

Eastern Slope Rural Telephone Association, Inc.

2021 Annual Meeting Highlights

June 22, 2021

We had a great turnout for our 69th Annual Meeting of the Members. Over 256 meals were served by All of It Catering, LLC.

***Legal Determination** – 146 members were registered and present. A quorum was declared by Attorney Ed Zorn.

***Proof of Legal Meeting Notice** – Affidavits were presented proving publication and delivery of appropriate notification of the annual meeting of members.

*** Annual Meeting Minutes Approved** – Minutes from the 2019 and 2020 Annual Meeting were approved by the membership.

***Financial Review** - Tammy Totzke of BKD Accounting and CPA firm - Eastern Slope is very strong financially. Ms. Totzke explained that the cooperative was able to make additional long-term investments, investments in a network upgrade, and pay off over \$1.5 million in debt while maintaining a strong cash flow statement. The Income Statement shows a \$200,000 increase in revenues with expenses staying flat. The cooperative reported over \$2.3 Million in margins for 2020.

***Manager's Report** – Patricia White, General Manager/CEO

- ***By-Law Amendments adopted by the Board of Directors***

1. Allow for an annual meeting via teleconference. This change was made to allow for a virtual annual meeting during COVID or other state or national emergency.
2. Update telephony terms. This amendment was to update the word “telephone” to “communication services”. Members are no longer required to subscribe to telephone service to be a member of the cooperative, so this update in language was necessary.
3. Unclaimed Capital Credits. This by-law change will allow for unclaimed capital credit funds to be used for the benefit of the membership with Board of Directors approval.

- ***Pandemic Response***

The COVID Pandemic made us all realize that broadband is no longer a luxury, but a necessity. Although our lobby was closed for a short time, all operations of the cooperative remained in service. Broadband subscribers from January 2020 to June 2021 represent a 16 percent increase. Manager White showed a graph of the number of customers taking the lower speed packages versus the upper speed packages illustrating that more customers are needing the higher speeds. This also explains the increase in our backhaul usage.

- ***Alternative Connect America Fund II***

Manager White provided a brief explanation of the ACAM support and the associated requirements to provide 25/3 to a specified number of rural locations. ESRTA is on track meet these requirements.

- ***Plant Upgrades***

Fiber-to-the-Home to rural areas of Hugo, Boyero, Arriba, and Genoa.

Fiber-to-the-Home in the Flagler Exchange – 2022 Completion

Fiber-to-the-Home in the Town of Eads – 2022 Completion

100 Gig Network Upgrade – Redundant Transport Network expandable to 200 Gig.

- ***New Service Offerings***

Business VoIP Phone Systems

Managed Wi-Fi

Broadband Only – No Phone Line Required

- ***Industry Updates***

New Colorado Area Code 983 – Coming in 2022

10-Digit-Dialing – Area Codes 719 and 970 will require all 10 digits to be dialed effective October 24, 2021

Be sure to update contacts and speed dials, both on home phones and cell phones, to include all 10 digits prior to the October deadline.

***Retirements, Service Awards and Scholarships**

Retirements:

Gary Borns – 35 Years

Virgil Lessenden – 25 Years

Jim Collie – 35 Years

A special award was presented to Ardith James, commemorating Keith James' 23 Years on the Board

Service Awards:

10 Years – William Bledsoe III, Jarred Demoret, Renae Koch

20 Years – Gary Yowell, Tina Waite

Scholarships (\$1,000 Each):

Dixi Lockhart – Genoa-Hugo

Tieler Randel – Kit Carson

Tessa Smith – Genoa-Hugo

Shae Withington – Genoa-Hugo

***Director Elections**

Colleen McCormick (Arriba), Wade Hollowell (Hugo), and Curtis Dutro (Karval) were elected to serve a three-year term on the Board of Directors.