



CAPITAL ELECTRIC
COOPERATIVE

CAPITAL ELECTRIC COMMENTS

Capital Electric Cooperative • Bismarck, N.D.
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1-877-853-5928 Pay-By-Phone
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MAY 2016



COURTESY PHOTO

The Freedom Riders of North Dakota Motorcycle Club members have a passion for riding, building brotherhood and serving the community. In this month's local pages, learn how the Freedom Riders support local Disabled American Veterans — and how Capital Electric Cooperative members do, too, through the co-op's Operation Round Up program.

MAY 2016 IN THIS ISSUE

- Committed to community, co-op distributes grants
- Opt into Operation Round Up
- Co-op announces board candidates
- Save the date for the annual meeting
- Meeting minutes ... and more!



COMMITMENT TO COMMUNITY

Making a difference together, with Operation Round Up

BY CARMEN DEVNEY



COURTESY PHOTO

In April, the Freedom Riders held their 36th annual Bike Show in Bismarck, displaying motorcycles from classic antiques to custom-built bikes. During the show, the club held its high-energy charity auction and raised \$70,000. They gave \$50,000 to the local DAV chapter and \$20,000 to Carrie's Kids.

Don't be fooled by their leather vests, jackets and chaps. The Freedom Riders of North Dakota Motorcycle Club members might look tough — but they have tender hearts.

For the past 40 years, members have shared their passion for riding, building brotherhood and serving the community. With assistance from local businesses and organizations, the Freedom Riders have raised and given a substantial amount of money to two charities dear to their hearts: Carrie's Kids, a volunteer ministry that works to assist Carrie Grosz in creating a safe and learning environment for children and teens, and the local Adam Klein chapter of the Disabled American Veterans (DAV), a nonprofit charity that provides a lifetime of support for veterans and their families.

Capital Electric Cooperative is one of many businesses that has given donations to the Freedom Riders over the years. In February, the Freedom Riders applied for and received an Operation Round Up grant, courtesy of participating cooperative members. The money will be given to the DAV, which assists local veterans with transportation to medical appointments at the Fargo VA Medical Center.

Marty Presler, a veteran and longtime member of the Freedom Riders, is a Capital Electric Cooperative member who was familiar with the Operation Round Up program,

in which electric cooperative members round up their monthly utility bills to the nearest dollar and donate their change to local individuals, groups or charities with a specific need. He filled out the paperwork for the grant on behalf of the club, and accepted the check at a ceremony at cooperative headquarters. For many years, Presler has helped spearhead fundraising efforts for the Freedom Riders and says its members feel strongly about helping those who suffer in the community.

For almost a decade, the club's near-50 members have volunteered their time to collect donations and auction items for a live auction held in conjunction with their annual Freedom Riders Bike Show held in April.

"Our first auction donated a humble \$16,000. Now, the auction and raffle have grown to \$70,000," Presler says. "Over the last 9 years, the Freedom Riders have raised and given away almost \$400,000 — and all of it has stayed right here in our community, going directly to the DAV Adam Klein Chapter and Carrie's Kids."

Presler says the amount has grown as people have become more aware of what the Freedom Riders are doing and where the proceeds are going.

The Freedom Riders started supporting the local DAV years ago, when the organization lost federal funding. Many of the club's members, who are veterans themselves, didn't want the loss to affect local veterans so they decided to provide assistance.

"Without the volunteer work of the Freedom Riders and without donations from local businesses and organizations, the local DAV program would suffer," Presler continues.

"Local businesses and organizations are the key to our auction success. We need their support in providing donations and auction items. Capital Electric is one of the organizations that provides us that support, and the Freedom Riders greatly appreciate this Operation Round Up grant."

For information on the Freedom Riders of North Dakota Motorcycle Club, visit www.freedomridersnd.com. To learn more about Carrie's Kids, go to www.carrieskids.com. To learn more about Disabled American Veterans, visit www.dav.org and click on "Find Your Local Office." **CEC**

Do YOU participate in the Operation Round Up program?

Call the co-op and opt in today!

Fifteen of the state's 16 electric distribution cooperatives participate in the Operation Round Up program. In this voluntary program, co-op members round up their monthly electric bills to the next dollar, and donate their change to worthy individuals, groups and organizations in their respective co-op's service area. The money is placed in a trust where it accumulates, and the trust's board of directors — who are also co-op members — meet regularly to review applications and disburse funds in the form of grants. All of the money raised by members stays in their local communities. On average, participating members donate about \$6 a year. The donation is tax-deductible, and members who

participate will receive a summary on their last billing statement of the year.

Capital Electric Cooperative implemented the program in August 1997. Since then, more than 31 million pennies in Operation Round Up funds have been donated and spread across the co-op's service area. About 5,700 co-op members currently participate in Operation Round Up, and their collective pennies generate almost \$3,000 a month. Together, we can do more!

Members, please call the co-op at 701-223-1513 to verify that you participate in the Operation Round Up program, or to opt into the program. Every member's small donation truly does add up to make a big difference. **CEC**



COURTESY PHOTO

The Freedom Riders of North Dakota Motorcycle Club members meet monthly and host scheduled charity motorcycle rides including Jan's run, an event that raises funds for adolescent cancer victims. Members also volunteer time to serve many local charities, and on Christmas morning, they collect and deliver toys, clothes, food and supplies to area families in need.



PHOTO BY CARMEN DENNEY

Marty Presler, member of the Freedom Riders of North Dakota Motorcycle Club, accepted an Operation Round Up grant from **Barb Handy-Marchello**, a board member for the co-op's Charitable Trust. Presler says the grant will be given to the Disabled American Veterans chapter in Bismarck, to help transport veterans to medical appointments in Fargo.

Charitable Trust awards grants

The board members who serve on the Capital Electric Cooperative Charitable Trust meet two times a year to review Operation Round Up applications and award grants. In February, Roger Christianson, Jerry Doan, LeAna Hug, Barb Handy-Marchello and Jim McCullough reviewed applications that were submitted by Jan. 31.

The board members awarded seven grants totaling \$14,500. Checks were distributed during a presentation ceremony on Feb. 16 at co-op headquarters in Bismarck. The following individuals and organizations received assistance from participating Capital Electric members and the co-op's Operation Round Up program:

- Abused Adult Resource Center
- Wing Public School
- Tracy's Sanctuary House
- A community resident for a medical need
- Baptist Health Care Center
- Freedom Riders/Disabled American Vets
- Ministry on the Margins

The next application deadline will be July 29. Any person in the counties of Burleigh and Sheridan may submit an application to receive an Operation Round Up grant. To request an application, call Capital Electric Cooperative at 701-223-1513 or download the form at www.capitalelec.com (click "Member Services" and "Operation Round Up"). **CEC**

Co-op announces candidates seeking board of director positions

Electing to serve three-year terms, the nine co-op members who make up the Capital Electric Cooperative board of directors set policies and make decisions that provide the membership with safe, affordable and reliable electric service.

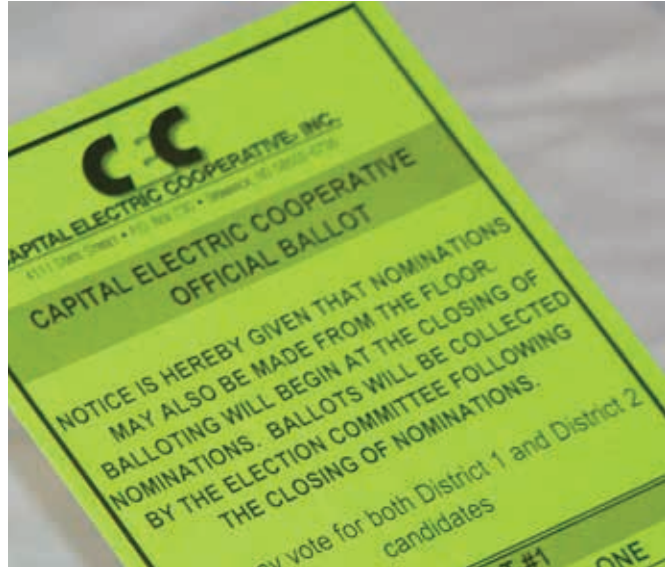
At this year's annual meeting on June 1, members will elect three people to serve and carry on the traditions of Capital Electric while planning for the future. The open board seats include one currently held by Sheri Haugen-Hoffart in District 1, and two held by David Liuska and Arlene Olson in District 2. Haugen-Hoffart and Olson are seeking re-election to their respective seats on the board. After serving on the Capital Electric Cooperative board of directors for 33 years, Director Liuska chose not to seek re-election. We thank him for his time and service, and great dedication to our cooperative.

The Nominating Committee recruited candidates and met on April 12 to review the list of potential candidates. Two people were nominated from District 1 and five were nominated from District 2. In addition, interested candidates can have their names added to the ballot by petition at least 30 days prior to the annual meeting or from the floor at the meeting.

Capital Electric is pleased to announce that the following candidates have met eligibility requirements and will have their names placed on the ballot at the annual meeting:

DISTRICT 1:

- Dave Charles
- Sheri Haugen-Hoffart



DISTRICT 2:

- Richard Koski, 2A
- Andrew Frohlich, 2B
- Arthur Hendrix, 2B
- Vernon Laning, 2B
- Arlene Olson, 2B

Candidates will be given a brief time allotment at the annual meeting to introduce themselves and explain their qualifications. Members will then vote for one candidate from District 1 and two candidates from District 2. Official notice of Capital Electric's 70th annual meeting will be mailed to members later this month. **CEC**

Save THE DATE | JUNE 01 2016

- WHAT:** Capital Electric annual meeting
- WHERE:** Ramkota Hotel, Bismarck
- WHY:** To learn about co-op issues; to cast your vote and elect three members to serve on the board of directors; to collect a capital credit check if you qualify; and to enjoy entertainment and eat a free meal.

Who can vote at the annual meeting?

With June 1 quickly approaching, we often receive questions as to who can and who cannot vote for director positions and ballot issues during this meeting. To clarify: Only members of the cooperative are eligible to vote, and they can cast only one vote for their membership, regardless of the number of accounts that member has with the cooperative. For example, if the membership is in the husband's name only, only the husband is eligible to vote; he cannot transfer that ability to vote to his spouse or another person.

If the membership is a joint membership, in the name of both the husband and wife, the presence of either or both at the meeting shall be regarded as the presence of one member at the annual meeting. A vote of either joint member separately, or both jointly, shall constitute one vote. Both joint members are not eligible to vote individually.

If the membership is in the name of a sole proprietorship or a partnership, only the owner(s) of that business may vote. A sole proprietor or partner cannot authorize a nonowner of the business to vote.

In the absence of written notice that some person has been designated to represent a member who is other than a natural person — for instance, a township, school or an incorporated business — such member may be represented by any of its principal officers. If a member who is other than a natural person is not represented by any of its principal officers, such member may designate a natural person to represent it by giving the cooperative written notice at or before the member meeting, which shows that the named representative has been authorized by the managing board of such member to represent it at the meeting of the cooperative. An authorization form is

printed below for this purpose. The form can also be accessed online by going to www.capitalelec.com and clicking on "Forms" and then "Annual Meeting Appointment of Voting Representative."

An individual may represent only one non-natural member, and may also vote as an individual if he or she is a member.

Voting by proxy will not be allowed because the presence of as many members as possible is desired at all meetings of the membership. Proxy voting has the tendency to discourage actual attendance at membership meetings.

A complete version of the membership voting rules can be found in Article III, Section 5 of the Capital Electric Cooperative bylaws. If you have any questions, give the office staff at Capital Electric a call at 701-223-1513. We look forward to seeing you at the annual meeting on June 1! **CEC**

APPOINTMENT OF VOTING REPRESENTATIVE FORM

A membership in Capital Electric Cooperative, Inc. may be held in the name of a corporation, church, school district or other political subdivision, cooperative, association or other organization. If your organization is to be represented at our annual meeting, complete this form and either deliver it to Capital Electric Cooperative anytime prior to noon June 1, or your authorized representative can present this completed form at the registration desk at the meeting.

This is not a proxy statement. Residential and privately owned business customers (i.e. sole proprietorships, partnerships, etc.) cannot use this form. They must vote in person at the annual meeting.

Mail forms EARLY to:
Capital Electric Cooperative Inc.
RE: Annual Meeting
P.O. Box 730, Bismarck, ND 58502-0730

This certifies that _____ is appointed the voting representative for the following organization _____ (full legal name) which has service at _____ and is authorized to cast the vote of, and otherwise represent this organization in all matters at the _____ (year) annual meeting of the members of Capital Electric Cooperative Inc. or any adjournment thereof.

Organization Name (Print) _____
Is Organization a Corporation? _____
Name of Officer/Official (Print) _____
Title _____ Date _____
Officer's Phone # _____
Officer's Signature _____

**Must be signed by officer or authorizing official*



Bylaw change to be voted upon at annual meeting

Capital Electric Cooperative's board of directors has unanimously approved a proposal to change the cooperative's director districts. The change would be effected in the form of an amendment to the cooperative's bylaws. The proposed changes are listed below. Please note that words deleted from existing bylaw language in the proposal have been struck through, and words added in the proposal have been underlined. This proposed change to the bylaws will be voted upon by the membership at Capital Electric Cooperative's annual meeting on June 1, 2016. It will take a majority of members voting for the change at that meeting for it to become effective. If adopted, the director district changes will take effect in 2017.

The proposed change will make the bylaws easier to understand and continue the proportional representation within each new district. Each new district will have a similar number of members.

The director district changes are being made in the "Nominations and Elections" section of the cooperative's bylaws. In that section, the proposal replaces the district identifiers "District 2, Subdistrict 2A" and "District 2, Subdistrict 2B" with "District 2" and "District 3". District 1, which encompasses the cooperative's service area in south Bismarck, will be expanded to the east and partially to the north. District 2, which now consists of two subdistricts, 2A and 2B, will be divided in more of a north to south manner and split into District 2 and District 3.

The proposed bylaw change retains the role of a Nominating Committee of cooperative members in each of the districts to name director candidates to the board. The proposal states that each of the three newly created districts will elect three (3) members to the board. The proposed changes will continue to say the committee should make nominations that provide for a dispersed geographical representation within the respective districts. In order to ensure there are three (3) board members from each district and each year one (1) member from each district is up for re-election, terms of existing board members may be shortened until the terms are staggered correctly.

(DRAFT)

YOU ARE NOTIFIED, that one of the items of business is a proposal to amend Article III, Section 7, **Voting Districts**, of the Bylaws of the Cooperative as follows:

ARTICLE III MEETINGS OF MEMBERS

Section 7. Voting Districts. Beginning with the annual membership meeting in the year ~~2017~~2016, the territory served or to be served by the Cooperative shall be divided into ~~three (3) two (2)~~ districts, one to be called "District 1," ~~and one to be called "District 2," and one to be called "District 3,"~~ District 2 shall be further divided into two (2) subdistricts, one to be called "Subdistrict 2A" and one to be called "Subdistrict 2B" to be defined as follows:

DISTRICT 1

Township 139-75.....	Driscoll	Burleigh County
Township 139-76.....	Sterling	Burleigh County
Township 139-77.....	McKenzie	Burleigh County
Township 138-75.....	Thelma	Burleigh County
Township 138-76.....	Taft	Burleigh County
Township 138-77.....	Logan	Burleigh County
Township 138-78.....	Boyd	Burleigh County
Township 138-79.....	Apple Creek	Burleigh County
Township 138-80.....	Lincoln	Burleigh County
Township 137-75.....	Wild Rose	Burleigh County
Township 137-76.....	Long Lake	Burleigh County
Township 137-77.....	Morton	Burleigh County
Township 137-78.....	Telfer	Burleigh County
Township 137-79.....	Missouri	Burleigh County
Township 137-80.....	Fort Rice	Burleigh County
Township 136-76.....	Dana	Emmons County
Township 136-77.....	Buchanan Valley	Emmons County
Township 136-78.....	Emmons County
Township 136-79.....	Emmons County

DISTRICT 2 SUBDISTRICT 2A

Township 146-74.....	Goodrich	Sheridan County
Township 146-75.....	Denhoff	Sheridan County
Township 146-76.....	Lamont	Sheridan County

Township 146-77.....	McClusky	Sheridan County
Township 146-78.....	Pickard	Sheridan County
Township 145-74.....	Mauch	Sheridan County
Township 145-75.....	Sperry	Sheridan County
Township 145-76.....	Whittaker	Sheridan County
Township 145-77.....	John's Lake	Sheridan County
Township 145-78.....	Edgemont	Sheridan County
Township 144-75.....	Hazel Grove	Burleigh County
Township 144-76.....	Florence Lake	Burleigh County
Township 144-77.....	Schrunk	Burleigh County
Township 144-78.....	Steiber	Burleigh County
Township 144-79.....	Wilson	Burleigh County
Township 143-75.....	Phoenix	Burleigh County
Township 143-76.....	Richmond	Burleigh County
Township 143-77.....	Canfield	Burleigh County
Township 143-78.....	Estherville	Burleigh County
Township 143-79.....	Grass Lake	Burleigh County
Township 142-75.....	Harriet	Burleigh County
Township 142-76.....	Wing	Burleigh County
Township 142-77.....	Rock Hill	Burleigh County
Township 142-78.....	Ghylin	Burleigh County
Township 142-79.....	Ecklund	Burleigh County
Township 142-80.....	Painted Woods	Burleigh County
Township 142-81.....	Painted Woods	Burleigh County
Township 141-75.....	Lein	Burleigh County
Township 141-76.....	Lyman	Burleigh County
Township 141-77.....	Trygg	Burleigh County
Township 140-75.....	Clear Lake	Burleigh County
Township 140-76.....	Christiania	Burleigh County
Township 140-77.....	Sibley Butte	Burleigh County
Township 140-78.....	Frances	Burleigh County
Township 140-79.....	Naughton	Burleigh County
Township 139-78.....	Menoken	Burleigh County
Township 139-79.....	Gibbs	Burleigh County
Township 139-80 (East ½).....	Hay Creek	Burleigh County

DISTRICT 3 SUBDISTRICT 2B

Township 146-76.....	Lamont	Sheridan County
Township 146-77.....	McClusky	Sheridan County
Township 146-78.....	Pickard	Sheridan County
Township 145-76.....	Whittaker	Sheridan County
Township 145-77.....	John's Lake	Sheridan County
Township 145-78.....	Edgemont	Sheridan County
Township 144-77.....	Schrunk	Burleigh County
Township 144-78.....	Steiber	Burleigh County
Township 144-79.....	Wilson	Burleigh County
Township 143-77.....	Canfield	Burleigh County
Township 143-78.....	Estherville	Burleigh County
Township 143-79.....	Grass Lake	Burleigh County
Township 142-78.....	Ghylin	Burleigh County
Township 142-79.....	Ecklund	Burleigh County
Township 142-80.....	Painted Woods	Burleigh County
Township 142-81.....	Painted Woods	Burleigh County
Township 141-75.....	Lein	Burleigh County
Township 141-76.....	Lyman	Burleigh County
Township 141-77.....	Trygg	Burleigh County
Township 141-78.....	Cromwell	Burleigh County
Township 141-79.....	Crofte	Burleigh County
Township 141-80.....	Glenview	Burleigh County
Township 141-81.....	Riverview	Burleigh County
Township 140-75.....	Clear Lake	Burleigh County
Township 140-76.....	Christiania	Burleigh County
Township 140-77.....	Sibley Butte	Burleigh County
Township 140-78.....	Frances	Burleigh County
Township 140-79.....	Naughton	Burleigh County
Township 140-80.....	Burnt Creek	Burleigh County
Township 140-81.....	Riverview	Burleigh County
Township 139-75.....	Driscoll	Burleigh County
Township 139-76.....	Sterling	Burleigh County
Township 139-77.....	McKenzie	Burleigh County
Township 139-78.....	Menoken	Burleigh County
Township 139-79.....	Gibbs	Burleigh County

Township 139-80 (West ½)	Hay Creek	Burleigh County
Township 139-81	Hay Creek	Burleigh County
Township 138-75	Thelma	Burleigh County
Township 138-76	Toft	Burleigh County
Township 138-77	Logan	Burleigh County
Township 137-75	Wild Rose	Burleigh County
Township 137-76	Long Lake	Burleigh County
Township 137-77	Morton	Burleigh County
Township 136-76	Dana	Emmons County
Township 136-77	Buchanan Valley	Emmons County

YOU ARE FURTHER NOTIFIED, that one of the items of business is a proposal to amend Article IV, Section 3, **Nominations and Elections**, of the Bylaws of the Cooperative as follows:

ARTICLE IV DIRECTORS

Section 3. Nominations and Elections.

(a) Nomination of Directors: It shall be the duty of the Board of Directors to appoint, not less than thirty days nor more than one hundred-twenty days before the date of the meeting of the members at which directors are to be elected, a committee on nominations consisting of not more than eleven members who shall be selected from each of the districts so as to insure equitable representation. No member of the Board of Directors may serve on such a committee. The committee shall prepare and post at the principal office of the Cooperative at least thirty-five days before the meeting a list of nominations for directors. It is recommended that at least two candidates be nominated from "District 1" and at least four candidates be nominated from "District 2" by the committee from each district. The committee shall nominate candidates that provide for a dispersed geographical representation within the respective districts. Any fifteen or more members acting together may make other nominations by petition not less than thirty days prior to the meeting and the secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. The secretary shall mail with the notice of the meeting, a statement of the number of directors to be elected and the names and addresses of the candidates. The names shall be arranged by districts, and/or subdistricts, and shall specify separately the nominations made by the committee on nominations and also the nominations made by petition, if any. Nothing contained herein shall, however, prevent additional nominations from the floor at the meetings of the members. The members may, at any meeting at which director or directors shall be removed as hereinbefore provided, elect a successor

or successors thereto without compliance with the foregoing provisions with respect to nominations, except that the new director must reside in the same district as the directors in respect to whom the vacancy occurs. Notwithstanding anything contained in this section, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of directors.

(b) Election of Directors: Election of directors shall be by printed ballot. The ballots shall list the candidates nominated by the committee on nominations and by petitions, if any, arranged by districts, and/or subdistricts. A candidate nominated from the floor of the meeting may be voted for by writing in the name of such candidate beneath the names of the candidates nominated by the committee on nominations and by petitions, if any, of the particular district, and/or subdistrict. The board of directors will have the authority to provide for staggered board terms as necessary to ensure there is one director from each district up for re-election each year. At such time the board terms have been appropriately staggered, Each member of the Cooperative present in person at the annual meeting shall be entitled to vote for one candidate from "District 1," and two candidates one candidate from "District 2," and one candidate from "District 3." Beginning with the annual membership meeting in the year ~~2005~~2017, at least two directors from "District 2" shall reside in Subdistrict 2A and at least two directors shall reside in Subdistrict 2B. In the event the minimum geographical dispersity requirement is not met, then only members who reside in the subdistrict with a vacancy or vacancies may be nominated and elected. ~~Directors shall be nominated and elected first to fill the subdistrict vacancies, if any, on the Board of Directors as the same shall fall vacant in the year 2005, as the Board of Directors is then constituted. The candidate(s) receiving the highest number of votes in a vacant subdistrict, if any, shall be deemed to be elected director from that subdistrict and district. As soon as the Board of Directors has achieved the minimum geographical dispersment required, remaining vacancies, if any, on the Board in "District 2" shall be elected at large and the candidate receiving the highest number of votes cast shall be deemed elected. Annually thereafter, vacancies in "District 2" on the Board shall be filled in a like manner, with minimum subdistrict vacancies filled first, followed by election of remaining directors, if any, at large. The candidate receiving the highest number of votes cast for the candidates in "District 1," "District 2," and "District 3" shall be deemed to be elected from that district. A director shall be elected for a three-year term and until his successor shall have been elected and qualified.~~

The presiding officer at each annual meeting of the members shall appoint an election board to consist of three members from "District 1," and ~~six~~ three members from "District 2," and three members from "District 3" present at such meeting. In the event of a tie vote, the election shall be determined by lot in such manner as shall be selected or determined by said election board.

The maps to the right reflect the boundaries of the current districts, 1, 2 and 2A, and the proposed new districts, 1, 2 and 3.

CURRENT DISTRICTS



District 1 - 5,115
District 2A - 534
District 2B - 10,668
Total members - 16,317

PROPOSED NEW DISTRICTS



District 1 - 5,383
District 2 - 5,540
District 3 - 5,394
Total Members - 16,317

Board minute excerpts March 24, 2016

The regular meeting of the Board of Directors of Capital Electric Cooperative, Inc., was held Thursday, March 24, 2016, at the Grand International Inn in Minot, North Dakota, following the Central Power Electric Cooperative annual meeting, pursuant to due notice to all directors.

All directors were present at that time except Bill Patrie. Kyle Hilken was attending the Central Power reorganizational meeting and arrived at 11:50 a.m.

Financial review: Prior to the board meeting, Directors Olson and Eckroth reviewed the February 2016 check register and expenditures. Olson reported all checks were in order. It was moved, seconded and carried to approve February expenditures in the amount of \$3,238,784.17.

Business Department report: The Manager reviewed the February financial and statistical report with the Board. The total kilowatt-hour (KWH) sales for February 2016 were below budget by 16 percent. The actual monthly electric revenue was below budget by 12.5 percent. The total margin for February was \$59,600 compared to the budgeted margin of \$43,146, above budget by \$16,484.

Capital Electric began billing 30 new services in February, bringing our active services to 19,262 versus 18,564 at this time last year, or a net increase of 698 accounts over the last 12 months.

The Manager reviewed the comparison of actual-to-budgeted expenses for the month of February 2016. Accounts receivable balances as of March 22, 2016, were also reviewed.

Eide Bailly audit: Eide Bailly will be doing fieldwork in our office the week of April 4. Eide Bailly plans to present their findings at the April board meeting.

Capital Credit allocation: Following review and recommendation by management, it was moved, seconded and carried to allocate the 2015 margin of \$1,187,430.26, made up of \$289,039.09 in "CO-OP" patronage and \$898,391.17 in "G&T" patronage.

Capital Credit retirement: It was moved, seconded and carried to retire 100 percent of the remaining "Co-op" portion of 1999 unretired capital credits that carries a current unretired balance of \$481,642.53.

Forms for General Manager change: It was moved, seconded and carried to approve and authorize officer signatures on the following documents to add Paul Fitterer when he assumes the position of General Manager:

Authority to submit/grant access to Data (RUS) – Resolution
Certificate of Authority (RUS) – Resolution
Incumbency Certificate – (CoBank)
Banking Resolution/Forms – Resolution for First Community Credit Union and Dakota Community Bank.

McLean Sheridan Rural Water: It was moved, seconded and carried to approve Revision 27 to Exhibit A Rate Credit Recalculation with McLean Sheridan Joint Water Resource.

Project Use Power: Garrison Diversion Conservancy District has an irrigation pump

that is eligible for a fixed allocation of power under a Project Use Power (PUP) contract with the Bureau of Reclamation. It was moved, seconded and carried to authorize execution of the contracts as proposed.

Policy IV-8 Energy Conservation: Capital Electric files UCC financing statements with the state and county when our members take out Energy Resource Conservation loans. The filing fees have increased. Modifications to the policy would allow for the fee to be equal to the UCC fees that Capital Electric incurs at the time of the loan instead of a fixed amount. This will allow us to charge the correct fees without having to update the policy each time the fees change.

It was moved, seconded and carried to approve Policy IV-8.

New Business Manager: Luke Steen has accepted the position of Business Manager.

CoBank loan repricings: Two CoBank notes were recently up for re-pricing. Both notes were repriced for one year.

Estate retirements: Following review of the financial condition of the cooperative and recommendation by management, it was moved, seconded and carried to authorize payment of capital credits to the following deceased members' estates:

Name	Amount
Lloyd Quale	\$2,338.37

Engineering and Operations report: The Manager reviewed the written report from the Engineering and Operations department. We completed two work orders this month, adding three new consumers to the system.

Fisher continues to trench in new services and VIP continues to work on our overhead rural rebuild.

Three employees attended the 2016 ND REC Engineering and Operations Conference on March 1, 2 and 3, 2016.

Our crews are busy doing our annual line inspection.

Member Services department: The Manager reviewed the member service written report.

Capital Electric member applying for USDA Rural Business Development grant: We are working with a member to assemble the required information to apply for a Rural Business Development grant through the United States Department of Agriculture. The grant will help offset the geothermal equipment cost for the building.

Communications and Public Relations department:

- Scholarship winner:** Natasha Hesse of Bismarck was awarded the \$1,000 Basin Electric Power Cooperative scholarship.
- Website – ADA Compliance:** The Americans with Disabilities Act requires websites to contain information in a format that can be assed via readers who will translate the information into a verbal format. Capital Electric is working with Touchstone Energy® Cooperative's Co-op Web Builder group on making our site compliant.

Safety report: There were no lost-time accidents this month.

Kari Schultz, American Red Cross, was at our shop Feb. 24, 2016 conducting adult first aid/CPR/AED training.

Jeff Tweten, safety instructor from the North Dakota Association of Rural Electric Cooperatives (NDAREC), was at our shop March 9, 2016 conducting a safety meeting on ATV/snowmobile safety. He also gave a short presentation on shoring of underground splice pits.

Without objection, the Safety report was approved.

Federated: The Loss Analysis for 1-1-2011 to 12-31-2015 was reviewed. We have few loss claims.

Bylaw amendment: After discussion, it was moved, seconded and carried to recommend to the members the adoption of the amendment to Article III and Article IV as proposed.

Central Power report: There was no report as the directors attended the Central Power annual meeting March 23 and 24.

Basin Electric report: The written report of Troy Presser was reviewed.

An appraiser has been hired to do the appraisal on the radar tower site.

NDAREC: There was no meeting this month.

National Rural Electric Cooperative Association meeting report: The talking points of the March 17 meeting were reviewed.

Midwest Electric Consumers Association: The Congressional briefing was reviewed.

Adjournment: There being no further business to come before the meeting, without objection, the regular meeting was adjourned. **CEC**

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