

The regular meeting of the board of directors of Capital Electric Cooperative was held on Feb. 28. All directors were present.

Also present were: Manager Paul Fitterer, Business Manager Luke Steen, Operations Manager Jeff Holzer, 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 Kyle Tschosik and Sara Vollmer reviewed the January check register and expenditures. They advised that all checks and expenditures were in order. The financial review was approved as presented.

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

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

Revenue was ahead of budget for January, as \$4,379,478 was generated in comparison with the budgeted figure of \$4,337,995 (favorable variance of \$41,482 or 1%).

Capital Electric's January net load factor was just ahead of budget by 0.49%.

The operating margin for January was 177,284, ahead of the budgeted amount of \$137,962. The total margin for January was \$178,284, which was ahead of the budgeted \$142,873.

Capital Electric began billing 14 new services in January, bringing our active services to 22,536 versus 22,247 at this time last year, or a net increase of 289 accounts over the last 12 months.

The cash flow statement as of Jan. 31 was reviewed.

Estate Retirements: Following review of the financial condition of the cooperative, nine estate payments totaling \$5,398.72

were authorized.

Lincoln Franchise Agreement: Fitterer reviewed the proposed electric franchise agreement. Following discussion, the board accepted and executed the agreement as presented.

Operations Report: Holzer reviewed the written report from the operations department. Holzer reported annual line inspections were nearing completion, connection of new residential services continued and monthly substation inspections resulted in discovery of minor repairs needed at the Sterling substation.

Safety Report: There were no lost-time accidents since the last board meeting. The North Dakota Association of Rural Electric Cooperatives (NDAREC) safety instructor conducted first-aid/CPR training in February.

Engineering Services Report: Owen reviewed the written report from engineering services. Four work orders were completed in January. Owen reported on ongoing and upcoming projects, including completion of three new service lines, continued work to convert overhead lines to underground lines at the Brownsville subdivision and work on single-phase distribution for the residential buildout at the Summit Point subdivision.

Wildfire Mitigation Plan: Owen reviewed a draft wildfire mitigation plan.

Energy Services: Schaffner reviewed the energy services report. Seventeen service orders were completed in January. Schaffner reported on work by the department in resolving heating service calls, supporting the co-op booth at the 2025 Agri-International conference and legislative work with NDAREC.

Physical Inventory: Schaffner reported completion of the 2024 energy services department year-end inventory. The inventory was approved as presented.

Two Track Malting: Fitterer reviewed the loan for rural development and stated documentation had been received and reviewed. It was approved to execute the

loan documents.

Communications and IT: Engbrecht reviewed the communications and IT report. Engbrecht reported on upcoming features in the local pages of *North Dakota Living*, the successful employee engagement day recently held, the upcoming Nominating Committee meeting and work to engage the township officers association.

Strategic Planning: Fitterer reviewed and summarized efforts and progress to achieve the goals identified during strategic planning. Following discussion, it was moved to renew the resolution to balance infrastructure needs with rising costs as presented.

Procedures: Fitterer reviewed a proposed procedure for management/board travel guidelines.

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

Central Power Electric Cooperative: Dave Charles reviewed Central Power Electric's February board meeting.

Charles was elected as Capital Electric's director to Central Power's board. Vollmer was elected as the alternate director to Central Power's board. All directors will be voting delegates at Central Power's annual meeting in March.

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

NDAREC: Vilhauer reviewed statewide matters. Fitterer reviewed the information from the Member Advisory Committee meeting.

National Rural Electric Cooperative Association: Fitterer reported on the upcoming Legislative Conference in Washington, D.C.

National Information Solutions Cooperative (NISC): Fitterer reported on NISC's annual meeting.

Cooperative Finance Corporation (CFC): Fitterer reviewed proposed bylaws changes that would change the makeup of the CFC board. ☺

CAPITAL ELECTRIC COOPERATIVE

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Website: www.capitalelec.com

BOARD OF DIRECTORS:

Deon Vilhauer, Pres.	Bismarck
Dave Charles, V. Pres.	Bismarck
Kyle Tschosik, Sec.-Treas.	Bismarck
Lyndon Anderson, Asst. Sec.-Treas.	Baldwin
Greg Dehne	Bismarck
Dwight Wrangham.....	Lincoln
Kayla Pulvermacher.....	Lincoln
Sara Vollmer.....	Wing
Bret Weiland.....	Bismarck

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