

# District Meetings in February

Read More Below

# NEWSLINE

Director Barbara Johnson at District 2 Meeting

March 2024

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## Members Nominate Director Candidates at District Meetings

District Meetings were held in preparation for the REA Annual Meeting scheduled for Thursday, April 25, 2024. See details below.

Members of District 2 and 5 gathered in February to nominate director candidates, hear updates on the cooperative, and to visit with neighbors. Nomination results were as follows:

**District 2:** Barbara Johnson (Incumbent), Miltna

**District 5:** Mike Loken (Incumbent), Alexandria

Candidate profiles can be found on page 3.

As of the printing of this newsletter, the director election in District 2 and 5 are uncontested. No ballots will be mailed, and the candidates will be elected by acclamation at the Annual Meeting. The Notice of Annual Meeting and registration cards will be mailed in early April.



Director Mike Loken at District 5 Meeting



District 2 Meeting

**APRIL 25, 2024**

RUNESTONE ELECTRIC ASSOCIATION

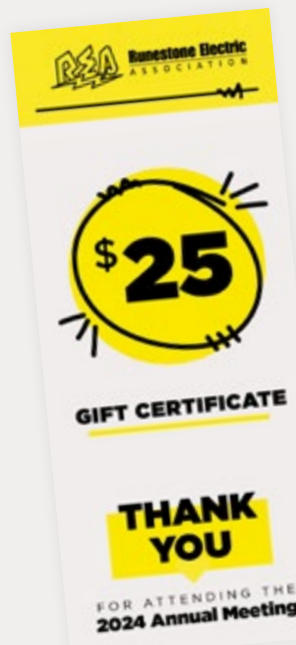
# ANNUAL MEETING

ALEXANDRIA AREA HIGH SCHOOL  
4300 Pioneer Rd SE, Alexandria, MN 56308

**4 - 5 P.M.** Registration

**5 P.M.** Meeting Begins

ATTEND THE ANNUAL MEETING AND RECEIVE A



**\$25**  
Gift Certificate

(1 per membership)

Gift certificates are redeemable at a variety of businesses served by REA. Must be present at Annual Meeting to receive a gift certificate.



**Al Haman**  
CEO

# Capital Credits

## Answers to commonly asked questions

Capital Credits will be mailed in April. So, what exactly are capital credits? Why should we care? Let me try to explain.

### What are capital credits?

A cooperative does not earn profits in the sense that other businesses do. Instead, any

margins, or revenues, remaining after all expenses have been paid, are returned to the members in proportion to their usage of the co-op's services through capital credit allocations and retirements. Capital credits represent each member's share of ownership of the co-op.

### What does REA do with capital credits?

Every business needs to maintain a suitable balance between debt and equity to ensure its financial health and stability. Capital credits are the most significant source of equity for most electric cooperatives. In fact, REA has over \$35 million in capital credits on the books. Equity is used to help meet the expenses of the co-op, such as paying for new equipment to serve members and repaying debt. Capital credits help keep rates at a competitive level by reducing the amount of funds that must be borrowed.

### How does REA determine who receives capital credits?

The REA Board of Directors determines the basis for the allocation and sets policy for capital credits retirement. Capital credits are allocated to each member of the cooperative every year based on financial participation in the cooperative.

### How are capital credits disbursed?

Each year, the REA Board of Directors determines whether the co-op's financial position permits the return, or retirement, of capital credits and, if so, what amount of capital credits will be retired.

The Board also decides the method by which capital credits are returned. This year's retirement will be based only on a first in - first out rotation. 100% of membership allocation for the years 1995 and 1996 will be retired. This is different than recent years in which a combination of first in - first out and last in - first out has been used. When a member's retirement is less than \$10.00, the amount accumulates until the total retirement exceeds \$10.00 before a check is issued.

### What happens if you move and are no longer a member of REA?

As long as you keep us informed of your current mailing address, we will send your capital credit check whether you're a current co-op member or not.

When capital credit checks are not cashed or are returned to REA, and we are unable to locate the owner, we call those unclaimed capital credits. By law, we hold unclaimed capital credits for a period of time in order to allow owners to claim them. After that period of time, and if the owner was from Minnesota, funds are used for the REA Scholarship Program. Otherwise, funds are claimed by states' unclaimed property laws. Also, be sure to contact our office if you receive a check for someone who is no longer living or residing at your address.

### Special Capital Credit Retirements

Members who have reached the age of 80 are eligible to request a one-time payment of capital credits. Members or their trustees (if their capital credits have been assigned to a trust for estate planning purposes) can contact our office for details.

### See you at the Annual Meeting!

A sure sign of spring is the REA Annual Meeting. Check out the details on the front page. I hope to see many of you at the event.

## REA Board of Director Meeting Highlights - January 2024

- » Reviewed the Financial Report for December 2023. Mrs. Nelson noted REA will end the year with a strong margin. Operating expenses are under budget with less spent on contracts and outside services and a labor shift from expense to capital.
- » CEO Haman gave an update on the progress of the new Lake Mary Substation and the mutual aid provided to Dakota Valley Electric in North Dakota following a Christmas ice storm.
- » Approved contracts for right-of-way tree clearing, pole inspection, substation and pole yard vegetation control, underground and overhead construction projects as part of the 2024 Operations and Maintenance Budget.
- » Approved the cogeneration and Small power production rates effective January 1, 2024.
- » Reviewed the process for seeking an increase in the board per diem. The Board directed CEO Haman to research various board compensation options and rates from other cooperatives. The last compensation increase was in 2015. The goal is to have a plan in place for the 2025 Annual Meeting.
- » **The regular March Board Meeting will be Tuesday, March 26, 2024 at 9:00 a.m.**

# Director Candidate Biographies

Election results will be announced at the Annual Meeting on April 25, 2024



## District 2 Barbara Johnson Incumbent

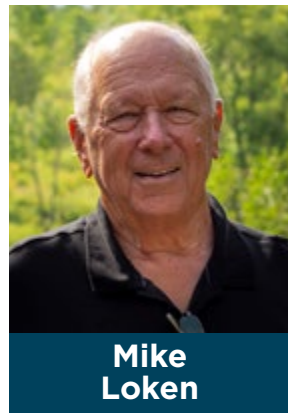
Barbara Johnson was nominated at the District Two meeting at Leaf Valley Town Hall in Garfield.

An REA member since 2000, Barbara and her husband, LeRoy, live in Leaf Valley Township on Lake Miltona. They have three grown children and seven grandchildren.

Barbara has served on the REA Board of Directors for fifteen years, six of those years as the board president. She has completed the necessary training to become a National Rural Electric Cooperative Association Credentialed Cooperative Director and has completed the Board Leadership Certificate.

Barbara holds a degree in Math from the University of North Dakota – Grand Forks and worked as a computer programmer, systems designer and later as a bookkeeper.

**District 2 Townships:** Leaf Mountain, Effington, Millerville, Leaf Valley, and Ida.



## District 5 Mike Loken Incumbent

Mike Loken was nominated at the District 5 meeting at Good Shepherd Lutheran Church in Alexandria. Mike resides on part of the farm where he grew up in La Grand Township. Before retiring in 2002, Mike worked in computer systems management for life insurance companies in the Twin Cities.

Mike has served on the REA Board of Directors for six years. Two years as treasurer and is now the vice-president. He is a certified Credentialed Cooperative Director through the National Rural Electric Cooperative Association.

Mike has 3 grown children and 9 grandchildren. Mike is a member of First Lutheran Church in Alexandria.

Mike has volunteered with Habitat for Humanity, Love INC, and volunteers during tax season preparing free income tax forms for low income clients through West Central MN Community Action.

**District 5 Townships:** Alexandria and La Grand.

## Cogeneration Notice

*In compliance with Minnesota Adopted Rules relating to Co-generation and Small Power Production, Chapter 7835, Runestone Electric is required to interconnect with and purchase electricity from co-generators and small power producers that satisfy the conditions of a qualified facility. Runestone Electric has available and will provide free information to all interested members regarding rates and interconnection requirements. An application for interconnection is required for a qualifying facility to interconnect and operate in parallel with the cooperative's distribution system and is subject to approval by the cooperative. For more information on cogeneration please visit: [www.runstoneelectric.com/energy-wise-programs/renewable-energy](http://www.runstoneelectric.com/energy-wise-programs/renewable-energy)*

## Paperless Billing Promotion Winners

Thank you to all the members who participate in REA's paperless billing program! Below are the winners from the paperless billing promotion that ran from November 2023 through January 2024.



Bette Morey, Glenwood,  
with CEO Al Haman



Bob Grove, Alexandria,  
with CEO Al Haman



Debbie LaCourse, Glenwood,  
with her daughter LeAnn Robb

# Is it Time to Replace Your Air Conditioner?

## NEWSLINE

The official monthly publication of Runestone Electric Association.

6839 Power Lane SW  
Alexandria, MN 56308

320-762-1121

Fax: 320-763-4149

rea@runestoneelectric.com  
www.runestoneelectric.com

**24/7: 800-473-1722**

**Office Hours:**  
7:30 a.m. to 4 p.m. Mon- Fri.

### Board of Directors

District 1: Gary (Andy) Anderson, President  
District 2: Barbara Johnson, Director  
District 3: Audrey Hjelle, Director  
District 4: Dave Staples, Secretary  
District 5: Mike Loken, Vice President  
District 6: Joel Seela, Director  
District 7: Matthew Mattson, Treasurer

### Editorial Staff

Al Haman, CEO  
Sue Lundeen, Editor  
Ally Koudela, Communications Specialist



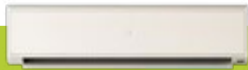
### In Case of a Power Outage

- » 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 a corded phone or a charged cell 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.

*REA will use reasonable diligence to furnish adequate and dependable electric service, but it cannot and does not guaranty continuous and uninterrupted service.*

**Sign up to get text messages on control days!**  
Simply text #loadcontrol to 22300.  
*Msg and data rates apply.*

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

 <b>Air Conditioner</b>	 <b>Air Source Heat Pump (ASHP)</b>	 <b>Ductless Mini-Split Heat Pump</b>
<p>Absorbs heat inside and expels it from your home, returning the cooled air into the home</p>	<p>Works like an air conditioner in the summer, but creates the reverse process to warm your home in the winter (throughout the home, using ductwork)</p>	<p>Works like an air conditioner in the summer, but creates the reverse process to warm your home in the winter (zones of the home, no ductwork needed)</p>
<p>Only used during the warm months when home cooling is needed</p>	<p>Offers heating and cooling through every season</p>	<p>Offers heating and cooling through every season, can be installed in any room or space</p>
<p>Efficiency differs, but some wall-mounted units only provide spot cooling and air can leak through seals</p>	<p>Highly efficient technology with no fear of air leaks</p>	<p>Highly efficient technology with no fear of air leaks</p>
<p>Cycled AC bill credit available in summer months</p>	<p>Year-round special Off-Peak rates apply</p>	<p>Does not qualify for Off-Peak Program</p>
<p>\$50 REA Rebate</p>	<p>Up to \$800 REA Rebate</p>	<p>\$200 REA Rebate</p>

Additional research and incentive information can be found at [www.mnashp.org](http://www.mnashp.org)

**BONUS WINTER BENEFIT:** Electric ASHP heating is much more efficient and cost effective than fuel heat technology, delivering up to three times more energy than the electricity it uses. Plus, stable electric rates will help you protect yourself from ever-volatile propane and gas prices.

**Call REA or visit [www.runestoneelectric.com](http://www.runestoneelectric.com) to find the heating and cooling system that works best for your home!**

This month's safety tip...

Stay Alive,

Stay inside.