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Form 990

## Return of Organization Exempt From Income Tax

2010

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

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 2010 calendar year, or tax year beginning 01-01-2010 and ending 12-31-2010

B Check if applicable	C Name of organization ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE INC		D Employer identification number 42-0110380
<input type="checkbox"/> Address change	Doing Business As		E Telephone number (563) 864-7611
<input type="checkbox"/> Name change	Number and street (or P O box if mail is not delivered to street address) PO BOX 715		F Gross receipts \$ 17,492,524
<input type="checkbox"/> Initial return	Room/suite		
<input type="checkbox"/> Terminated			
<input type="checkbox"/> Amended return	City or town, state or country, and ZIP + 4 POSTVILLE, IA 52162		
<input type="checkbox"/> Application pending	F Name and address of principal officer PAUL FOXWELL PO BOX 715 POSTVILLE, IA 52162		G Gross receipts \$ 17,492,524

I Tax-exempt status  501(c)(3)  501(c) ( 12 ) ► (insert no)  4947(a)(1) or  527

J Website: ► WWWACREC.COM

K Form of organization  Corporation  Trust  Association  Other ► L Year of formation 1938 M State of legal domicile IA

## Part I Summary

1 Briefly describe the organization's mission or most significant activities PROVIDE SAFE, RELIABLE AND AFFORDABLE ELECTRIC SERVICES AND RELATED INNOVATIONS IN TECHNOLOGY		
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	9
4 Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	4	9
5 Total number of individuals employed in calendar year 2010 (Part V, line 2a) . . . . .	5	47
6 Total number of volunteers (estimate if necessary) . . . . .	6	0
7a Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .	7a	530,572
b Net unrelated business taxable income from Form 990-T, line 34 . . . . .	7b	0

8 Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year	Current Year
9 Program service revenue (Part VIII, line 2g) . . . . .	0	0
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	16,369,252	17,306,322
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	217,688	186,202
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	0	0
	16,586,940	17,492,524

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .	Prior Year	Current Year
14 Benefits paid to or for members (Part IX, column (A), line 4) . . . . .	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	3,046,202	3,315,221
16a Professional fundraising fees (Part IX, column (A), line 11e) . . . . .	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ► 0		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) . . . . .	12,388,833	13,047,073
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	15,435,035	16,362,294
19 Revenue less expenses Subtract line 18 from line 12 . . . . .	1,151,905	1,130,230

20 Total assets (Part X, line 16) . . . . .	Beginning of Current Year	End of Year
21 Total liabilities (Part X, line 26) . . . . .	42,896,917	43,827,836
22 Net assets or fund balances Subtract line 21 from line 20 . . . . .	20,681,210	20,869,369
	22,215,707	22,958,467

## 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 PAUL FOXWELL GENERAL MANAGER Type or print name and title	2011-07-20 Date
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Paid Preparer Use Only	Print/Type preparer's name LAURIE HANSON	Preparer's signature LAURIE HANSON	Date 2011-07-20	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ► EIDE BAILLY LLP				Firm's EIN ►
	Firm's address ► 200 EAST 10TH ST PO BOX 5125 SIOUX FALLS, SD 571175125				Phone no ► (605) 339-1999

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

### **Part III Statement of Program Service Accomplishments**

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

**1 Briefly describe the organization's mission**

ALLAMAKEE- CLAYTON ELECTRIC COOPERATIVE IS DEDICATED TO ENHANCING THE QUALITY OF LIFE FOR OUR MEMBERS AND THE COMMUNITIES WE SERVE BY PROVIDING SAFE, RELIABLE AND AFFORDABLE ELECTRIC SERVICES AND RELATED INNOVATIONS IN TECHNOLOGY

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

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

Yes  No

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

If "Yes," describe these changes on Schedule Q.

Yes  No

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses  
Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

**4a** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$

ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE WAS ORGANIZED IN 1938 BY MEMBERS BECAUSE INVESTOR-OWNED UTILITIES BYPASSED RURAL IOWA DUE TO ITS SPARSE POPULATION. ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE PROVIDES ELECTRIC POWER TO MORE THAN 9,800 CUSTOMERS ON 2,485 MILES OF LINE IN PORTIONS OF EIGHT COUNTIES: ALLAMAKEE, CLAYTON, FAYETTE, WINNESHEK, CHICKASAW, BREMER, DELAWARE AND DUBUQUE. OUR CUSTOMER BASE IS 95% FARM AND RURAL RESIDENTIAL AND MAINTAINS 24-HOUR AROUND-THE-CLOCK ELECTRIC SERVICE. CREWS ARE AVAILABLE TO ENSURE QUALITY SERVICE AT ALL TIMES.

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

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

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

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

**4e Total program service expenses**

**Part IV Checklist of Required Schedules**

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

	<b>Yes</b>	<b>No</b>
<b>1</b>		No
<b>2</b>		No
<b>3</b>		No
<b>4</b>		
<b>5</b>		
<b>6</b>		No
<b>7</b>		No
<b>8</b>		No
<b>9</b>		No
<b>10</b>		No
<b>11a</b>	Yes	
<b>11b</b>		No
<b>11c</b>	Yes	
<b>11d</b>		No
<b>11e</b>	Yes	
<b>11f</b>	Yes	
<b>12a</b>	Yes	
<b>12b</b>		No
<b>13</b>		No
<b>14a</b>		No
<b>14b</b>		No
<b>15</b>		No
<b>16</b>		No
<b>17</b>		No
<b>18</b>		No
<b>19</b>		No
<b>20a</b>		No
<b>20b</b>		

**Part IV Checklist of Required Schedules (continued)**

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23		No
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a		No
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29		No
30	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33		No
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		No
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	38	Yes	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

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

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	23
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
<b>2a</b>	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	47
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	Yes
<p><b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</p>			
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No
<b>b</b>	If "Yes," enter the name of the foreign country ► See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	No
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>	7a	No
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7b	
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	No
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year	7e	No
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	No
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h	
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8	
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a	
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>	9b	
<b>a</b>	Did the organization make any taxable distributions under section 4966?		
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter	10a	
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	10b	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter	11a	15,937,919
<b>a</b>	Gross income from members or shareholders	11b	699,074
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12b	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>	13a	
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state?		
<p><b>Note.</b> See the instructions for additional information the organization must report on Schedule O</p>			
<b>b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
<b>c</b>	Enter the amount of reserves on hand	13c	
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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

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

### Section A. Governing Body and Management

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

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

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

### Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed
- 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply
- Own website  Another's website  Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
- DAVID DECKER  
PO BOX 715  
POSTVILLE, IA 52162  
(563) 864-7611



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

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **1**

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

## **Section B. Independent Contractors**

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

(A)	Name and business address	(B)	Description of services	(C)	Compensation
ELITE TREE SERVICE					
1402 WASHINGTON					288,619
PELLA, IA 50219					
AMERIPOLE					
PO BOX 114					106,899
MARSHALLTOWN, IA 50158					

**Part VIII Statement of Revenue**

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
<b>Contributions, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b>					
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>					
	<b>g</b> Noncash contributions included in lines 1a-1f \$						
<b>h</b> <b>Total.</b> Add lines 1a-1f . . . . .							
<b>Program Service Revenue</b>	<b>2a</b> ELECTRICITY SALES	<b>Business Code</b>					
		221000	15,748,199	15,748,199			
	<b>b</b> COOP CAPITAL CREDITS	221000	853,539	834,882	18,657		
	<b>c</b> OTHER INCOME	517000	685,706	189,720	495,986		
	<b>d</b> EQUITY INVESTMENTS	221000	18,878		15,929	2,949	
	<b>e</b>						
	<b>f</b> All other program service revenue						
<b>g</b> <b>Total.</b> Add lines 2a-2f . . . . .		17,306,322					
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest and other similar amounts) . . . . .						
			185,381		185,381		
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .						
	<b>5</b> Royalties . . . . .						
	<b>6a</b> Gross Rents	(I) Real	(II) Personal				
	<b>b</b> Less rental expenses						
	<b>c</b> Rental income or (loss)						
<b>d</b> Net rental income or (loss) . . . . .							
<b>7a</b> Gross amount from sales of assets other than inventory	(I) Securities	(II) Other	821				
<b>b</b> Less cost or other basis and sales expenses							
<b>c</b> Gain or (loss)			821				
<b>d</b> Net gain or (loss) . . . . .				821	821		
<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .							
<b>a</b>							
<b>b</b> Less direct expenses . . . . .	<b>b</b>						
<b>c</b> Net income or (loss) from fundraising events . . . . .							
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	<b>a</b>						
<b>b</b> Less direct expenses . . . . .	<b>b</b>						
<b>c</b> Net income or (loss) from gaming activities . . . . .							
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .							
<b>a</b>							
<b>b</b> Less cost of goods sold . . . . .	<b>b</b>						
<b>c</b> Net income or (loss) from sales of inventory . . . . .							
<b>Miscellaneous Revenue</b>	<b>Business Code</b>						
<b>11a</b>							
<b>b</b>							
<b>c</b>							
<b>d</b> All other revenue . . . . .							
<b>e</b> <b>Total.</b> Add lines 11a-11d . . . . .							
<b>12 Total revenue.</b> See Instructions . . . . .		17,492,524	16,772,801	530,572	189,151		

**Part IX Statement of Functional Expenses****Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees . . . . .	384,249			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
7 Other salaries and wages	2,390,696			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	337,131			
9 Other employee benefits . . . . .				
10 Payroll taxes . . . . .	203,145			
a Fees for services (non-employees) Management . . . . .				
b Legal . . . . .				
c Accounting . . . . .				
d Lobbying . . . . .				
e Professional fundraising services See Part IV, line 17 . . . . .				
f Investment management fees . . . . .				
g Other . . . . .				
12 Advertising and promotion . . . . .				
13 Office expenses . . . . .				
14 Information technology . . . . .				
15 Royalties . . . . .				
16 Occupancy . . . . .				
17 Travel . . . . .				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
19 Conferences, conventions, and meetings . . . . .				
20 Interest . . . . .	976,637			
21 Payments to affiliates . . . . .				
22 Depreciation, depletion, and amortization . . . . .	1,330,501			
23 Insurance . . . . .				
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O )				
a COST OF POWER	9,275,590			
b DISTRIBUTION MAINTENANC	1,270,133			
c DISTRIBUTION OPERATIONS	997,288			
d UBI TAX	126,088			
e ALLOCATED & OTHER COSTS	-929,164			
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	16,362,294			
26 Joint costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**Part X Balance Sheet**

		<b>(A)</b> Beginning of year		<b>(B)</b> End of year
Assets	1 Cash—non-interest-bearing . . . . .		<b>1</b>	
	2 Savings and temporary cash investments . . . . .	364,733	<b>2</b>	343,091
	3 Pledges and grants receivable, net . . . . .		<b>3</b>	
	4 Accounts receivable, net . . . . .	1,839,146	<b>4</b>	1,854,972
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .		<b>5</b>	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L . . . . .		<b>6</b>	
	7 Notes and loans receivable, net . . . . .	1,186,764	<b>7</b>	431,646
	8 Inventories for sale or use . . . . .	581,703	<b>8</b>	559,433
	9 Prepaid expenses and deferred charges . . . . .	260,368	<b>9</b>	237,299
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	46,323,472		
	b Less accumulated depreciation . . . . .	10b	14,925,333	
			30,232,172	<b>10c</b>
				31,398,139
	11 Investments—publicly traded securities . . . . .		<b>11</b>	
	12 Investments—other securities See Part IV, line 11 . . . . .	458,956	<b>12</b>	378,956
	13 Investments—program-related See Part IV, line 11 . . . . .	7,936,524	<b>13</b>	8,593,241
	14 Intangible assets . . . . .		<b>14</b>	
Liabilities	15 Other assets See Part IV, line 11 . . . . .	36,551	<b>15</b>	31,059
	16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	42,896,917	<b>16</b>	43,827,836
	17 Accounts payable and accrued expenses . . . . .	1,927,356	<b>17</b>	2,044,267
	18 Grants payable . . . . .		<b>18</b>	
	19 Deferred revenue . . . . .		<b>19</b>	
	20 Tax-exempt bond liabilities . . . . .		<b>20</b>	
	21 Escrow or custodial account liability Complete Part IV of Schedule D . . . . .		<b>21</b>	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		<b>22</b>	
	23 Secured mortgages and notes payable to unrelated third parties . . . . .	17,861,666	<b>23</b>	17,150,509
	24 Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	704,339
Net Assets or Fund Balances	25 Other liabilities Complete Part X of Schedule D . . . . .	892,188	<b>25</b>	970,254
	26 <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	20,681,210	<b>26</b>	20,869,369
	<b>Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	27 Unrestricted net assets . . . . .		<b>27</b>	
	28 Temporarily restricted net assets . . . . .		<b>28</b>	
Net Assets or Fund Balances	29 Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds . . . . .	46,705	<b>30</b>	46,855
	31 Paid-in or capital surplus, or land, building or equipment fund . . . . .	9,738,253	<b>31</b>	10,164,202
	32 Retained earnings, endowment, accumulated income, or other funds . . . . .	12,430,749	<b>32</b>	12,747,410
Net Assets or Fund Balances	33 Total net assets or fund balances . . . . .	22,215,707	<b>33</b>	22,958,467
	34 Total liabilities and net assets/fund balances . . . . .	42,896,917	<b>34</b>	43,827,836

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI 

1	Total revenue (must equal Part VIII, column (A), line 12)	1	17,492,524
2	Total expenses (must equal Part IX, column (A), line 25)	2	16,362,294
3	Revenue less expenses Subtract line 2 from line 1	3	1,130,230
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	22,215,707
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-387,470
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	22,958,467

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII 

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? <input type="checkbox"/>	2a	No
2b Were the organization's financial statements audited by an independent accountant? <input type="checkbox"/>	2b	Yes
2c If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O <input type="checkbox"/>	2c	Yes
2d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? <input type="checkbox"/>	3a	No
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits <input type="checkbox"/>	3b	

2010

Open to Public  
Inspection**SCHEDULE D**  
(Form 990)**Supplemental Financial Statements**

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

Department of the Treasury  
Internal Revenue Service**Name of the organization**

ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE INC

**Employer identification number**

42-0110380

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

- 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?  Yes  No
- 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  Yes  No

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply)
- Preservation of land for public use (e.g., recreation or pleasure)  Preservation of an historically importantly land area
- Protection of natural habitat  Preservation of a certified historic structure
- Preservation of open space

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

	Held at the End of the Year
2a	
2b	
2c	
2d	

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

- 4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

- 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No

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

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

- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?  Yes  No

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

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

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

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

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ► \$ \_\_\_\_\_

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

a Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X ► \$ \_\_\_\_\_

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

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

- a**  Public exhibition  
**b**  Scholarly research  
**c**  Preservation for future generations

- d**  Loan or exchange programs  
**e**  Other

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

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

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

**1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

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

	<b>Amount</b>
<b>1c</b>	
<b>1d</b>	
<b>1e</b>	
<b>1f</b>	

**2a** Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

**b** If "Yes," explain the arrangement in Part XIV

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

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

**2** Provide the estimated percentage of the year end balance held as

**a** Board designated or quasi-endowment ►

**b** Permanent endowment ►

**c** Term endowment ►

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by

**(i)** unrelated organizations . . . . .  Yes  No

**(ii)** related organizations . . . . .  Yes  No

**b** If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .  Yes  No

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

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

	<b>Description of investment</b>	<b>(a) Cost or other basis (investment)</b>	<b>(b) Cost or other basis (other)</b>	<b>(c) Accumulated depreciation</b>	<b>(d) Book value</b>
<b>1a</b> Land . . . . .		160,157			160,157
<b>b</b> Buildings . . . . .		6,505,568	781,637		5,723,931
<b>c</b> Leasehold improvements . . . . .					
<b>d</b> Equipment . . . . .		2,976,083	1,775,517		1,200,566
<b>e</b> Other . . . . .		36,681,664	12,368,179		24,313,485
<b>Total.</b> Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .					31,398,139

**Part VII Investments—Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
<b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 12.) ►		

**Part VIII Investments—Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) INVESTMENTS IN ASSOCIATED COMPANIES	8,593,241	C
<b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 13.) ►	8,593,241	

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
<b>Total.</b> (Column (b) should equal Form 990, Part X, col.(B) line 15.) ►	

**Part X Other Liabilities.** See Form 990, Part X, line 25.

(a) Description of Liability	(b) Amount
Federal Income Taxes	
POSTRETIREMENT BENEFIT OBLIGATION	810,191
DEFERRED CREDITS	68,923
CUSTOMER DEPOSITS	91,140
<b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 25) ►	970,254

2. FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	17,492,524
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	16,362,294
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	1,130,230
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-387,470
9	Total adjustments (net) Add lines 4 - 8	9	-387,470
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	742,760

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	16,778,653
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-713,871
e	Add lines 2a through 2d	2e	-713,871
3	Subtract line 2e from line 1	3	17,492,524
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 )	5	17,492,524

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements	1	15,648,423
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	15,648,423
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	713,871
c	Add lines 4a and 4b	4c	713,871
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 )	5	16,362,294

**Part XIV Supplemental Information**

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

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	THE COOPERATIVE ADOPTED THE PROVISIONS OF FASB ACCOUNTING STANDARDS CODIFICATION TOPIC ASC 740-10 (PREVIOUSLY FINANCIAL INTERPRETATION NO 48, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES), ON JANUARY 1, 2009 THE IMPLEMENTATION OF THIS STANDARD HAD NO IMPACT ON THE FINANCIAL STATEMENTS AS OF BOTH THE DATE OF ADOPTION, AND AS OF DECEMBER 31, 2010, THERE WAS NO UNRECOGNIZED TAX ACCRUAL. THE COOPERATIVE WOULD RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS IN INCOME TAX EXPENSE IF INCURRED. GENERALLY, THE COOPERATIVE IS NO LONGER SUBJECT TO FEDERAL OR STATE TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2007
PART XI, LINE 8 - OTHER ADJUSTMENTS		RETIREMENT OF CAPITAL CREDITS -387,620 MEMBERSHIPS NET CHANGE 150
PART XII, LINE 2D - OTHER ADJUSTMENTS		EXPENSES NETTED TO REVENUE FOR GAAP -712,700 EXPENSES FROM MINNOWA ALLIANCE LLC K-1 -1,171
PART XIII, LINE 4B - OTHER ADJUSTMENTS		EXPENSES NETTED TO REVENUE FOR GAAP 712,700 EXPENSES FROM MINNOWA ALLIANCE LLC K-1 1,171

## Schedule L

## **Transactions with Interested Persons**

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

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

OMB No 1545-0047

2010

## Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

**Name of the organization**

## ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE INC

**Employer identification number**

42-0110380

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

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

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

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ➤ \$ \_\_\_\_\_  
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ➤ \$ \_\_\_\_\_

## **Part II      Loans to and/or From Interested Persons.**

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

### **Part III Grants or Assistance Benefitting Interested Persons.**

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

**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) HAWKEYE INSURANCE ASSOCIATION	EXECUTIVE VP LARRY REED IS ON THE BOARD OF HAWKEYE INSURANCE ASSOCIATION	375,437	HAWKEYE INSURANCE ASSOCIATION HANDLES ALLAMAKEE-CLAYTON ELECTRIC CO-OP'S PENSION PLAN LARRY REED RETIRED ON 6/30/10 FROM THE COOPERATIVE		No

**Part V Supplemental Information**

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

Identifier	Return Reference	Explanation

**SCHEDULE O**  
(Form 990 or 990-EZ)Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**

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

**2010****Open to Public  
Inspection****Name of the organization**

ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE INC

**Employer identification number**

42-0110380

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE HAS ONE CLASS OF MEMBERS WITH EACH MEMBER HAVING EQUAL VOTING RIGHTS

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		ALLAMAKEE-CLAYTON ELECTRIC COOPERATIVE HAS ONE CLASS OF MEMBERS WITH EACH MEMBER HAVING EQUAL VOTING RIGHTS

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		FORM 990 IS REVIEWED BY THE EXECUTIVE VICE PRESIDENT AND GENERAL MANAGER, COOPERATIVE ATTORNEY AND DIRECTOR OF FINANCE BEFORE IT IS FILED THE BOARD OF DIRECTORS WILL BE PROVIDED WITH THE FINAL DRAFT BEFORE IT IS FILED THE DIRECTOR OF FINANCE REVIEWS AND VERIFIES ALL FINANCIAL NUMBERS AND CALCULATIONS TO ENSURE THEY ACCURATELY REFLECT FINANCIAL STATEMENT INFORMATION A QUESTIONNAIRE IS PROVIDED BY THE FORM 990 PREPARER WHICH IS COMPLETED BY THE DIRECTOR OF FINANCE COOPERATIVE BOARD POLICIES AND OPERATING PROCEDURES ARE REVIEWED IN THE PROCESS OF COMPLETING THE QUESTIONNAIRE THE COOPERATIVE ATTORNEY REVIEWS FORM 990 PRIOR TO ITS BEING FILED TO VERIFY THAT QUESTIONS ARE ANSWERED CORRECTLY AND THE FORM IS COMPLETED PROPERLY

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	BOARD GOVERNANCE POLICY NO 407, "CONFLICTS OF INTEREST", IMPOSES A SELF-POLICING REQUIREMENT FOR EACH DIRECTOR TO DISCLOSE SITUATIONS OR CIRCUMSTANCES THAT POSE A CONFLICT OF INTEREST OR THE APPEARANCE OF A CONFLICT OF INTEREST ACCORDING TO THE POLICY, A DIRECTOR MAY REQUEST AN OPINION FROM THE COOPERATIVE'S GENERAL COUNSEL TO DETERMINE IF A PARTICULAR SITUATION POSES A CONFLICT OF INTEREST OR THE APPEARANCE THEREOF. THE POLICY FURTHER ASSIGNS RESPONSIBILITY TO THE BOARD OF DIRECTORS AND THE GENERAL MANAGER WITH ADVICE OF THE GENERAL COUNSEL TO ASSURE COMPLIANCE WITH THE POLICY. THE POLICY REQUIRES EACH DIRECTOR TO ANNUALLY SIGN A CONFLICT OF INTEREST DISCLOSURE STATEMENT

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	IN SETTING SALARIES AND WAGES, THE BOARD OF DIRECTORS CONSIDERS CHANGES TO THE CONSUMER PRICE INDEX AS REPORTED BY THE U.S. DEPARTMENT OF LABOR, THE WAGE ADJUSTMENTS REPORTED BY NEIGHBORING RECS, LOCAL ECONOMIC CONDITIONS, THE COOPERATIVE'S COMPETITIVE POSITION IN THE COMMUNITY AND WITHIN THE INDUSTRY, AREA EMPLOYMENT INFORMATION, THE COOPERATIVE'S FISCAL CONDITIONS, AND ITS FINANCIAL ABILITY. COMPENSATION CHANGES FOR EMPLOYEES ARE REVIEWED BY THE GENERAL MANAGER, DIRECTOR OF FINANCE, AND ACCOUNTANT TO ENSURE COMPENSATION IS IN ACCORDANCE WITH THE COOPERATIVE SALARY AND WAGE PLANS AND/OR UNION CONTRACT. THE SALARY AND WAGE PLAN AND UNION CONTRACT ARE REVIEWED AND APPROVED BY THE BOARD OF DIRECTORS. THE ABOVE PROCESSES WERE UNDERTAKEN IN 2010.

<b>Identifier</b>	<b>Return Reference</b>	<b>Explanation</b>
	FORM 990, PART VI, SECTION C, LINE 19	DOCUMENTS ARE AVAILABLE UPON WRITTEN REQUEST

Identifier	Return Reference	Explanation
	FORM 990, PART VII, COLUMN F, OTHER COMPENSATION	INCLUDED IN OTHER COMPENSATION IS THE ESTIMATED CURRENT YEAR INCREASE OR DECREASE IN THE ACTUARIAL VALUE OF THE DEFINED BENEFIT PLAN FOR THE EXECUTIVE VP/GENERAL MANAGER AND DIRECTOR OF FINANCE/ADMIN SERVICES. THE CURRENT YEAR INCREASE OR DECREASE DOES NOT REPRESENT CURRENT YEAR CONTRIBUTIONS TO THE PLAN. RATHER, IT IS AN ESTIMATE OF THE INCREASE OR DECREASE IN THE ACTUARIAL VALUE OF THE PLAN AS CALCULATED BY THE PLAN ADMINISTRATOR

Identifier	Return Reference	Explanation
	FORM 990, PART IX, LINE 24E STATEMENT OF FUNCTIONAL EXPENSES	THE LABOR, PENSION AND PAYROLL TAXES REPORTED ON LINES 6-10 ARE INCLUDED IN DISTRIBUTION EXPENSE, ADMINISTRATIVE & GENERAL EXPENSE AND CUSTOMER EXPENSE THEREFORE, LABOR, PENSION AND PAYROLL TAXES ARE SHOWN AS A REDUCTION TO OTHER EXPENSES ON LINE 24E

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	RETIREMENT OF CAPITAL CREDITS -387,620 MEMBERSHIPS NET CHANGE 150 TOTAL TO FORM 990, PART XI, LINE 5 -387,470