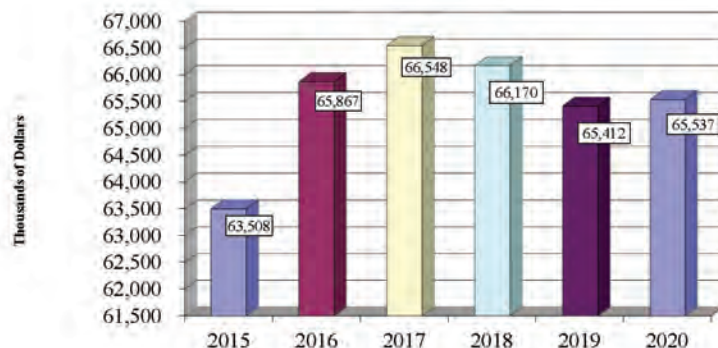




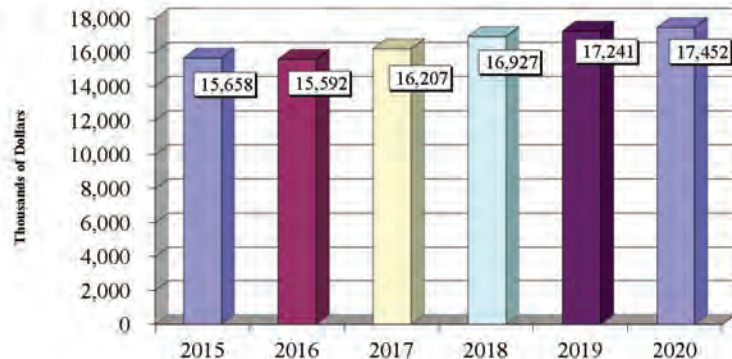
TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC.
STRUM, WISCONSIN

Gross Plant

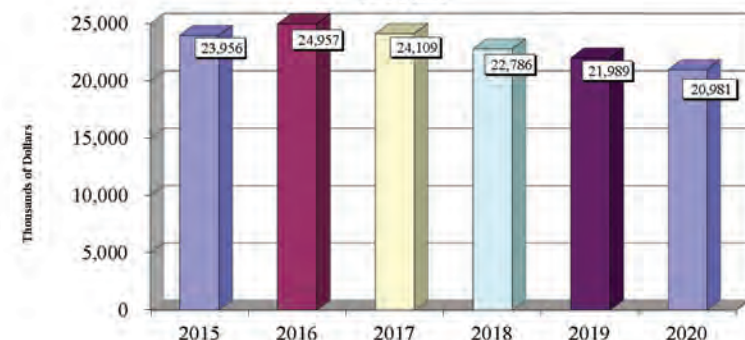


TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC.
STRUM, WISCONSIN

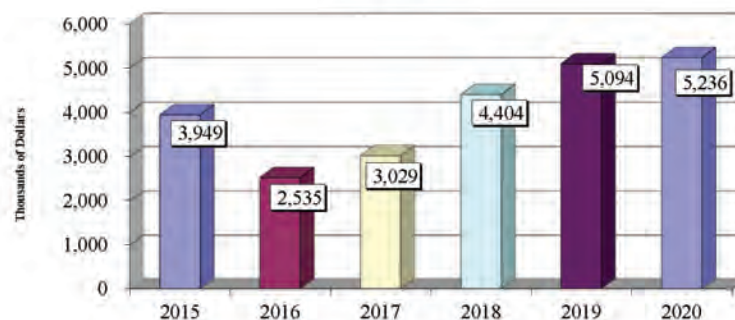
Operating Revenues



Net Plant



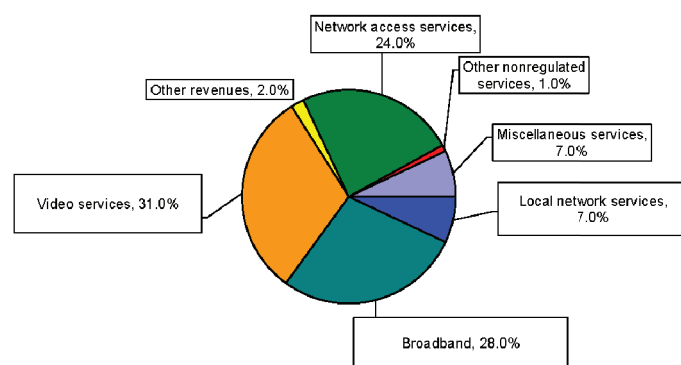
Net Margins



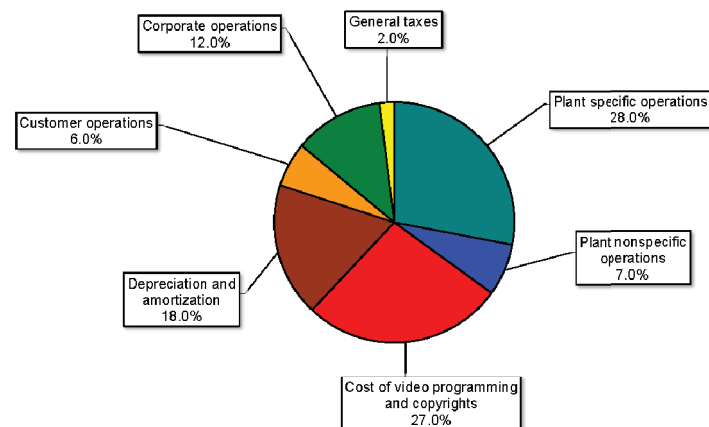
TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC.
STRUM, WISCONSIN

Year Ended December 31, 2020

Operating Revenues



Operating Expenses



TCC BOARD MEMBERS, OFFICERS, AND STAFF

Russ Carlisle, President
Lynn Nelson, Vice President
Robert Baecker, Secretary/
Treasurer
Carolyn Pedersen, Director
Kathy Sieg, Director
Aaron Kidd, Director
Christine Howard, Director

Cheryl Rue, CEO
Buck Webb, COO
Kristen Carroll, CFO
Jon Higley, Business Acct Mgr
Kris Husby, Marketing Mgr
Andrea Nyseth, Project Mgr
Kevin Schroeder, Network Mgr
Matt Sluga, Video Mgr

Jeremy Allemann
Kim Bautch
Dan Feuling
Chad Fjelstad
Ben Gumz
Trey Johnson
Adam Kohnert
Rich Kostner
Brian Melsness
Cody Moen
Stephanie Monson
Matt Nelson
Jeff Norby
Shannon Paulson
Jennifer Perry
Mary Peterson
Jake Runkel
Nick Semingson
Sarah Skoyen
Dan Sluga
Jeff Van Pelt
Kandi Weltzien
Mike Yapp

COOPERATIVE REPORT FROM CEO, CHERYL RUE

What a year it has been! This past year, we have navigated our way through the unprecedented times due to the uncertainty created by the COVID-19 pandemic. We worked diligently to ensure the continued safety of our employees and members, establishing precautionary measures and restricted public access to our offices. For a short period of time, early in the pandemic, we discontinued installs and closed our lobbies. Once things settled a bit, we worked diligently to get back to the level of service installations we had in the past and to opening our lobbies. At the January Board Meeting, the Board of Directors determined, with recommendations from the Trempealeau County Health Department, it was in the best interest of the members and staff of the cooperative to hold the annual membership meeting virtually.

On Tuesday, March 30, 2021, the 57th Annual Membership Meeting was held virtually. It was also recorded and will be available on our website and on WTCO (formerly TCCTV) over the next several weeks. With all of that said, on behalf of the Board of Directors and employees, it is an honor and privilege to serve our membership.

Last year was a great year for TCC! Our membership grew by 551 ending the year with 8,386 members strong, with 7,485 members subscribing to our broadband.

While we often talk about our advanced technology, infrastructure, and the need to keep pace with the demands for high-speed broadband services and applications, TCC also continues to give back to the communities we serve as well. This includes several thousands of dollars donated to backpack and Curds for Kids food programs for area schools, scholarships, sponsorship donations, employee volunteers, and special events. In the pages that follow, we have provided you with the financial statements that portray the stability and economic strength of TCC.

This year, TCC offered twenty-five \$500 general scholarships and two \$1,000 scholarships to current high-school seniors furthering their education in a telecommunications/IT related field of study. Congratulations to the following 2021 scholarship recipients selected at the February 23, 2021 Board Meeting: Olivia Youngbauer, Lucas Fisher, Zoey Pehler, Isabelle Walsh, Charles Siewert, Tatianna Coffey, Jenessa Perry, Gracie Hering, Jarumi Bautista, Miranda Campbell, Hunter Tulus, Zachary George, Ryan Vetsch, Ethan Karlstad, Emma Pietrek, Rose Bohlinger, Allison Koepke, Hannah Stoutner, Taylor Nelson, Kendra Goplin, Aaron Filla, Bradley Bishop, Ethan Glosky, Nicholas Higley, Shelby Hynek, Hayden Kulig and Tayler Kummer.

Our cooperative community is only as strong as its membership, staff, and Board of Directors. Thank you for your continued membership and support.

Cheryl Rue, C.E.O.



GIG-CAPABLE PROVIDER

Office Hours & Locations:

Strum & Independence
Monday - Friday
8:00 a.m. - 4:30 p.m.

tccpro.net 800-831-0610

Strum Office
417 5th Ave North
PO Box 578
Strum, WI 54770

Independence Office
23669 Washington St
Independence, WI 54747

TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC.
MINUTES OF THE ANNUAL MEMBER MEETING

The 56th Annual Member Meeting of Tri-County Communications Cooperative, Inc. was held on Tuesday, April 28, 2020. Due to concerns for the health and safety of cooperative members and staff in connection with the global coronavirus (COVID-19) pandemic, and in adherence with government restrictions against public gatherings, the annual member meeting was held virtually via a Facebook live video broadcast. President Russell Carlisle called the meeting to order at 7:01 p.m. and welcomed those in attendance. He declared a quorum had been reached for purposes of director elections, and requested the members ratify all other meeting actions at the next member meeting.

President Carlisle and Chief Executive Officer Cheryl Rue introduced the directors and candidates for director. The candidates nominated by the Nominating Committee for the Northfield/Pigeon Falls/Pleasantville/Whitehall District were Lynn Nelson and Theresa Olson.

President Carlisle called upon Chief Financial Officer Kristen Carroll to read the Meeting Notice and Proof of Mailing. Ms. Carroll read the Meeting Notice and Proof of Mailing Notice. President Carlisle then accepted the minutes for the 2019 Annual Meeting, which were printed in the annual report, and requested the members ratify this act at the next member meeting.

President Carlisle called upon Chief Financial Officer Kristen Carroll for her financial report. She reviewed the 2019 consolidated financial information included in the Annual Meeting Report. President Carlisle then accepted the financial report as presented, and requested the members ratify this act at the next member meeting.

President Carlisle called upon Chief Executive Officer Cheryl Rue to present the Cooperative Report. Ms. Rue reported on developments at the cooperative during the past year and provided an update on cooperative operations and member services. Her written report was distributed with the meeting booklet. President Carlisle then accepted the cooperative report as presented, and requested the members ratify this act at the next member meeting.

President Carlisle called upon the cooperative's legal counsel, Attorney Dustin Von Ruden, to report the results for the director elections. Attorney Von Ruden reported that a quorum of the members had been established for purposes of the director elections. He then reported that Lynn Nelson was elected director for the Northfield/Pigeon Falls/Pleasantville/Whitehall District.

There was no old business.
There was no new business.

Chief Executive Officer Cheryl Rue congratulated the winners of the cooperative scholarship awards and advised that a roster of the winners would be announced in the cooperative newsletter. President Carlisle adjourned the meeting at 7:24 p.m.

Aaron Kidd, Secretary

TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC.
CONSOLIDATED BALANCE SHEETS
December 31, 2020 and 2019

| ASSETS | 2020 | 2019 |
|--|---------------------|---------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$10,378,114 | \$9,098,849 |
| Temporary investments | 11,354,092 | 8,484,312 |
| Accounts receivable | 667,331 | 729,345 |
| Prepaid income taxes | 114,817 | 0 |
| Materials and supplies | 299,361 | 324,092 |
| Prepayments | 391,278 | 96,002 |
| | <u>23,204,993</u> | <u>18,732,600</u> |
| NONCURRENT ASSETS | | |
| Investments | 6,003,197 | 6,037,989 |
| Deferred income taxes | 330,307 | 504,301 |
| Prepayments | 1,304,152 | 1,549,732 |
| | <u>7,637,656</u> | <u>8,092,022</u> |
| PROPERTY, PLANT AND EQUIPMENT | | |
| Property, plant and equipment | 85,521,159 | 85,112,512 |
| Less accumulated depreciation | 44,558,289 | 43,423,811 |
| | <u>20,964,870</u> | <u>21,688,701</u> |
| Plant under construction | 15,763 | 299,850 |
| | <u>20,980,633</u> | <u>21,988,551</u> |
| TOTAL ASSETS | \$51,823,282 | \$48,813,173 |
| LIABILITIES AND MEMBERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Current portion of long-term debt | \$475,000 | \$913,000 |
| Accounts payable | 713,548 | 579,558 |
| Other | 213,949 | 237,091 |
| | <u>1,402,497</u> | <u>1,729,649</u> |
| LONG-TERM DEBT, LESS CURRENT PORTION | 4,639,042 | 5,487,982 |
| OTHER NONCURRENT LIABILITIES AND DEFERRED CREDITS | 331,351 | 351,012 |
| MEMBERS' EQUITY | | |
| Patronage capital | 15,583,337 | 13,153,283 |
| Accumulated other comprehensive income | (35,873) | (38,833) |
| Retained earnings | 29,902,928 | 28,129,880 |
| | <u>45,450,392</u> | <u>41,244,530</u> |
| TOTAL LIABILITIES AND MEMBERS' EQUITY | \$51,823,282 | \$48,813,173 |

TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
December 31, 2020 and 2019

| | 2020 | 2019 |
|--|--------------------|--------------------|
| OPERATING REVENUES | | |
| Local communication services | \$11,885,586 | \$11,408,108 |
| Network access services | 4,177,678 | 4,516,067 |
| Other nonregulated services | 241,742 | 165,981 |
| Miscellaneous services | 1,146,788 | 1,151,064 |
| | <u>17,451,794</u> | <u>17,241,220</u> |
| OPERATING EXPENSES | | |
| Plant specific operations | 4,124,502 | 3,823,065 |
| Plant nonspecific operations | 1,012,024 | 1,001,806 |
| Cost of video programming and copyrights | 4,053,665 | 4,063,994 |
| Depreciation | 2,576,937 | 2,799,961 |
| Customer operations | 820,089 | 838,931 |
| Corporate operations | 1,769,200 | 1,653,878 |
| General taxes | 345,133 | 339,372 |
| | <u>14,701,550</u> | <u>14,521,007</u> |
| OPERATING MARGINS | 2,750,244 | 2,720,213 |
| OTHER INCOME (EXPENSE) | | |
| Investment income | 477,986 | 588,072 |
| Cellular partnership distribution | 3,064,283 | 2,828,569 |
| Equity income in LLC investments | 87,145 | 25,967 |
| Interest expense | (262,168) | (352,052) |
| Other, net | 30,185 | 165,015 |
| | <u>3,397,431</u> | <u>3,255,571</u> |
| MARGINS BEFORE INCOME TAXES | 6,147,675 | 5,975,784 |
| INCOME TAX EXPENSE | 912,159 | 882,238 |
| NET MARGINS | \$5,235,516 | \$5,093,546 |

