

## statement of nondiscrimination

Paul Bunyan Rural Telephone Cooperative is the recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provision of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, national origin, age or handicap shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Paul Freude, CEO & General Manager. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and/or file a written complaint with this organization; USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964 (voice or TDD). Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.

Paul Bunyan Rural Telephone Cooperative, an Equal Opportunity Employer.

## mission statement

Paul Bunyan Rural Telephone Cooperative is committed to meeting the needs and expectations of our members and other customers by providing quality innovative communications services.

We commit ourselves to caring, cooperation and respect in our relations with members, customers, employees and our communities.

We strive to enhance the quality of life in our service area by accepting a leadership role in rural communications and economic development projects.

We operate in the highest tradition of the cooperative philosophy, as stated in our by-laws, while providing for the financial well-being of the cooperative and its members.



### BEMIDJI

Cooperative Headquarters

1831 Anne St. NW

Bemidji, MN 56601

218.444.1234

888.586.3100

### GRAND RAPIDS

1220 S. Pokegama Ave.

Grand Rapids, MN 55744

218.999.1234

888.586.3100



**Paul Bunyan**  
COMMUNICATIONS™

ANNUAL REPORT

# notice of annual meeting

## 55th Annual Meeting of Paul Bunyan Rural Telephone Cooperative

Wednesday, May 25th, 2011  
Paul Bunyan Telephone Headquarters  
Bemidji, Minnesota

Business Meeting 3:30 pm  
Cooperative Celebration 4:30 - 7:30 pm

You need not be present at Business Meeting to be eligible for door prizes. Dinner will be served continuously during the Cooperative Celebration.

**FINANCIAL REPORT**  
Dave Schultz, *Chief Financial Officer*

**OPERATING REPORTS**  
Kathy Peterson, *Board President*  
Paul Froude, *CEO & General Manager*

## Minutes from The 54th Annual Meeting of the members of Paul Bunyan Rural Telephone Cooperative.

The 54th Annual Meeting of the members of Paul Bunyan Rural Telephone Cooperative was held at Paul Bunyan Telephone Headquarters, on May 28, 2010, commencing at 1:00 pm.

The meeting was called to order at 3:30 pm by President Kathy Peterson who presided as Chairman throughout the meeting. President Peterson announced that a quorum was present with 57 members in attendance.

Reverend Doug Deiss, of Evangelical Covenant Church, gave the invocation.

Gary Eklund acted as Secretary throughout the meeting.

A motion was made, seconded and carried to dispense with the reading of the minutes of the last annual meeting.

A motion was made, seconded and carried to dispense with the reading of the official notice and proof of mailing.

President Peterson presented the report of the President.

The President introduced the directors.

The Annual Financial Report was given by Chief Financial Officer Dave Schultz. A motion was made, seconded and carried to accept the financial report.

The Manager's Report was given by Paul Froude.

President Peterson called for unfinished business, there was none.

The President called for new business, there was none.

There being no further business to come before the meeting, on motion made, seconded and carried the meeting adjourned.

# 2011 board of directors



**GARY  
EKLUND**  
**SECRETARY**  
DISTRICT 1  
Kelliher  
Northome  
Blackduck



**KATHY  
PETERSON**  
**PRESIDENT**  
DISTRICT 3  
Inger-Wirt  
Squaw Lake



**JIM  
TARBELL**  
**VICE PRESIDENT**  
DISTRICT 4  
Deer River  
Cohasset  
Grand Rapids



**RANDY  
FRISK**  
DISTRICT 5  
Bemidji  
Laporte  
Lake George



**VERNON  
CLARK**  
DISTRICT 6  
Ponemah  
Redby  
Red Lake



**BRUCE  
CAMPBELL**  
DISTRICT 7  
Bemidji  
Solway



**JIM  
SUTTON**  
DISTRICT 8  
City of  
Bemidji



**TIM  
HINS**  
**TREASURER**  
DISTRICT 9  
Puposky  
Turtle River  
Cass Lake

# scholarships

Paul Bunyan Communications reinforces the importance of education by donating \$1000 scholarships to area high schools.

We would like to congratulate all the students who were awarded scholarships during the 2009-2010 school year. In addition, the cooperative contributes to scholarships at Bemidji State University, Northwest Technical College, Itasca Community College, Oak Hills Christian College and Red Lake Tribal College.

## HIGH SCHOOL

### *bemidji*

Jordan Dahl  
Stiina Stoker

### *bigfork*

Owen Sen  
Ashley Wendt

### *blackduck*

Todd Kallroos  
Tami Nendick

### *cass lake/bena*

Char Herron  
Danielle Jourdain  
Brittany Treichel  
Martin Wind

### *deer river*

Cody Gustafson  
Aspen Marleau

### *grand rapids*

Grady Anderson  
Raena Haatvedt

### *int'l falls*

Britni Hendrickson

### *kelliher*

Dylan Bolhuis  
Leah Gruber  
Brittany Hand  
Ann Poxleitner

Danielle Poxleitner  
Melvin Whitefeather

### *laporte*

Kristi Corson  
Emma Erickson

### *northome*

Kaleb Lindley  
Nichole Adams

### *red lake*

Kyle Clark  
Larissa Oakgrove

### *walker*

Ashley Pemberton  
Brandon Zimmer

## POST SECONDARY

### *bemidji state university*

Scholarship Shared

### *itasca community college*

Barrett Wiberg

### *oak hills*

*christian college*  
Heather Collinge

### *red lake*

*tribal college*  
Ben Bonga

## employees

### *management*

**Chief Executive Officer & General Manager**  
Paul Freude

**Chief Operating Officer**  
Gary Johnson

**Chief Financial Officer**  
Dave Schultz

**Outside Plant Engineering and Construction Manager**  
Greg Carlson

**Plant Operations Manager**  
Rob St. Clair

**Administrative Assistant**  
Elaine Iverson

### *accounting & human resources*

Jackie Bergerson  
Terri Crews  
Jon Danker  
Julie Geerdes  
Rob Noren  
Crystal Peterson  
Amanda Sande-Smith  
Bonnie Wichern

### *marketing*

Brian Bissonette  
Don Dale  
Kari Gregg  
Jen Johnson  
Bob Lindberg  
Lorie Sathre  
John Weber

### *dispatch*

Tammy Eidenschink  
Deanna Heuer  
Corina Pafko  
Mike Plotts  
Meggen Solheim  
Alison Voss

### *customer service*

Jeanne Bjorkstrand  
Wendy Britton  
Loni Casper  
Margaret Charles  
Dawn Drotts  
Karen Gaasvig  
Tia Graham  
Melinda Hall  
Leah Hendricks  
Charles Hildebrandt  
Debra Jensen  
Mary Jane Knapp  
Liz Meade  
Jenny Miller  
Lisa Neary  
Michael Negron  
Stacey Nelson  
Cindy Nyhusmoen  
Gail Pederson  
Jennifer Pochardt  
Shawn Sauer  
Terri Schaubhut  
Bernie Schwindt  
Jackye Severts  
Jolene Silk  
Micha Smith  
Tiffany Spoons  
Jen Tomlinson  
Christie Turn  
Kalsie Vanasse

### *central office*

Daryl Bjerke  
James Novak  
Cheryl Pauly  
Derek Willis

### *maintenance*

Pat Dockendorf  
Bruce Simenson

### *engineering*

Chris Battista  
Patti Church  
Andy Fisher  
Brian Mustonen  
Matt Proulx  
Sharon Swanson  
Ron "Jr." Vold

### *outside plant*

Kent Aker  
Tog Anderson  
Jeremy Arlt  
Darren Bock  
Duane Bode  
Kyle Christianson  
Dwight Crandall  
George Daigle  
Tiffany Falk  
Casey Fering  
Brett Folland  
Randy Garrigan  
Mike Gregg  
Thane Jansen  
Tim Karas  
Dale Kriske  
Trent Larson  
Nate Lien  
Ryan Maher  
Tadd McFarren  
Patrick Mullan  
John Nistler  
Chris Oelrich  
Ryan Otting  
Ted Rutherford  
Danny Samson  
Gary Storlie  
Wayne Vredenburg

### *data & video services*

Leo Anderson  
Lisa Geerdes  
Heather Hanson  
John Harty  
Grant Hicok  
Steve Howard  
Keith Hunt  
Maria Kuechle  
Crystal Mattfield  
Jesse Mix  
Nate Nolting  
Brandon Odegard  
Carly Page  
Josh Quint  
Andy Ramberg  
Beau Seeger  
Loren Scramstad  
Stacy Trask  
Daniel Walden  
Kevin Warne  
Justin Whirley

# 2011 caucus meetings

*The purpose of the caucus meeting is to nominate a director candidate or candidates to represent the district on the Paul Bunyan Rural Telephone Cooperative Board of Directors. In addition to being an opportunity to nominate persons to represent their district, the caucus meetings are an opportunity for members to ask questions concerning the Cooperative. The meetings are attended by several key management personnel, including CEO/General Manager Paul Freude.*

## DISTRICT 3 INGER/WIRT, SQUAW LAKE THURSDAY, APRIL 28, 2011

The current director from District 3 is current Board President Kathy Peterson, and she was nominated by Walt Fox and seconded by Joyce Roedel. No other nominations were made. The meeting was chaired by Rick Kitterman with Paul Freude serving as Secretary.

A motion was then made and seconded to close the nominating process.

As a result of the District 3 caucus nomination, Kathy Peterson will be the only candidate appearing on the general membership ballot for District 3 Director. Votes are tallied at the Annual Meeting and results are announced at that time. The nominee with the greatest numbers of votes from the general membership will be elected Director for the district.

Directors serve a five-year term, with District 3's next term expiring in the year 2016.

## DISTRICT 8 BEMIDJI TUESDAY, APRIL 26, 2011

The current director from District 8 is Jim Sutton, and he was nominated by Jerry Pickett and seconded by Mike Dickinson. No other nominations were made. The meeting was chaired by Warren Meissner with Paul Freude serving as Secretary.

As a result of the District 8 caucus nomination, Jim Sutton will be the only candidate appearing on the general membership ballot for District 8 Director. Votes are tallied at the Annual Meeting and results are announced at that time. The nominee with the greatest numbers of votes from the general membership will be elected Director for the district.

Directors serve a five-year term, with District 8's next term expiring in the year 2016.

# 2010 year in review



Paul Freude  
CEO/General Manager

### 2010 was a very busy year for your cooperative!

- Just the second name change in the 59 year history of the cooperative
- Increasing broadband Internet speeds up to 10 times faster for customers
- Over 15 new channels made available through PBTv
- The fiber to the home project one year away from being completed in our original service areas

The year started out with a bang, when we increased the speeds provided to our broadband Internet customers by 10 times what was previously offered. Our initial broadband service now includes download and upload speeds up to 10 Mbps with much higher speeds available. While there is a lot of talk nationwide about the lack of access to broadband Internet speeds in rural areas, that is certainly not the case for our customers who are now some of the most connected in the country!

It was also a busy year for Paul Bunyan Television with lots of new programming options for customers. 10 new channels were made available through PBTv service, as were eight new high definition channels in 2010. We've since added 16 more HD channels in the first few months of 2011. Lots of additional free programming was also added to PBTv On Demand.

The fiber-to-the-home project is the single largest that our cooperative has ever undertaken and once operational to a location it allows us to deliver higher broadband Internet speeds along with digital video recorder (DVR), On Demand, and high definition (HD) services through PBTv. Amazingly, the project is nearly complete with over 85% having access to these services. This will be the final year of project construction in our original service areas and will reach Puposky, Ponemah, Solway, and Turtle River. We expect to have the network online by the summer of 2012. This accomplishment cannot be understated. When completed, Paul Bunyan Communications will have one of the largest all fiber optic networks in the country.

In October, our cooperative name changed for just the second time. The first name selected in 1950 was Paul Bunyan Rural Telephone Cooperative and this remains our legal name. In 1998 the name was shortened to Paul Bunyan Telephone. A lot sure has changed in just the past 13 years and so has our business. Paul Bunyan Communications was selected as our new name to better represent the services we now provide. We are all very proud of what Paul Bunyan Telephone has meant to our region and it will take some getting used to the new name. However, it also indicates just how far we've come in a short period of time. We are at the forefront of providing the latest in technology and are much more than just a telephone company now.

While our name has changed, your cooperative remains committed to providing you the same high quality communication services with the local customer service you deserve. Our owners, you our members, share in our success both through capital credit returns and by having a truly local source for the latest in technology. Thank you for being a member and customer of Paul Bunyan Communications!

I invite you our Cooperative Headquarters in Bemidji on Wednesday, May 25th from 4:30 - 7:30 pm for our Annual Cooperative Celebration. We'll be serving a walleye dinner, there will be entertainment provided by GROCK from Grand Rapids, and a lot of kids activities including special guests Cat in the Hat and Dora the Explorer, Concordia Language Villages, the Headwaters Science Center, and the United States Tennis Associations Quickstart Tennis Program. I hope you can join us as we celebrate of our cooperative, members, customers, and region.