

VOL.24

2023 ANNUAL REPORT

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ISSUE 2

AUGUST 14TH

You're Invited!

Explore the possibilities
with Owen at the 68th
Annual Meeting!

About Owen

- Tech Wizard
- Professional Troubleshooter
- Internet Guru
- Wants to see YOU at the Meeting!



NOTICE OF ANNUAL MEETING OF THE MEMBERS OF TRIOTEL COMMUNICATIONS, INC.

To the Members of TrioTel Communications, Inc.:

Pursuant to Article 3, Section 3 of the Bylaws of TrioTel Communications, Inc. (the "Cooperative"), NOTICE IS HEREBY GIVEN that the Annual Meeting of the Members of the Cooperative will be held at **McCook Central School in Salem, South Dakota, on August 14th, 2024, at 6:00 pm.**

The business to come before the Members at the Annual Meeting shall include the following:

1. Election of directors;
2. Financial and operational reports;
3. Any and all other business properly brought before the meeting.

Dated May 22nd, 2024


Thomas E. Hueners

OFFICE INFORMATION

330 S Nebraska St.
PO Box 630
Salem, SD 57058
(605) 425-2238

OFFICE HOURS:
Mon.-Fri. 8am-4:30pm
www.triotel.net

MONTHLY E-NEWSLETTER

E-newsletters get sent out to customer emails on the first of EVERY month!

Not receiving yours? Let us know. Contact Kendra at kendra@triotel.com or call the office.

FOLLOW US ON SOCIAL MEDIA

Stay in touch with TrioTel. Check us out on Facebook and Instagram!
@triotelcommunications



CALENDAR NOTES:

July 21st- National Ice Cream Day
August 14th- TrioTel Annual Meeting
September 2nd- Labor Day, TrioTel Office Closed
September 8th- National Suicide Prevention Week

1st of the Month- TrioTel Invoices Mailed Out
15th of the Month- Prompt Payments Due (1st year customers)
20th of the Month- Remaining Payments Due

TRIOTEL POPQUIZ

Cory & Leanne Eich
of Canova, SD

Congrats to our TrioQuiz winner from the Spring 2024 Newsletter

SCAN THE CODE FOR A CHANCE TO WIN

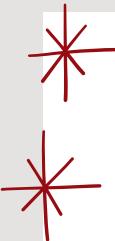
Scan the QR code with your smart phone or tablet and complete the form to be entered into a ONE MONTH FREE INTERNET giveaway.



TRIOTEL.NET/THETRIO-GIVEAWAY

2024 TRIOTEL SCHOLARSHIP WINNERS

Congratulations to the Graduating Class of 2024, and to this year's TrioTel Communications, Inc. scholarship recipients. Eight students have been selected to receive a \$500 scholarship in recognition of their leadership, civic and extracurricular activities, academic achievement, character, and motivation to serve and succeed. Congratulations, and best wishes for continued success in your future endeavors.



Sierra Weber
Bridgewater-Emery
High School



Korbyn Kayer
Bridgewater-Emery
High School



Reese Marek
Hanson
High School



Isayah Price
Hanson
High School



Jase Heumiller
McCook Central
High School



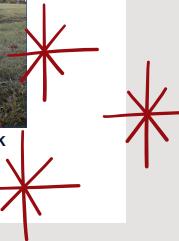
Vivian Koepsell
McCook Central
High School



Autumn Lentz
At-Large: Mitchell
High School



Georgianna Kolbeck
At-Large: Madison
High School



WRAPPING UP IN LAKE COUNTY

Broadband is indispensable for economic growth in rural areas, offering a constant connection to the global community. Since spring 2023, TrioTel has laid over 100 miles of fiber-optic cable in rural Lake County. This expansion project became feasible through state grants and proactive company investments.

Construction crews are on schedule to finish the remaining 20 miles by the end of summer. This effort will soon provide over 400 locations in Lake County with access to TrioTel's broadband network. Thanks to TrioTel's commitment and support from the ConnectSD grant from the State of South Dakota, this initiative is delivering sustainable and dependable broadband services to homes and businesses alike.





Heather Kranz
General Manager/CEO

MESSAGE FROM THE MANAGER

It is Annual Meeting time, so it is time to celebrate YOUR Cooperative! The Board of Directors and Staff welcome all cooperative owners to our 68th Annual Meeting of the members. This year's Annual Meeting will be held on **Wednesday, August 14th at the McCook Central PAC Room at 200 E. Essex Avenue in Salem. We look forward to seeing you!!**

As we approach our Annual Meeting, I am happy to report that 2023 was another very successful and busy year for TrioTel. Your cooperative had another strong year financially. All financial goals that were established in the budget were not only met, but exceeded. This allowed us to continue to make capital investments and improvements, and it also allowed TrioTel to return capital credits to our membership.

THANK YOU, TOM HUENERS!

TrioTel has been so fortunate to have Tom Hueners of the Winfred Exchange serve on our TrioTel Board of Directors for the past 51 years! We have had the absolute pleasure to have the Hueners family represent the Winfred Exchange on the TrioTel Board of Directors for the last 70 years, all but THREE years of our cooperative's existence!! As a board member and supporter of your local cooperative, Tom has generously given his time to make tough decisions and act in the best interest of our members. His leadership, guidance, and knowledge are one of the reasons your cooperative is as successful as it is today. We thank Tom and his family for their years of service with TrioTel. He will be greatly missed by ALL of us!!



The Annual Membership meeting is a co-op tradition that goes back to the very beginning. It is the one time each year that we gather as co-op members and employees to unite in our common purpose and commitment to service. While the primary purpose of the meeting is to conduct business, hear from co-op leaders and facilitate our Board of Directors election, there is much more than that. Members get to hear firsthand from co-op leaders about the past year as well as goals and prospects for what is coming. So, bring the family and join us at the TrioTel Annual Meeting as we come together at the McCook Central PAC Room on August 14th. Registration and free meal begin at 6:00pm with a brief business meeting beginning at 7:00pm. We will end the evening with the drawing of some great door prizes! Please remember to bring your registration card! See you there!!



2024 ANNUAL MEETING

ANNUAL REPORT

PRESIDENT & GM REPORT

FINANCIAL REPORT

2023 MEETING MINUTES

2024 MEETING AGENDA

***“EXPLORE THE
POSSIBILITIES”***

WEDNESDAY, AUGUST 14TH, 2024

Location: McCook Central High School
200 E. ESSEX AVE, SALEM, SD 57058

POST FROM THE PRESIDENT

EXPLORE THE POSSIBILITIES WITH TRIOTEL

Embracing change has always been a struggle for me, as I find comfort in stability and routine. Conversely, my husband thrives on exploring new possibilities, often urging me to "embrace the change". In today's rapidly evolving technological landscape, change is inevitable. Telecommunication cooperatives, which once linked families through telephone lines, have given way to mobile phones and live streaming. The emergence of smart TVs offers even more options, albeit with a learning curve for many.

Kathy Hofer
Board President
District 3, Spencer

TRIOTEL BOARD OF DIRECTORS



Ben Endorf
District 1, Canova



Maddi Rabenhorst
District 2, Center



Tom Hueners
District 4, Winfred



Terry Schroeder
District 5, Alexandria



Kevin Peterson
District 6, Salem



Tom Randall
District 7, At-Large

Reflecting on the past, it's remarkable to see how far technology has advanced. From the introduction of computers and email to the advent of wireless communication and video calls through platforms like FaceTime and Marco Polo, the possibilities seem endless. Even the futuristic gadgets imagined in shows like "The Jetsons" have become a reality sooner than we could have anticipated.

One of the greatest potentials, both beneficial and concerning, lies in the realm of artificial intelligence (AI). Unlike artificial insemination, a familiar concept to many farmers, AI, or artificial intelligence, is a permanent fixture in our world, demanding that we learn to harness its capabilities. While most of us encounter AI through automated telephone systems, its scope extends far beyond. For instance, educators have observed students utilizing platforms like ChatGPT, enabling them to request customized papers by providing details such as the title, length, and grade level. While this is remarkable for students, it poses significant challenges for teachers. Nevertheless, the question remains: is AI ultimately advantageous? Teachers can also utilize AI for test preparation and curriculum assistance, ushering in further changes and opportunities.

Despite the uncertainties, witnessing my elderly parents embrace new technology like smart TVs serves as a reminder of the importance of embracing change. It's a balancing act of cherishing timeless values like family and tradition while leveraging the potential of modern communication tools. In this ever-changing world of possibilities, I'm reminded of the need to adapt and evolve.

As TrioTel explores possible changes to come, we remain committed to serving you with excellence and integrity. Your satisfaction will always be our top priority, and we are deeply grateful for the opportunity to be your trusted partner in communication.

6:00PM

DOORS OPEN

Registration of Members

Sign up for Door Prizes

Meal Provided

7:00PM

Meeting Called to Order

Invocation

Report of Quorum

Notice of Meeting & Proof of Mailing

Approval of Minutes of Previous Meeting

Election of Directors

Treasurer's Report

Manager's Report

New or Unfinished Business

Adjournment

7:30PM

Prize Drawings (must be present to win)

meeting agenda

REMINDER:

Bring your registration slip to the Annual Meeting.
It is located on the last page of this issue of The Trio.

2024 TREASURERS REPORT

The positive financial performance over the past year makes it possible for TrioTel to "Explore the Possibilities" to meet the Cooperative members' ever-changing needs.

As you review the balance sheet and statement of operations, you can see 2023 was a financially sound year for your Cooperative. This enables TrioTel to "Explore the Possibilities" as a trusted internet provider. The staff and Directors are committed to broadband deployment that is vital for economic development in rural South Dakota. TrioTel is expanding its 100% fiber network to the underserved of the region. The goal is to build infrastructure that benefits both the Cooperative and the recipients of our reliable, fast internet. The Fulton and Junius areas have been completed in prior years. TrioTel is currently working on an expansion in rural Lake County. This project is being funded by TrioTel's investment and the Connect SD Broadband Grant Program.

The financial summary reflected the balance sheet increase in assets, liabilities and equities. Assets increased in investments, along with investment in plant. The Connect SD Grant Program made it possible to begin construction by burying fiber in 2023 for the planned rural Lake County expansion. Debt continued to be paid down, as reported in long-term debt. Equities increased as the net margin was allocated to members.

The statement of operations reported a financially strong year in 2023. TrioTel's main revenue sources were from network access services, internet revenue, and cable TV video revenue. Network access services revenue was funding that TrioTel received as a communications service provider for a high-cost rural area, and revenue from other carriers that used our network for long-distance or wireless calls. Internet revenue continued to increase. More members needed broadband and higher speeds were required to meet the demands of their daily lives. In total, TrioTel had over [REDACTED] in revenues for 2023.

Operating expenses totaled [REDACTED] and largely consisted of plant maintenance, video programming, customer and corporate operations. Other income included investments and earnings from ownership in related companies that totaled [REDACTED]. The net margin, after tax, was [REDACTED] for the year.



Barb Mentele
Accountant

Along with network investment, margins will be passed along to the Cooperative members by means of capital credits. In July each year, the Directors approve a retirement of the capital credits from a portion of the prior years of service. The dollar amount you receive depends on how much you spent on TrioTel services in these years. Capital Credits will be paid the beginning of October. Members will be issued a credit on their bill, or mailed a check. It pays to be a cooperative member!

2023 FINANCIALS

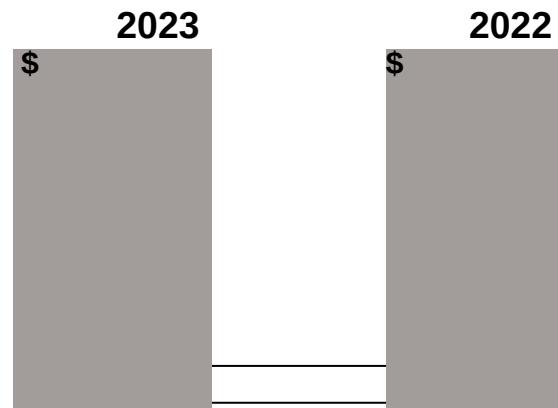
Balance Sheet

ASSETS

CURRENT ASSETS:

Cash and cash equivalents
Investments in held-to-maturity securities
Telecommunications accounts receivable
Other accounts receivable
Notes Receivable
Prepayments and other
Prepaid income taxes
Materials and supplies

Total Current Assets



INVESTMENTS AND NON-CURRENT ASSETS:

Investments in held-to-maturity securities
Investments and other assets
Notes Receivable
Other Assets

Total Investments & Non-current Assets



TELECOMMUNICATIONS PLANT:

Telecommunications plant in service

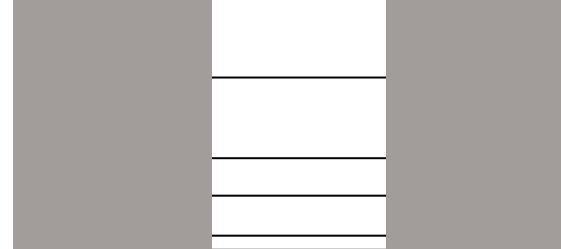
Under construction

Total Investment in Plant

Less accumulated depreciation

Net Plant

TOTAL ASSETS

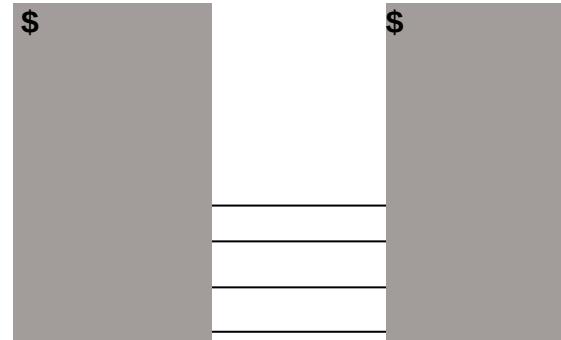


LIABILITIES AND EQUITIES

CURRENT LIABILITIES:

Current maturities of long-term debt
Accounts payable
Advanced billing
Accrued taxes
Other current liabilities

Total Current Liabilities



LONG-TERM DEBT, NET OF CURRENT MATURITIES:

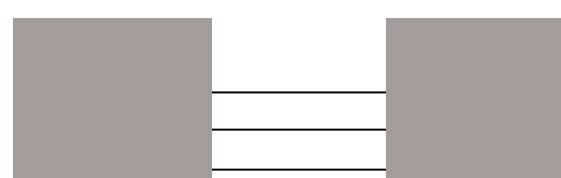
OTHER LIABILITIES

EQUITIES:

Patronage capital
Other equities

Total Equities

TOTAL LIABILITIES AND EQUITIES



2023 FINANCIALS

Statement of Operations

OPERATING REVENUES		2023	2022
Local service		\$	\$
Network access services			
Internet			
Video			
Long distance network services			
Miscellaneous revenue			
Total Operating Revenues			
OPERATING EXPENSES			
Plant specific operations		\$	\$
Plant nonspecific operations-other			
Video programming			
Depreciation			
Customer operations			
Corporate operations			
Operating taxes-other than income			
Total Operating Expenses			
NET OPERATING MARGIN			
OTHER INCOME (LOSS)			
Investment (losses) earnings			
Income from equity investments			
Interest expense			
Other non-operating			
Total Other Income (Loss)			
NET MARGIN BEFORE INCOME TAXES			
INCOME TAXES			
NET MARGIN			

As usual, there will be a brief discussion of the Cooperative's Financials at the Annual Meeting. We will also be announcing the retirement amount of Capital Credits getting refunded back to our members in 2024! We hope to see you there.

UNAPPROVED 2023 ANNUAL MEETING MINUTES

Wednesday, August 9th, 2023 – 7:00 P.M.

TrioTel Communications, Inc.

Salem, South Dakota



President Kathy Hofer welcomed the members of the Cooperative and called to order the 67th Annual Meeting of the Members of TrioTel Communications, Inc.

President Hofer delivered the invocation.

Secretary Thomas Hueners reported that there was a quorum present at the meeting, that the requirement for a quorum is 50 members, and that more than 50 members had registered for the meeting; that Notice of the Annual Meeting was duly sent; and presented the proof of mailing.

Secretary Hueners asked if the members wished the minutes of the 2022 Annual Meeting be read.

President Hofer asked for a motion and second to waive the reading and the minutes be approved as printed. Motion carried.

TrioTel's corporate attorney Ryan Taylor, with Cutler Law Firm, LLP, explained the election process. There were three vacancies on the Board of Directors and nominating petitions were filed in accordance with the bylaws for District 5-Alexandria and District 6-Salem. Attorney Taylor explained that the bylaws provide that if the number of petitions timely filed is equal to (or less than) the number of director vacancies in said district, the person or persons filing the petitions shall be declared elected at the Annual Meeting. Attorney Taylor declared Terry Schroeder the elected director for District 5-Alexandria and Kevin Peterson the elected director for District 6-Salem. It was moved and seconded to seat the elected directors. Motion carried.

Attorney Taylor explained there was not a petition filed for District 2-Center due to an employment issue and by the time the issue was resolved the deadline had passed to submit the petition. This has left a vacancy on the Board of Directors for District 2-Center. Pursuant to Article IV, Section 6 of the Corporation's bylaws, a vacancy on the Board of Directors may be filled by the affirmative vote of a majority of the remaining members of the Board of Directors.

Barb Mentele TrioTel accountant reported that all members had received a copy of the Treasurer's Report. It was asked if the members wished the Report be read.

President Hofer asked for a motion and second to waive the reading and the Treasurer's Report be approved as printed. Motion carried.

General Manager/CEO Heather Kranz recognized and thanked Thomas Hueners for his 50 years of service on the TrioTel Communications Board of Directors; TrioTel is currently working on the expansion project into rural western Lake County with the assistance from the ConnectSD broadband program; TrioTel was recently designated a Smart Rural Community by the Rural Broadband Association; recognized the four \$500 TrioTel scholarship recipients; over \$10 million in capital credits has been paid out over the last 10 years; and over \$1,000,000 in capital credits will be paid out again this year.

President Hofer called for any new or unfinished business. Winners were announced for the door prizes.

It was moved and seconded that the meeting be adjourned. Motion carried.

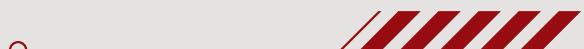


PO Box 630
Salem, SD 57058

This is your registration slip and door prize ticket! Please
bring it with you to the Annual Meeting.



ENHANCE YOUR Wi-Fi Experience



Powerful Connection



Manage Wi-Fi with App

Remote Tech Support



Includes Software Updates

Refer a Friend for a \$15 Credit



triotel.net/enhancedwifi

