

2019 Annual Meeting of Members

Oct. 5th • 10 a.m. • MSU-N SUB Ballroom in Havre, MT



LOCAL SERVICE. LOCAL TECHS.





A letter from the President - Richard Stuker

I would like to invite everyone to Triangle Telephone Cooperative's Annual Meeting on October 5th, 2019 at the MSU Northern Ballroom in Havre, MT. Come spend the morning visiting with friends and neighbors, learning what your CO-OP has accomplished this year and what our plans are moving forward. Triangle has continued with fiber deployment in accordance with our long-term plan to upgrade our exchanges.

All of the upgrades should be completed by the end of 2024, as long as the FCC does not change our settlement process. With the average cost exceeding twenty thousand dollars per mile to construct fiber buildouts, and a density of .75 customers per mile, any changes could lengthen this time frame. The estimated cost for completing the upgrades will exceed sixty million dollars. The CO-OP philosophy has been and remains that all members will be treated equally. The board and management feel our future must include more and faster broadband for our members. If you feel that your broadband speeds are slowing down, it could be you have added devices that are using more bandwidth, or there could be some other problem. Either way, I encourage you to call our Customer Experience Representatives who can help you with any issue you may be encountering with your service.

This year, we will have three trustee positions up for election. Of these three, Don Bitz, who has served for 15 years on the Triangle board, has decided not to seek re-election. Don also served on the NTCA Board of Directors for the last three years. While on the twelve member NTCA board, Don was the only non-manager serving, as the remainder of the board consisted of eleven CO-OP and commercial company managers. His voice brought a different perspective to the board meetings. I'd like to take this opportunity to thank Don for his service to Triangle and to NTCA.

I hope to see you on October 5th, 2019 for your annual meeting.

Rich Stuker



A message from the CEO/GM - Craig Gates

At Triangle Communications, we believe being local with exceptional member focus makes us accountable for all that we do as a cooperative. Every decision we make is for the benefit of the cooperative and you, its members.

Triangle offers a superior product that is powered by exceptional local employees. We pride ourselves on being available to provide top notch service. This involves our new service offerings such as Advanced Wi-Fi and computer repair. We strive every day to be at the forefront of technology, to constantly improve the way you experience and use Triangle's services.

If you have reached out to our office recently for a new install or service call, you may have noticed we now schedule appointments for our members service requests. This change allows our members to know the date and time a technician will be at their home when they hang up from the call.

We are also opening a new customer service office in Big Timber to provide a face to face option for our southern members. We will continue to strive to be more present in the communities that we serve. Be on the lookout for 'Meet & Greets' scheduled throughout our service areas.

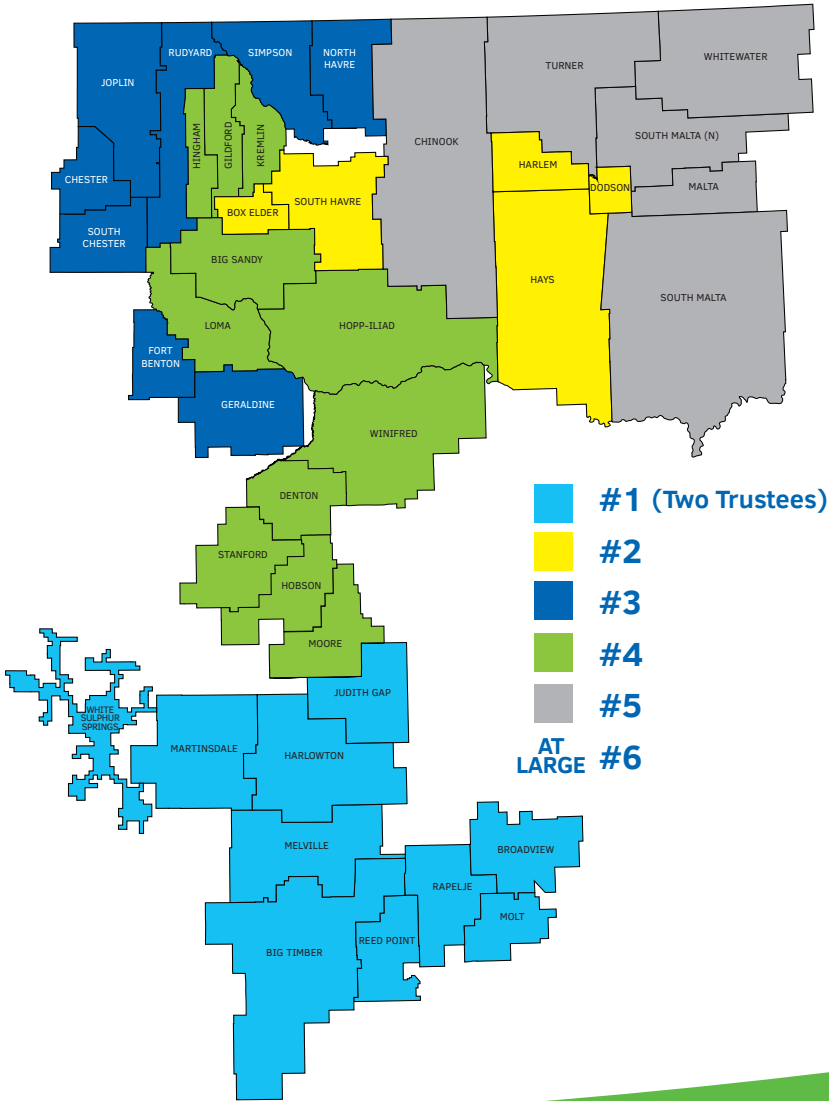
Whether you reach out to our employees through a phone call, stop at a local store or utilize Facebook, etc. we are here for you! We believe it should be easy for our members to reach out to us in the most convenient method possible.

As a cooperative, we understand the need to put our members first and we will continue to work hard every day for your continued business and support. Attending the 66th Annual Meeting of Members for Triangle on Saturday, October 5th in the Student Union Building on the campus of Montana State University-Northern in Havre, MT is a great way to learn more about what your cooperative is doing to benefit the members.

Registration begins at 8:30 a.m. and the business meeting begins at 10:00 a.m. Members receive a gift for attending, enjoy a delicious lunch and could win a great prize! If you live out of the area, special room block rates are available at the AmericInn Lodge and Suites by calling 406-395-5000. The block name is "Triangle Communications" and is valid until 9/15. Remember, you must show up to participate, so we look forward to seeing you there!

Craig Gates

Triangle Communications District Map



Thank You to our 2019 Triangle Nominating Committee:

Susan Mosness (Dist #1), Ronald Riter (Dist #1), Patricia Quiso (Dist #2), Marcus Jochim (Dist #3), Charlotte Kelly (Dist #3), Robert Finke (Dist #4), Paula Miller (Dist #4), Robert Boettcher (Dist #4), Dave Taylor (Dist #5) and Anne Boothe (Dist #5)

Agenda for the 66th Annual Meeting of Members

Saturday, October 5, 2019

MSU-N Student Union Building in Havre, MT

Registration – 8:30 a.m.

Business Meeting – 10:00 a.m.

Call To Order

Invocation

Determination of Quorum

Reading of Notice of Meeting and Affidavit of Mailing

Members to Take Necessary Action on 2018 Minutes

Reports from Officers and Trustees

CEO/General Manager's Report

Presentation of Financial Report

Triangle Video Presentation

Nominating Committee Report

Election of Trustees

Cash Drawings for Member's Children under 18 yrs. Must be present to win.

New Business

Meeting Adjourned

Buffet Lunch

Prize Drawings

Nominee Letters

ELIZABETH WERK, DISTRICT #2

Elizabeth “Liz” Werk lives on a ranch south of Hays, Montana. Her husband Toby Werk and children Franky, Aubri, and Tilli own and manage a small business on their ranch, Blue Heaven Guest Ranch. Liz and Toby raise cows and horses while welcoming guests from around the world. Guests embrace the Native American culture and Western lifestyle by enjoying an adventurous hunt, touring historical/cultural sites, or participating in a local event. She also currently works for Montana State University Extension Service as the Agriculture Agent on Fort Belknap Reservation. She has been with MSU Extension for 9 years. Previously, she worked at Hays/Lodge Pole Elementary and Mission Grade School. She received her BA in Human Development from University of California, Davis then went on to earn her Masters in Education: Learning Development from MSU-Northern. Liz is actively involved in her community. She understands the important role technology plays in breaking down boundaries to generate rural development and strengthen educational systems.

DAVE SCHWARZBACH, DISTRICT #6

Dear fellow cooperative members, it has been my honor and privilege to serve as the newest member of the Triangle Communications Board. I am humbled and grateful to the nominating committee for again selecting me to run for a board position.

I was born and raised in the Havre area. My entire adult life has been devoted to some aspect of our cooperative. I began working for Hill County Electric in August of 1970 and served until my retirement in November of 2014. I worked 7 years on the electric crew and over 37 years as the serviceman in the Big Sandy area. I believe my experience as an employee of the cooperative as well as a customer gives me a unique perspective as a board member.

I am a strong believer in giving back to the community. I have been a member of the Big Sandy Volunteer Fire and Ambulance department for 39 years and am currently serving as the president. I have also taught Hunter’s Safety for 18 years and have been a member of the Big Sandy Booster Club for over 30 years. I have also been a Bear Paw Sportsman member for over 40 years and have helped the Big Sandy Rotary Club for over 25 years with the installment of Christmas Decorations.

It has been a pleasure working with the present board and I look forward to the future of our cooperative as we take on the challenges of keeping up with the changes in technology and communications.

Thank you,
Dave Schwarzbach

CONNIE KISSNER, DISTRICT #6

I would like to thank the nominating committee for considering me for a Trustee position on the Triangle Communication Board for District 6.

My name is Connie Jergesen Kissner and I grew up in Harlem and moved to Chinook in 1979. Currently I am an office manager, salesperson, and title clerk at Triple T Sales in Chinook, specializing in Hydrabed Bale Handlers and trailer sales, and have been here since March of 2000. From September 1979 to 2000, I was employed at Chinook Veterinary Clinic as an assistant and receptionist. I took a two year hiatus from 1984-1985 when I had the opportunity to travel the country as a Phone Room Manager for one year, then came back to work at Tilleman Appliance in Havre for one year before returning to the clinic.

Being a lifetime Blaine County resident, I realize how important it is for rural areas to have dependable communication in our social, professional, and business lives. Technology has made it possible to access anything in the world and provides more new opportunities for rural areas. Our Board of Trustees has done a spectacular job of keeping up with technology and service, and I would like the opportunity to contribute and continue their experience and success.

I believe developing a strong working relationship with customers is the key to achieving our goals as a co-op and it would be an honor and a privilege to serve the Triangle members, employees and the board as your trustee.

Thank you,
Connie Kissner

NATHAN SIMONS, DISTRICT #6

My name is Nathan Simons. I am currently farming and ranching in the Turner area. I am married to Billie Jo, son Hudson 8 and daughter Mary 6 years old. I graduated Turner High School in 1996 and Montana State Bozeman in 2000 with a BA degree in Business Finance. After college I spent some years in the Seattle area before moving back to Havre to work for Independence Bank, to work as a financial consultant in 2002. In 2005, I moved to Malta. I was an AG commercial lender and then became the branch manager at Independence Bank Malta branch. I was involved in various community events, including the Malta chamber president for a couple years. In 2012, we were able to lease some farm ground and decided to jump on the opportunity to become fulltime farmers and ranchers and continue to do so to this day. I realize the importance of the COOP in our rural communities and look forward to representing Triangle Communications.

Thank you,
Nathan Simons

JULIE SNELLMAN, DISTRICT #6

Greetings,

I'm Julie Snellman, a Mother, Wife and graduate of Montana State University, currently serving as the Owner and Operator of Art's Furniture and Carpet in Malta, Montana. Prior to this role, way back in 2006, I opened my first business, Sweet Things and Espresso, which paved the way for me to increase my passion for business ownership. Today, I use this and my other past positions in my roles as Owner and Operator to Art's Furniture and Carpet. The company was originally founded by my parents, Art and Mary Lundstrom, in 1977. Back then it was known to our local residents and neighbors as Art's Furniture and Music. For 40 years it has remained open and thriving in our community, and in 2016, my husband Jason and I, purchased it after our children entered kindergarten. Shifting my focus from primarily being a stay at home mom to that of a business owner, I haven't ceased in my mission to bring in the same amount of success and customer service that our family business was known for. Whether it is with customer relations, sales, bookkeeping, inventory or employee management, I love what I do!

Along with managing our business, I serve as a member of the Malta Chamber of Commerce since 2016. In 2017, I became one of the Chamber's Directors, before then beginning my term as its Merchants Committee President. Alongside these memberships, and with hopes of growing my personal and professional skills with the support of my local peers, I was also a part of the Rotary International- Whitehall Chapter (secretary and treasurer) and Phillips County Health Care Foundation (secretary). No matter the organization I am serving with, it is always an honor being a part of bringing more value to my community as we grow stronger and prouder everyday! I am a Malta, Montana native who is familiar with the Hi-Line and Central Montana. If chosen for the position on the Triangle board I am most excited about learning more about the communities served by Triangle and how those communities utilize the many programs and services Triangle has to offer.

Thank you,
Julie Snellman



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landline!*

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save you money and
deliver faster speeds!*

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Our new Internet Only plans start with speeds 4 to 5 times faster than our current introductory speed! Say goodbye to your landline (and buffering) and switch to our new Internet Only plans today!

*See if going Internet Only
is right for you!*

Balance Sheet December 31, 2019

ASSETS

CURRENT ASSETS

Cash General Funds	\$15,560,558	
Telecommun. Accounts Receivable	3,392,820	
Other Accounts Receivable	3,076,873	
Accounts Receivable Affiliates	695,742	
Interest and Dividends Receivable	2,510	
Materials and Supplies	3,557,926	
Prepayments	387,022	
Note Receivable - Current Portion	<u>194,100</u>	\$26,867,551

NONCURRENT ASSETS

Investment in Affiliated Companies*	51,933,175	
Other Investments	4,450,725	
Nonregulated Investments (Net)	87,817	
Notes Receivable	734,661	
Defined Benefit Pension Prefunding	5,193,461	
Deferred Charges (Net)	<u>354,966</u>	62,754,805

PLANT, PROPERTY, AND EQUIPMENT

Telecommun. Plant in Service	341,750,376	
Telecommun. Plant Under Construction	1,126,909	
	342,877,285	
Less: Accumulated Provision for Depreciation	<u>(134,887,131)</u>	207,990,154

TOTAL ASSETS

\$297,612,510

LIABILITIES, PATRONAGE CAPITAL, AND MARGINS

CURRENT LIABILITIES

Accounts Payable	\$1,824,157	
Advance Billing and Payments	884,733	
Customer Deposits	180,590	
Accrued Real Estate Taxes	1,374,764	
Other Current Liabilities	619,869	
Current Portion of Long-Term Debt	<u>6,952,000</u>	\$11,836,113

LONG-TERM DEBT

RUS Mortgage Notes		
(Less current portion - \$7,244,000)		56,812,244

OTHER LIABILITIES

Severance Pay		669,212
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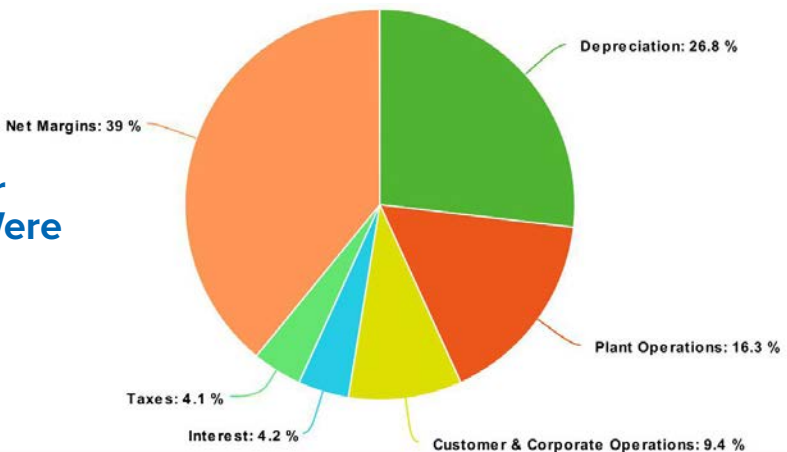
TOTAL EQUITY

228,294,941

TOTAL LIABILITIES, AND EQUITY

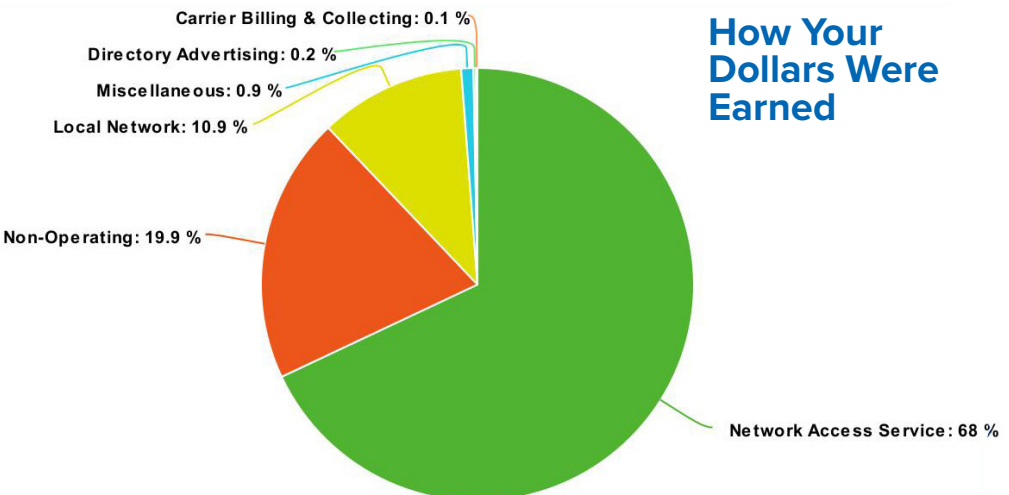
\$297,612,510

How Your Dollars Were Spent



Comparative Statement of Revenues and Expenses

	2019	2018
OPERATING REVENUES		
Local Network Revenues	\$7,297,089	\$5,389,490
Network Access Service	45,599,981	44,021,709
Billing & Collection	79,808	78,531
Miscellaneous	715,985	712,753
TOTAL OPERATING REVENUES	<u>\$53,692,863</u>	<u>\$50,202,483</u>
OPERATING EXPENSES		
Plant Specific Operations	7,864,491	7,186,457
Plant Non-specific Operations	3,154,929	4,166,061
Depreciation	17,979,177	16,755,407
Customer Operations	3,028,657	2,880,945
Corporate Operations	<u>3,292,034</u>	<u>3,331,156</u>
TOTAL OPERATING EXPENSES	<u>\$35,319,288</u>	<u>\$34,320,026</u>
OPERATING TAXES		
Other Operating Taxes - Property	<u>2,719,393</u>	<u>2,813,787</u>
TOTAL OPERATING EXPENSES & TAXES	<u>\$38,038,681</u>	<u>\$37,133,813</u>
NET OPERATING MARGINS	<u>\$15,654,182</u>	<u>\$13,068,670</u>
FIXED CHARGES		
Interest on Long-Term Debt	2,841,919	3,087,359
Other Interest Expense	0	875
TOTAL FIXED CHARGES	<u>\$2,841,919</u>	<u>\$3,088,234</u>
NONOPERATING INCOME (EXPENSES)		
Interest and Dividends	1,912,858	1,729,029
Miscellaneous Income and Charges	118,535	139,953
Triangle Comm. Syst. Income	11,371,293	6,600,400
Nonoperating Income Taxes**	(18,920)	(32,867)
TOTAL NONOPERATING INCOME	<u>\$13,383,766</u>	<u>\$8,436,515</u>
Nonregulated Net Income (Loss)	<u>\$(58,273)</u>	<u>\$8,516</u>
NET MARGINS FOR PERIOD	<u>\$26,137,756</u>	<u>\$18,425,467</u>
TOTAL EQUITY		
BEGINNING OF YEAR	<u>\$204,783,084</u>	<u>\$188,380,317</u>
Other Adjustments to Equity	(68,463)	32,882
Deduct Retirement of Capital Credits	<u>(2,557,436)</u>	<u>(2,055,582)</u>
TOTAL EQUITY		
END OF YEAR	<u>\$228,294,941</u>	<u>\$204,783,084</u>



Official Notice of the 66th Annual Meeting of Members

The sixty-sixth Annual Meeting of Members of Triangle Telephone Cooperative Association, Inc. of Havre, Montana will be held on Saturday, October 5, 2019 at 10:00 a.m. in the SUB-Ballroom on the campus of Montana State University-Northern in Havre, Montana to take action on the following matters:

1. The election of three trustees of the Cooperative.
2. Passing upon reports of officers, trustees and committees for the previous year.
3. Conducting such other business as may come before the meeting or any adjournments thereof.

In accordance with the bylaws, the nominating committee, composed of Cooperative members, has nominated the following individuals as candidates for the position of trustee of Triangle Telephone Cooperative Association, Inc.:

District 1	Doug Lowry
District 2	Elizabeth Werk
District 6	Dave Schwarzbach Connie Kissner Nathan Simons Julie Snellman

The name or names on this notice indicates the name in which the membership is carried. Voting must be done by the member, or in the case of a joint membership, by only one of the joint members. No member shall attend or vote by proxy or by mail.

Registration starts at 8:30 a.m. in the Student Union Building of Montana State University-Northern and lunch will begin after the meeting. Prizes will be awarded.

Hope to see you there!
Rick Pokorny, Secretary/Treasurer
Dated 9/15/19

MONTANA-SIZED INTERNET

Voting Authorization Form

Certificate of Voting Authorization of Corporation, Unincorporated Association, or School District holding a Membership in Triangle Telephone Cooperative Association, Inc.

The undersigned does hereby certify that he or she has been duly and regularly appointed to represent the below-mentioned corporation, unincorporated association or school district at the annual members' meeting to be held October 5, 2019 and to cast the vote for said corporation, association or school district upon each matter submitted to a vote of the members of the cooperative at said meeting.

Dated, this _____ day of _____, 2019

Signature of Authorized Voting Representative

Name of Corporation, Unincorporated Association or

Number _____ and County _____ of School District.

WITNESSED BY: _____

Title: _____

Representative and witness must be officers, directors, trustees or official designees of the organization being represented.

Please complete this form and bring to your Annual Meeting.



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**THANK YOU
FOR**

**ATTENDING
OUR 66TH
ANNUAL**

MEETING!



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And more!