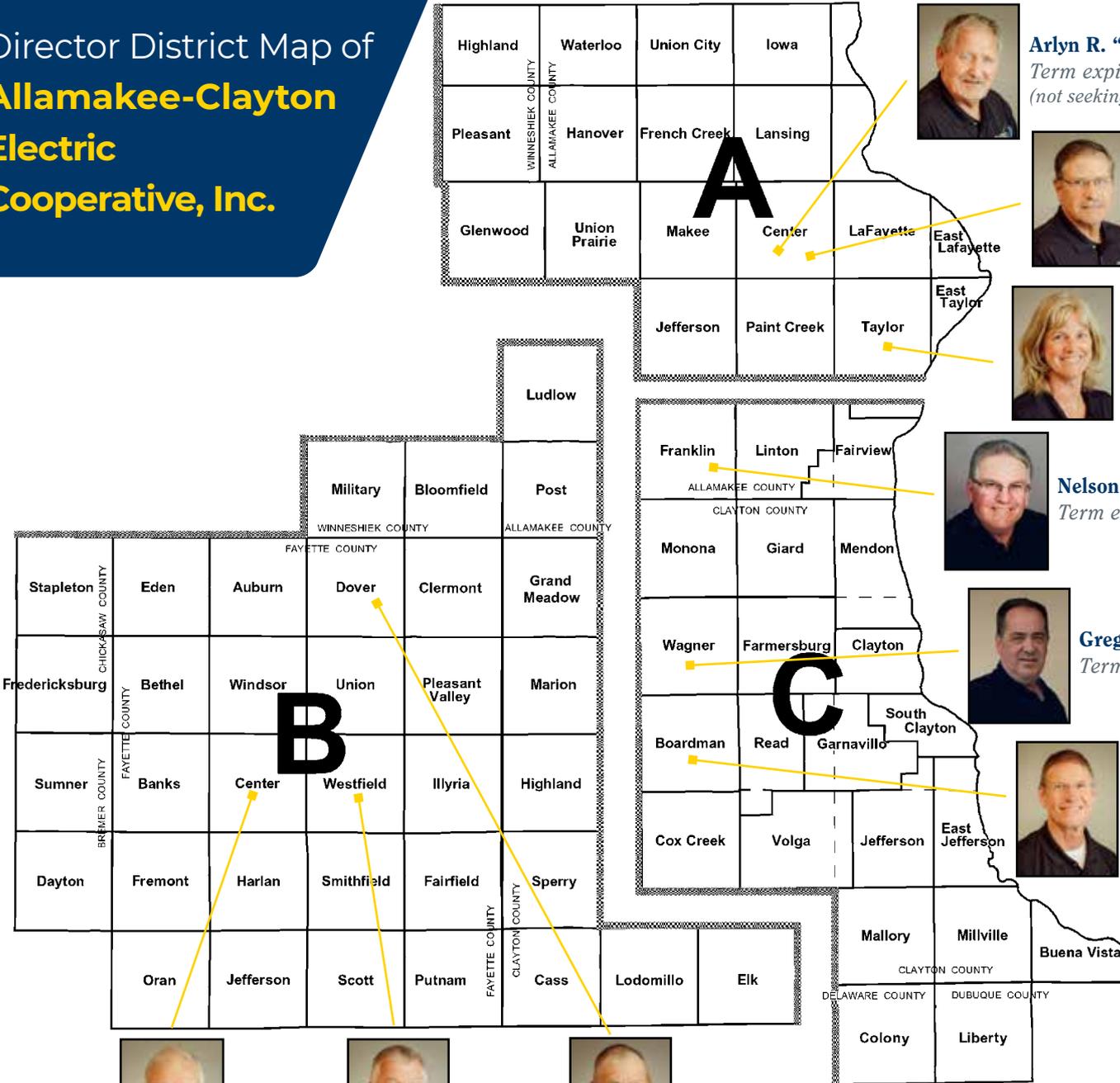
**Telephone: 563-864-7611**

**Toll Free: 888-788-1551**

**[www.acrec.com](http://www.acrec.com)**

**BALLOT FOR DIRECTORS**  
ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE, INC.

# Director District Map of Allamakee-Clayton Electric Cooperative, Inc.



**Arlyn R. "Butch" Fossum**  
Term expires 2022  
(not seeking re-election)



**Michael D. Gibbs**  
vice president  
Term expires 2023



**Cindy Heffern**  
secretary/treasurer  
Term expires 2023



**Nelson Converse**  
Term expires 2024



**Greg Formanek**  
Term expires 2023



**Jerry Keleher**  
Term expires 2024



**Roger Arthur**  
Term expires 2022



**Jeff Bradley**  
president  
Term expires 2024



**Al Steffens**  
Term expires 2022

**Do you know where your  
directors are from?**

# The Role of the Cooperative's Board of Directors



7,000 ACEC  
MEMBER-OWNERS  
- JUST LIKE YOU



9-MEMBER BOARD  
OF DIRECTORS  
"DIRECT" THE STAFF

Strategic Direction  
& Oversight



GENERAL MANAGER/EVP



ADMINISTRATIVE, BILLING, FINANCE, MEMBER  
SERVICE, ENGINEERING, OPERATIONS AND  
AC SKYWAYS

Co-op member-owners influence the way in which a cooperative is governed and operated by electing a board of directors to act on their behalf.

The co-op board of directors sets the overall direction for the cooperative. The co-op's general manager and staff are responsible for the day-to-day operation of the co-op.

## Did you know?

Allamakee-Clayton Electric Cooperative is part of another cooperative system called Touchstone Energy®. More than 750 local, member-owned electric co-ops spanning 46 states are members of Touchstone Energy, creating a very strong alliance that works for you.



Touchstone Energy®  
The power of human connections

## Statistics:

Service area: Portions of Allamakee, Clayton, Fayette, Winneshiek, Chickasaw, Bremer, Delaware and Dubuque counties.

Number of electric services: 9,993

Miles of line: 2,522

Number of substations: 16

Number of employees: 41

Total capital credits returned to members in 2021: \$592,354

Wholesale power provider: Dairyland Power Cooperative,  
La Crosse, Wisconsin

# NOMINATING COMMITTEE

## COOPERATIVE MEMBERS SELECT CANDIDATES FOR THEIR BOARD

Each year, the ACEC Board of Directors appoints a nominating committee to select candidates to run for the board of directors. This year's Nominating Committee gathered early this month to select director candidates to run for the Board of Directors election in September. We thank them for their time!



The following ACEC members served on the 2022 Nominating Committee:  
l-r: John Rea, Lansing; Justin Grove, Monona; John Orr, Fayette; Secretary, Joni Spies, Hawkeye; Chair, Jean Pape, Maynard; Vice Chairperson, Mike Jacobson, Clermont, and Diana Gunderson, Postville.

## ACEC EMPLOYEES

**Josh Abbott**  
Meter Reader

**Doyle Allen**  
Lead Lineman

**Tim Bauch**  
Line Superintendent

**Kelly Blockhus**  
Broadband Technology Specialist

**Jeff Cox**  
Line Crew Foreman

**Aandi Deering**  
Staking Engineer

**Jason Donnelly**  
First Class Lineman

**Nick Dougherty**  
Journeyman Lineman

**Travis Erickson**  
First Class Lineman

**Blair Everman**  
First Class Lineman

**Sam Freitag** Apprentice  
Lineman

**Steve Gehling**  
Equipment Technician

**Susan Goodman**  
Engineering Supervisor

**Ben Grangaard**  
First Class Lineman

**Carol Griebenow**  
Skyways | Member Service Rep.

**Luke Hackman**  
IT | Broadband Specialist

**Genette Halverson**  
Staff Services | Accounting Assistant

**Andrew Henderson**  
First Class Lineman

**Regan Jacobson**  
Accountant

**Jason Leonhart**  
Lead Lineman

**Staci Malcom** FirstCall  
Customer Service Rep.

**Matt Marting**  
IT Specialist

**Josh Mitchell**  
Utility Forester

**Doug Moose**  
Custodian | Warehouse Coordinator

**Jason Nefzger**  
Lead Lineman

**Brad Pecinovsky**  
Compliance & Training Coordinator

**Derrick Peters**  
Lead Equipment Technician

**Jack Regan**  
Hot Line Foreman

**Ben Schulmeister**  
Fleet Services & Equipment Technician

**Donna Schultz**  
Cashier | Collections Representative

**Brent Schutte**  
First Class Lineman

**Stacy Stock**  
Operations & Engineering Coordinator

**Jo Suckow**  
Data Processing Clerk

**Teri Wagner**  
Consumer Accounts Representative

## MANAGEMENT STAFF



**Hollee McCormick**  
Executive Vice President | General Manager



**David Decker**  
Director | Finance & Administrative Services



**Brenda Hackman**  
Manager | Economic Development & Community Relations



**Jeni Kolsrud**  
Manager | Information Technology



**Jenny McIntyre**  
Manager | Marketing & Communications



**Jason Troendle**  
Director | Operations & Engineering



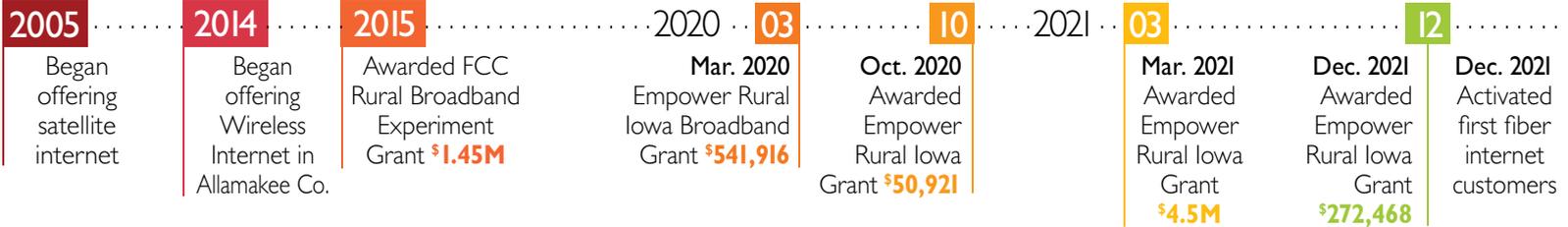
**Ryan Wagner**  
Manager | Member Services

# A HELPING HAND

*Empowering high-speed internet connection*



INTERNET CUSTOMERS:  
**1,250, 9%**  
Increase from 2020



## PLUGGED IN: Electric Vehicle Update

ONE YEAR  
**7,200** MILES • **1,771** kWh • **\$217** TO CHARGE



# ENDURING AFFORDABILITY

Electric co-op households pay

**\$5 DAY** on average for safe, reliable electricity

That's cheaper than most coffee drinks



## HOW YOUR DOLLAR WAS SPENT



JOIN TODAY!

# OPERATION ROUND UP

WHAT IS OPERATION ROUND UP?

Operation Round Up supports local organizations by collecting money from members who sign up to have their electrical bill rounded up to the next dollar.

EXAMPLES OF ORGANIZATIONS THAT COULD RECEIVE FUNDS

- Fire Departments
- Libraries
- Community Projects
- Student Programs
- Community & School Support Programs



HOW MUCH IS COLLECTED?

The average account contributes \$6 a year. The most a member could contribute is \$11.88 (99¢ a month).



To round up your electric bill and support your local communities, complete the form at [www.acrec.com/OperationRoundUp](http://www.acrec.com/OperationRoundUp).



# 2021 FINANCIAL HIGHLIGHTS - BALANCE SHEET

## ASSETS

	<u>2021</u>	<u>2020</u>
ELECTRIC PLANT		
In service	\$67,380,596	\$65,178,908
Under construction	371,998	367,500
Total electric plant	67,752,594	65,546,408
Less accumulated depreciation	25,555,882	24,194,800
Electric plant, net	42,196,712	41,351,608
OTHER PROPERTY AND INVESTMENTS		
Investments in associated companies	11,737,267	11,417,500
Non-utility property, net	4,593,687	1,239,703
Restricted investments, net	950,181	1,096,941
Total other property and investments	17,281,135	13,754,144
CURRENT ASSETS		
Cash and cash equivalents	68,906	354,908
Restricted cash	727,956	599,451
Accounts receivable, net of allowances	1,732,034	1,838,567
Broadband grants receivable	4,801,628	0
Material and supplies	735,049	850,843
Prepayments	127,207	114,595
Interest receivable	21,846	23,967
Total current assets	8,214,626	3,782,331
DEFERRED DEBITS	27,188	40,978
TOTAL ASSETS	<u>\$67,719,661</u>	<u>\$58,929,061</u>

## EQUITIES AND LIABILITIES

EQUITIES		
Memberships	\$490	\$580
Patronage capital	14,255,594	13,806,496
Other equities	12,912,846	12,909,797
Total equities	27,168,930	26,716,873
LONG-TERM DEBT, LESS CURRENT MATURITIES	29,502,383	25,891,712
POST RETIREMENT BENEFITS	870,001	836,431
CURRENT LIABILITIES		
Current maturities of long-term debt	1,658,057	1,279,322
Line of credit	4,582,149	1,696,978
Accounts payable	2,863,747	1,324,650
Customer deposits	89,943	84,654
Taxes accrued	229,429	228,300
Post retirement benefits	35,786	55,861
Other	544,996	631,330
Total current liabilities	10,004,107	5,301,095
DEFERRED CREDITS	174,240	182,950
TOTAL EQUITIES AND LIABILITIES	<u>\$67,719,661</u>	<u>\$58,929,061</u>

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# 2021 FINANCIAL HIGHLIGHTS - STATEMENT OF OPERATIONS

	2021	2020
OPERATING REVENUES	\$19,814,304	\$19,877,148
OPERATING EXPENSES		
Cost of power	10,578,226	10,932,896
Distribution - operations	1,312,998	1,295,361
Distribution - maintenance	2,071,274	2,027,450
Customer accounts	472,281	457,677
Customer service and informational	411,327	393,266
Administrative and general	1,168,885	1,121,498
Depreciation	2,086,743	2,081,124
Taxes	19,493	19,513
Interest on long-term debt	995,839	979,277
Other	57,195	41,553
Total operating expenses	<u>19,174,261</u>	<u>19,349,615</u>
OPERATING MARGIN BEFORE CAPITAL CREDITS	640,043	527,533
GENERATION AND TRANSMISSION AND OTHER COOPERATIVE CAPITAL CREDITS	641,254	536,667
NET OPERATING MARGIN	<u>1,281,297</u>	<u>1,064,200</u>
NONOPERATING MARGIN (LOSS)		
Interest income	110,176	113,710
Gain (loss) from equity investments	8,516	6,109
Other nonoperating margin (loss)	-358,527	-311,207
Total nonoperating margin (loss)	<u>-239,835</u>	<u>-191,388</u>
NET MARGIN	<u>\$1,041,462</u>	<u>\$872,812</u>

## Independent Auditor's Report

### EideBailly, LLP

Certified Public Accountants & Consultants

#### The Members

Allamakee-Clayton Electric Cooperative, Inc.  
Postville, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheets of Allamakee-Clayton Electric Cooperative, Inc. as of December 31, 2021, and the related statements of operations, equities and cash flows (not presented herein) for the year then ended, and in our report, dated February 18, 2022, we expressed an unmodified opinion on those financial statements. In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated in all material respects in relation to the financial statements from which it has been derived. Complete financial statements are on file at the Cooperative's office.

February 18, 2022

Sioux Falls, South Dakota

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## COMPARATIVE OPERATING STATISTICS

	2021	2020
Number of Members Billed	9,980	10,038
Total Miles of Line Energized	2,524	2,519
Number of Substations	16	16
Total kWhrs Purchased	147,686,250	145,970,081
Total kWhrs Used by All Members	140,053,791	138,523,347
Total kWhrs Unaccounted For	7,632,459	7,446,734
Percent of Line Loss	5.2%	5.1%
Average Monthly kWhrs Used Per Member	1,169	1,150
Average Cost Per kWhr Per Member Per Month	\$14.10	\$14.20
Average Monthly Bill	\$164.85	\$163.29
Average Cost Per kWhr of Purchased Power	\$7.16	\$7.49
Total Cost of Purchased Power	\$10,578,226	\$10,932,896
Total Annual Operating Revenue	\$19,814,304	\$19,877,148
Average Plant Investment Per Member	\$6,789	\$6,530
Deferred Patronage Dividends Refunded this Year	\$592,363	\$880,171
Deferred Patronage Dividends Refunded to Date	\$18,582,195	\$17,989,832

## ANNUAL MEETING OF THE MEMBERS

September 13, 2021

The 83rd annual meeting of the Allamakee-Clayton Electric Cooperative, Inc. members was held at Allamakee-Clayton Electric Cooperative headquarters, Postville, Iowa, as a drive-through event due to Covid-19 precautions. The Annual Meeting drive-through event began at 1:30 p.m. and lasted until 6:30 p.m. on Monday, September 13, 2021. Members entered at the main entrance of the Cooperative's headquarters and were guided around into the garage, where ACEC employees greeted them. Members remained in their vehicles to vote, register for a prize, and receive a gift and hot-to-go meal. This year the prizes were awarded as a bill credit on their next bill dated October 5, 2021. Two 5-year solar panel subscriptions were also awarded to two members of the Cooperative.

Due to the concerns related to the Covid-19 virus and to protect the health and safety of ACEC employees, members, and guests, Allamakee-Clayton Electric Cooperative conducted the election of directors via a drive-through event. In addition, all reports were videotaped and available on the Cooperative's website at [acrec.com](http://acrec.com).

The By-Laws permit voting for the Director election by mail. Further, the By-Laws provide that to the extent members vote by mail; such votes count toward the quorum requirement for the election. Thus, the Board determined that the quorum was met, and the election was completed without an in-person meeting.

Minutes of the annual meeting held on September 14, 2020, were included in the booklet mailed to each member of the Cooperative before the annual meeting.

In accordance with the By-laws of the Cooperative, the Board of Directors had appointed a Nominating Committee that met on June 11, 2021, in Postville, Iowa. Nominations for Directors to be elected at this annual meeting were made. Leslie Henkes, Chairperson of the

Nominating Committee, presented the committee's Report. Mrs. Henkes read the Report to the members, and the Report showed that the committee had nominated the following members for the office of Director:

### DIRECTOR DISTRICT "B"

Jeff Bradley	Wadena, Iowa	Westfield Township
Janice Koenig	Castalia, Iowa	Bloomfield Township

### DIRECTOR DISTRICT "C"

Nelson Converse, Jr.	Postville, Iowa	Franklin Township
Jerry Keleher	Elkader, Iowa	Boardman Township
Ronald Sass	Luana, Iowa	Wagner Township
Steve Zaruba	Colesburg, Iowa	Jefferson Township

Members of the Nominating Committee were appointed Inspectors of the Election.

The Inspectors of Election picked up all ballots from the members who participated in the Annual Meeting drive-through event and took them to the counting room in the building.

After all ballots for the election of Directors had been counted and tabulated, Leslie Henkes, Chairperson of the Nominating Committee, presented the Certificate of the Inspectors of the Election. She certified that Jeff Bradley had been elected as Director for District "B" and that Nelson Converse Jr and Jerry Keleher had been elected as Directors for District "C". The persons elected to the Board will serve terms to run for three years or until their successors shall have been elected and shall have qualified. Said Certificate was ordered by the Chairperson to be attached to the minutes of this meeting.



# IMPORTANT REGISTRATION CARD

Bring this registration card with you to the  
**ANNUAL MEETING DRIVE-THROUGH**  
Allamakee-Clayton Electric Cooperative, Inc.

**ACEC HEADQUARTERS** – Enter at main entrance  
**MONDAY, SEPTEMBER 12, 2022**  
**1:30 PM – 6:30 PM**

**PLEASE RETURN  
THE ENCLOSED DIRECTOR  
BALLOT BY MAIL.**



**PRESENT THIS CARD** at the drive-through event for your free gift and hot to-go meal while supplies last (must be present). By doing so, you will automatically qualify for a bill credit or a five-year solar panel subscription. Winners will be announced in the October Energy Update bill insert and the October newsletter.

## OFFICIAL ANNUAL MEETING NOTICE

### Note: MEETING TO BE CONDUCTED VIA A DRIVE-THROUGH

The regular annual meeting of members of the Allamakee-Clayton Electric Cooperative, Inc., will be held via a drive-through event at the Cooperative's headquarters, Postville, Iowa on Monday, September 12, 2022, between the hours of 1:30 p.m. – 6:30 p.m. to act upon the following:

1. The election of three (3) directors of the Cooperative.

Allamakee-Clayton Electric Cooperative intends to conduct the election of directors via a drive-through event. All reports will be videotaped and available on the cooperative's website at [acrec.com](http://acrec.com).

The Bylaws permit voting for the Director election by mail. Further, the Bylaws provide that to the extent members vote by mail, such votes count toward the quorum requirement for the election. Thus, the Board has determined that the election can be completed without an in-person meeting.

For your information in connection with the election of three (3) directors scheduled for this drive-through event, the committee on nominations, appointed by the board of directors of the Cooperative, according to the by-laws, has nominated six members of the Cooperative as indicated on the enclosed ballot.

**PLEASE VOTE BY MAIL:** For directors by marking a check ✓ opposite the names of three (3) candidates you wish to vote for. After you have marked your ballot, enclose it in the self-addressed envelope provided, seal it and return it to the Cooperative's office. Any other type of envelope will be accepted if the member's name is in the upper left corner of the envelope, **BUT TO BE VALID IT MUST BE ADDRESSED TO:**

SECRETARY: Allamakee-Clayton Electric Cooperative  
PO Box 715  
Postville, IA 52162

**CAUTION:** Ballots are not valid if mailed in an envelope without your name and return address on same. Mail your ballot so it reaches the Cooperative office before September 12, 2022.

**PLEASE:** Return your ballot by mail to qualify for a \$25 bill credit. The senders of the 10 mail ballots drawn will receive one of ten \$25 bill credits.

If you have any questions, please contact Allamakee-Clayton Electric Cooperative at 888-788-1551 and let them know you have a question about the annual meeting.

Dated at Postville, Iowa, this 15th day of August 2022.

Cindy Heffern,  
Secretary



P O Box 715  
Postville, IA 52162-0715

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**DON'T FORGET** to tear off here and bring this card to register at the drive-through. 

JOIN US FOR OUR

## ANNUAL MEETING DRIVE-THROUGH

MONDAY, SEPTEMBER 12, 2022  
1:30 PM – 6:30 PM

Members will enter at the main entrance of the Cooperative's headquarters at 229 Highway 51, Postville, and be guided around into the garage.

Employees and directors will greet you, register you for prizes and give you your annual meeting gift and hot-to-go meal (while they last and must be present). We will award prizes in the form of a credit on your next bill. We will also draw for two 5-year solar panel subscriptions. Please bring your registration card to be eligible for the drawing!

*We hope to see you there!*

