

RTC . . .

Your Communications Partner

2009 Annual Meeting

Celebrating 60 Years of Service



RTC COMMUNICATIONS

244 N. Main Street
Montgomery, IN 47558
812-486-3211 www.rtccom.net



Spotlight On 2008 Annual Meeting . . .



*2008 Directory Cover
Photo Contest Winner*

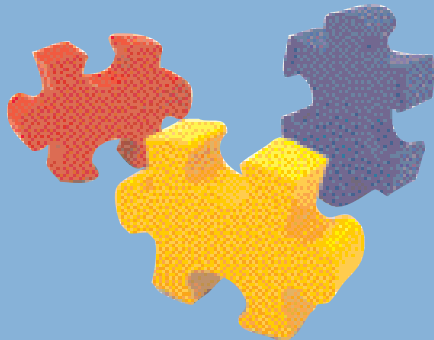
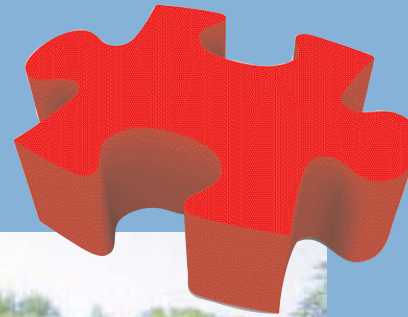


Photo Submitted by Shelley Kinnett

**1 MONTH
PROGRAMMING
FREE***

**some restrictions apply call for details.*

*** FREE installation**

*** FREE equipment**

HBO

starz

cine max

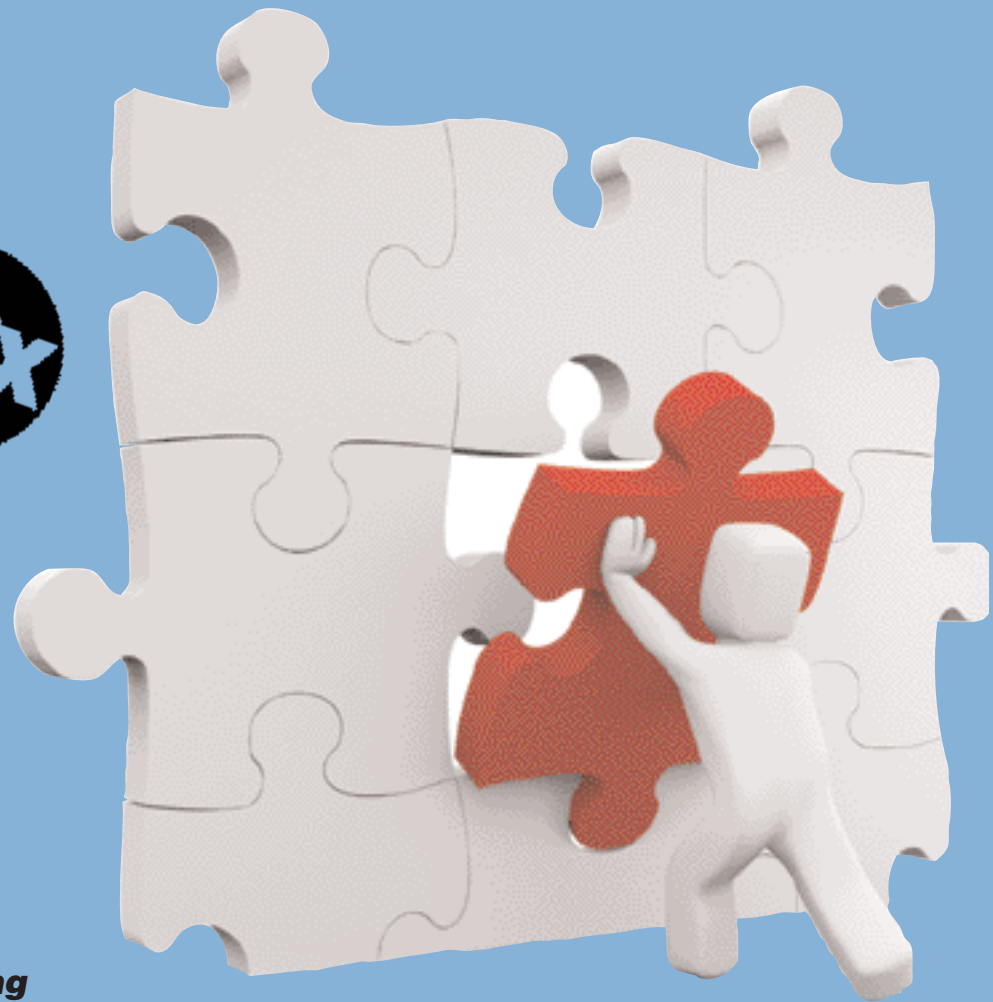
**From the Big 10 Network to the Travel Channel,
RTC offers a wide variety of programming sure
to please even the most discriminating tastes.**



**Basic Local
Programming
\$15.99/mo.**

**Expanded Basic
Programming
\$59.99/mo.**

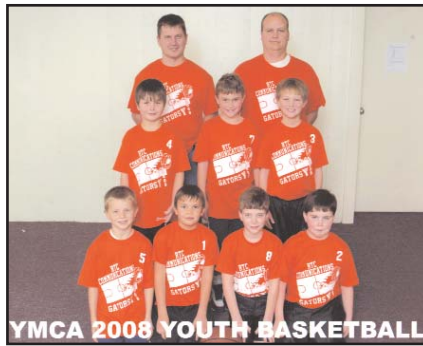
**DVR Service
Available at
\$5.99/mo.**



RTC TELEVISION . . .

***the perfect fit for
ALL your viewing needs***

Helping to Develop Tomorrow's Leaders Today . . .



YMCA 2008 YOUTH BASKETBALL



2008 YMCA T-BALL



RTC employee, Wayne Sparks, volunteers teaching Jr. Achievement to a 6th grade class at Veale Elementary School

Daviess County Livestock Auction Purchases



Abby Holstine



Justin Wagler



At RTC, we believe we have a responsibility to do what we can to help the youth of today develop some of the qualities and skills that help shape them into responsible, productive leaders.

That is why we sponsor various teams that not only help our kids learn the fundamentals of a sport, but more importantly to be physically active, to learn how to become a team player, and also to learn good sportsmanship--as much from losing a game as from winning.

This is also why we participate in the livestock auctions for each county we serve. We believe 4-H helps to teach valuable life lessons for our kids as they learn to take responsibility for the care and presentation of their animals.

Martin County Livestock Auction Purchases



Danielle Sanders



Amanda Stewart



Kevin Hert



Matthew Bruner



Tyler Williams

Lawrence County Livestock Auction Purchases



Laken Bex



Cory Carpenter



Victoria Carpenter



Joel Clampitt



Johnny Johnson

RTC COMMUNICATIONS

56th Annual Meeting, April 14, 2009

7:00 p.m.

Entertainment	Barr Reeve High School Choir
Presentation of the Colors	Washington High School NJROTC
National Anthem	Barr Reeve High School Choir
Pledge of Allegiance	Stephen Bartlett
Recognition of Military Personnel	Stephen Bartlett

ORDER OF BUSINESS

Call To Order	Stephen Bartlett
Invocation	Doug Wadsworth
Welcome	Stephen Bartlett
Reading of Notice of Meeting and Proof of Publication	Secretary-Treasurer, Bennie Lawyer
Reading of the 55th Annual Meeting Minutes	Secretary-Treasurer, Bennie Lawyer
Report of the Nominating Committee	Stephen Bartlett
Director Elections	Stephen Bartlett
Introduction of the Board of Directors	Stephen Bartlett
Financial Report by the General Manager	Stephen Bartlett
Manager's Report	Stephen Bartlett
Floor Open for Discussion	Stephen Bartlett
Employee Recognition	Stephen Bartlett
Door Prize Drawings	Darla Tolbert & Lisa Hartz
Adjournment	Stephen Bartlett



REPORT OF THE NOMINATING COMMITTEE

On February 19, 2009 the Nominating Committee, consisting of Edwin Robinson, Becky Pinnick, Donny Ochs, Michael Divine, Dennis Eaton, and Joe Hawthorne met and nominated the following candidates for Directors of the Daviess-Martin County Rural Telephone Corp.

Glendale Area: Martel Williams

Montgomery Area: John Steiner

The Nominating Committee received one application for the director position in Glendale and one for the director position in Montgomery.

Becky Pinnick, Secretary





2009 President's Report

On October 14, 1949 the first meeting of Daviess-Martin County Rural Telephone Corporation was held in Washington, Indiana. Forty-five individuals and businesses signed the initial membership agreement and paid a \$10 membership fee. Since then the cooperative has grown to over 2,800 members. It has matured from a company using operators, party lines and aerial open wire plant, to one using digital electronics and buried plant. It provides its members with local, long distance and enhanced calling features. All of its members can receive high speed internet, and the majority can receive a full video offering. All of this has been accomplished through the hard work and dedication of Board Members and employees.

To help celebrate our 60th anniversary, we're adding several things to our annual meeting program. First, we will be serving hot dogs in addition to our usual popcorn, cookies and drinks. Our grand prize drawing will be for a flat screen digital TV, and our gift to members will be a three piece cutlery set. We will again have the very popular kid's room staffed by the Barr Reeve cheerleaders.

While all of the major construction projects are completed, there are areas where there continues to be growth in the form of new homes and businesses. While all of our members have access to high speed internet, there are areas that cannot receive our video signal. You will continue to see construction crews as we deal with these issues.

Total net margins for the year ended September 30, 2008 were \$1,202,857. In December 2008 capital credit checks of over \$400,000 were mailed to our members.

I would like to thank all of you for taking the time to attend.

Sincerely,

John (Jack) Steiner
Board President

RTC Board of Directors



Jack Steiner
Board President
Montgomery Area



Martel Williams
Vice President
Glendale Area



Bennie Lawyer
Secretary/Treasurer
Plainville Area



Curtis Hornaday
Alfordsville Area



David Redman
Williams Area



Jim Williams
Trinity-Springs Area

RTC...working together to make a difference



RTC employee, Kraig Knepp, volunteers by coaching Barr Reeve 7th Grade boys basketball and is the varsity assistant coach of the baseball team.

RTC believes in supporting our kids. We invest in building up our kids by helping to sponsor various school organizations and events. We also support drug-free after school alternatives such as the YMCA programs and the Powerhouse that give our kids constructive ways to spend their time as well as to help them strengthen their character and relationships.



We support several local "Shop with a Cop" programs at Christmas that provides children lunch and an opportunity to receive some much needed clothing, plus a few special toys.

Concern, followed by action, changes circumstances

RTC employees volunteer their time to projects such as Habitat for Humanity, United Way Day of Caring, collecting food for Feed My Sheep Food Pantry, manning a crisis connection hotline for domestic violence, etc. Without everyone using their own individual talents, the puzzle is incomplete.



RTC employees believe that when we work together, much can be accomplished. We serve our communities by becoming involved in various organizations and community boards such as the Daviess Community Hospital Board of Directors, Daviess County Economic Development, Cannelburg Volunteer Fire Department, YMCA Board of Directors, Montgomery Housing for Senior Citizens, Montgomery Ruritan, along with serving through many local church organizations.



Food collected by RTC employees to help stock our local Feed My Sheep food pantry.



RTC employees participated in the annual United Way Day of Caring.

Management



General Manager, Stephen Bartlett
Controller, Joe Higgins
Plant Manager, Wayne Sparks
Office Manager, Darla Tolbert
Marketing Manager, Deron Steiner
Information Systems Manager, Matt Meredith
Human Resources Manager/Adm. Asst., Lisa Hartz



Internet Department



Leah Robinson, Tim Burris, Andy Norton

Customer Service & Billing Department



Front: Jennifer Armes
Back: Patty Ball, Lois Whitehead, Carolyn Stoll

Front: Darla Tolbert, Lisa Hartz
 Back: Wayne Sparks, Matt Meredith, Stephen Bartlett,
 Deron Steiner, Joe Higgins

Accountant



Sheila McCracken

Internet Systems Manager



Todd Hammer

Construction Department



Bob Batchelor, Kent Norris

Central Office Department



Jeff Finn, Doug Wadsworth

Inside Plant Department



Christine Garland, Kayla Neidigh

Outside Plant Techs



David Hill, Mike Flinn, Tom Birt

Deregulated Service Techs



Kraig Knepp, Bryan Bullock



55th Annual Meeting Minutes . . .

The 55th Annual Meeting of the members of the DAVIESS-MARTIN COUNTY RURAL TELEPHONE CORPORATION dba RTC Communications was held at the Simon J. Graber Community Building in Montgomery, Indiana, Tuesday, April 15, 2008 at 7:00 p.m.

The 55th Annual Meeting was called to order by Stephen Bartlett at 7:00 p.m. and declared a quorum of the membership to be present. The invocation was given by Doug Wadsworth.

The reading of the NOTICE OF MEETING and PROOF OF PUBLICATION was presented by Secretary Bennie Lawyer. Mr. Lawyer also announced that the minutes of the 54th Annual Meeting were contained in the program and asked for a motion to approve as presented. A motion was made by Bob Mattingly and seconded by Tim Williams. Motion carried by acclamation.

The Report of the Nominating Committee and the introduction of candidates were given by Stephen Bartlett. A motion was made by Steven M. Heshelman and seconded by Tim Williams to accept the Nominating Committee Report and to declare Curtis Hornaday elected for the Alfordsville Area and Bennie Lawyer elected for the Plainville Area. Motion carried by acclamation.

Stephen Bartlett gave the manager's report. Mr. Bartlett recognized and presented employee service awards to the following:

Doug Wadsworth – 25 years Bob Batchelor – 15 years David Hill, Sheila McCracken, Lois Whitehead & Carolyn Stoll – 10 years

Door prizes were then awarded to the following subscribers: **GRAND PRIZE \$100 Cash + 1 yr. Free Local Service – Carl Rush**

Cordless Digital Phone & Answering System w/Call Waiting + 6 mo. Free Caller ID Service -- Robert & Louanna Taylor

Corded and Cordless Answering System w/Dial-in Base Speakerphone + 6 mo. Free Caller ID Service – Wilson Farms/Robert Wilson

\$50 Cash – Brandy Dant, Davon Wagler, Jonathan Miller and Jeffrey L. Wagler

Hazard Alert Radio – David Williams

Cordless Answering System w/Caller ID/Call Waiting + 6 mo. Free Caller ID Service – Enos G. Wagler

\$25 Cash – Devon Stoll, Wilmer Raber, Mark Joe Graber and Charles W. Sellers

Speakerphone with Caller ID/Call Waiting + 6 mo. Free Caller ID Service – Thomas R. Kane

\$20 Cash – Cannelburg Town Hall, Michael & Kim Petty, Helen Swartzentruber and Karen D. Dye

Hazard Alert Radio – HERO LLC

Cordless Answering System with Bluetooth Wireless Technology, Caller ID/Call Waiting + 6 mo. Free Caller ID Service – Donnie J. Graber

Ferns: William C. Williams, Debra A. Taylor, Kenneth Kemp, Larry A. Ray, and Southern Indiana Collar Manufacturing

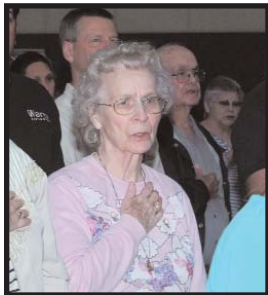
Hydrangea: Wagler Poultry/Darrell Wagler

Tropical Hibiscus: Rex Norris

Mandevilla: K&K Industries

Being no further business to come before the membership, the meeting was declared adjourned.

Submitted by Bennie Lawyer, Secretary-Treasurer



BALANCE SHEETS

Assets

September 30, 2008

September 30, 2007

Current Assets

Cash and cash equivalents	\$ 2,597,215	\$ 1,084,418
Marketable securities – at cost	1,124,111	1,193,307
Accounts receivable, net of allowance for uncollectible of \$4,500 and \$799	600,000	677,257
Income tax receivable	--	23,213
Materials and supplies	175,111	214,661
Prepaid insurance	16,106	21,397
Other current assets	25,435	122,757
Total current assets	\$ 4,537,978	\$ 3,337,010

Other Assets

Marketable securities – at cost	400,193	753,165
Investment in Indiana Fiber Network, LLC – at equity	1,696,684	1,505,751
Investment in Indiana Video Network, LLC – at equity	107,578	132,922
Other investments	71,629	73,118
Deferred income tax	103,093	103,093
Other assets	104,723	107,444
Total other assets	2,483,900	2,675,493

Property and Equipment

In service	23,850,474	22,702,837
Under construction	570,411	1,114,854
Total property and equipment	24,420,885	23,817,691
Less – Accumulated depreciation	(11,761,195)	(10,764,127)
	<u>12,659,690</u>	<u>13,053,564</u>

Total assets **\$ 19,681,568** **\$ 19,066,067**

Liabilities and Members' Equity

Current Liabilities

Accounts payable	\$ 274,449	\$ 142,373
Customer deposits	49,191	48,092
Accrued expenses	154,621	138,667
Accrued taxes	251,822	225,787
Unearned internet revenue	9,000	14,000
Current portion, long term debt	200,000	150,000
Total current liabilities	939,083	718,919

Noncurrent Liabilities

Retirement benefit	70,388	65,375
Long term debt	550,000	800,000
Total noncurrent liabilities	620,388	865,375

Members' Equity and Margins

Memberships	74,500	74,530
Patronage capital	3,282,344	2,796,501
Retained earnings	14,765,253	14,610,742
Total members' equity	18,122,097	17,481,773

Total liabilities and members' equity **\$ 19,681,568** **\$ 19,066,067**

STATEMENTS OF REVENUES AND EXPENSES

For the Years Ended
September 30, 2008 September 30, 2007

Operating Revenues

Local network services	\$ 778,916	\$ 778,038
Network access services	4,183,212	3,891,150
Long distance services	253,038	277,847
Internet access services	1,020,688	1,043,941
Video Services	68,402	36
Non-regulated services	684,062	496,170
Miscellaneous revenues	<u>114,882</u>	<u>127,293</u>

Total operating revenues	<u>7,103,200</u>	<u>6,614,475</u>
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Operating Expenses

Maintenance	1,193,831	1,259,943
Plant nonspecific operations	203,018	158,330
Customer operations	425,843	449,434
Corporate operations	831,973	819,279
Long distance	185,104	237,477
Internet	901,138	787,161
Video	266,959	146,371
Non-regulated	620,912	545,056
Depreciation	1,561,815	1,240,661
Operating taxes	<u>214,250</u>	<u>196,078</u>

Total operating expenses	<u>6,404,843</u>	<u>5,839,790</u>
Net operating margin	698,357	774,685

Other Margins

Interest and dividend income	167,211	137,885
Equity income of investees	255,814	350,866
Gain on investments	-	<u>3,700</u>

Margin before interest and income tax	<u>1,121,382</u>	<u>1,267,136</u>
	(61,955)	(22,494)

Interest

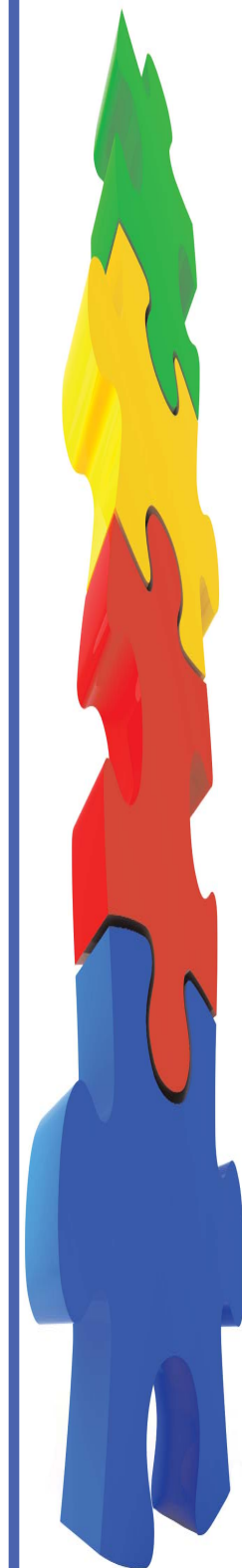
Margin before income tax	1,059,427	1,244,642
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Income Tax (benefit)

	<u>-</u>	<u>(19,867)</u>
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Net Margin

	<u>\$ 1,059,427</u>	<u>\$ 1,264,509</u>
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RTC ... Your Communications Partner

*Local
Service*



DSL

*Business
Phone
Systems*

Call Forwarding

Whether it be for
business or residential
needs, RTC will
provide you with

**Simple,
Real Solutions**

*Voice
Mail*

*Long
Distance*



RTC COMMUNICATIONS

*3
Way
Calling*

*Conference
Calling*

*Do
NOT
Disturb*

Dial Up

*Call
Waiting*

900 Block