

## Board minute excerpts **MARCH 23**

The regular meeting of the board of directors of Capital Electric Cooperative Inc. was held on Thursday, March 23 at 11:30 am. The meeting was held in person at SRT Communications, 3615 North Broadway, Minot, pursuant to due notice to all directors. The following director was not present: Dwight Wrangham.

Also attending were: Manager Paul Fitterer, Business Manager Luke Steen, Operations Manager Rick Dressler, Engineering Services Manager Greg Owen, Energy Services Manager Josh Schaffner, Manager of Communications and IT Wes Engbrecht and Attorney Zachary Pelham of Pearce Durick PLLC, who acted as recording secretary.

**Financial Review:** Prior to the board meeting, Directors Deon Vilhauer and Kayla Pulvermacher reviewed the February check register and expenditures. They advised all checks and expenditures were in order. The financial review was approved as presented.

### **Management Reports (Business Department, Operations Department, Engineering Services, and Energy Services and Communications/IT):**

**Business Department Report:** Steen presented the February financial and statistical report to the board.

The total kilowatt-hour sales for February were below budget by 11.1%. The monthly electric revenue was below budget by 4.6%.

Capital Electric's February gross load factor was under budget by 6.49%.

The operating margin for February was -\$130,738, behind the budgeted amount of -\$45,360. The total margin for February was -\$98,773, which was behind the budgeted -\$35,192.

Capital Electric began billing eight new services in February, bringing our active services to 21,979 versus 21,683 at this time last year, or a net increase of 296 accounts over the last 12 months.

The cash flow statement and monthly power cost for February were reviewed. Accounts receivable balances as of March 21 were reviewed.

**Estate Retirements:** Following review of the financial condition of the cooperative and recommendation by management, payment to five member estates totaling \$4,030.40 was approved.

**2022 Rural Utilities Service (RUS) Form 7:** Steen reported the certified copy of the RUS Form 7 has been completed, submitted to RUS and will be submitted to the auditors.

**2022 Capital Credit Allocation:** Following discussion, approval of the allocation of 2022 capital credits, pending final review

by auditors, was made as follows:

G&T .....	\$3,191,224.08
Co-op.....	\$ 80,372.37
Total.....	\$3,271,596.45

**Capital Credit Retirement:** Following discussion, the general retirement of \$1,836,746.55 in capital credits was approved, which includes:

- G&T: \$718,081.71 from 2004
- Co-op: \$566,060.10 from 2003 and \$552,604.74 from 2004, totaling \$1,118,664.84.

**McLean Sheridan Rural Water:** Following discussion, the annual rate adjustment was approved as presented for McLean Sheridan Rural Water District.

**Garrison Diversion/Western Area Power Administration Contract:** Following discussion, the annual rate adjustment was approved as presented for the Garrison Diversion and Conservancy District.

**Operations Report:** Dressler reviewed the written report from the operations department. Dressler reported construction materials were being delivered for the upcoming construction season, crews continued snow removal efforts systemwide, and crews assisted Central Power Electric Cooperative with the changing out of a transmission pole on the Pebble Creek Golf Course.

**Contractor Price Quotes:** Following discussion, contractors and their price quotes were approved as presented.

**Safety Report:** There were no lost-time accidents in March. A representative of Bismarck-Burleigh County Public Health held training on the application of Narcan.

**Engineering Services Report:** Owen reviewed the written report from engineering services. No work orders were completed in February. Owen reported on the progress of discussions with data mining companies, the construction work plan and contractor pricing.

**Work Order Inventory:** Following discussion, work order inventory No. 507 was approved.

**Energy Services:** Schaffner reviewed the energy services report.

Thirty service orders were completed in February. Schaffner reported on energy services covering the Touchstone Energy® booth at the 2023 Bismarck-Mandan Home Show, working to address a member power quality issue and development of information for the website related to rate changes.

**Rural Economic Development Loan:** Following discussion, the application of Two Track Malting Company's rural

economic development loan was approved.

**Communications and IT:** Engbrecht reviewed the communications and IT report. Engbrecht reported on the Operation Round Up board meeting to approve grants in the amount of \$28,500, planning of the 2023 annual meeting and attendance at the Burleigh County Township Officers Association meeting.

**Basin Electric Power Cooperative:** Fitterer reported on Basin matters.

**Central Power Electric Cooperative:** David Straley reported on the annual meeting.

**Industry Update:** Fitterer reviewed materials related to power markets and general cooperative news.

**North Dakota Association of Rural Electric Cooperatives:** Vilhauer reported on the March 16 board meeting.

**National Information Solutions Cooperative Annual Meeting:** Fitterer reported on annual meeting.

**BEK Annual Meeting:** Fitterer reported on the upcoming annual meeting.

**Adjournment:** There being no further business, the meeting was adjourned. ☺

### **CAPITAL ELECTRIC COOPERATIVE**

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### **BOARD OF DIRECTORS:**

Deon Vilhauer, Pres. ....	Bismarck
Dave Charles, V. Pres. ....	Bismarck
David Straley, Sec.-Treas. ....	Bismarck
Kyle Tschosik, Asst. Sec.-Treas. ....	Bismarck
Rex Hollenbeck.....	McClusky
Dwight Wrangham.....	Bismarck
Kayla Pulvermacher.....	Bismarck
Lyndon Anderson .....	Bismarck
Sara Vollmer.....	Wing

### **OFFICE HOURS:**

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