



# BETTER *Together*



## 2019 Member Report







Your Board of Trustees

# Collaboration is key.

## A Message from Tom Eggensperger, Board President

On behalf of your Board of Trustees, I am proud to report that Blackfoot had another successful year in 2018. This year's Annual Meeting theme "Better Together" is simple but meaningful as it speaks to the fact that you, our loyal member-owners, are at the heart of our success. Our 67<sup>th</sup> Annual Meeting is an opportune time to both celebrate our success and also to thank all of our member-owners.

One way we measure Blackfoot's performance is through a customer survey conducted annually in the fall. The survey measures satisfaction for customer service, tech support, field services and many other areas that impact overall customer experience. Additionally, we ask questions that measure customer perceptions to understand how we are performing in corporate citizenship, educational initiatives, local business leadership and much more. I am very pleased to let you know that our customer service scores were our best ever! The high marks are a very positive indicator of just how hard our outstanding employees are working every day to deliver great customer experiences to our customers.

As we continue to evolve and grow to meet the ever changing technology needs of our customers, we also focus on our expanding workforce. Everybody at Blackfoot has an important role to play in delivering exceptional service and high quality products. Our collaborative work culture is a key element to our success. Looking ahead, I have every confidence in our ability to live our vision to enrich the lives of our customers, member-owners and employees.

Sincerely,

**Tom Eggensperger**  
*President*

**District 8:** Noxon, Heron, Thompson Falls, Trout Creek

**Geof Wilson**  
*Vice President*

**District 9:** Haugan, De Borgia, Saltese, St. Regis, Superior

**Cindy Lewis**  
*Secretary/Treasurer*

**District 2:** Condon, Seeley Lake

**Jim Blush**

**District 7:** Charlo, Moiese, Plains, Paradise

**Ross 'Butch' Friede**

**District 2:** Drummond, Gold Creek, Hall, Philipsburg

**Les Iverson**

**District 3:** Avon, Elliston, Potomac, Greenough, Ovando

**Stuart Morton**

**District 5:** St. Ignatius, Ravalli

**Jim Newberg**

**District 4:** Arlee, Dixon

**John Teague**

**District 6:** Alberton, Alberton South, Alta, Clinton, Powell (ID)





CEO,  
Jason  
Williams

# Truly better together.

*A Message from Jason Williams, Chief Executive Officer*

Welcome Blackfoot member-owners! I am delighted to report we had another very successful year in 2018. Because of your patronage, Blackfoot is able to provide not only reliable products and services, but give back to our communities in meaningful ways. We truly are *better together!*

Blackfoot remains focused on providing exceptional customer experiences for our members. In 2018, I challenged our employees to think of innovative ways to deliver our products and services. The result was new ideas and an overall better customer experience, as evidenced by our higher customer satisfaction scores.

As we move into 2019, we are looking for ways we can connect our customers to more. In a world of rapidly changing and expanding technology, it's Blackfoot's job to keep your business, school, church, hospital and home reliably connected to the world. We are continually focused on ways we can make that connection better, faster and less expensive.

We also actively look for ways we can connect with you in our service communities. Last year, our employee volunteers spent countless hours participating in county fairs, rodeos, arts and educational programs and many other community events. Look for more of that in 2019. In addition, your Blackfoot Trustees do an amazing job of keeping a pulse of what is happening in each of your communities and thus keeping Blackfoot in the loop on the changing needs and dynamics of the places you live and work.

Together, Blackfoot and its members are making our rural communities better places. I am excited to see what more will come!

Sincerely,



**half a million**

# of times we assisted our customers via email, phone, online and in person



**5,600+**

# of customer installs and appointments



**4.31**

out of 5.0 was our 2018 overall customer satisfaction rating





CFO,  
Stacey  
Mueller

# Financial performance.

## Summary of Financial Results

Blackfoot Telephone Cooperative, Inc. produced solid financial results in 2018. The Cooperative assets grew to \$128.3M, liabilities grew to \$46.4M and member equity grew to \$81.9M. The Cooperative produced \$10.15M in net income, invested \$13.3M in plant assets, paid \$1.6M in capital credit distributions, \$2.5M in debt payments and increased member equity by \$7.4M.

## Letter from the Auditor

We are pleased to inform the members of Blackfoot Telephone Cooperative, Inc. that we have completed the 2018 audit of the cooperative and its subsidiaries. We have issued an unmodified opinion dated February 28, 2019, that states that the audited consolidated balance sheets as of December 31, 2018 and 2017, and the related consolidated statements of income, comprehensive income, members' equity and cash flows for the years then ended, present fairly, in all material respects, the consolidated financial position of the cooperative in conformity with accounting principles generally accepted in the United States of America. The audited financial statements are available at the cooperative office in Missoula for inspection by members of the cooperative.

We also have the responsibility to report on various matters to the Board of Trustees that include any discovery of material errors, irregularities or possible illegal acts. We did not have any such findings in the course of our 2018 audit.

*Olsen Thielen & Co., Ltd | Roseville, Minnesota*



**\$128.3M**

in Blackfoot assets



**\$7.4M**

increase in  
member equity



**\$1.6M**

back to our members  
via our Capital Credit  
distribution coming  
in April 2019





2018  
Easy Access  
Participants

# Better community.

**We are committed to giving back to our communities!**

Connect with us on Facebook: [Facebook.com/GoBlackfoot](https://www.facebook.com/GoBlackfoot)

**Camp Mak-A-Dream:** Blackfoot was the first-ever sponsor of the organization's Open House and Community Day. We can't think of a better cause than supporting children and families battling cancer.

**Seeley Lake Parade:** The 4<sup>th</sup> of July Parade in Seeley Lake is a very popular event, and for good reason! The community comes together and celebrates in style with candy, fireworks and lots of entertainment. Put this event on your summer activity list this year.

**Philipsburg Chamber:** Thanks to the hard working members of the P-Burg Chamber for awarding us their first ever prize for community support. We were honored to accept the award from one of "the coolest small towns in America" according to a national survey.

**Education for all ages is vitally important to us.**

We provide scholarships, library grants and financial support for schools and student civic engagements. *Learn more about our investments in education: [Blackfoot.com/Education](https://www.blackfoot.com/Education)*

**Easy Access:** Easy Access turns 10 this year! To celebrate, we're offering 10 classes this October. Easy Access is offered as a free benefit to our cooperative member-owners, providing an opportunity to learn basic computer skills in a classroom setting. *Look for our fall schedule in your June bill statement or online: [Blackfoot.com/EasyAccess](https://www.blackfoot.com/EasyAccess)*

**August Institute:** Blackfoot is the premiere sponsor of this teacher accredited conference, held at the University of Montana every August. In addition, we provide scholarships to send local teachers to the conference to explore innovative ways to teach with technology.



**397+**

causes, projects and organizations received support from Blackfoot



**\$520k+**

given back throughout our communities



**90**

scholarships for local teachers to attend August Institute





Service  
Tech, Roger  
Haynes




# Better connections.

## An excellent customer experience is a top priority.

We design products, solutions and services tailored to our customers' evolving technology needs. We are up for any challenge, small or large, with our innovative team and a top notch network to back us up. Here are ways we're connecting homes and businesses to more.

## Pick the perfect at-home broadband experience!

Learn more at: [Blackfoot.com/MoreAtHome](https://blackfoot.com/MoreAtHome)

-  **SOCIAL:** Perfect for social media use, email browsing and streaming music. *High-quality experience for 1-2 users and up to 4 devices.*
-  **STREAM:** A great fit for streaming movies, watching videos or online gaming. *High-quality experience for 2-5 users and up to 8 devices.*
-  **CONNECTED HOME:** Ideal for multiple users with many connected devices. *High-quality experience for 5-7 users and up to 12 devices.* (Our Connected Home customers tell us they love our 24/7 support!)

## A modern phone solution at no upfront cost!

Learn more: [Blackfoot.com/Business](https://blackfoot.com/Business)

Ergo is Blackfoot's custom hosted IP business phone solution that enables businesses of all sizes to stay current without the fuss and expense. We deliver a feature-rich phone system at no upfront cost. One competitive monthly fee includes your phone service, tech support, on-demand upgrades and maintenance.

Our Ergo customers tell us they appreciate the on-site training and technical support. In 2018, we installed a record number of systems!

## CUSTOMER PROMISE

Our promise is to advise customers on the right solutions to meet their unique needs. We invite you to consult with our team to learn how Blackfoot can help connect your home or business to more.

**We want to know how we're doing!**  
Send us feedback to [customerservice@blackfoot.com](mailto:customerservice@blackfoot.com)



# 91%

of our customers  
rated us as highly  
trustworthy in our 2018  
satisfaction survey

# Agenda: March 23, 2019

Registration & Reception: 9am .....	<i>Blackfoot Team</i>
Community Corner.....	<i>American Cancer Society</i>
Partner Spotlight.....	<i>August Institute</i>
Photographer.....	<i>Rex Wolferman, Blackfoot Employee</i>
Call to Order: 10:30am .....	<i>Tom Eggensperger, Board President</i>
National Anthem .....	<i>Kennedy Kuhn, Caydance Wilson &amp; Bella Wright</i>
Invocation .....	<i>Pastor Ryan Webster, Drummond Community Church</i>
Welcome & Opening Remarks .....	<i>Tom Eggensperger, Board President</i>
Report on Quorum .....	<i>Tom Eggensperger, Board President</i>
Report on Notice & 2018 Minutes .....	<i>Geof Wilson, Board Vice President</i>
Financial Report .....	<i>Stacey Mueller, CFO</i>
State of the Cooperative .....	<i>Jason Williams, CEO</i>
Scholarship Awards Presentation .....	<i>Jason Williams, CEO</i>
Old & New Business .....	<i>Tom Eggensperger, Board President</i>
Nomination & Election of Trustees* ...	<i>Jason Williams, CEO</i>
Prizes & Adjournment .....	<i>Blackfoot Team</i>

\*Up For Election: District 3, District 5, District 8

View this report online at [Blackfoot.com/AnnualMeeting](http://Blackfoot.com/AnnualMeeting)

Community Corner



Partner Spotlight

**AUGUST  
INSTITUTE**

Connect with us!



## MISSION

To improve our customers' ability to communicate, collaborate and compete by delivering superior technology solutions through trusted relationships.

## CORE VALUES



We are trustworthy, and at all times act with the highest integrity, transparency and personal accountability.



We are committed to the success of our customers, owners, the communities we serve and each other.



We are fiscally responsible.



Our vision: To enrich the lives of our customers, owners, and employees.