

Eastern Slope Rural Telephone Association, Inc.

2023 Annual Meeting Highlights

June 13, 2023

We had a great turnout for our 71st Annual Meeting of the Members. 208 meals were served by All of It Catering, LLC.

**\*Legal Determination** – 109 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 2022 Annual Meeting were approved by the membership.

**\*Financial Review** - Tammy Totzke of FORVIS, LLP - Ms. Totzke explained Eastern Slope is very strong financially and has seen an 86% increase in internet revenues since 2017. She went on to explain that the cooperative was able to make investments in fiber upgrades of approximately \$4 million and pay off over \$1.3 million in debt while maintaining a strong cash flow statement. The cooperative reported over \$2.1 Million in margins for 2022.

**\*Manager's Report** – Bradley Welp, General Manager/CEO

- **Transition**

Manager Welp reviewed the transition that took place in management with Patricia White's retirement and his selection by the board to be the manager. He then introduced himself to the members with a little information on his background in the industry.

- **Transitions in the company**

Manager Welp discussed some of the changes in the company with the new logo and new signage on the headquarters building, a new website design and location and upgrades in the billing/customer service software that will lead to the ability for customers to order service online.

- **Plant Upgrades**

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

Fiber-to-the-Home in the Town of Hugo – 2023 Completion

Fiber-to-the-Home continuing in the Rural Flagler Exchange – 2024 Completion

Fiber-to-the-Home continued expansion in the Bennett exchange.

- **ReConnect 3 Grant Funding**

Manager Welp provided information on the ReConnect Grant the was awarded to ESRTA. Total project will be \$25M with \$18.74M in grant funds and \$6.25M in match by the cooperative. He then explained the 3 phases that will happen in the next 4 years with all work needing to be complete by January of 2028.

- **New Service Offerings**

Business VoIP Phone Systems continues to be popular.

Providing IT services to members is being explored.

- **Industry Updates**

Alternative Connect America Fund II ends in 2028 with the next plan expected to be announced soon.

Broadband Funding Opportunities are abundant and will be looked at to help provide service in surrounding areas.

**\*Service Awards and Scholarships**

**Service Awards:**

35 Years – Royce Pindell

25 Years – Deb Ward

20 Years – Brian Miller

20 Years – Tobe Simmons

10 Years – Tom Sauter

Special recognitions and gifts were given to honor the service on the Board of Directors for Jerry Smith with 28 years of service and William Bledsoe with 12 years of service as they retire from the board.

**Scholarships (\$1,000 Each):**

Camden Bledsoe – Flagler Exchange

Brynlyn Owens – Genoa Exchange

**Scholarships (\$500 Each):**

Allison Daly – Flagler Exchange

Baylee Kelly – Hugo Exchange

**\*Director Elections**

Shane Lessenden (Haswell), and Gary Elrick Jr. (Flagler) were elected to serve a three-year term on the Board of Directors. The Kit Carson Exchange had no candidates to be elected. The Board will appoint the director for that exchange.