

Phonotes

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The Official Newsletter Of Halstad Telephone Company

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Hillsboro To Join The Cooperative

Customers Will Now Become Members

After careful consideration, the Halstad Telephone Company Board of Directors, at its regular meeting of March 18, 2008, voted to bring Hillsboro into the cooperative as of year-end 2008.

Although most customers in Hillsboro have known only the name Halstad Telephone Company, business in Hillsboro was actually conducted under Halstad Telephone's wholly owned, non-cooperative subsidiary named HTC Services, Inc. With this change, Halstad Telephone Company will replace HTC Services, Inc. as the formal, official provider of services in Hillsboro.

After the Board's March meeting, HTC Board President Chester Mauritsen commented, "This is the right decision for Hillsboro and for the cooperative as a whole. Sharing in the risk and the reward of membership makes a cooperative what it is intended to be."

HTC's CEO, Ron Laqua, added that bringing Hillsboro into the cooperative when the time was right has always been the wish of the Board, as well as his. "This important step will give membership status to our Hillsboro customers and the benefit of a vote on matters of their company."

Sharing Of Profits

Another benefit of cooperative membership will be the sharing of co-op profits. Subject to Board review, a portion of the cooperative's profits in a previous year are paid in June of the following year. Under such a process, Hillsboro members could receive their first capital credit checks in June of 2010.

The cooperative has realized certain fiscal advantages through the Hillsboro operations. Including Hillsboro in the cooperative at this time can provide additional tax benefits gained from the fact that profits in a cooperative are paid back directly to its members.

Board Representation

The Board of Directors will appoint an eighth member to the Board as of January 1, 2009. At the June 2009 Annual Meeting, all members of the cooperative will have an

opportunity to vote for who shall represent the Hillsboro exchange. This Board member will be a resident of the Hillsboro exchange and receive service from Halstad Telephone Company. The process of nominating persons to seek election for this director chair will begin in April 2009.

A Long History In Hillsboro

In the 1980s Halstad Telephone began providing business telephone systems in Hillsboro. "However, the history goes back much further than that," Laqua emphasized. "Halstad Telephone started its business in 1904 by first leasing and operating lines in Shelly from the Hillsboro, Duane, Caledonia, and Shelly Telephone Company!"

Laqua added, "The first major investment in the Hillsboro community would follow some 90 years later, when we began providing the first commercial dial-up Internet service in Hillsboro. Many good experiences from that led us to make the big leap into providing the first competitive telephone, TV, and broadband Internet services to Hillsboro in 2000, and we later became the first to provide broadband wireless to rural Hillsboro. But we will not rest on those laurels of being the first. We are striving to improve existing services, and we continue to seek additional ways that we can serve all of the Hillsboro exchange, rural as well as in town."

As a competitive provider in Hillsboro, Halstad Telephone does not benefit from certain FCC-mandated monetary rural support mechanisms like it does in its other exchanges where Halstad is the incumbent carrier. "This fact will make our effort in rural Hillsboro more of a challenge, but we are seeking ways to overcome that," Laqua emphasized.

Laqua concluded, "We are excited to enter this new phase. Hillsboro is another proud chapter for us. We welcome this historical event for our company and its membership by further strengthening the relationships we have fostered with our Hillsboro friends."

Front Cover:
Grain elevators
tower above
the city
of Fisher.



A Little About Cooperatives

Excerpts Taken From National Cooperative Business Association



A cooperative is a private business organization that is owned and controlled by the people who use its products or services. Although cooperatives vary in type and membership size, all were formed to meet the specific objectives of members, and are structured to adapt to members' changing needs.

The U.S. Department of Agriculture lists three principles that uniquely characterize a cooperative organization:

The User-Owned Principle: The people who own and finance the cooperative are those who use the cooperative.

The User-Control Principle: The people who control the cooperative are those who use the cooperative. They democratically elect a Board of Directors, which sets overall operating policies, approves the annual budget, oversees its operation, and distributes the benefits derived from use of the cooperative to members. The Board also hires professional management to handle the day-to-day operations.

The User-Benefit Principle: The cooperative's sole purpose is to provide and distribute benefits to its users on the basis of their use. While the goal of cooperatives is not to generate a return on investment, they, like all businesses, must cover costs and generate capital to cover expansion and unforeseen emergencies.

Other principles are more socially minded and include:

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training, and Information

- Cooperation Among Cooperatives
- Concern for Community

Co-ops are formed by their members when the marketplace fails to provide needed goods or services at affordable prices and acceptable quality. Cooperatives empower people to improve their quality of life and enhance their economic opportunities through self-help. Throughout the world, cooperatives operate in every industry, including agriculture, childcare, energy, financial services, food retailing and distribution, health care, insurance, housing, purchasing and shared services, telecommunications, and others.

U.S. cooperatives serve some 120 million members, or 4 in 10 Americans. Worldwide, some 750,000 cooperatives serve 730 million members. Cooperatives range in size from large enterprises, including U.S. Fortune 500 companies, to single, small local storefronts. Telephone cooperatives in the U.S. number 270, providing service to 2 million households.

The first successful cooperative was organized in the United States when Benjamin Franklin formed the Philadelphia Contributionship in 1752 for the Insurance of Houses from Loss by Fire — the oldest continuing cooperative in the U.S.

The Rochdale Equitable Pioneers Society was established in Rochdale, England. These pioneers wrote down a set of principles to operate their food cooperative, which contributed to their success and spread to other cooperatives around the world. The successful establishment of the cooperative in Rochdale marked the beginning of the modern cooperative era.



Out With The Old, In With The New

New Telephone Directories Arriving Soon

Watch for the new *Red River Regional Directory* to arrive in your mail during the months of April and May. The cover of this year's directory shows a barn and silo representing the HTC service area. This directory is a collaboration with Felton Telephone Company and Loretel Systems, and contains listings from several communities.

According to Minnesota law, all phone books must be recycled. HTC encourages all customers in both Minnesota and North Dakota to drop off their old directories after their new directory arrives.

Drop off locations are:

- Halstad – HTC office at 345 Second Ave. W.
- Hillsboro – HTC office at 124 E. Caledonia Ave.
Dale's Food Pride
Olsen Hardware
- Shelly – Judy's Café
- Nielsville – Telephone Booth at Nielsville Fire Hall
- Climax – Pete's One Stop
- Fisher – Cenex Convenience Store

Cable TV Reminder

Halstad Telephone Company reminds you that if you have Cable TV service from HTC, you will continue to receive great television service after February 19, 2009, even if you don't own a digital television. The FCC has mandated that all TV signals as of February 19, 2009 be sent as a digital signal instead of the current analog signal. HTC will process the digital signals so they are compatible with your TV, so regardless of what type of television you own, your Cable TV service will remain the same.



Win Cash From HTC!

Submit your entry to be one of two \$25 winners. Also, all entries that we receive during the year (winners or not) will be eligible for two \$100 cash prizes to be drawn at the annual meeting on June 18, 2008! (Must be present to win the \$100.) Just return this coupon by April 30, 2008 to be eligible for the drawing.

Congratulations To Last Issue's Winners:

Sandy Adams of Halstad

Donald Wang of Halstad

Name: _____

Phone: _____

Fill in the blank in this sentence:

“We are excited to enter this new phase. _____ is another proud chapter for us.”

(Answer can be found somewhere in this issue.)



Halstad Telephone Company Helps Further Technology At Fisher School

Halstad Telephone Company recently donated \$250 toward an Interactive Whiteboard for the Fisher School. With this donation, Fisher School achieved its goal of \$3,500 to purchase this modern teaching system. The Interactive Whiteboard will allow electronic testing, grading, and scoring to be logged directly in the teachers' records. Students use an electronic mouse to take and submit tests via wireless transmittal to the teacher. "These boards are great educational tools for our teachers and students," commented Superintendent Randy Bruer and Special Education Teacher Lynette Montgomery of Fisher School.



Mark Forseth, of HTC, remarked, "It's exciting to see the schools in our service area working with modern technology. The Fisher School should be complimented for their commitment to today's new technology."

(pictured l to r) Randy Bruer, Fisher School Supt.; Lynette Montgomery, Special Ed; and Mark Forseth, HTC Office Manager

CPNI: What Is It? How Does It Affect Me?

The Federal Communications Commission (FCC) recently issued new rules that may affect you when requesting information about your HTC services and billing statements. The FCC intends for these rules to protect you as a customer from unauthorized access by others.

The new rules regard CPNI, or Customer Proprietary Network Information. CPNI is the information HTC has about your telephone calls or certain telephone services. Previously, this information has been protected, but the new rules call for additional precautions to protect you, the

customer. For example, when you call or visit our office and request information about your account, we first need to verify that you are indeed the person authorized to discuss your account. The FCC requests that such verification be made through a series of steps which we have designed to be as simple as possible. After the initial contact, HTC will issue the authorized person a password for future use. This will help speed up the process of requesting information the next time you request it.

Shulstad Hired As New Technician

Andy Shulstad was recently hired by Halstad Telephone Company as a Combination Technician. Shulstad, a graduate of the University of North Dakota and a native of Halstad, Minnesota, moved back to the area for the position. "I'm excited to be back in Halstad," says Shulstad. "This community and its people are so nice, and HTC offers opportunity for growth for me personally."

As a Combination Technician, Shulstad will install and maintain the many services HTC provides, including high-speed wireless internet. "Andy is a welcome addition to our staff," says Ron Laqua, CEO of HTC. "He worked for us during the summers when he was in college. It's good to have him back."



Stop Unwanted Phone Calls

In Minnesota

State and Federal Do Not Call lists - and how to register your number

In 2003, the Federal Trade Commission (FTC) began registering consumers on a National Do Not Call list, similar to Minnesota's Do Not Call list. Since then, any Minnesota numbers on the national list have been downloaded to the state list, and the national list was updated with new numbers registered on the Minnesota list.

The process for sharing numbers between the state and the FTC has recently changed, but rest assured that any number registered on one list has also been included on the other list.

Because of this change, the best way to register your number on both state and national Do Not Call lists is to sign up at www.ftc.gov/donotcall. Each month, any new Minnesota numbers on the national list will be sent to the Department of Commerce and will be included on the state list.

What the State law does

The "Do Not Call List" law allows Minnesota consumers who do not want to be contacted by telemarketers to register their phone numbers on a Do Not Call list. Phone solicitors contacting consumers are required to purchase an updated list every 90 days and remove those phone numbers from their databases. Phone numbers will remain on the list for 4 years. The Department of Commerce is in charge of maintaining the list and enforcing the law.

What the State law does NOT do

The Minnesota law will not stop all telemarketing calls to consumers. Certain organizations are exempt from the law, meaning they do not have to purchase the Do Not Call list and may continue to place telemarketing calls to Minnesota residents:

- Nonprofit organizations
- Political organizations
- Businesses with a prior relationship with the customer

- Solicitors that do not intend to complete the sale over the phone, but rather the same individual who made the call completes the sales presentation in a face-to-face setting

Don't expect to see immediate results

It may take up to three months before you notice any change in your phone traffic. Telemarketers are only required to update the list quarterly.

In North Dakota

Registering is free and easy!

- You can register your home and cell phone numbers.
- Your numbers will stay on the list for 5 years, unless you remove them.
- North Dakota's "Do Not Call" registrations will be shared with the FTC. You only need to sign up once.
- It is a violation for a telemarketer to call you more than 30 days after you have registered on the list.

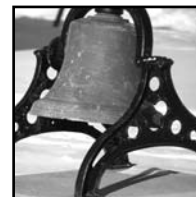
TO REGISTER BY TELEPHONE:

Toll free 1-888-382-1222 (TTY: 1-866-290-4236)

"Do Not Call" Exceptions:

Even after you have registered, you may still receive some calls permitted by law. These are:

- Calls by a volunteer or an employee of a charitable organization
- Calls by or on behalf of a political party, candidate, or other group with a political purpose
- Calls made to you with your prior written request, consent, invitation, or permission
- Calls by, or on behalf of, persons or companies with whom you have had an established business or personal relationship within the past 24 months
- Calls by an individual who intends to complete a sales presentation at a later face-to-face meeting
- Calls for which the exclusive purpose is to poll or solicit the expression of ideas, opinions, or votes



Annual Meeting Set For June 18 In Halstad

Nominations Process for Director of Halstad Telephone Section 4.5 of the Cooperative's Bylaws

(1) It shall be the duty of the board to appoint, not less than 30 days nor more than 90 days before the date of a meeting of the members at which board members are to be elected, a committee on nominations consisting of not less than three (3) nor more than seven (7) members. At least one (1) member of the committee shall be selected from each geographic area where a director is to be elected. No member of the Board, close relative of a Board member, or employee may serve on such committee. The committee shall prepare and post at the principal office of the Cooperative at least twenty (20) days before the meeting, a list of nominations for Board members which shall include as many nominees for each Board position as the committee deems desirable.

(2) The secretary shall be responsible for mailing with a notice of the meeting, or separately, but at least ten (10) business days before the date of the meeting, a statement of the number of Board members to be elected and the names and addresses of the candidates nominated by the committee on nominations.

(3) Any fifteen (15) or more members acting together may make other nominations by petition, and the secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. Nominations made by petition, if any, received at least ten (10) business days before the meeting, shall be included on the official ballot. Such ballot shall arrange the names of the candidates by geographic areas and shall also designate the candidates nominated by the committee and those nominated by petition.

(4) Later nominations by petition shall be treated as nominations from the floor. The chairman shall call for additional nominations from the floor and nominations shall not be closed until at least one (1) minute has passed during which no additional nomination has been made.

(5) Incumbent Board members must be re-nominated by the committee, by petition or from the floor, to be re-elected.

Watch for Official Notice and additional information regarding the June 18th Annual Meeting, including the results of the work of the Committee on Nominations.

The two Halstad directorships are up for election this year. Ron Gotteberg is seeking re-election. Warren Olson has chosen not to run.

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New Connections

CLIMAX

857-3369 Burd, Luke
857-3535 Evitts, Brenda

FISHER

891-4091 Brule, Gloria
891-2286 Jorgenson, Lorelei
891-2266 Johnson, Krista

HALSTAD

456-6715 Aalgaard, Philip & Sandy
456-2522 Aronson, Lorraine
456-2331 Boles, Olga
456-2460 Burciaga, Jeanie

456-2571 Claeys, Daniel
456-0780 Danielson,
Richard & Gabriella
456-2258 Krogstad, Valborg
456-2335 Paquin, Amber
456-5437 Parden, Dan
457-2599 Paulsrud, Jeremy & Dawn
456-2423 Shulstad, Andy

HILLSBORO

636-2678 Beautique on the Avenue
636-5379 Blazek, Albert
636-2679 Eldridge, Lisa
636-5953 Fargo Senior Services

636-2685 Gill, Bernard
636-2686 Hamre, Brandon
636-2682 Morris, Lisa
636-2683 Roberts, Alyssa
636-5800 Spokely, Lonnie & June
636-2663 Tanya's Timeless Gifts

SHELLY

886-7805 Keeney, Tom
886-6295 Sanchez, Tina
886-7495 Swenson, Peter



HALSTAD TELEPHONE COMPANY

How To Connect

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Halstad, MN
218-456-2125

124 E. Caledonia Ave.
Hillsboro, ND
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