

District Meetings in February

Matthew Mattson, incumbent District 7 Director, thanks members for attending the District 7 meeting at the Starbuck Community Center.

Read more below

NEWSLINE

March 2026

Capital Credits pg 2 Director Candidate Profiles pg 3

Members Nominate Director Candidates at District Meetings

District Meetings were held in preparation for the REA Annual Meeting scheduled for Wednesday, April 22, 2026.

Members of District 3, 6 and 7 gathered in February to nominate director candidates, hear updates on the cooperative, and to visit with neighbors. Nomination results were as follows:

- District 3:** Jon Winter (Incumbent), Hoffman
- District 6:** Joel Seela (Incumbent), Nelson
- District 7:** Matthew Mattson (Incumbent), Kensington

As of the printing of this newsletter, the director elections are uncontested. No ballot will be mailed, and the candidates will be elected by acclamation at the Annual Meeting. Candidate profiles can be found on page 3.



Member listen in to CEO Haman's presentation at the District 3 meeting in Hoffman.



Joel Seela, incumbent District 6 Director, welcomes members to the District 6 Meeting in Osakis.

SAVE THE DATE

ANNUAL MEETING

WEDNESDAY APRIL 22, 2026
4-5 PM: REGISTRATION | 5 PM: MEETING BEGINS



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



ATTEND THE ANNUAL MEETING AND RECEIVE A

\$25 GIFT CERTIFICATE
(one 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

A Note from the CEO

Answers to Capital Credit Questions

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.

be based on a first in - first out rotation. 100% of membership allocation for the years 1998 and 1999 will be retired. When a member's retirement is less than \$10.00, the amount accumulates until the total retirement exceeds \$10.00.

New this year - Bill credits will be applied to active accounts with capital credit retirements of \$500 or less on the bill you receive in May. Checks will be sent if the retirement exceeds \$500, if the account is inactive, or if the member is on budget billing.

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.

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.

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

Capital credits will be returned for the years 1998 and 1999 -

"Bill credits will be applied to active accounts with capital credit retirements of \$500 or less on the bill you receive in May. Checks will be sent if the retirement exceeds \$500, if the account is inactive, or if the member is on budget billing."

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.

Please feel free to contact our office or visit www.runestoneelectric.com with any questions you may have regarding capital credits.

REA Board of Director Meeting Highlights - January 2026

- » Mrs. Nelson reviewed the Financial Report for December 2025 noting we recorded a record-high patronage allocation from Great River Energy. Although the gross margin is down for the year, operating expense is also down, particularly labor-related costs. kWh sales for the year were 2.3% under budget and 5.5% over 2024.
- » Approved contracts for right-of-way tree clearing, pole inspection, underground cabinet inspection and repair, substation and pole yard vegetation control, underground and overhead construction projects as part of the 2026 Operations and Maintenance Budget.
- » Approved REA Electric Rates Effective January 1, 2026.
- » Approved updates to Member Policy M - 06 Line Extensions and the Schedule of Charges.
- » CEO Haman reviewed yard light rates and answered questions from the Board. The current rates will remain in place.
- » Approved senior capital credit retirement in excess of \$10,000 per REA Policy C12 - Capital Credits.
- » **The regular March Board Meeting will be Tuesday, March 31, 2026.**

Director Candidate Biographies

Election results will be announced at the Annual Meeting on April 22, 2026



District 3
Jon Winter
Incumbent

Jon Winter was nominated for the board at the District 3 meeting. He was elected in 2025 to fill the remainder of the open term in District 3. Jon and his wife Tanya raised four kids and several foster children on a farm between Barrett and Hoffman and now are empty nesters. They have been members of REA for over 25 years.

Jon attended college at NDSU and earned a Bachelor of Science in Agricultural and Biosystems Engineering. He also earned a degree in Lamb and Wool Management from Minnesota West Community and Technical College. He owns and operates a grain farm and sheep herd.

Jon served on the Hoffman Co-op Grain board for 16 years. At that point it merged and is currently Pro-Ag Farmers Cooperative. Jon serves on the board as vice president. He served on the Messiah Lutheran Church Council as President and several other committees.

Jon has now completed one year on the REA board. He has attended several training sessions and has gained valuable knowledge throughout the year.



District 3 Map



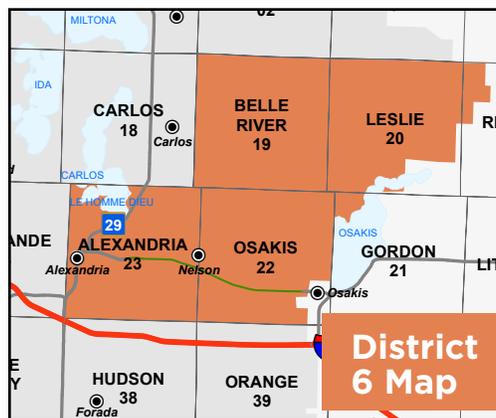
District 6
Joel Seela
Incumbent

Incumbent director Joel Seela was nominated at the District 6 meeting. Joel and his wife, Donna, live near Nelson in Osakis Township.

Elected to the REA Board in 2023, Joel has completed the necessary training to become a National Rural Electric Cooperative Association Credentialed Cooperative Director.

Joel has been involved with design, construction, and managing work for industrial and commercial facilities for over 30 years. Included in this work is 10 years in the electrical generating industry at various locations on nuclear, fossil, gas, wind, and renewable generation. Experience includes capital and long-term planning on a utility scale, rebate qualification, and permitting. Professional certifications include PMP Project Management Institute, CPC American Institute of Constructors, second class engineer State of Minnesota, and a graduate of Leadership Alexandria.

Some of his volunteer work includes City of Alexandria Airport commission and Officer EAA chapter 702 - 5013c in Alexandria.



District 6 Map



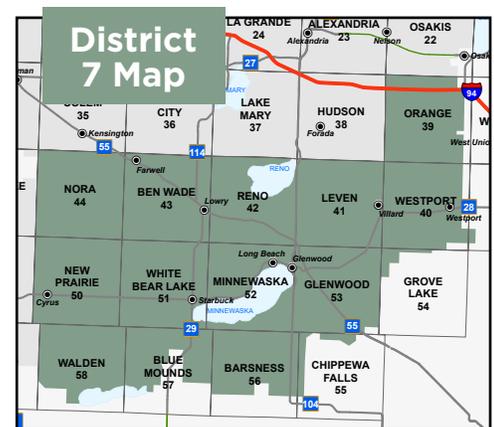
District 7
Matthew Mattson
Incumbent

Incumbent director Matthew Mattson was nominated at the District 7 meeting. An REA member since 1998, Matthew and his wife, Kerri, live outside of Kensington.

Matthew has served on the REA board since 2020 and currently serves as board treasurer. He has completed the necessary training to become a National Rural Electric Cooperative Association Credentialed Cooperative Director.

Matthew and Kerri farm with his father, Rodger, and their son, Austin, on a cattle and grain farm near Kensington. Recently, Matthew and Kerri partnered with their son, Zach, and his wife, Jenna, to open Taylor's Market, an on-farm store supplying meat and other products to consumers. In his spare time, Matthew enjoys spending time with his kids and grandkids.

Matthew currently serves as a director for the Pope Co. Ag Society, is a member of the Pope County Farm Bureau, and is involved at Alexandria Covenant Church in men's Bible study and a leader at Classes and Community. He has completed a term on the REA Member Advisory Council.



District 7 Map

Clean Up Your Account



Update Your Information

Keeping your contact information current helps us make sure we can reach you if your account needs attention, and helps us identify you when you report an outage.



Sign up for SmartHub

If you are not yet enrolled, visit www.runestoneelectric.com and sign up for SmartHub. With just a few steps you can access your account, pay bills, and monitor energy usage. You can also update your account information.



Go Paperless

Go green this year and enroll in paperless billing. Both secure and convenient, paperless billing provides you with the information you need regarding your account no matter where you are!

DID YOU KNOW?

Did you know a standard installed power pole on the REA distribution system costs an average of \$1,900.

REA has 35,000 poles on our distribution system. We replace approximately 300 - 400 rejected poles and install a total of about 500 new poles annually.

Poles can be made of wood, steel, concrete, composite fiberglass, ductile iron or laminated wood. They come in various widths and sizes. At REA, we most commonly use wood poles made from Red Pine that are 35 - 40 feet tall.



Co-generation 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 co-generation please visit: www.runestoneelectric.com/energy-wise-programs/renewable-energy

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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: Jon Winter, Director

District 4: Dave Staples, Secretary

District 5: Mike Loken, Vice President

District 6: Joel Seela, Director

District 7: Matthew Mattson, Treasurer

Al Haman, CEO

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

This institution is an equal opportunity provider and employer

Sign up to get text messages from REA on control days!

Simply text #loadcontrol to 22300
Msg and data rates apply

**This Month's Safety Tip...
Stay Alive. Stay Inside.**

