

# an advanced fiber network for entertainment & productivity at the speed of light



## OUR PEOPLE DELIVER

These are the people who bring the technology to your home. They're the feet on the ground, the working hands and friendly faces that connect you to the world. We're proud of our people and the excellent service they provide to our customers.

In fact more than 90% of our customers surveyed are satisfied or very satisfied with the result of their installation or repair visit. We work every day to earn your loyalty by bringing you the best technology for the best value.

We were one of the first fiber optic communities in Kentucky, serving Russell, Adair and Cumberland counties.

Duo County has now installed nearly 700 miles of fiber optic cable in our service area, and with our continued network expansion, it's coming to more neighborhoods and businesses.



## ON-TIME SERVICE

Duo County has a same-day policy on addressing technical problems and issues as well as new service installations within two business days. We work hard to meet that standard. That cannot be said for most national providers.



DUOCOUNTY.COM



## YOU SPEAK – WE LISTEN

You asked for faster Internet speeds and better value. Based directly on your feedback we delivered increased broadband speeds to our Internet customers within our fiber optic network at no additional charge!

And we continue to improve our network to bring faster Internet speeds to customers throughout our entire network.

25  
MEG

75  
MEG

125  
MEG

1  
GIG

## WE BRING IT FOR BUSINESS

The advanced technology we deliver to your homes serves our local business community as well. Home-grown business partners like Superior Battery, Stephens Pipe & Steel and industrial customers like Dr. Schneider Automotive, benefit from an advanced fiber network that provides the connectivity essential for the success of large and small business today.



## YOU'RE HELPING US BRING IT HOME

I'm a big believer in the powerful impact we can have in our community simply by being good neighbors. This notion is one of the reasons I love my job. I'm proud of the service Duo County Telecom provides to our community, and I'm especially proud of the people who literally bring this technology to your door.

Not only is the service we provide among the most advanced in the state and the nation, it's something we did for ourselves as a community. The advanced fiber technology available to our customers is a result of great foresight and planning that began more than 20 years ago and was implemented with tremendous engineering know-how. Our people take personal pride in bringing these services to your home.

Your responses to our annual survey makes it clear that you value doing business with a local telecom provider. When you tell us our service and installation technicians and customer service representatives are doing a great job, we're not surprised! Yes, they're good people, but they're also smart, highly trained employees. We implement policies and best practices that help make us better at helping you. And we're continually improving our methods based on your feedback.

As we look ahead with plans to continue to lay groundwork for your future technology needs and expand further to outlying areas we hope you will continue to share in the cooperative spirit. Tell us what you like and how we can be better, and we will continue to listen and serve our community.

**Thomas E. Preston**  
Chief Executive Officer



## Duo County Telecom Consolidated BALANCE SHEET December 31, 2017

<b>ASSETS</b>	
Current Assets:	
Cash & Temporary Cash Investments	\$18,093,975
Accounts Receivable, Less Allowance for Doubtful Accounts	2,060,996
Materials and Supplies	3,291,344
Accrued Interest Receivable	189,730
Prepaid Expenses	634,787
<b>Total Current Assets</b>	<b>\$24,270,832</b>
Other Assets:	
Long-Term Investments	\$27,416,108
Nonregulated Investments	208,557
Investment in Affiliated Companies:	62,218,964
<b>Total Other Assets</b>	<b>\$89,843,629</b>
Telecommunications Plant:	
Telecommunications Plant in Service	\$113,915,661
Telecommunications Plant Under Construction	9,870,057
Non-Operating Plant	52,008
<b>Total Telecommunications Plant</b>	<b>\$123,837,726</b>
Less Accumulated Depreciation	(77,091,853)
Telecommunications Plant Net	46,745,873
<b>TOTAL ASSETS</b>	<b>\$160,860,334</b>
<b>LIABILITIES &amp; MEMBERS' EQUITIES</b>	
Current Liabilities:	
Current Portion of Long-Term Debt	\$100,106
Accounts Payable	1,398,957
Customer Deposits	8,000
Accrued Expenses	2,393,058
<b>Total Current Liabilities</b>	<b>\$3,900,121</b>
Deferred Income Taxes-Noncurrent	\$8,911,278
<b>Total Long-Term Liabilities</b>	<b>\$8,911,278</b>
Other Liabilities and Deferred Credits	\$1,017,449
Members' Equities:	
Patronage Capital	\$54,876,450
Other Equities	91,477,014
Acc. Other Comprehensive Income (Loss)	(1,026,524)
Other Member Capital	1,704,546
<b>Total Members' Equities</b>	<b>\$147,031,486</b>
<b>TOTAL LIABILITIES/MEMBERS' EQUITIES</b>	<b>\$160,860,334</b>

## BOARD OF DIRECTORS

Bill Norris  
Cumberland County  
President

Sharon Hill  
Jamestown  
Secretary

Terry Grider  
Jamestown  
Member

Douglas Butler  
Cumberland County  
Member

Jerry D. Roy  
Russell Springs  
Vice President

Joseph Sparks  
Adair County  
Member

Randy Hart  
Russell Springs  
Member

Howard Kent  
Cooper  
Legal Counsel

Thomas E. Preston,  
Chief Executive Officer

## Duo County Telecom Consolidated STATEMENT OF INCOME For Year Ended December 31, 2017

Operating Revenues:	
Local Network Services	\$9,554,186
Network Access Services	10,643,039
Carrier Billing and Collection	27,692
Miscellaneous Operating Revenue	1,884,656
Uncollectible Revenue	(159,792)
<b>Total Operating Revenues</b>	<b>\$21,949,781</b>
Operating Expenses:	
Plant Specific Operations	\$9,361,805
Plant Nonspecific Operations	2,187,231
Depreciation and Amortization	6,916,050
Customer Operations	1,322,283
Corporate Operations	2,643,035
<b>Total Operating Expenses</b>	<b>\$22,430,404</b>
Nonregulated Income	\$1,533,099
<b>Operating Income</b>	<b>\$1,052,476</b>
Non-Operating Income	\$10,031,836
Provision for Income Taxes	(3,363,899)
Non-Operating Income Net of Taxes	6,667,937
<b>Income Before Interest</b>	<b>\$7,720,413</b>
Interest on Long-Term Debt to RUS	(0)
Net of Interest Capitalized \$19,839.58	
<b>Net Income</b>	<b>\$7,720,413</b>



## DuoCounty.com

Russell 270-343-3131  
Adair 270-378-4141  
Cumberland 270-433-2121



bringing technology home

## 2018 DUO COUNTY TELECOM COMMUNITY REPORT

