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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2019

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public
Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2019 calendar year, or tax year beginning 01-01-2019 , and ending 12-31-2019

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization
CAPITAL ELECTRIC COOPERATIVE INC
Doing business as
Number and street (or P O box if mail is not delivered to street address) Room/suite
PO Box 730
City or town, state or province, country, and ZIP or foreign postal code
Bismarck, ND 585020730
F Name and address of principal officer
Paul Fitterer
PO Box 730
Bismarck, ND 58503

D Employer identification number
45-0217628
E Telephone number
(701) 223-1513
G Gross receipts \$ 40,293,639

H(a) Is this a group return for subordinates?
H(b) Are all subordinates included?
If "No," attach a list (see instructions)
H(c) Group exemption number ▶

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

J Website: ▶ www.capitalelec.com

K Form of organization
☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1945
M State of legal domicile ND

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
Capital Electric Cooperative serves our community and member-owners as their trusted energy provider and partner
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) 9
4 Number of independent voting members of the governing body (Part VI, line 1b) 9
5 Total number of individuals employed in calendar year 2019 (Part V, line 2a) 39
6 Total number of volunteers (estimate if necessary) 0
7a Total unrelated business revenue from Part VIII, column (C), line 12 0
b Net unrelated business taxable income from Form 990-T, line 39 0

R Revenue

8 Contributions and grants (Part VIII, line 1h) 0
9 Program service revenue (Part VIII, line 2g) 38,508,305
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 241,058
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 4,467,156
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 43,216,519
40,140,299

S Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) 0
14 Benefits paid to or for members (Part IX, column (A), line 4) 4,210,377
1,417,806
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 0
0
16a Professional fundraising fees (Part IX, column (A), line 11e) 0
b Total fundraising expenses (Part IX, column (D), line 25) ▶0
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) 38,125,557
37,955,290
18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) 42,335,934
39,373,096
19 Revenue less expenses Subtract line 18 from line 12 880,585
767,203

T Net Assets or Fund Balances

20 Total assets (Part X, line 16) 104,714,927
107,817,286
21 Total liabilities (Part X, line 26) 60,129,416
59,776,961
22 Net assets or fund balances Subtract line 21 from line 20 44,585,511
48,040,325

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
Richard Koski, Board President
Date
2020-03-26

Paid Preparer Use Only

Print/Type preparer's name
Firm's name ▶
Firm's address ▶
Preparer's signature
Date
Check ☐ if self-employed
PTIN
Firm's EIN ▶
Phone no

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

For Paperwork Reduction Act Notice, see the separate instructions. Cat No 11282Y Form 990 (2019)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission

Capital Electric Cooperative is committed to providing safe, reliable and efficient electric power at a reasonable cost to all member owners

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$)
See Additional Data

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

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

4d Other program services (Describe in Schedule O)
(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses ▶ 0

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	No
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	3	No
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	4	
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	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which 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	6	No
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	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, 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	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi endowments? If "Yes," complete Schedule D, Part V	10	No
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	11a Yes	
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	11b	No
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	11c	No
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	11d Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e Yes	
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	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	No
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 and XII is optional	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
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)	17	No
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	18	No
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	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	No

Part IV Checklist of Required Schedules (continued)

		Yes	No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	Yes	
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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		No
24b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		
25b	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? <i>If "Yes," complete Schedule L, Part I</i>		
26	Did the organization report any amount on Part X, line 5 or 22 for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>		No
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		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	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		No
28b	A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>		No
28c	A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		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? <i>If "Yes," complete Schedule R, Part I</i>		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		No
35b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
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? <i>If "Yes," complete Schedule R, Part VI</i>		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	Yes	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	

Part V **Statements Regarding Other IRS Filings and Tax Compliance** (continued)

2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">2a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">39</div>			
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">2b</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">Yes</div>			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? . . .	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">3a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">No</div>			
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O . . .	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">3b</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
4a 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)? . . .	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">4a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">No</div>			
b If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">5a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">No</div>			
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">5b</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">No</div>			
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">5c</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
6a 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 as charitable contributions? . . .	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">6a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">No</div>			
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">6b</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
7 Organizations that may receive deductible contributions under section 170(c).				
a 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?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">7a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">7b</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">7c</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
d If "Yes," indicate the number of Forms 8282 filed during the year	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">7d</div>			
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">7e</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">7f</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">7g</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">7h</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?				
9 Sponsoring organizations maintaining donor advised funds.				
a Did the sponsoring organization make any taxable distributions under section 4966?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">9a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">9b</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">10a</div>			
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">10b</div>			
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">11a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">40,140,300</div>			
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">11b</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">1,072,533</div>			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?				
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">12b</div>			
13 Section 501(c)(29) qualified nonprofit health insurance issuers.				
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">13a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
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	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">13b</div>			
c Enter the amount of reserves on hand	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">13c</div>			
14a Did the organization receive any payments for indoor tanning services during the tax year?	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">14a</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">No</div>			
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . .	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">14b</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;"></div>			
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">15</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">No</div>			
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? . . . If "Yes," complete Form 4720, Schedule O	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">16</div> <div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto; text-align: center;">No</div>			

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 or note to any line in this Part VI ☒

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	9	
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O		
b	Enter the number of voting members included in line 1a, above, who are independent	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	Did the organization have members or stockholders?	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
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.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete 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	Did the organization have a written conflict of interest policy? If "No," go to line 13.	12a	Yes
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done.	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	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	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

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-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records.

► Luke Steen PO Box 730 Bismarck, ND 585020730 (701) 712-7909

Part VII**Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response or note to any line in this Part VII ☒**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Richard Koski President	5 0	X						8,410	0	0
(2) Arlene Olson Vice President	6 0	X						8,060	0	0
(3) Sheri Haugen-Hoffart Secretary/Treasurer	7 0	X						5,060	0	0
(4) David Charles Assistant Secretary/Treasurer	6 00 0	X						11,735	0	0
(5) Dwight Wrangham Director	8 0	X						8,560	0	0
(6) Rex Hollenbeck Director	6 0	X						7,335	0	0
(7) Kyle Hilken Director	6 0	X						5,910	0	0
(8) Deon Vilhauer Director	10 0	X						14,735	0	0
(9) William Patrie Director	6 0	X						6,835	0	0
(10) Paul Fitterer General Manager	46 8 0			X				193,158	0	0
(11) Luke Steen Business Manager	46 0			X				118,083	0	0
(12) Rick Dressler Operations Manager	40 0					X		117,647	0	0
(13) Greg Owen Engineering Manager (starting 04/01/19)	40 5 0					X		80,808	0	0
(14) Ron Lipp Manager of Engineering & Operations (thru 04/18/19)	40 0					X		59,509	0	0
(15) Jesse Goehring Lead Lineworker	41 9 0					X		102,572	0	0
(16) Matt Hagen Lead Lineworker	43 4 0					X		102,311	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								850,728	0	0

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► **5**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		No
4 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? If "Yes," complete Schedule J for such individual	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
Summit Utility Services, PO Box 18159 Missoula, MT 59808	Line Location Services	165,857

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

Form 990 (2019)										Page 9		
Part VIII Statement of Revenue												
Check if Schedule O contains a response or note to any line in this Part VIII <input type="checkbox"/>												
						(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514			
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . . .		1a	0								
	b Membership dues . . .		1b	0								
	c Fundraising events . . .		1c	0								
	d Related organizations		1d	0								
	e Government grants (contributions)		1e	0								
	f All other contributions, gifts, grants, and similar amounts not included above		1f	0								
	g Noncash contributions included in lines 1a - 1f \$		1g	0								
	h Total. Add lines 1a-1f ▶						0					
Program Service Revenue	2a OPERATING REVENUE/PATRONAGE		Business Code		221000		38,161,983	38,161,983	0	0		
	b											
	c											
	d											
	e											
	f All other program service revenue						0	0	0	0		
	g Total. Add lines 2a-2f. ▶						38,161,983					
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶				325,463		325,463	0	0		
4 Income from investment of tax-exempt bond proceeds ▶				0		0	0	0				
5 Royalties ▶				0		0	0	0				
		(i) Real		(ii) Personal								
6a Gross rents		6a										
b Less rental expenses		6b										
c Rental income or (loss)		6c	0		0							
d Net rental income or (loss) ▶												
		(i) Securities		(ii) Other								
7a Gross amount from sales of assets other than inventory		7a	0		57,051							
b Less cost or other basis and sales expenses		7b	0		0							
c Gain or (loss)		7c	0		57,051							
d Net gain or (loss) ▶						57,051	57,051	0	0			
8a Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c) See Part IV, line 18				8a								
b Less direct expenses				8b								
c Net income or (loss) from fundraising events . . . ▶												
9a Gross income from gaming activities See Part IV, line 19				9a								
b Less direct expenses				9b								
c Net income or (loss) from gaming activities . . . ▶												
10a Gross sales of inventory, less returns and allowances . . .				10a	200,975							
b Less cost of goods sold . . .				10b	153,340							
c Net income or (loss) from sales of inventory . . . ▶						47,635	47,635	0	0			
Miscellaneous Revenue				Business Code								
11a POWER SUPPLY CAPITAL CREDITS				221000		1,417,806	1,417,806	0	0			
b OTHER CAPITAL CREDITS				221000		130,361	130,361	0	0			
c												
d All other revenue						0	0	0	0			
e Total. Add lines 11a-11d ▶						1,548,167						
12 Total revenue. See instructions ▶						40,140,299	40,140,299	0	0			

Form 990 (2019)

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).

Check if Schedule O contains a response or note to any line in this Part IX ☐

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 domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members	1,417,806			
5 Compensation of current officers, directors, trustees, and key employees				
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				
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)				
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	1,694,343			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,294,147			
23 Insurance				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PURCHASED POWER EXPENSE	26,447,506			
b DISTRIBUTION EXPENSE - OPERATIONS & MAINTENANCE	3,135,614			
c ADMIN, GENERAL, & CUSTOMER ACCOUNTING EXPENSE	2,817,429			
d SALES, TAX, AND OTHER EXPENSE	566,251			
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	39,373,096	0	0	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☒

				(A) Beginning of year		(B) End of year	
Assets	1	Cash—non-interest-bearing		2,023,674	1	1,250,614	
	2	Savings and temporary cash investments			2		
	3	Pledges and grants receivable, net			3		
	4	Accounts receivable, net		3,872,245	4	3,971,441	
	5	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			5		
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)			6		
	7	Notes and loans receivable, net			7		
	8	Inventories for sale or use		2,736,468	8	2,138,410	
	9	Prepaid expenses and deferred charges		830,941	9	665,760	
	10a	Land, buildings, and equipment—cost or other basis—Complete Part VI of Schedule D	10a	118,647,397			
	b	Less—accumulated depreciation	10b	40,589,766	74,198,925	10c	78,057,631
	11	Investments—publicly traded securities			11		
	12	Investments—other securities—See Part IV, line 11			12		
	13	Investments—program-related—See Part IV, line 11			13		
	14	Intangible assets			14		
	15	Other assets—See Part IV, line 11		21,052,674	15	21,733,430	
16	Total assets. Add lines 1 through 15 (must equal line 34)		104,714,927	16	107,817,286		
Liabilities	17	Accounts payable and accrued expenses		2,899,513	17	2,502,687	
	18	Grants payable		0	18	0	
	19	Deferred revenue		0	19	0	
	20	Tax-exempt bond liabilities		0	20	0	
	21	Escrow or custodial account liability—Complete Part IV of Schedule D		0	21	0	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		0	22	0	
	23	Secured mortgages and notes payable to unrelated third parties		49,559,581	23	52,019,198	
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24)—Complete Part X of Schedule D		7,670,322	25	5,255,076	
	26	Total liabilities. Add lines 17 through 25		60,129,416	26	59,776,961	
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 27, 28, 32, and 33.						
	27	Net assets without donor restrictions			27		
	28	Net assets with donor restrictions			28		
	Organizations that do not follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 29 through 33.						
	29	Capital stock or trust principal, or current funds		30,953,785	29	36,944,931	
	30	Paid-in or capital surplus, or land, building or equipment fund		0	30	0	
	31	Retained earnings, endowment, accumulated income, or other funds		13,631,726	31	11,095,394	
	32	Total net assets or fund balances		44,585,511	32	48,040,325	
33	Total liabilities and net assets/fund balances		104,714,927	33	107,817,286		

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	40,140,299
2	Total expenses (must equal Part IX, column (A), line 25)	2	39,373,096
3	Revenue less expenses Subtract line 2 from line 1	3	767,203
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	44,585,511
5	Net unrealized gains (losses) on investments	5	0
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	2,687,611
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	48,040,325

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line 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? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
b Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited 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 separate basis	Yes	
c If "Yes," to line 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	Yes	
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?		No
b 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		

Additional Data

Software ID: 19009572
Software Version: v1.00
EIN: 45-0217628
Name: CAPITAL ELECTRIC COOPERATIVE INC

Form 990 (2019)

Form 990, Part III, Line 4a:

We are an electrical distribution cooperative supplying electric power to our member consumers

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493120015300

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2019

Open to Public Inspection

Name of the organization
CAPITAL ELECTRIC COOPERATIVE INC

Employer identification number
45-0217628

Part I

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

1

Total number at end of year

2

Aggregate value of contributions to (during year)

3

Aggregate value of grants from (during year)

4

Aggregate value at end of year

(a) Donor advised funds

(b) Funds and other accounts

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 can 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" on 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 education)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

2a

Total number of conservation easements

2b

Total acreage restricted by conservation easements

2c

Number of conservation easements on a certified historic structure included in (a)

2d

Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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, handling of violations, and enforcing conservation easements during the year ►

7

Amount of expenses incurred in monitoring, inspecting, handling of violations, 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 section 170(h)(4)(B)(ii)?

☐ Yes

☐ No

9

In Part XIII, 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" on Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116 (ASC 958), 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 XIII, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116 (ASC 958), 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) Revenue included on 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 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1
b Assets included in Form 990, Part X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 52283D

Schedule D (Form 990) 2019

Part III

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

3

Using the organization's acquisition, 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

d

☐ Loan or exchange programs

b

☐ Scholarly research

e

☐ Other

c

☐ Preservation for future generations

4

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

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" on 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 XIII and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . .

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☐

Part V

Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance				
b	Contributions				
c	Net investment earnings, gains, and losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Temporarily restricted endowment ▶

The percentages on lines 2a, 2b, and 2c should equal 100%

3a

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

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b

If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a	Land	357,957	0	357,957
b	Buildings	5,173,876	0	3,095,973
c	Leasehold improvements	0	0	0
d	Equipment	108,801,334	0	70,289,471
e	Other	4,314,230	0	4,314,230
Total.	Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶			78,057,631

Part VII

Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. 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		
(3) Other _____		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)		

Part VIII

Investments—Program Related.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13)		

Part IX

Other Assets.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) INVESTMENTS IN ASSOCIATED ORGANIZATIONS - PATRONAGE CAPITAL	19,951,239
(2) INVESTMENT IN ASSOCIATED ORGANIZATIONS - OTHER - GENERAL FUNDS	1,456,527
(3) OTHER INVESTMENTS	165,995
(4) SPECIAL FUNDS	159,669
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15)	21,733,430

Part X

Other Liabilities.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	0
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	5,255,076

2. Liability for uncertain tax positions In Part XIII, 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) Check here if the text of the footnote has been provided in Part XIII

☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
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 XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)		5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	
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 XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
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 XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)		5	

Part XIII Supplemental Information

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, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID: 19009572
Software Version: v1.00
EIN: 45-0217628
Name: CAPITAL ELECTRIC COOPERATIVE INC

Supplemental Information

Return Reference	Explanation
Schedule D, Part X, Line 2	Capital Electric has adopted the provisions of FASB Account Standards Codification Topic A SC 740-10 (Previously Financial Interpretation No 48, Accounting for Uncertainty in Income Taxes), on January 1, 2009. The implementation of this standard has no impact on the financial statements. As both the date of adoption, and as of December 31, 2019, the unrecognized tax benefit accrual was zero. Capital Electric is no longer subject to federal tax examinations by tax authorities for years before 2008 and state examinations for years before 2008. Capital Electric undergoes an annual analysis of the various tax positions, assessing the likelihood of those positions being upheld upon examination with relevant tax authorities as defined by ASC 740-10.

Schedule J (Form 990)	<div>Compensation Information</div> <div>For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees</div> <div>▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23. ▶ Attach to Form 990.</div> <div>▶ Go to www.irs.gov/Form990 for instructions and the latest information.</div>	OMB No 1545-0047
		2019
		Open to Public Inspection

Department of the Treasury Internal Revenue Service	Name of the organization CAPITAL ELECTRIC COOPERATIVE INC	Employer identification number 45-0217628
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Part I Questions Regarding Compensation		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on Line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.		1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked on Line 1a?		2	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract		
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study		
<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?		4a	No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		4b	No
c Participate in, or receive payment from, an equity-based compensation arrangement?		4c	No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?		5a	
b Any related organization?		5b	
If "Yes," on line 5a or 5b, describe in Part III.			
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?		6a	
b Any related organization?		6b	
If "Yes," on line 6a or 6b, describe in Part III.			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.		7	
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.		8	
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		9	

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

[illegible]

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
Schedule J, Part I, Line 3	Comparability data is used by the Board of Directors to deliberate in an executive session and make decisions regarding compensation.
Schedule J, Part II	Deferred Compensation is made up of employer paid benefits for 401k and a defined benefit plan. The value reflected under deferred compensation is for the portion of the defined benefit plan that is based on the change in actuarial value and not the actual employer contribution. Column D, Non-taxable Benefits, is comprised of employer paid benefits such as medical, long term disability, life insurance, and vision insurance.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury

Name of the organization
CAPITAL ELECTRIC COOPERATIVE INC**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2019**Open to Public
Inspection**

Employer identification number

45-0217628

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part IV, Line 12a	Capital Electric receives an annual audit by an independent accounting firm (Brady Martz & Associates) that covers an audit year of January through December. However, because our audit results are not available by a board meeting that precedes the due date of this return, we cannot complete the reconciliation of revenue per Audited Financial Statements and thus, answered no to this question.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, Line 6	Capital Electric is a Cooperative owned by its members. The Cooperative members elect the Board of Directors. Members also approve significant decisions such as bylaw changes, have the ability to reinstate expelled board members, call special meetings, remove a director, as well as have final vote whether the Cooperative should sell, lease, or dispose of a substantial amount of the Cooperative's property.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, Line 7a	Capital Electric is a Cooperative owned by its members. The Cooperative members elect the Board of Directors. Members also approve significant decisions such as bylaw changes, have the ability to reinstate expelled board members, call special meetings, remove a director, as well as have final vote whether the Cooperative should sell, lease, or dispose of a substantial amount of the Cooperative's property.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, Line 7b	Capital Electric is a Cooperative owned by its members. The Cooperative members elect the Board of Directors. Members also approve significant decisions such as bylaw changes, have the ability to reinstate expelled board members, call special meetings, remove a director, as well as have final vote whether the Cooperative should sell, lease, or dispose of a substantial amount of the Cooperative's property.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, Line 11b	A copy of the IRS Form 990 and all required schedules are disseminated to and reviewed by each Board member

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, Line 12c	Capital Electric monitors and enforces compliance with its conflict of interest policy by having each director, key employee, and highly compensated employee complete an annual questionnaire (as provided by NRECA) that involves conflict of interest questions

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, Line 15	Comparability data is used by the Board of Directors to deliberate in an executive session and make decisions regarding compensation. This process is done annually and was last done in 2019.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section C, Line 19	<p>Upon becoming a member, a person/organization receives a copy of Capital Electric's bylaws</p> <p>Each year, in June, an annual meeting is held for all members. Summarized financials are included in the annual meeting booklet (mailed to each member prior to the annual meeting) and the audited financial statement information is presented by the independent auditor at the meeting. Otherwise, governing documents, the conflict of interest policy, and financial statements can be reviewed with a member upon request.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VII, Section A, Line 1a	Column F, Other Compensation is constituted of employer paid benefits such as medical, long term disability, life insurance, employer paid 401K and an employer paid defined benefit plan. The value reflected for other compensation as it relates to the defined benefit plan is based on the change in actuarial value and not on the actual employer contribution.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part X, Line 30	<p>Because the directions for the IRS Form 990 changes in 2011 by clarifying that patronage dividends paid by section 501(c)(12) organizations to their members should be reported only on line 4 of part IX, and our interpretation of "patronage dividends paid by section 501(c)(12) organizations to their member" is referring to patronage allocations related to the year being reported, and accordingly are now to be shown as an expense and therefore no longer GAAP accounting. The balances for end of year (column B) reflect the new directions and accordingly the 2019 patronage allocation is shown as a liability at year end.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, Line 4	<p>Capital Electric has adopted the provisions of FASB Account Standards Codification Topic A SC 740-10 (Previously Financial Interpretation No 48, Accounting for Uncertainty in Income Taxes), on January 1, 2009. The implementation of this standard has no impact on the financial statements. As both the date of adoption, and as of December 31, 2019, the unrecognized tax benefit accrual was zero. Capital Electric is no longer subject to federal tax examinations by tax authorities for years before 2008 and state examinations for years before 2008. Capital Electric undergoes an annual analysis of the various tax positions, assessing the likelihood of those positions being upheld upon examination with relevant tax authorities as defined by ASC 740-10.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, Line 9	<p>As a Cooperative, Capital Electric paid out capital credits to its current and former members in 2019 including \$1,774,382.79 in general retirements, \$146,473.99 in estate retirements (calculated using pre-discount amount of \$146,473.99 offset by discounts of \$44,185.47) and other miscellaneous net payments and adjustments. Furthermore, to reconcile to net assets, the capital credits of \$4,829,470.88 from 2018 margins allocated in April, 2019 but reflected as "benefits paid to or for members" on the 2018 IRS Form 990 for tax purposes, are added back in to equity to reconcile the timing of accrual versus tax accounting.</p>