

# CAPITAL CONNECTIONS

A Q U A R T E R L Y N E W S B U L L E T I N

## RTFC ANNUAL MEETING OVERVIEW "THE COMMITMENT CONTINUES"

**R** The 2000 RTFC Annual Meeting will be held on Wednesday, February 16, 2000, at the Hilton New Orleans Riverside Hotel in New Orleans in conjunction with NTCA's Annual Meeting and Exposition.

### MEETING-AT-A-GLANCE

#### GENERAL MEETING INFORMATION

RTFC's Annual Meeting will again be divided into two parts. RTFC will sponsor a portion of NTCA's Second General Session on Wednesday, February 16, from 8:30–11:30 a.m. RTFC Chief Executive Officer, Sheldon C. Petersen, will address this session.

RTFC's Annual Meeting Business Session will take place over lunch on Wednesday, February 16, from Noon until 2:00 p.m. in the Napoleon Ballroom at the Hilton New Orleans Riverside Hotel. President Mickey Sims will preside over the meeting. Secretary-Treasurer Paula Eller will provide a financial update, and Administrative Coordinator Larry Zawalick will offer an operations update. An election will also be held for the open Board seats in Districts 1 and 5.

#### KEYNOTE SPEAKER

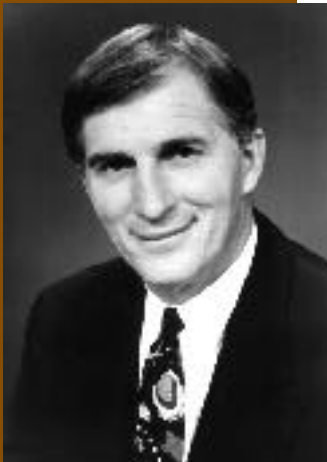
Also on Wednesday, RTFC will sponsor the second General Session keynote speaker, Gary Heil, a business motivational expert and co-author of *One Size Fits One* and *Maslow on Management*. Heil speaks widely on the subjects of leadership, service quality, and change management.

#### RTFC REGISTRATION INFORMATION

RTFC will have a registration booth near the NTCA registration area. Voting delegates should plan to stop by and sign in to obtain their official Voting Delegate ribbon and to register for the prize drawing. The registration table hours are as follows:

<b>R</b> Sunday, Feb.13	7:30 a.m.–5:00 p.m.
<b>R</b> Monday, Feb. 14	7:30 a.m.–4:00 p.m.
<b>R</b> Tuesday, Feb. 15	7:30 a.m.–3:00 p.m.
<b>R</b> Wednesday, Feb. 16	8:00 a.m.–11:00 a.m.

*Additionally, registration will re-open at 11:30 a.m. in the Napoleon Ballroom, the site of the RTFC Business Session and Luncheon, enabling Voting Delegates to register up until the time of balloting.*



*Gary Heil, a business motivational expert and author*

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## PAT CAP ALLOCATION TOTALS NEARLY \$18 MILLION

**R** As a result of an unprecedented year of business growth by RTFC's members, the patronage capital allocation for fiscal year 1999 totals a record \$17.83 million, an increase of 58 percent over last year's allocation. Patronage capital amounts, to a rebate of interest payments, in effect, lowering the cost of borrowing from RTFC. In late January, RTFC will return a cash payment of \$12.48 million in patronage capital to its members. The amount each borrower receives is based on the interest paid on its loans.

Ninety-nine percent of RTFC's net margins is allocated to borrowers, with the remaining one percent allocated to RTFC's cooperative education fund. Seventy percent of allocated prior year's margins is immediately retired in cash to borrowers. The remaining 30 percent is allocated in the form of a patronage capital certificate. **B**

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## RTFC HELPS TO FUND TWO BOOKS

**R** RTFC recently provided funding for publication of two books of interest to members. This summer, the Foundation for Rural Education and Development (FRED) published an updated edition of its book *Community Development: A Guidebook for Rural Leaders*. The book is a "how to" on community development and contains 15 case studies of telco leadership in community development projects. Copies of the book are available from FRED. Call Melissa Korzuch or Kathleen Rapp at (202) 659-5990.

In September 1999, at NTCA's Fall Conference, Larry Zawalick of RTFC presented Agriculture Undersecretary Jill Long Thompson with the first copy of the book *Builder of the Past – Architect of the Future*, the history of the REA/RUS Telephone Program. The book, produced by the Foundation for Rural Service (FRS), commemorates the accomplishments and milestones of the REA/RUS Telephone program's first 50 years. Copies of the book are available from the FRS. Call Lisa Lopinsky at (703) 351-2013. **B**



*Larry Zawalick presents RUS 50th Anniversary book to Undersecretary of Agriculture Jill Long Thompson. RTFC sponsored the production of the anniversary book through a contribution to FRS.*

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## SIMS ADDRESSES MEETING AT WHITE HOUSE

**R** On October 7, RTFC President Mickey Sims addressed some 100 cooperative leaders at a Cooperative Month White House breakfast. Sims, who has served on RTFC's Board for nearly six years, was invited to address the group that included Secretary of Agriculture Dan Glickman, Undersecretary Jill Long Thompson, and other senior White House officials and prominent cooperative leaders from across the nation. Sims's remarks focused on

the importance of locally owned telephone cooperatives across the country and how they have provided rural customers with advanced telecommunications services.

Other RTFC leaders who attended included RTFC CEO Sheldon C. Petersen, and Directors Benson Ham of Georgia, R. B. Sloan of North Carolina, and Wade Hensel of Minnesota. **B**

## ITV GRANTS

**R** RTFC awarded two Rural Interactive Television (ITV) Awards in 1999. At the OPASTCO summer convention, Hank Buchanan, RTFC Vice President of Industry Affairs, and FRED Board member, presented checks of \$20,000 each to Mid-Missouri Telephone Company of Pilot Grove, Missouri, and East Otter Tail Telephone Company of Perham, Minnesota. RTFC sponsors the FRED ITV awards, which are designed to encourage and assist rural areas in moving forward with new interactive technology.

Mid-Missouri's grant will go to the MIT-E South Project. MIT-E South seeks to join five schools from three different school districts in their quest to produce outstanding students, while simultaneously bettering the residents within those communities. Among some of the programs offered to students will be advanced classes in math, science, and foreign languages. The entire community will be offered training and job readiness programs in EMT and pesticide and firearms safety, among others.

East Otter Tail's grant will go toward the Perham Technology Center, which will provide education and training to Perham residents. It will also help Perham attract businesses that require a higher skill level.

The sole winner in 1998, South Central Telephone Association (SCTA) of Medicine Lodge, Kansas, updated RTFC on the use of its grant, which helped to develop an interactive television system at the Burlington, Oklahoma, public school, which SCTA serves.

"Currently, Burlington is receiving five classes via ITV," Debby Werth, SCTA PR/Marketing Manager wrote. "One of these is a foreign language course (Spanish) not previously available to students at this school. Junior and Senior high school students are now able to enroll in college courses via this system, and the fire department will soon use the system to provide training to its volunteer staff....A neighboring telephone company (Pioneer Telephone Cooperative) trained teachers....Our telephone company has seen a rise in Internet use within the telephone exchanges where Burlington teachers and students live. Of particular interest to us is the students' increased ability to use the Internet." **B**



## MEET THE RTFC CANDIDATES

A key focus at RTFC's Annual Meeting each year is the election of directors to fill open positions on RTFC's Board. This year, RTFC voting delegates will have the opportunity to elect one telephone representative to the Board from District 1 and one from District 5. (District 5 Director Mickey Sims has served two consecutive three-year terms and is not eligible for re-election.) The candidates for 2000 are:

DISTRICT 1—

### **RICHARD D'ANTONIO**

*President*

Bentleyville Telephone Company  
Bentleyville, Pennsylvania

### **PAUL VIOLETTE**

(incumbent)

*President*

MCT Telecom  
Contocook, New Hampshire

DISTRICT 5—

### **BILL HEGMANN**

*General Manager*

Southwest Arkansas Telephone  
Cooperative, Inc.  
Texarkana, Arkansas

### **KIRK H. PETTY**

*General Manager*

Alenco Communications, Inc.  
Joshua, Texas

## RTFC NEW EMPLOYEE SPOTLIGHT:

**Rob Dyson** has joined the RTFC team as Associate Vice President. Rob comes to RTFC from CFC, where he worked with rural electric utilities on their financing needs. With his utility lending background, Rob has made an immediate impact and "hit the ground running."



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## SHORT TAKES



*At NTCA's Fall Conference in September, RTFC Administrative Coordinator Larry Zawalick presents a check for \$40,000 to Foundation for Rural Service (FRS) President Billy Stanley and FRS Director Lisa Lopinsky. RTFC's contribution will be used to fund the FRS Co-op Advocacy Campaign.*

**R** On October 28, RUS celebrated the 50th anniversary of its Telephone Program at the Department of Agriculture. Presentations were made by retiring Administrator Wally Beyer, current Administrator Chris McLean, Undersecretary of Agriculture Jill Long Thompson, Secretary of Agriculture Dan Glickman and White House Chief of Staff John Podesta. Also participating was Delbert Wilson, General Manager of Central Texas Telephone Cooperative. Members of the Rural Telephone Bank Board and current and former REA/RUS employees attended, as did representatives of the national trade associations. Attending from RTFC were Hank Buchanan, Vice President of Industry Affairs, and Brad Captain, Legislative Representative. **B**

**R** On September 27 and 28, RTFC was pleased to host a meeting of the Board of Directors of OPASTCO. At the conclusion of the first day's session, the Directors joined RTFC and OPASTCO staffs for a social gathering and dinner. RTFC values its close relationship with OPASTCO and was honored to host the meeting. **B**