

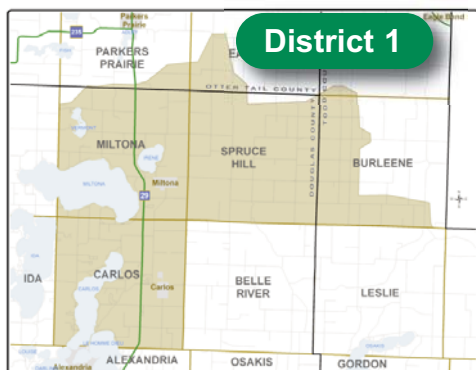
## KILOWATTS & Brats

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

### Serving brats and talking kilowatts!

We're trying something new in 2019! REA District Meetings 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. 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**

**PLEASE RSVP**



#### District Four

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

Please RSVP by calling 800-473-1722, emailing [rea@runestoneelectric.com](mailto:rea@runestoneelectric.com), or on the Facebook event

### 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.

For more information on director requirements, please contact the REA office at (800) 473-1722 or email [rea@runestoneelectric.com](mailto:rea@runestoneelectric.com).

# Busy Year Ahead for Runestone Electric

Kristin Dolan, CEO, Runestone Electric Association



Kristin Dolan, CEO

Happy New Year from REA! I hope all of you had a wonderful Christmas with family and are ready to start another brand new year. I am always amazed at how fast time seems to fly. I am thankful for the Christmas season when we all can slow down a bit and spend time where it matters most, with our loved ones.

It has been very busy at REA leading up to the Christmas season; we have been working on several projects on behalf of our member-owners. The Board of Directors approved the 2019 budget at the December Board Meeting. We have many activities planned, including a member survey in the spring to help with our strategic planning scheduled later in the year.

The Board reviewed proposed changes to the Articles of Incorporation and Bylaws of REA. The Board recommends bringing forth to the members of REA for their consideration to amend and restate the Articles of Incorporation and Bylaws at the REA Annual Meeting in April. The changes address several areas including; changes that have occurred in the law, modernizing the language, developments in technology, providing additional legal protection, strengthened director qualifications, and to provide efficiency and cost savings in the operation and administration of the Cooperative.

*The fixed charge will move to \$29.25 for the general service rate in May. The increase is \$2.75 per month or a 2.3% increase for the average residential member.*

We completed a cost of service study and reviewed the results with the Board of Directors. A cost of service study is as just as it sounds. We look at the cost to serve each member rate class and then determine proper energy rates. We have various rate classes due to different levels of power needs by members. For example, a large commercial business requires more power and uses it differently than a residential member. A greater investment in infrastructure is required from us in which to serve the larger load requirement.

In conducting a cost of service study, we set specific goals for your cooperative. We employ risk mitigation strategies by collecting costs properly amongst the various rate classes, and we ensure the cooperative remains fiscally sound, and reliability is preserved through proper cost recovery. We conduct a study periodically to make sure we remain in alignment with these goals.

The results of the 2018 study show minor adjustments that need to be made within rate classes, along with a small increase planned for May of 2019. The fixed charge will move to \$29.25 for the general service rate as an early example of the change that is needed. The increase is \$2.75 per month or a 2.3% increase for the average residential member. The last time REA made a change to the distribution cost recovery component of our rates was in May of 2017. In listening to you, our members, incremental rate increases are preferred over a large increase in a given year. We will continue to follow your request as it continues to be feasibly possible. It is also very clear to us that reliability is most important to you. We could cut or delay necessary maintenance programs, but this isn't the best strategy long term. We must stay on top of maintenance and construction to preserve reliability and keep costs down long-term.

A monthly Wholesale Power Cost Adjustment (WPCA) will remain in place and is a direct pass-through of the costs we receive from our power suppliers to you. This line item on the bill could be zero, a charge or a credit, depending on the cost we receive from our power supplier. The great news for our members is that both of our wholesale power providers show stable, gradual increases to rates in the coming years. This, however, is a forecast, and any variable can certainly change, such as a sustained drought for our hydroelectric power or an unpredicted spike in long-term natural gas prices.

As you can see, we have a lot going on at REA. I encourage you to attend the District 1 and 4 Meetings this month, see page one for details. District Meetings are a great opportunity to learn about your electric cooperative and participate in our nomination process for the upcoming director elections for those districts.

I thoroughly enjoyed visiting with those of you who were able to join us at our open house in December. Thank you for spending time with us. We here at REA wish you a wonderful 2019!

## REA Board of Director Meeting Highlights - November 2018

- Mrs. Nelson reviewed the Financial Report for October 2018. Mrs. Nelson reported the October margin was close to budget, with sales surpassing budget estimates, but power costs also being higher than budgeted. The year-end REA margin is expected to be close to the budgeted margin. Year-to-date expense categories are currently behind budget, but pending expenditures should catch that up. Kilowatt-hour energy sales are 6.4% ahead of budget through October.
- The Board reviewed proposed additions and changes to the Articles of Incorporation and Bylaws as presented by the Bylaw Committee and CEO Dolan.
- The board directed staff to move the District Meetings (January 22 and 23) to an evening meeting, calling the event Kilowatts & Brats. (see page 1)
- Approved Derek Virkus, District 6, to serve on the Member Advisory Council
- Approved a loan application through the Runestone Electric Revolving Loan Fund for expansion of a local manufacturing business.
- Heartland Security General Manager Guy Adams joined the meeting noting that Runestone's original investment of \$80,000 has returned \$140,000 in dividends since the inception of the company in 1999.
- Approved refunding \$600,000 in capital credits with \$325,000 going to the oldest membership allocation (the balance of 1990 capital and a portion of 1991 capital) and \$275,000 going to members receiving service in 2017.

The next Regular Board Meeting will be on January 31, 2019.

# REA Members Making a Difference in their Communities through Operation Round Up®



Christmas came early for thirty-eight organizations who shared \$19,360 in grants from REA's Operation Round Up program in December. A complete list of grant recipients can be found at [www.runestoneelectric.com](http://www.runestoneelectric.com). The deadline for the next round of funding is February 8. Application forms are available by calling Runestone Electric at (800) 473-1722 and can be downloaded at [www.RunestoneElectric.com](http://www.RunestoneElectric.com).

## Stone Soup - REA Style

By Tim Urness, Alexandria

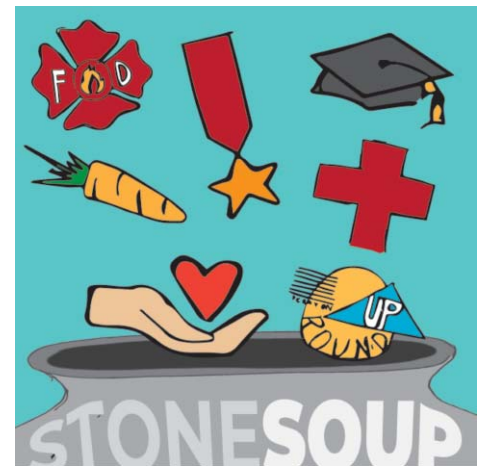
*Reprinted with permission from the Echo Press*

Remember reading the story STONE SOUP back in elementary school? Pretty powerful story based on a simple concept. A sad community where people keep to themselves and don't share at all. They have very little resources and times are tough. Until one day they start the idea of STONE SOUP, where each person pitches in their one ingredient (carrots, spice, meat, etc...), and it turns out to make a delicious soup. Providing flavors that they haven't experienced before. One small item from each person, turns into something powerful when combined with the power of others who also give a little.

Allow me to tell you about the Runestone Electric Association (REA) "Stone Soup" I had the chance to experience the other week. REA has a program called "Operation Round Up" where REA Members have the chance to voluntarily round up their bill to the nearest whole dollar amount, with that difference going towards non-profits and service clubs in the area. 64.31% of all REA members participate in this, and their average amount per year is \$6.01. What good could that possibly do? Seems like a pretty small amount, right? But just like STONE SOUP, a little bit from each person adds up to make something wonderful. This Round Up program has been going since 2003 and has given away more than \$925,000. That's a crazy amount of money. Sue Lundeen, manager of member services at REA, shared with me that they expect to hit the million-dollar mark in the summer of 2020. Seriously? Each household giving an average of \$6.01 each year, which means .50 cents a month. Again...a small pittance to most, but powerful when multiplied by so many.

Two weeks ago, I had the honor to receive a check from REA via this program. (I will share more about the group I was representing to receive this check in my next column in March) but today let me share with you the amazing power that I felt in the room during the check presentations. Each recipient gets about a minute to share how they will use the Round Up funds. 38 different groups were fortunate enough to get a check. 38 stories, 38 causes, 38 more reasons I love this area. I had no idea some of these non-profits were even in existence? All of them do wonderful things to help our communities. I had the chance to learn about two of them at this event that caught my ear and heart.

Pope County Families in Need is an organization that was started by Jan Arneson 59 years ago. A lifelong teacher, Jan wants to help families in Pope County learn, excel, exceed, and grow in confidence. She currently has 100 families on her roster that she serves by providing food, or clean socks and underwear. She helps people write resumes and learn financial skills. I spoke with Jan and just two nights ago 61 families (of the 100) came to her garage to get some supplies. Be it food, clothes,



Continued on page 4

## ATTENTION HIGH SCHOOL SENIORS:



## TIME TO APPLY!

### REA SCHOLARSHIP PROGRAM

# 9 - \$1000 SCHOLARSHIPS AVAILABLE

AVAILABLE THROUGH  
A RANDOM DRAWING

Scholarship 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. 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](http://www.runestoneelectric.com/news) or call REA for an application: 1-800-473-1722.

**FREE**

## Christmas String Light Recycling

★ Recycle Christmas/Holiday light strings & power cords at the Pope/ Douglas Solid Waste Recycle Center, ALP, REA or Ace Hardware, Glenwood & Alexandria (accepted until Jan. 27, 2019).

### STONE SOUP...continued from page 3

encouragement... whatever they need... Jan is on a mission to help them find it. One of the requirements for the 100 families is that they currently must be employed to be in this program. During our short 30-minute chat you could hear the passion she has for people, specifically the youth. She proudly shared with me how the community of Glenwood, her friends, her family, and her church area are all on board to help with this. I encourage you to learn some more



*"Making a positive impact out of something so tragic. Powerful!"*

- Tim Urness

The second organization I found out during the check presentation was led by a proud mom named Algene Larson and the name of the organization is "Papa's Angels." She started this a few years ago after her son died suddenly of a heart attack. Algene's mission since then is to bring Automated External Defibrillators (AED's) to local businesses and schools. Her goal is to help save the life of at least one person who might need quick access to an AED during a heart attack. Obviously a very emotional and close tie she has to this group she started...and all done in honor of her son (Referred to as "Papa" by his 2 daughters.) Making a positive impact out of something so tragic. Powerful!

There are 36 more stories to share from this day. Space and time won't allow me to share them all obviously, but hopefully I have given a small glimpse into the profound impact a small \$6.01 annual donation can turn into. Jan, Algene and all the other check recipients are going to be good stewards of this money they (and I) were honored to receive. They will continue to make tasty community "stone soup" from so many people sharing just a tiny bit.

- Tim Urness

# REA Newsline

Official monthly publication of  
Runestone Electric Association

6839 Power Lane SW  
Alexandria, MN 56308  
(320) 762-1121 or (800) 473-1722  
Fax: (320) 763-4149  
[www.runestoneelectric.com](http://www.runestoneelectric.com)  
email: [rea@runestoneelectric.com](mailto:rea@runestoneelectric.com)

### Office Hours

8:00 a.m. - 4:30 p.m. Mon - Fri

**24-hour outage & emergency service: (800) 473-1722**

### 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.



## 3 Ways to Improve Fireplace Efficiency

- Close the flue damper when a fire isn't burning.
- Ensure seals around the fireplace damper are tight.
- Insulate your chimney with liners for maximum efficiency.

***This institution is an equal opportunity provider***