

All the Right Connections



The technologies you need,
from the people you know.

**OTZ Telephone
Cooperative, Inc.**

2007 Annual Report

2007 in Review

Dear OTZ Members,

We are excited to announce some very important achievements this year. As you know, the world of communications has changed a lot, and OTZ has continued to change with it. In 2007, those changes included a newly upgraded, state-of-the-art cellular network in Kotzebue, and the foundation to expand cellular coverage to villages throughout Northwest Alaska.



**Larry Jones,
President**

“The world of communications has changed a lot, and OTZ has continued to change with it.”



**Doug Neal,
CEO**

Through a great deal of hard work and persistence, OTZ was able to make “all the right connections” to bring you these important services. For example, to more efficiently and cost effectively provide the latest in cellular technology, OTZ Telephone Cooperative and Arctic Slope Telephone Association Cooperative created a joint venture, called Niñiq. Together we installed a “host” cellular switch in Anchorage, and have connected it, via satellite, to our respective remote switches in Kotzebue and Barrow.

In addition, after 18 months or so of working with the Federal Communications Commission and the Regulatory Commission of Alaska, OTZ Telecommunications (the wholly owned subsidiary of your cooperative,) achieved a designation of “Eligible Telecommunications Carrier.” This designation gives us access to federal funds and enables OTZ to cost-effectively:

1. Build-out our cellular network throughout the region;
2. Provide a wireless Lifeline/Linkup service option to qualifying customers in Kotzebue; and
3. Offer some exciting new cellular calling plans, which we believe you’ll find as good as plans currently available in Anchorage and other large, urban markets.

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“All this technology will allow you to better connect with friends, family, and colleagues by cell phone, text messaging, instant messaging, email and high speed Internet.”

We also made great strides in upgrading more and more members to high speed DSL Internet service in 2007.

All this technology will allow you to better connect with friends, family and colleagues by cell phone, text messaging, instant messaging, email and high speed Internet.

We look forward to another busy year in 2008, as OTZ continues to build infrastructure — and positive relationships with you — that help keep us all truly connected.

Sincerely,



Larry Jones
President



Doug Neal
CEO

Highlights

Major 2007 Achievements

- Formed Niñiq, a joint venture with Arctic Slope Telephone Association Cooperative, which enabled us to purchase and install a powerful “host” switch that both our companies need to provide leading edge cellular service.
- Installed remote cellular switch in Kotzebue to deliver state-of-the-art cell service in the area.
- Achieved Eligible Telecommunications Carrier (ETC) designation, paving the way for digital wireless service to all villages.
- Made cellular service an option for Lifeline/Linkup customers in Kotzebue.
- Transferred old telephone plant to new telephone plant in Selawik.
- Installed a new telephone switch in a recently completed central office building in Selawik.
- Hired five new employees: Shaun Conwell, Tom Jordan, Adam Greene, Malinda Reich and Dan Schultz.

On the Horizon for 2008

- Continuing to add new features to our new cellular switch in Kotzebue.
- Installing cellular switches in Selawik and Noorvik, with new switches in the rest of the villages to follow in the next few years.
- Providing high-speed DSL Internet service in Selawik.

Doing the Numbers

■ Access Lines	3,540
■ Cellular Phones	169
■ Kotzebue DSL	630
■ Village DSL	377
■ Village Wireless	103
■ Dial-Up	35
■ Out-of-State Long Distance	786
■ In-State Long Distance	774

Highlights, continued on page 3...



OTZ:

All the Right Connections

The technologies you need,
from the people you know.

Sometimes the most powerful connections are those you cannot see. Like wireless service — it connects us to friends, family, colleagues and sometimes lifesaving support. That's why OTZ is especially excited about its 2007 achievements in cellular service. We now offer state-of-the-art digital cell service in Kotzebue and we've laid the foundation to spread coverage throughout the region to better connect us all.

"We've laid the foundation to spread coverage throughout the region to better connect us all."

OTZ knows how important it is to keep family in touch whether it is with our cellular service or a long distance call.

Above: James Karmun

Left: Sadie Ferguson-Wilson
(OTZ Telcom Billing Clerk)
and son Claude III

Opposite: Arlene Wilson and
Skye Reich



Connecting with ASTAC

To deliver affordable,
state-of-the-art cell service.

With the combined financial strength and technical expertise of OTZ and Arctic Slope Telephone Association Cooperative, we were able to purchase and install a powerful, million-dollar cellular "host" switch in Anchorage and connect it via satellite to our respective remote switches in Kotzebue and Barrow. Now you can enjoy the very latest in digital cellular service, on par with state-of-art networks throughout the country. Better yet, we'll soon be bringing all this to the rest of the region.

2007 OTZ Telecommunications Sponsorships: \$10,000
KOTZ Broadcasting Inc.

2007 OTZ Sponsorships: \$1,373

2007 OTZ Donations: \$5,621

Zonna Lie-Ito



We were blessed to have Zonna as an employee and friend here at OTZ, from when she started with us on April 27,

2004, until she passed away on June 21, 2007.

Through her talent, creativeness, energy, enthusiasm, and hard work, Zonna played a big part in making changes in the way we serve our members. She was also one of those rare individuals who could really see where we needed to go as an organization, and then take all of the steps necessary to get us there. One of the many things we appreciated about Zonna was that she was just so positive about work and life. Even when she was feeling a little bit down about something, she would flip it around and turn it into something positive.

In Zonna's memory, and to celebrate her positive spirit for generations to come, we are very proud to announce that we will be renaming our academic scholarship the Zonna Lie-Ito OTZ Scholarship.

2007 OTZ Scholarships Total: \$1,500 per year

- Grace E. Kirk
- Nicholas J. Kotch
- Tirrell O. Thomas
- Scott J. West

Connecting with Each Other

Laying the foundation for cell service
throughout the region.

The designation of "Eligible Telecommunications Carrier" enabled OTZ to secure the licenses, permits and funding necessary to start building and providing affordable digital cell service to all villages within the Northwest Alaska.

Another advantage of the ETC designation is our ability to offer qualifying Lifeline/Link Up members in Kotzebue the choice of either the existing traditional phone service or a wireless service that includes a cell phone and 500 minutes a month, all for the same low Lifeline/Linkup rate.

Connecting with the World

Bringing high speed,
DSL Internet to the region.

This year OTZ built and moved operations into a new outside plant in Selawik. We installed all new aerial cable and a new central office switch, built an all new cable plant and central office building, and put in place all the equipment needed to replace wireless internet with high speed DSL service to members in Selawik.



*“We’re working hard every day to
bring you the latest technooogy...”*



OTZ works hard to give you reliable connections so you can keep in touch through the Internet.

Above: Courtney Howarth, Ann (Community Outreach Coordinator), Calia and Colton Sieh

Left: LeAnn Schaeffer (Customer Service Rep), and son Sterling

Opposite: Arlene Moo

Connecting with You

Helpful Member Information

In this rapidly changing, high tech world, it's nice to know someone is watching out for you and your best interests. At OTZ, we're your friends, your neighbors and your family. You can be sure we're working hard every day to bring you the latest technology, the most affordable rates and the very best customer service. Here is some updated information you should know about. If you have any questions, just give us a call.

*"At OTZ, we're your friends,
your neighbors and your family."*

Requirements for Lifeline/Linkup have changed — do you qualify?

Our Lifeline and Linkup programs offer discounted installation and basic monthly residential telephone service to qualified telephone customers. If you qualify, your local residential service could be just \$1 per month!

To qualify, you must meet either the traditional "Program Based Criteria" or the new "Income Based Criteria." Check out the flyer that accompanies this report, or go to www.otz.net and click on "lifeline linkup" for details.

If you know someone who might qualify, please encourage him or her to contact our billing department and ask about signing up for these great programs.

New regulations change access to your account.

Used to be, you could just call us up and get all the account information you need for yourself or to help a friend or family member with their account. However, with today's Federal Communications Commission regulations designed to protect your privacy, you now need a password.

If you haven't returned your CPNI "Password Form" to us yet, please do so today! You can download the form from our website: www.otz.net (look for it under "Applications & Forms" on the lower left side of the home page). For more information, see the "Accessing Your Account Information" flyer with this report or give us a call.



OTZ TELEPHONE COOPERATIVE, INC. and SUBSIDIARY
Consolidated Balance Sheets
Years Ended December 31, 2007 and 2006

Assets	2007	2006
Current assets:		
Cash	\$ 1,126,926	787,675
Accounts receivable, less allowance for doubtful accounts of zero	494,648	890,057
Materials and supplies	350,364	293,765
Prepaid expenses	119,684	149,543
Total current assets	2,091,622	2,121,040
Other assets and investments:		
Other investments	799,296	454,438
Restricted cash	224,971	219,461
Total other assets and investments	1,024,267	673,899
Property, plant, and equipment:		
In service	26,588,620	24,562,173
Under construction	267,719	1,257,451
	26,856,339	25,819,624
Less accumulated depreciation	14,775,825	14,059,035
Property, plant, and equipment, net	12,080,514	11,760,589
	\$ 15,196,403	14,555,528

No matter where you are —
in town, in camp or on the trail —
OTZ provides keeps you connected
with a selection of VHF radios
or handhelds.

Above: Shaun Conwell and
son Aaron

Opposite: Shaun John Conwell

Liabilities and Members' Equity	2007	2006
Current liabilities:		
Current portion of long-term debt	\$ 646,700	580,800
Lines of credit	320,000	320,000
Accounts payable and accrued expenses	589,823	612,041
Customer deposits	103,999	95,665
Advanced billing	77,521	72,878
Total current liabilities	1,738,043	1,681,384
Long-term debt, net of current portion	7,707,022	7,662,649
Deferred credits	224,971	219,461
Unclaimed capital credits	295,820	303,769
Members' equity:		
Memberships	19,301	18,885
Patronage capital	5,211,246	4,669,380
Total members' equity	5,230,547	4,688,265
	\$ 15,196,403	14,555,528

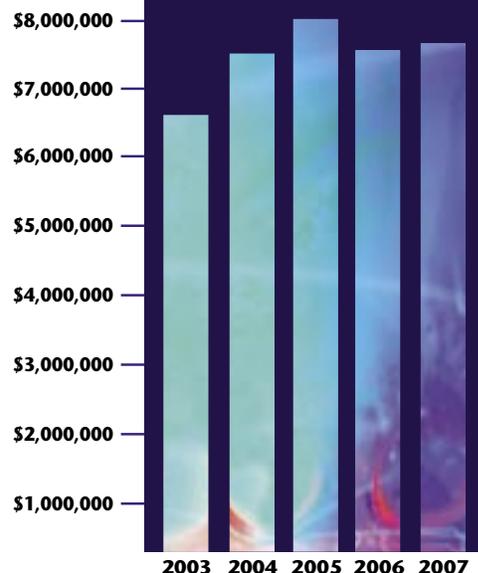


OTZ TELEPHONE COOPERATIVE, INC. and SUBSIDIARY
Consolidated Statements of Operations
Years Ended December 31, 2007 and 2006

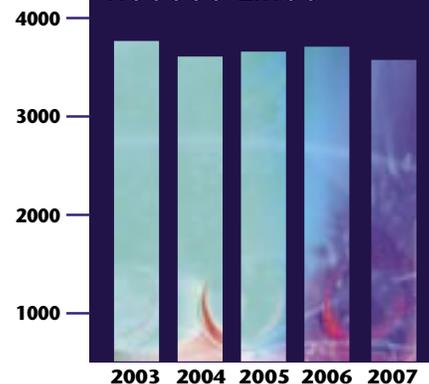
	2007	2006
Operating revenues:		
Local network	\$ 1,125,155	1,069,418
Network access	4,906,572	4,821,612
Billing and collection, directory, and other	49,275	41,384
Equipment sales and leases	275,824	293,923
OTZ Telecommunications	1,393,162	1,456,699
Total operating revenues	7,749,988	7,683,036
Operating expenses:		
Plant specific	1,895,446	1,853,553
Plant nonspecific	409,823	441,610
Depreciation	1,116,828	1,024,675
Customer	500,782	480,931
Corporate	1,377,416	1,414,868
Operating taxes	108,628	116,610
Equipment sales and leases	355,706	373,711
OTZ Telecommunications	1,063,727	1,170,420
General and administrative	166,361	147,910
Total operating expenses	6,994,717	7,024,288
Operating margin	755,271	658,748
Other income (expense):		
Interest and dividend income	47,584	46,804
Other gains (losses), net	108,136	(58,760)
Total other income (expense)	155,720	(11,956)
Margin available for fixed charges	910,991	646,792
Fixed charges - interest on long-term debt	368,175	387,945
Net margin	\$ 542,816	258,847

A complete copy of the Financial Statements audited by Aldrich Kilbride & Tatone LLC may be seen during regular office hours at: OTZ Telephone Cooperative, Inc., Kotzebue, Alaska.

Total Operating Revenues



Access Lines



OT2 Telephone Cooperative, Inc. Employees



Front Row (L-R): Donna McConnell, Wilbur Karmun Jr., Doug Neal, Grace Norton, Hadley Hess, and Margie Ubben. **Back Row (L-R):** Ann Sieh, Ben Phillips, Donnie Smith, Shaun Conwell, Malinda Reich, Carl Weisner, Arlene Moo, Pierre Lonewolf, Lucy Mae Lambert, Mark Iten, Sadie Ferguson-Wilson, Jason Nantelle, Phyllis Ferguson, Adam Greene, and LeAnn Schaeffer. **Not photographed:** Harry Baldwin, Melford Booth, Culum Campbell, Brian Cleveland, Verne Cleveland, Cindy Fields, Gary Jackson, Tom Jordan, Harold Lambert, David Lee, Brenda Schaeffer, Dan Schultz, Gary Swan, and Ricky Wells Sr.

OT2 Telephone Cooperative, Inc. Directors



Larry Jones,
President
Dist. 4: Kivalina,
Noatak



Eunice Hadley,
Vice President
Dist. 3: Buckland,
Deering, Candle



Chester L. Ballot,
Secretary/Treasurer
Dist. 6: Kotzebue



Marie N. Greene,
Director
Dist. 5: Kotzebue



Jane Cleveland,
Director
Dist. 1: Ambler,
Shungnak, Kobuk



Lucy Nelson,
Director
Dist. 7: Kotzebue



Gordon Newlin,
Director
Dist. 2: Noorvik,
Kiana, Selawik



ANNUAL MEETING MINUTES OTZ TELEPHONE COOPERATIVE, INC.

May 2, 2007

I. Call to Order

The Annual Meeting of the OTZ Telephone Cooperative, Inc. was called to order at 6:30 p.m. on May 2, 2007 by Board President Larry D. Jones.

Larry welcomed everyone and thanked each and every one for coming to our annual meeting. We would like to thank John Cote' the Principal of Napaqtugmuit School for the use of the facilities and the PA system. We would also like to thank Herbert Walton and the members of the Native Village of Noatak, the staff of the Noatak Native Store for their cooperation in getting our needs met with supplies. A big thanks to Melford Booth our Install/Repairman for Noatak, who has been working so hard to get things organized here in Noatak for this year's annual meeting.

II. Invocation

Larry requested that Beulah Ballot give the invocation.

Larry then took the time to let our own Zonna Lie-Ito know that we are thinking of her and that she is in our thoughts and prayers.

III. Determination of Quorum

It was determined that a quorum was established with more than 73 members in attendance.

IV. Early Bird Drawing

Larry, Donnie Smith, Culum Campbell, and Harold Lambert administered the early bird drawing. He explained to the members how the raffle was going to be processed; which was the attendee would be called and that winner will pick out a prize and pick a ticket from the mail-in raffle and that member will win the prize that was picked. First drawing was attendee Vickie Mitchell, fishing rod; mail-in was Lori Stalker of Kiana. Second drawing was attendee Eva Monroe, Cooler; mail-in was Roberta Y. Norton of Kotzebue.

V. Approval of Annual Meeting Minutes of July 24, 2006

Frank Adams moved to waive the reading of the minutes of the Annual Meeting of July 24, 2006, seconded by Alice Sheldon. Motion passed unanimously.

Frank Adams moved to approve the minutes of the Annual Meeting of July 24, 2006, seconded by Lloyd Hall. Motion passed unanimously.

VI. Election of Two Directors – from District 2 (Kiana, Noorvik, Selawik); and District 3 (Buckland, Deering)

Larry informed the membership that the election of two directors, from district 2 (Kiana, Noorvik, Selawik) and district 3 (Buckland, Deering) were open and asked if there were any more nominations from the floor; hearing none he requested a motion to close the nominations.

Norman Monroe made a motion to close the nominations, seconded by Bessie Barger. Motion passed unanimously.

All ballots were collected and 10 to 14 members volunteered to count the ballots. Larry thanked them and said that Ann would explain the procedures.



Jason Nantelle, Network & Systems Administrator

Larry took this time to thank the nominating committee that met on March 5, 2007; they were Noah Naylor, Brenda Karmun, Lulu Ann Sampson, Vince Schuerch, Tony Jones Jr., and Raven Sheldon.

VII. New Business

There was no New Business.

VIII. Reports

A. Board

Larry then introduced the board members which includes: himself Larry D. Jones, President, District 4 (Kivalina, Noatak, Red Dog), who has been a board member for 11 years; Eunice Hadley, Vice-President, District 3 (Buckland, Deering), who has been a board member for 14 years; Chester L. Ballot, Secretary/Treasurer, District 6 (Kotzebue), who has been a board member for 8 years; Marie N. Greene, Director, District 5 (Kotzebue), who has been a board member for 30 years; Lucy Nelson, Director, District 7 (Kotzebue), who has been a board member for 2 years; Jane Cleveland, Director, District 1 (Ambler, Shungnak, Kobuk), who has been a board member for 10 years but was not able to be with us tonight; and Gordon Newlin, Director, District 2 (Noorvik, Kiana, Selawik), who has been a board member for 13 years but was not able to be with us tonight.

He then asked the membership to look at the 2006 Annual Report. He then asked if there were any questions concerning the report.

Larry then introduced Doug Neal, our Chief Executive Officer who has been with our company for 13 years.

B. Management

Doug greeted everyone and thanked everyone for being here, especially Larry and the entire the board and staff for another successful year. He then introduced the managers: Ben Phillips, Outside Plant Manager who has been with our company for 25 years; Carl Weisner, Operations Manager for OTZ Telecom who has been with our company for

Continued...



5 years; Phyllis Ferguson, Front Office Supervisor who has been with our company for 18 years; Brenda Schaeffer, Accounting Supervisor who has been with our company for 12 years; and Ann Sieh, Community Outreach Coordinator who has been with our company for 15 years.

He informed the membership that we were going to touch on a few things, first the Cellular Service, Next Generation Cell Service and cell service in Kotzebue.

He talked about Cellular in the Villages, FCC Licenses, and Designation as a Wireless Eligible Telecommunications Carrier, Availability of Universal Service Fund Dollars and Timeline for Installations.

He talked about E911 Service in Kotzebue, Kotzebue Police Department now knows physical address of 911 calls in Kotzebue, shorter response times in emergency situations and he then thanked Northwest Arctic Borough, City of Kotzebue, OTZ Board of Directors, Tom Bolen, John Ward, Mark Iten, Wilbur Karmun Jr. and Margie Ubben for all their hard work and efforts in getting this up and running.

Finally he talked about the Annual Meeting process and what it takes to prepare for a meeting from start to finish. He thanked Ann Sieh and the rest of the staff for all their hard work in coordinating the annual meeting.

Doug introduced Ben Phillips, our Outside Plant Manager. Ben greeted everyone and then introduced the outside plant staff by department. In the Central Office Technicians, we have Wilbur Karmun who has been with our company for 27 years, Margie Ubben who has been with our company for 12 years, and Culum Campbell who has been with our company for 5 years. He then gave a brief description of what the duties of each employee. Our Outside Plant Crew, consists of Harry Baldwin, Journeyman Splicer/Foreman who has been with our company for 14 years; Harold Lambert, Warehouseman/ Expeditor who has been with our company for 10 years; and Ricky Wells, Journeyman Lineman who has been with our company for 12 years. These guys do everything; they put up cable, set poles, work on trucks. This is a really good dedicated crew here. The Network Systems Administrators consists of Mark Iten, Zonna Lie-Ito, and Jason Nantelle; they keep our internet connection and make sure we are connected. And in our

Purchasing Department, Donnie Smith has been with our company for 7 years and also is our building coordinator.

Ben then introduced our village representatives: Brian Cleveland, Ambler he has been with our company for 5 years; David Lee, Buckland he has been with our company for 13 years; Bruce Barr, Deering he has been with our company for 2 years; Irvin Morris, Jr., Kiana he has been with our company for 4 years; Gary Swan, Kivalina he has been with our company for 2 months; Melford Booth, Noatak he has been with our company for 16 years; Verne Cleveland, Noorvik he has been with our company for 3 years; and Gary Jackson, Selawik he has been with our company for 3 years. The engineers are Whit Reeve of Reeve Engineering, who does our central office engineering, and Frank Simpson from St. Elias Communications, our outside plant engineer. Our intern for the outside plant is Royal Harris he has been with our company for 3 years.

Ben summarized the highlights of 2006, during which we:

- Converted Deering, Shungnak, and Buckland from Wireless to DSL.
- Installed new soft switch in Noatak.
- Built new central office building in Selawik.
- Built out wireless Internet throughout most of Kotzebue.
- Upgraded Internet traffic in Kotzebue.

He noted 2007 major projects:

- Rebuilt Selawik Plant.
- Replace Kivalina Central Office with new soft switch.

Ben then introduced Carl Weisner, Operations Manager of OTZ Telecommunications.

Carl thanked Ben and greeted everyone and he also shared some humor with the audience. He then introduced his one staff member who is Sadie Ferguson-Wilson, Billing Clerk who has been with our company for 2 years.

As the subsidiary for OTZ Telephone Cooperative, OTZ Telecommunications has had a successful year in 2006. He shared 2006 Telecommunication highlights for Long Distance, Internet and Cellular.

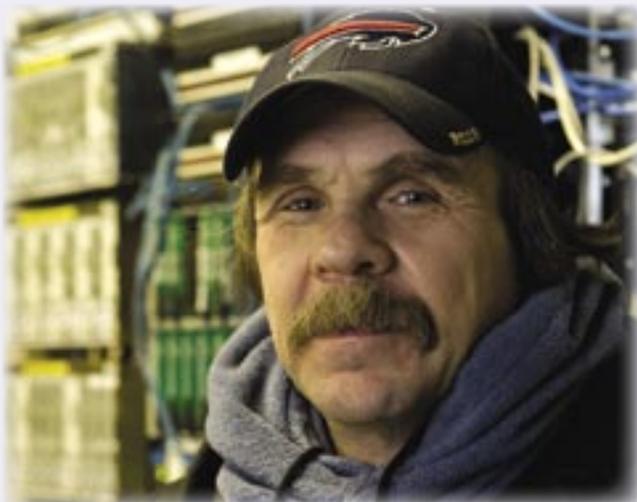
- Revenue grew by \$73,948 to \$1,698,659
- Expenses reduced by \$98,137 to \$1,355,902
- Net margin \$173,839

He then shared OTZ Long Distance Rates that are currently offered to OTZ Long Distance members.

He thanked the businesses that are currently supporting OTZ Long Distance which were two pages long which was a list of 66 businesses.

He then stated to the membership that if they would like to see more of our services and what OTZ provides to go to our website, www.otz.net online. We provide DSL and Wireless internet service in Kotzebue. He explained the Inutek Consortium to the membership.

- GCI provides the satellite transport
- OTZ provides billing and customer service
- Maniilaq provides the technical support



Tom Jordan, Central Office Administrator



He thanked the membership for supporting OTZ Cellular Build-Out Plan. He also thanked all the Village Tribal Counsels, all of the Village City Counsels and Northwest Arctic Borough.

Carl then introduced Phyllis J. Ferguson, the Front Office Supervisor/Billing Clerk to give the report on the Front Office.

Phyllis thanked Carl and then greeted the cooperative members. She then introduced the front office staff. LeAnn Schaeffer, Customer Service Representative serving Buckland, Deering, Kiana, Noorvik, Selawik, Kivalina, and Red Dog, who has been with our company for 4 years. Hadley Hess, Customer Service Representative serving Kotzebue businesses, who has been with our company for 6 years. Cynthia Fields, Assistant Billing Clerk and Customer Service Representative, who has been with our company for 12 years. Arlene Moo, Receptionist, who has been with our company for 7 months.

Phyllis then introduce Brenda Schaeffer the Accounting Supervisor.

C. Finance

Brenda greeted our members and introduced the staff: Grace Norton, Customer Service Representative serving our Kotzebue residents, who has been with our company for 7 years. Lucy Mae Lambert, Accounting Payroll Clerk, who has been with our company for 5 years. Donna McConnell, Accounts Payable Clerk, who has been with our company for 4 years.

She then gave an outline of the financials, which consisted of balance sheets, statements of operations, and summary of consolidated report. She then went into the financial reports, informing the membership of OTZ 's assets, liabilities, members' equity, statement of operations, operating revenues, total customers, total operating revenue, summary of significant cash transactions and summary.

She then turned the meeting back to the President.

Larry thanked Doug, Ben, Carl, Phyllis and Brenda for their reports.

IX. Unfinished Business

Larry then gave the cooperative members the opportunity to state their concerns.

Frank Adams commented on the efforts OTZ is making to provide cellular service in our village and stated the importance of the service for those that may be able to use it when traveling.

Stella Shy asked about interns that are hired for OTZ.

Hilda Booth thanked OTZ for a good annual meeting and helping her family.

Arlene Moo thanked OTZ for a great annual meeting and for helping her family with the passing of her mother.

X. Election Results

Larry asked Gretchen Booth from Noatak to announce the election results. Gretchen gave them as follows: District 2 (Kiana, Noorvik, Selawik) Gordon Newlin, Incumbent,



Malinda Reich, Customer Service Representative for OTZ Telecommunications, Inc.

Noorvik, 233 votes; Elmer Armstrong Jr., Noorvik, 76 votes; Ila Sheldon, Noorvik, 45 votes; Hannah Loon, Selawik, 115 votes; and Mida Riley, Selawik, 70 votes. The winner is incumbent Gordon Newlin of Noorvik. District 2 (Buckland, Deering) Eunice Hadley, Incumbent, Buckland, 261 votes; Sheila M. Washington, Buckland, 66 votes; Sheila Gregg, Deering, 94 votes; Brenda Karmun, Deering, 101 votes; and Roy H. Scott, Deering, 37 votes. The winner is incumbent Eunice Hadley of Buckland.

Larry thanked the ballot counters: Gretchen Booth, Hilda Arey, Karen Mitchell, Vicky Mitchell, Alvin Ashby, Eva Onalik, Emma Ahvakana, Lucy Adams, Freida Wells, and Della Luther.

Larry then offered his congratulations to Gordon Newlin and Eunice Hadley.

XI. Drawing of Door Prizes

Larry, Donnie, Culum, and Harold volunteered to help with the final drawing. The drawing of door prizes was held and the following winners announced: attendee Stella Shy picked the Sleeping Bag and drew mail-in winner Maggie Newlin from Noorvik who will receive the same prize; attendee Leela Mitchell picked the Uniden CXAIS198 Telephone and drew mail-in winner Herman Henry from Selawik who will receive the same prize; attendee Edith Onalik picked the AT&T 1855 Phone and drew mail-in winner Emma Berry from Shungnak who will receive the same prize; attendee Noah Penn picked the Black & Decker Coffee Maker and drew mail-in winner Charles Mulluk Sr. from Noorvik who will receive the same prize; attendee Joseph Luther picked the Coleman Stove and drew mail-in winner Erica Hughes from Kotzebue who will receive the same prize; attendee Emma Ahvakana picked the 13 pc Cook Set and drew mail-in winner Frank Tiepelman from Kotzebue who will receive the same prize; attendee Herbert Walton picked the Tool Chest Set and drew mail-in winner Angeline Moto from Deering who will receive the same prize; attendee Evelyn Shy picked the Coby Portable Radio and drew mail-in winner Wayne Iyatunguk from Deering who will receive the same prize; attendee Phillip Booth picked the Coleman Gas Lantern and drew mail-in winner Diane Nelson-Hidreth from Red Dog who will receive the same prize; attendee Violet Mitchell picked the Folding Chair and drew mail-in winner George Bacon from Kotzebue who will receive the same prize; attendee Minnie Stalker picked the

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Crock Pot and drew mail-in winner Roger & Linda Mauer from Kotzebue who will receive the same prize; attendee Connie Walton picked the OTZ Hooded Sweatshirt with Reversible Vest and drew mail-in winner Levi Cleveland from Shungnak who will receive the same prize; attendee Hannah Onalik picked the Thermos Bottle and drew mail-in winner Della Booth from Noatak who will receive the same prize; attendee Ruth Luther picked the Flashlight Set and drew mail-in winner Douglas & Melissa Brown from Selawik who will receive the same prize; attendee Gretchen picked the NANA Bag of Goodies and two OTZ Hooded Sweatshirts and drew mail-in winner Nellie Beecroft from Red Dog who will receive the same prize; attendee Nora Booth picked the NANA Bag of Goodies and two OTZ Hooded Sweatshirts and drew mail-in winner Lillian Mitchell from Selawik who will receive the same prize; attendee Hilda Arey picked the Personal Floatation Device and drew mail-in winner Paul & Vicky Norton from Noatak who will receive the same prize; attendee Lena Walton picked the Personal Floatation Device and drew mail-in winner Brenda K. Norton from Red Dog who will receive the same prize; attendee Alice Adams picked the Candle Set and drew mail-in winner Clarissa Coffin from Kotzebue who will receive the same prize; attendee Tina Mills picked the Bowl Set and drew mail-in winner Frank & Bertha Wells from Noorvik who will receive the same prize; attendee grand prize winner Nora Booth picked the 10" Ice Auger and drew mail-in winner Frank & Judy Stein of Kotzebue; attendee grand prize winner Hilda Arey picked the VHF Package and drew mail-in winner Blankenship Trading Post of Kiana; attendee grand prize winner Meg Ahvakana picked the 8X10 Tent and drew mail-in winner Charlie Gregg of Kotzebue; attendee grand prize winner Dolly Sage picked the Round Trip with Hageland Aviation and drew mail-in winner Willie Towksjhea of Kotzebue; attendee grand prize winner Norman Monroe picked the Round Trip with Bering Air and drew mail-in winner Collins T. Sheldon of Selawik.

Larry then thanked the following organizations for their generous donations for our door prizes; Hageland Aviation Services who donated two round trip tickets; Bering Air Inc. who donated two round trip tickets; and NANA Regional Corporation for donating NANA Bags filled with goodies.

He also thanked KOTZ Broadcasting Inc. for airing our annual meeting live on KOTZ Radio 720 AM.

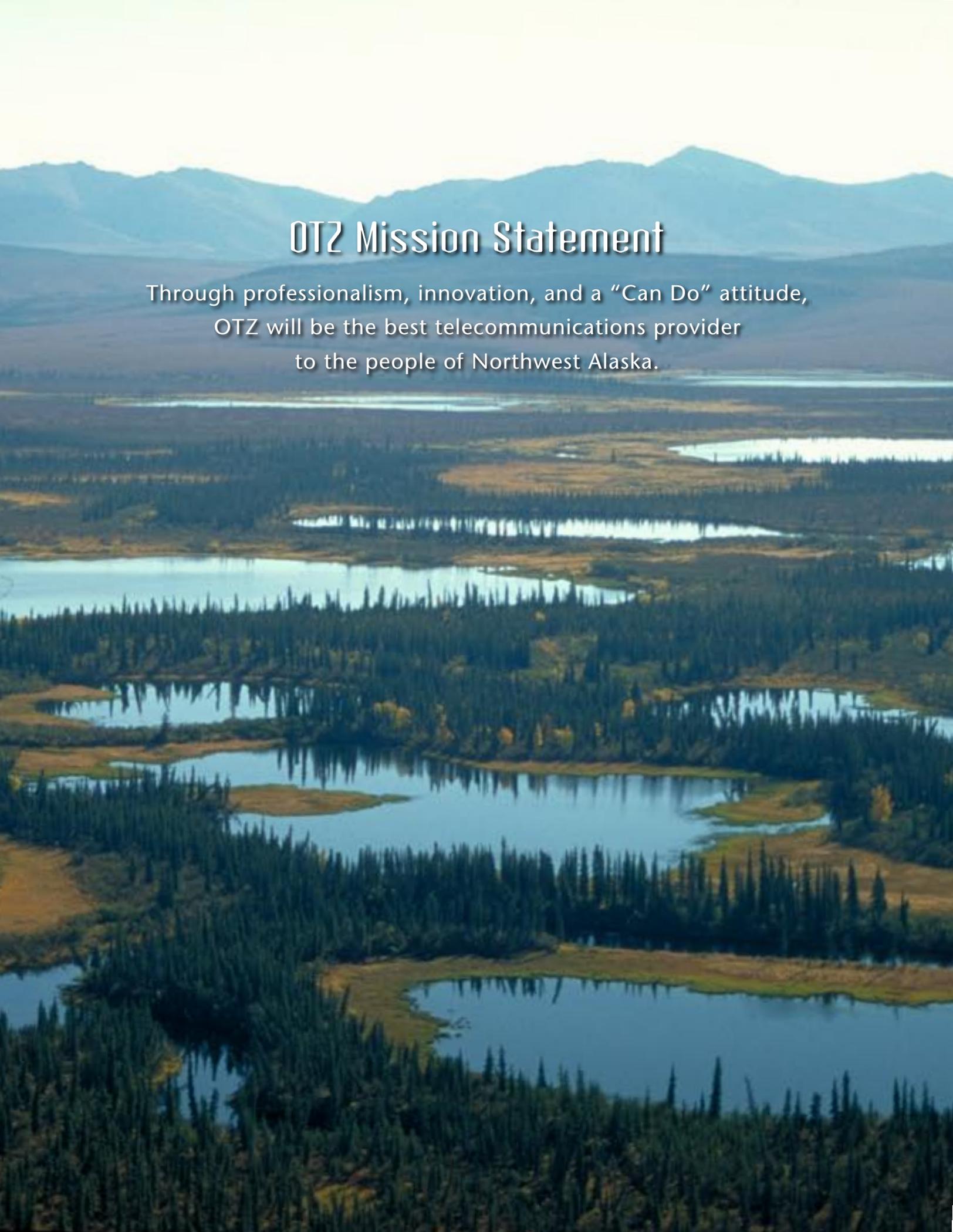
Finally he thanked the members of the cooperative for attending tonight's annual meeting.

XII. Adjournment

Alvin Ashby moved to adjourn, seconded by Noah Penn. The meeting adjourned at 8:12 p.m.



Adam Greene, Install/Repairman

An aerial photograph of a vast Alaskan landscape. In the background, a range of blue-toned mountains stretches across the horizon. Below the mountains, a wide expanse of land is covered with a dense forest of evergreen trees. Interspersed among the trees are several large, irregularly shaped lakes and ponds, their surfaces reflecting the sky and surrounding terrain. The overall scene is serene and expansive, capturing the natural beauty of Northwest Alaska.

OTZ Mission Statement

Through professionalism, innovation, and a “Can Do” attitude,
OTZ will be the best telecommunications provider
to the people of Northwest Alaska.

**OTZ Telephone
Cooperative, Inc.**

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