ANNUAL REPORT

2022



TABLE OFCONTENTS











ANNUAL MEETING PROGRAM Welcome **Introduction of Board Members** Speaker — Corissa Swenson

Executive Director of Broadband Association of North Dakota (BAND) Report of Notice Notice of Meeting, Presence of Quorum, and Minutes of 2022 Meeting **Election of Directors Bylaw Revision** CEO's Report **Financial Report** Other Business Adjournment Prize Drawings

WEDNESDAY,

JULY 26, 2023



2022 ANNUAL MEETING MINUTES

UNITED TELEPHONE MUTUAL AID CORPORATION ANNUAL MEETING OF THE STOCKHOLDERS AT 2 PM WEDNESDAY, JULY 20, 2022

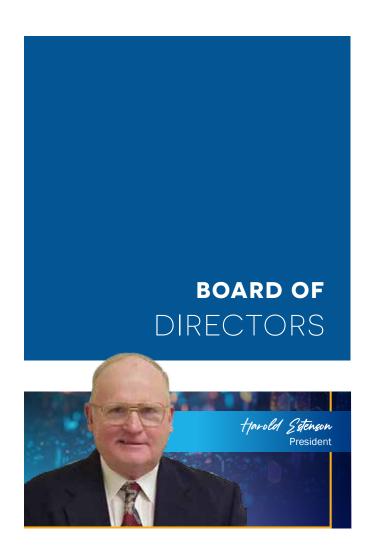
- The Annual Meeting of United Telephone Mutual Aid Corporation was called to order by the President, Mr. Harold Estenson. Mr. Estenson announced there were 51 members present, so a quorum did exist.
- Secretary-Treasurer Steve Swanson was called upon to read the Minutes of the previous Annual Meeting held on July 21, 2021. Mr. Estenson asked that the Minutes be approved as read. A motion was made by Mr. Tom Eagan and seconded by Ms. Anna Spivey that the Minutes be approved. Said motion voted on and passed.

- 3 Cash prize drawings were held.
- Mr. Swanson introduced the Board of Directors; Steve Bjornstad, Tom Eagan, Norman Schommer, Lorne Field, Ken Myhre, Harold Estenson, and Kenneth Carlson, who was not present due to a family emergency. Mr. Swanson announced the candidates for election, who were: Three-Year Term: District #1 Langdon & Wales Exchanges, Kenneth Carlson; District #2 Walhalla & Milton Exchanges, Tom Eagan.
- President Mr. Harold Estenson announced the closing of the ballot box and appointed Ms. Anna Spivey, Mr. Marcus Kitchin, and Mrs. Sally Kram as tellers to count the ballots.
- President Mr. Harold Estenson called upon Tara Mikkelsen, Chief Financial Officer of United Communications, to give the Financial and Statistical Report for 2021. A motion to accept the report was made by Mr. Steve Bjornstad and seconded by Mr. Duane Otto. Said report approved as read.
- / Cash prize drawings were held.
- General Manager/CEO Steve Swanson presented his comments to the membership.
- President Mr. Harold Estenson announced the voting results, which were: Three-Year Term:
 District #1, Langdon & Wales Exchanges:

Mr. Kenneth Carlson, 42 votes.

District #2, Walhalla & Milton Exchanges: Mr. Tom Eagan, 43 votes.

- Various prize drawings were held.
- Having no further business to come before the Annual Meeting, President Mr. Harold Estenson asked the meeting to be adjourned. A motion to adjourn was made by Mr. Tom Eagan and seconded by Mr. Norman Schommer.

















OUR EMPLOYEES

MANAGEMENT

General Manager/CEO

Steve Swanson

Facilities Manager

Ross Feil

Customer Service Manager

Kirsten Gendron

Chief Financial Officer

Tara Mikkelsen

Network Manager

AJ Hensel

SUPERVISORS

Turtle Mountain Area Supervisor

Kurt Carpenter

IT Supervisor

Matt Geddes

ACCOUNTING

Cashier/Bookkeeper

Jayna Hoffarth

Accountant

Denise Otto Taylor Reiser

NETWORK

Langdon

Network Tech I

Dave Bakke Tim Goff Tony Hanson Dave Hein

Rolla

Network Tech I

Jade Gores
Cole Schroeder

CUSTOMER SERVICE

Langdon

Customer Service Representative

Danielle Andresen Tasha Christianson Kori Howatt Robyn Ramberg

Customer Service Specialist

Brenda Veer

Rolla

Customer Service Representative

Laurie Bercier

Bottineau

Customer Service Representative

Peggy Lider Tory Statz

PLANT RECORDS

Langdon

Plant Records
Suzanne Sanders

Plant Records Specialist

Andrea Fetsch Lori Ullyott

Rolla

Plant Records Specialist

Tara Trottier

INFORMATION TECHNOLOGY

Langdon

Broadband Specialist

Rebecca Feist Mikan Lovcik

Dolla

Broadband Specialist

Eric Lagasse

OUTSIDE PLANT

Langdon

Field Technician I

Matt Lowery Drew McQuarie

Field Technician II

Gerald Delvo Riley Kuchar

Telecom Technician

Jason McLean

Rolla

Field Technician I

Wade Belgarde Russ Lund Tony Page Mitch Poitra

Maintenance

Justin Longie

Telecom Technician

Farrell Morin

Bottineau

Field Technician I

Lance Halvorson

Field Technician II

Kendall Fugere

Telecom Technician

Jon Brenden Brock Nesheim

Plant Engineer

Norm Reitan



ood afternoon, and welcome to the 70th Annual Meeting of United Communications. It is an honor to stand before you today and address the remarkable progress we have made as a community in the rapidly changing world of rural broadband.

We are constantly reminded of the immense importance of our company's mission. United Communications has been at the forefront of providing reliable and state-of-the-art telecommunications services to our rural communities. Our commitment to innovation has led us to develop and maintain a 100% fiber optic network—a testament to our dedication to delivering high-quality, high-speed, and dependable broadband service.

However, in this ever-evolving industry, we face uncertainties, particularly concerning universal service funding. United

Communications relies on universal service support to sustain, maintain, and operate the network we have built. We must recognize the need to advocate for the continuation of this support, ensuring that our cooperative and others like us can continue to serve our communities to ensure the accessibility, affordability, and reliability of broadband services for all.

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collaboration and partnership. Our involvement in BAND (Broadband Association of North Dakota) has played a pivotal role in making our state the leading example of broadband access nationwide. It is through our collective efforts, dedication, and shared vision that we have been able to bridge the digital divide and ensure that every resident of North Dakota has equal opportunities for education,

UNITED COMMUNICATIONS HAS ALWAYS BEEN FUTURE-FOCUSED, CONSISTENTLY STRIVING TO IMPROVE OUR NETWORK AND SERVICE OFFERINGS.

We understand the growing demands placed on our infrastructure, such as precision agriculture, telehealth, distance learning, and other emerging technologies. By staying ahead of the curve and embracing these advancements, we can guarantee that our communities have access to the tools they need to thrive in the digital age.

It is also crucial to acknowledge the strength of healthcare, commerce, and overall well-being. We are setting an example for the rest of the nation to follow.

2022 was a good year financially for United, with a net margin of \$9,316,929.



Investments in North Dakota Telephone Company, North Dakota Long Distance, North Plains Utility Contracting, Red River Cellular, North Central RSA2, and **Dakota Carrier Networks** have proven beneficial to the cooperative. In December, the Board of Directors approved a capital credit retirement of \$1,000,000 to the cooperative members.

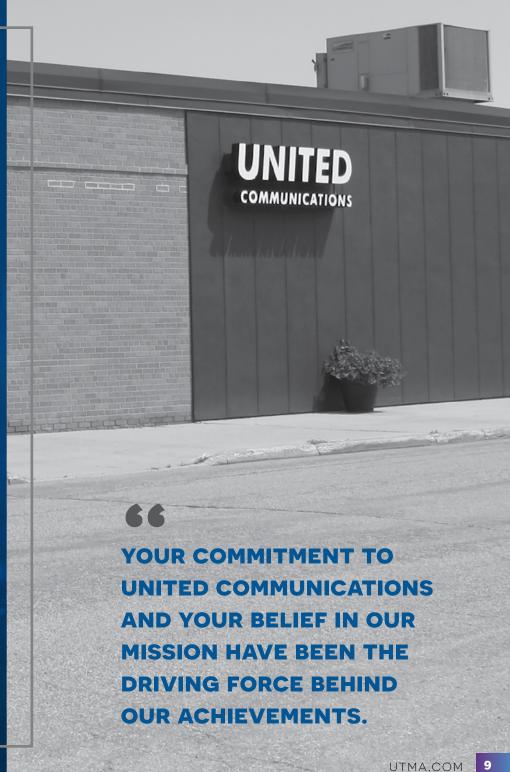
None of this progress would have been possible without the unwavering support of our cooperative's members. Your commitment to **United Communications** and your belief in our mission have been the driving force behind our achievements. It is your patronage and trust that have enabled us to expand and improve our network, ensuring that our communities stay connected.

Lastly, I would like to express my deepest gratitude to the incredible employees of United and Turtle Mountain Communications. Your hard work, expertise, and dedication have

been instrumental in shaping our cooperative's success. Through your efforts, you have made a tangible impact on the lives of our members and communities, and for that, we are truly grateful.

As we look to the future, let us remember that our journey does not end here. United Communications remains committed to pushing the boundaries of what is possible in rural broadband. Together, we will continue to build a brighter future—one that is defined by innovation and unwavering dedication to serving our members.

Thank you, and may we embark on this next chapter with confidence. enthusiasm, and the steadfast support of our cooperative community.



FINANCIALS

Consolidated Balance Sheets December 31, 2022 and 2021

ASSETS	2022	2021
Assets (What We Own)	2022	2021
CURRENT ASSETS Cash & Cash Equivalents Receivables Materials & Supplies Income Tax Receivable Equity Securities Other Current Assets	\$ 23,157,255 1,736,832 1,579,738 4,389,762 1,298,454	\$ 16,943,737 1,676,377 997,070 186,744 1,309,798 1,474,421
TOTAL CURRENT ASSETS	32,162,041	22,588,147
TOTAL NON-CURRENT ASSETS	48,987,556	48,861,024
PROPERTY, PLANT, & EQUIPMENT Wireline Plant Cable & Internet Plant Non-Operating Plant Accumulated Depreciation	102,437,424 7,025,215 500 (66,605,140)	100,248,804 6,969,396 500 (60,980,331)
NET PLANT	42,857,999	46,238,369
TOTAL ASSETS	\$ 124,007,596	\$ 117,687,540

LIABILITIES & MEMBERS' EQUITY	2022	2021
Liabilities (What We Owe)		
CURRENT LIABILITIES Accounts Payable Income Taxes Payable Current Maturities of Long-Term Debt Other Current Liabilities	\$ 904,100 605,252 2,484,064 1,573,581	\$ 1,021,838 1,380,876 1,614,549
TOTAL CURRENT LIABILITIES	5,566,997	4,017,263
LONG-TERM DEBT, NET OF CURRENT MATURITIES	2,294,868	4,777,661
DEFERRED CREDITS Deferred Income Tax & Other Obligations	10,138,795	10,784,483
MEMBERS' EQUITY	106,006,936	98,108,133
TOTAL LIABILITIES & MEMBERS' EQUITY	\$ 124,007,596	\$ 117,687,540

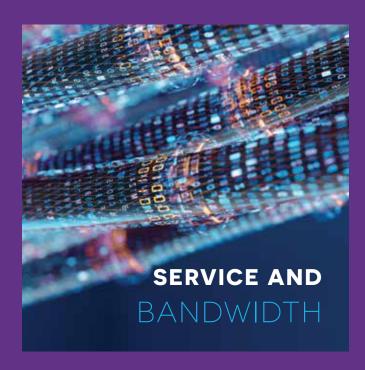


Consolidated Statements of Income Years Ended December 31, 2022 and 2021

REVENUE	2022	2021
OPERATING REVENUES		
Wireline	\$ 15,474,464	\$ 15.711.738
Internet	4,671,473	4,294,297
Television	3,589,382	3,315,527
Miscellaneous	2,111,469	2,305,997
Miscellatieous		
TOTAL OPERATING REVENUES	25,846,788	25,627,559
OPERATING EXPENSES		
Plant-Specific Operations	3,091,299	2,851,827
Plant Nonspecific Operations	2,075,272	1,852,750
Depreciation	5,341,227	5,364,466
Customer Operations	1,847,935	1,762,278
Corporate Operations	2,012,058	2,005,077
Other Operating Taxes	73,062	61,102
Non-Regulated Expenses	8,409,004	9,239,843
1 101 111		
TOTAL OPERATING EXPENSES	22,849,857	23,137,343
NET OPERATING INCOME	2,996,931	2,490,216
NET OF ERAFING INCOME		
NON-OPERATING INCOME (EXPENSE)		
Interest & Dividend	4,894,248	3,594,955
AFUDC	15,981	67,624
Interest Expense	(289,908)	(405,810)
Other Non-Operating	(621,640)	382,004
Income from Affiliates	3,702,429	4,792,720
TOTAL NON-OPERATING	7,701,110	8,431,493
NET MARGIN BEFORE INCOME TAXES	10,698,041	10,921,709
INCOME TAX EXPENSE	1,381,112	1,665,368
NET MARGINS	\$ 9,316,929	\$ 9,256,341

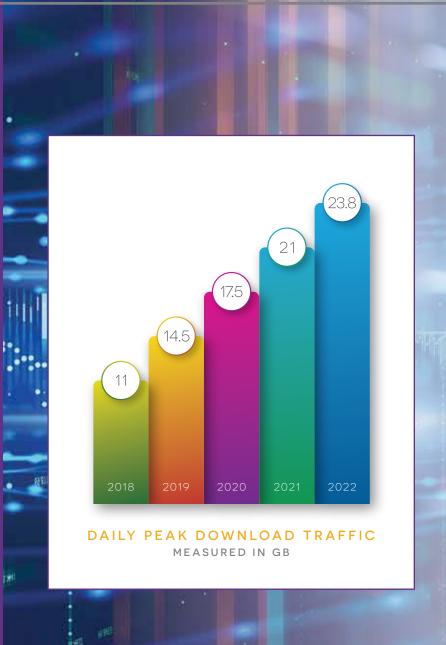
2022 OPERATING REVENUES 8% 14% 60% 18% Wireline Internet Television Miscellaneous **2022 OPERATING EXPENSES** 8% <1% 37% 9% 14% 23% Plant-Specific Operations Depreciation Corporate Operations Non-Regulated Expenses **Customer Operations** Plant Nonspecific Operations

Other Operating Taxes



any people remember when the "World Wide Web" first became available for public use back in 1989. For those of us who had the privilege of internet access in the 90s and early 2000s, it took several minutes to connect to the internet, permeating our living rooms and offices with the staticky sound of dial-up.

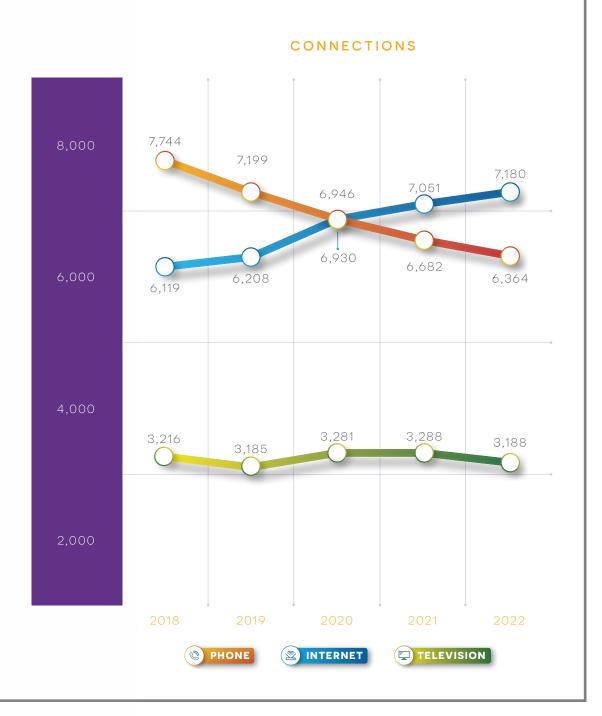
But now, after over 30 years of living with the internet, our world looks drastically different. Instead of waiting for our turn to connect on the family desktop computer, we can access the internet on a variety of devices, many of which can fit in our pockets.



This ability to maintain multiple connections at once to stream, game, browse, and video conference without lagging issues is largely due to the development of fiber optic technology. Today, homeowners and companies can sign up for internet plans that offer up to 10 gigabits of data. To say "we've come a long way" feels like an understatement.

This steady expansion of gig-powered speed options has largely contributed to higher internet usage in residential and commercial sectors. But fiber optic wasn't only created for internet; it's also the infrastructure that provides reliable, crystal-clear connections for phone and TV services.

Fiber is revolutionizing how we stay connected in our daily lives. As this cutting-edge technology continues to evolve, we can expect even more exciting developments that will change the way we communicate with one another. United & Turtle Mountain Communications looks forward to being part of that evolution, every step of the way.



+ag, Dedefined

THIS GIG SUITE OFFERS

CONNECTIONS THAT

DELIVER SPEEDS UP TO

10 TIMES FASTER THAN

UNPARALLELED

EVER BEFORE.



or years, 1 gigabit was the fastest available broadband internet speed in our region. But in early 2023, that all changed with the debut of our sophisticated gig suite — an exciting slate of gig speeds that gives our customers the choice between 1, 2.5, 5, or 10 gig internet for their home or business.

Hardwired through our fiber optic network, this expanded suite offers unparalleled connections that deliver upload and download speeds up to 10 times faster than ever before. Now, that is high-

With more gig options to choose from, customers can find a more precise internet speed that accommodates the growing number of devices that exist in the average home or business today.

In addition to the traditional devices that use Wi-Fi, like computers, tablets, cell phones, and smart TVs, we're also seeing

a growing number of customers who have smart thermostats, washers and dryers, baby monitors, refrigerators, and other

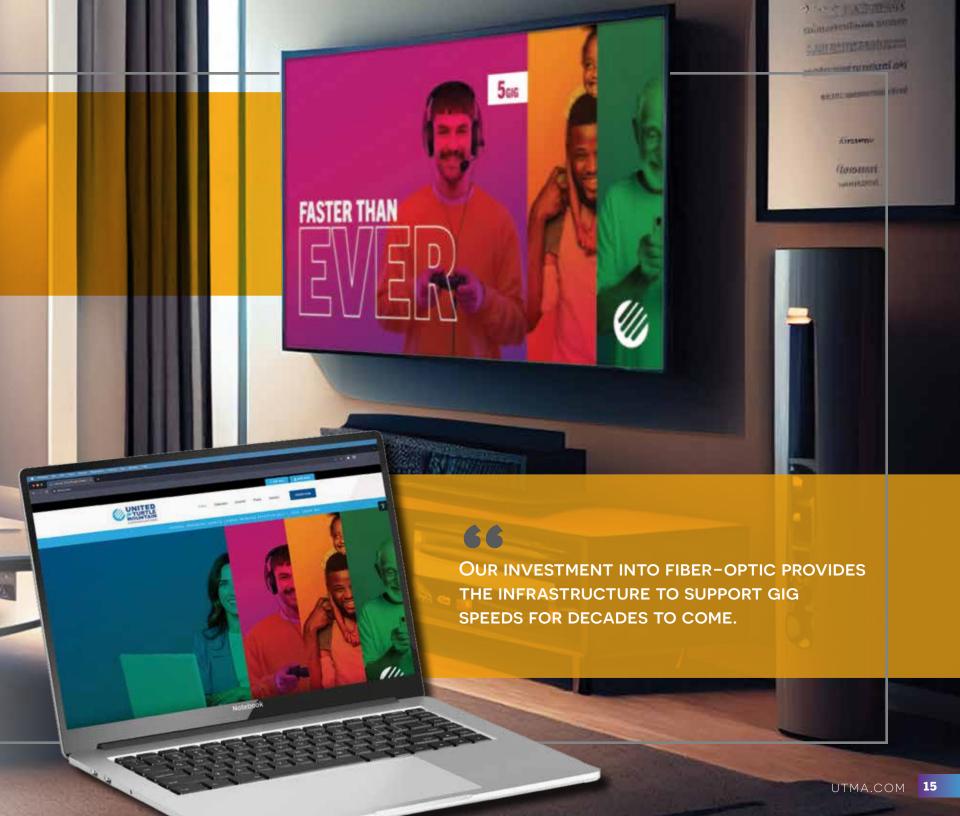
high-tech appliances that all compete for bandwidth. This gig suite provides a solution for homeowners and businesses to use all of their devices at the same time, without frustrating lags or loss of connection.

All of our gig speeds are available to homeowners and businesses on our fiber network. The highest speeds — our 5 and 10 gig options — are especially great for any environment with a high number of devices that each require a strong, reliable internet connection to complete daily tasks related to their operation.

Faster gig speeds have been in the works for many years. However, thanks to our decades-long investment in our fiber to the home (FTTH) installation projects, United and Turtle Mountain Communications was able to quickly expand our network to offer these incredible speeds. We've (literally) laid the groundwork for the present and future of broadband internet, and we will continue to do so for generations to come, to

ensure rural communities across northeast North Dakota stay connected to what matters most!

speed internet!





e will always believe in the importance of investing in our future. One way we do this is through our annual scholarship program!

In 2023, the United Telephone Educational Foundation was thrilled to give \$28,000 to 28 distinguished area students who earned scholarships based on their academic achievements, extracurricular activities, and financial need.

Since the program began in 1991, the foundation has given over \$880,000 to graduating seniors and other first-term college students in our region to provide financial assistance for higher education. Congratulations to all of our 2023 scholarship recipients, and best of luck in this exciting new chapter!



Lorayah Allery St. John High School



Brayton Baker St. John High School



Manica Medlang Bottineau High School



Sydnee Bruce Turtle Mountain Community High School



Tranc Charbonneau St. John High School



Mason Christianson Langdon Area High School



Tru Decker
Langdon Area High School



Harleigh DeCotean
Turtle Mountain Community
High School



Gabe Glasner
Bottineau High School



Amya Gowneau
Turtle Mountain Community
High School



Sarah Grant
Turtle Mountain Community
High School



Madeline Guariglia
Bottineau High School



Amelia Hall
Munich High School



Rylee Hanlan
Mt. Pleasant High School



Halle Jahr
Munich High School



Emily Tackgon

North Border Walhalla
High School



Taylee Tay
Turtle Mountain Community
High School



Keon Laducer
Turtle Mountain Community
High School



Amari La Rocque
Turtle Mountain Community
High School



Morgan Leas

Mt. Pleasant High School



Kate Munro
Mt. Pleasant High School





McKenna Samuelson
Mt. Pleasant High School



Halle Sanders
General Education
Development



Isabella Saykally
Bottineau High School



Kyle Schell
Rolette Public School



Breana MagnerLangdon Area High School



Linus Wallette III
Turtle Mountain Community
High School



Mitchell Nibe
Rolette Public School

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