

ATTENTION HIGH SCHOOL SENIORS:



TIME TO APPLY!

REA SCHOLARSHIP PROGRAM

9 - \$1000
SCHOLARSHIPS
AVAILABLE

AVAILABLE THROUGH
A RANDOM DRAWING

Scholarships for high school students

Exclusive benefit for REA members

Applications for the REA Scholarship Program are now being accepted. REA is pleased to announce that nine \$1,000 scholarships will be awarded at the REA Annual Meeting in April.

Applicants must be a graduating high school senior whose parents or legal guardians are members of REA. Students attending public, private, parochial or home school are eligible to apply.

These nine scholarships will be randomly selected. The only requirement is that you are a member of Runestone Electric Association and wish to further your education.

"Last year was the first year REA offered the scholarship program and it was a success with 94 students applying. We are very pleased to offer this member-benefit program again to the families of our cooperative," said REA Board President Barbara Johnson. "Scholarships reflect REA's values as well as the Cooperative Principle of Education. Post-secondary education can be very expensive and we want to help students achieve their goals."

The money for the 9 scholarships is funded through REA's unclaimed capital credits. This is money that would otherwise be claimed by the state of Minnesota.

The deadline to apply for the REA scholarships is March 1, 2019. Winners will be recognized at REA's Annual Meeting on April 22, 2019, at Alexandria Area High School.

Applications can be found at www.runestoneelectric.com/news or call REA for an application: 1-800-473-1722.



Friday, December 21 1:00 - 3:00 pm

REA wishes you and your family a very Merry Christmas and Happy New Year! Stop in for a visit with the REA Board of Directors.

The coffee will be hot served with Christmas cookies from Luther Crest. Pick up a 2019 calendar as a token of our appreciation for your business.

Our office will be closed Tuesday, December 25, and Tuesday, January 1. To report a power outage or other emergency, please call 800-473-1722.

We have a 24-hour service to take your call.



Interested in serving on the REA Board?

Kristin Dolan, CEO, Runestone Electric Association



Kristin Dolan, CEO

With the cold November and early snows, yes I am already thinking of spring! Spring is also an exciting time for your Cooperative. This is when the member annual meeting is held and when we conduct the election process for the REA Board of Directors.

Runestone's service territory is divided into seven districts (see the map on page 3) and is governed by seven directors. One director is elected from each of the seven

districts. Once elected, each director serves a three-year term and then an election is held for that district once their term is expired. An incumbent can run again if they choose at the end of their term.

What does it mean to be a director?

The director represents the members of not only their district, but also the membership as a whole and they govern your Cooperative. They attend monthly board meetings held during the day and set the policy, rates and strategic initiatives that we the employees, in turn, carry out on your behalf.

In addition to monthly board meetings, there are training opportunities and other meetings that the director from time to time will attend. Through our national and state-wide organizations, a Credentialed

Cooperative Director (CCD) program is available and is desired for each director to complete. The CCD program consists of five courses that focus on basic governance knowledge and the essential skills required of cooperative directors. The CCD prepares directors to fulfill their fiduciary duty as elected officials serving on behalf of their membership.

Runestone holds a nomination process in which qualified candidates are nominated for their name to be placed on the ballot. The nomination process happens at our district meetings, and we generally hold these each January. Please see page 4 of this month's Newsline for the time, date and location of the upcoming district meetings next month. Once the nomination process is complete, we then mail ballots out to the members of the district. Members can vote by mail or bring their ballot to the annual meeting and cast their vote there.

This year we have District One and District Four up for election. We encourage all interested members who are qualified to consider running for the director position within your district. Please see the list of qualifications that appear at the bottom of page four.

If you aren't quite sure you want to commit to running for the director position but are interested in learning more about your Cooperative, we do have other opportunities available for you. Consider serving on our Member Advisory Council or the Operation Round Up Trust Board. It's as easy as calling into the Cooperative to express your interest. We will place your name on the list and let you know when an opening is available.

Drive a Tesla Winner!

In October REA participated in a state-wide *Electrify your Ride* sweepstakes. The sweepstakes gave members the chance to drive a Tesla for a week. I am very excited that one of our very own members won! REA extends our congratulations to Sheila Schilling. To hear about her experience driving an electric vehicle, please visit our website at www.runestoneelectric.com.

Open House Invitation

Please join us December 21st from 1:00 – 3:00 p.m. at REA to enjoy Christmas cookies and coffee at our open house. It is a great opportunity to visit with our energy experts and also enjoy great conversation with friends and neighbors.

We here at REA wish all of you a very Merry Christmas!



REA member Sheila Schilling won the statewide *Electrify your Ride* Sweepstakes this fall. Learn about Sheila's Tesla experience at www.runestoneelectric.com

REA Board of Director Meeting Highlights - October 2018

- Mrs. Nelson reviewed the Financial Report for September 2018. Mrs. Nelson reported energy sales were down 1% from budget for the month of September, but are 5.5% over budget for the year. Due to lower load factors than budgeted, gross margin year-to-date is lower than budgeted. Expenses remain behind budget for the year but much of that is expected to be incurred, so although the REA margin is currently higher than budgeted, it will be closer to budget by year end.
- CEO Dolan reported on attending the solar-battery storage groundbreaking at Connexus Energy, Ramsey, MN.
- District populations were reviewed according to the Bylaws of Runestone

Electric Association, Article III, Section 2. Districts. It was determined that redistricting was necessary. (See story on page 3)

- Kristi Robinson, PE with STAR Energy Services, presented the 2018 Cost-of-Service Study and answered questions from the Board. The Board will consider rate options at the December Board meeting.
- Mrs. Lundeen shared that West Central Initiative received a \$1,200 matching grant from CoBank's Sharing Success Program.

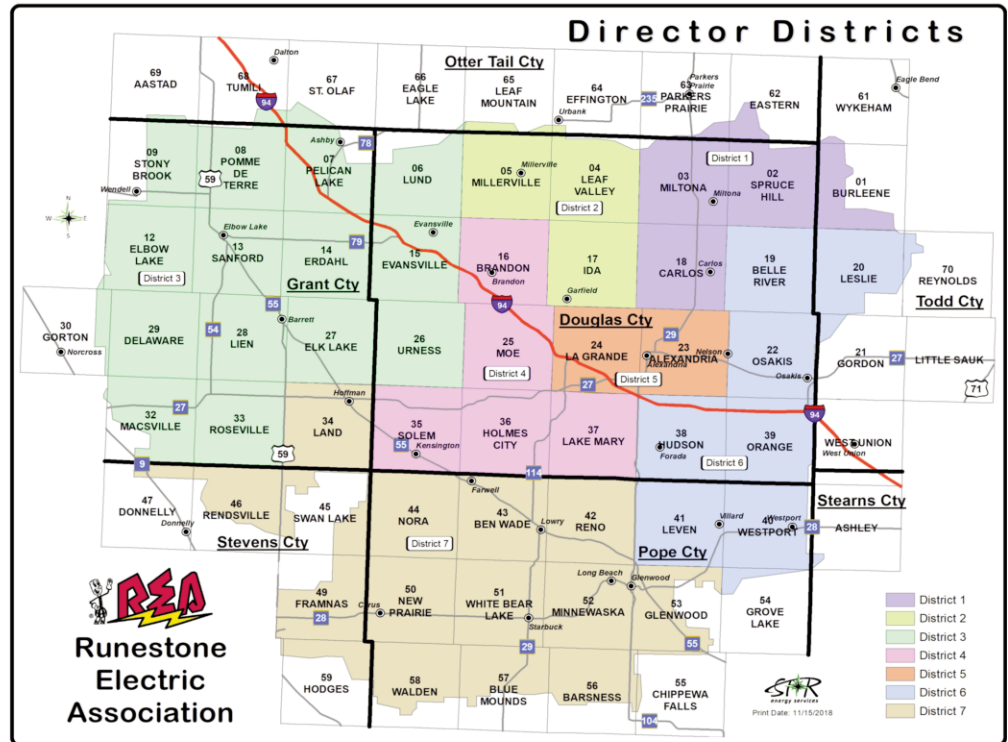
The next Regular Board Meeting will be on December 21, 2018.

REA director districts change with population shift

According to Article III of the Bylaws of Runestone Electric Association, our service area is divided into seven districts. If the population of a district is more than 20% greater or 20% lesser than 1/7th of the total membership of the cooperative, the board of directors needs to redistrict the service area equitably.

The map on the right is the redistricting plan approved by the REA Board of Directors at the October board meeting. The population around the Alexandra lakes area continues to grow and is nearing the 20% mandate. Likewise, population in the western portions of our service territory has declined. Changes to accommodate the population shift are listed below.

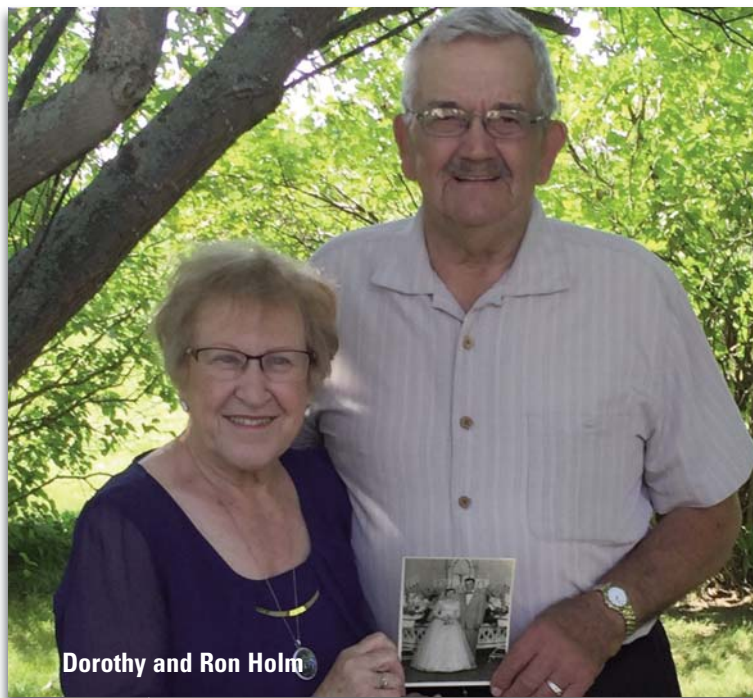
- Urness Township moved from District 4 to District 3
- Land Township moved from District 3 to District 7
- Brandon Township moved from District 2 to District 4
- Belle River Township moved from District 5 to District 6



Director Holm announces retirement from REA Board

After 32 years on the Runestone Electric Association Board of Directors, Ron Holm, from District Four, has announced he will not be seeking re-election in 2019. "It has been my honor to serve our electric cooperative, and now it's time to allow others this opportunity," explained Ron. Elected to the board in 1986, Ron served as Treasurer and represented REA on the Great River Energy Board of Directors at separate times during his tenure on the REA board.

REA has experienced many changes over the past 32 years, including changes in leadership. Ron was on the board when former CEO Rick Banke was hired, as well as current CEO Kristin Dolan. While serving on the board, Ron participated in the decision-making process creating successful REA subsidiaries including STAR Energy Services, REA-ALP Internet Services, Heartland Security Services, REA Electrical Contracting, and the purchase of Ellingson Plumbing & Heating (later sold back to the original owners). The consolidation of the downtown office and warehouse facility under one roof is another REA



Dorothy and Ron Holm

accomplishment during his time on the board.

"When I got on the board, most of our power lines were overhead. Now many power lines are underground. In the past, communication with the guys in the trucks was only by two-way radio. Now our employees are equipped with iPads, cell phones, vehicle location devices, and some even use computers out in the field," said Ron. "Board packets used to be mailed out every month. Now we receive board meeting materials on an iPad. Meter readers used to drive to every account to read the meter. Today meters are read electronically. The changes are really remarkable! I am also very

impressed with the employees at REA. They are friendly, helpful, committed to safety, and take pride in serving our members."

"I'd like to thank District Four for supporting me all these years, Kris Dolan for her fine leadership, and all the co-op employees for keeping the lights on for our members."

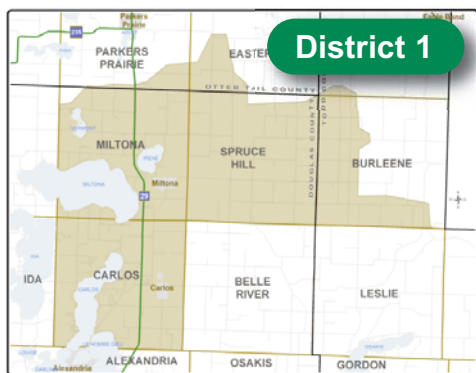
Information on upcoming district meetings and director elections is available on page 4

KILOWATTS & Brats

COME FOR A BRAT, LEARN ABOUT YOUR CO-OP
NOMINATE YOUR DISTRICT DIRECTORS

We're trying something new in 2019! REA District Meetings in January will be held at night to allow members working during the day to attend. We'll be serving brats and talking kilowatts!

District Meetings offer REA members an opportunity to have a meal, nominate one or more candidates for the office of director, learn more about their electric cooperative, talk with their elected representatives, and visit with neighbors. In addition, all members in attendance will have their name entered in a drawing to win door prizes. Please RSVP by calling REA at 800-473-1722. You can digitally RSVP by emailing rea@runestoneelectric.com or on our Facebook event, so we know how much food to prepare. We look forward to seeing you!



District One

Tuesday, January 22
Miltona Community Center
5590 Co Rd 14 NE, Miltona
5:30 p.m. Bratwurst Meal
6:00 p.m. Meeting



District Four

Wednesday, January 23
Kensington Community Center
19 Kensington Ave N, Kensington
5:30 p.m. Bratwurst Meal
6:00 p.m. Meeting

What is required to be a REA director?

The Bylaws of Runestone Electric Association (REA) establish certain qualifications that must be met in order to become a director.

1. Must be a member of REA.
2. Must be a bona fide resident of his or her district.
3. Must not be employed by or financially interested in a competing enterprise.
4. Must not have been found guilty of a felony within 5 years preceding or during service on the REA Board of Directors.
5. Must not have been an employee of REA within 3 years preceding nomination to the board.
6. Is not a grandparent, parent, spouse, co-habitant, child, or grandchild of an incumbent who is not up for reelection at that time.
7. Is not a grandparent, parent, spouse, co-habitant, child, or grandchild of an employee of REA.
8. Is not a full-time employee or agent of another REA director.
9. Must have the capacity to enter legally binding contracts.

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Board of Directors

Barbara Johnson, President
Clif Patrick, Vice President
Ron Holm, Treasurer
Gary (Andy) Anderson, Secretary
Audrey Hjelle, Director
Steve Pederson, Director
Mike Loken, Director

Editorial Staff

Kristin Dolan, CEO
Sue Lundeen, Editor

In case of a power outage

- Please call (800) 473-1722 for 24-hour service. Please report any tree branches in lines, twisted wires, broken poles and if your neighbors are also out of power.
- Be sure to have one corded phone in the house, because cordless phones won't work when the power is out.
- Program the number above into your cell phone for easy access.
- Never assume we know you are without power. Always call to report an outage.

This institution is an equal opportunity provider

Gift Certificates expire:
12/31/18



If you attended the REA Annual Meeting and received a gift certificate, please remember, gift certificates **expire 12/31/18**