



Larry Sevier, general manager and chief executive officer of Rural Telephone, spoke about the appreciation plaque given to the company from Toys for Tots at the annual meeting last Friday. — Telegram photo by Veronica Monier

Local phone company had a 'ringing' year in 2006

By **VERONICA MONIER**
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Rural Telephone Service Co., Inc. had a good year in 2006, as evident at its annual meeting last Friday.

Chief Executive Officer and General Manager Larry Sevier told the crowd in his general manager's report that their theme was "Broadening our horizons for future generations."

"It's a fast-paced world and we want to give people in rural Kansas the opportunity to succeed," he said. "We've gone from open wire to fiber optic cable, and a magneto switch to a digital softswitch. Our fiber optic cable can carry 1.2 million simultaneous calls and still have 200 gigabits per second left for data and video services."

"We're in a whole new age of technology. Our five-year plan is to get fiber optics into every home in our service area."

Mr. Sevier said in the 1950s, there were 6,000 small telephone companies. Now, he said, there are maybe 1,000. In 1984, the co-op had 26 exchanges, 6,345 access lines and had \$4.7 million in revenues. Now, he said, Rural Telephone has 39 exchanges and eight Nex-Tech exchanges, 29,309 access lines and had \$66.3 million in revenues.

"We have had to grow and diversify and change to remain in the business," he said.

Mr. Sevier said of Rural Telephone's revenue before Nex-Tech, only 7 percent came from local service charges. He said 8 percent came from miscellaneous, 38 percent from access line charges, 14 percent from the Kansas Universal Service Fund and 33 percent from the (Federal) Universal Service Fund. He said the co-op created Nex-Tech so it could diversify its revenue stream.

"We didn't want to depend on someone from the east coast deciding how much we should get from the USF (Universal Service Fund) and so, came up with Nex-Tech," he said.

In 2006, he said 46 percent of the co-op's revenue came from Nex-Tech, 21 percent from access charges, 18 percent from the Universal Service Fund, 7 percent from the Kansas Universal Service Fund, 4 percent from local charges, and 4 percent from miscellaneous.

Nex-Tech was formed almost two years ago as a partnership between Rural Telephone, Golden Belt Telephone Association and Mutual Telephone, who then partnered with Sprint.

"It's been a good partnership," he said. "We're continuing to expand our wireless service area," he said. "Nex-Tech is right at 16,000 customers. It took Rural Telephone 56 years to reach the numbers Nex-Tech has achieved in a year and a half."

"We're continuing down the

path of broadening our horizons."

Frank Brungardt, board president, showed a video highlighting what happened in 2006, including the major winter storms the area suffered and the damages caused. The storms ended up costing the co-op nearly \$450,000. The co-op closed on a new acquisition with Sprint, which added another 5,489 customers and brought the total access line count to 15,177, an increase of 36 percent. The co-op has constructed over 130 towers and Nex-Tech was recognized by Gov. Kathleen Sebelius in an Award of Excellency ceremony.

Jim Harries, board treasurer, said the employees have all been doing an excellent job.

Financially, Rural Telephone had \$19,908,492 in current assets; \$26,142,139 in non-current assets; \$93,347,655 in net property plant and equipment; \$139,398,286 in total assets; \$7,261,095 in current liabilities; \$76,030,082 in long-term debt; \$6,417,886 in other liabilities and deferred credits; \$89,709,063 in total liabilities; \$49,689,223 in equity; for \$139,398,286 in total liabilities and equity.

The co-op had \$35,547,768 in operating revenues and \$28,243,501 in operating expenses for an operating income of \$7,304,267; \$888,786 in interest and other non-operating income; -\$2,859,884 in interest expenses; -\$2,421,700 in emerging businesses and other deductions; for a net income of \$2,911,469. The

company showed \$17,044,203 in earnings before interest, taxes, depreciation and amortization; and \$42,436,767 in capital expenditures.

The company has 347 employees and a \$13.4 million payroll and paid over \$2 million in property taxes last year.

Glenn Lambert, Zurich, zone four; Jerry Patterson, Logan, zone five; and R.E. "Bob" McCall, Woodston, zone seven, were elected to fill the open 3-year terms on the Board of Trustees.

The crowd watched a video made by Aaron Frieb, a senior at Otis-Bison High School, on the Foundation for Rural Service Youth Tour in Washington, D.C. last June.

Rural Telephone scholarship recipients were Jami Wark, Rexford; Wesley Eckols, Hill City; and Marcus McKenna, Jennings. Nex-Tech scholarship recipients were: Jaree Basgall, Hays; Mathew Elliott, Great Bend; and Megan Plante, Plainville.

Mr. Brungardt was presented with a plaque from Toys for Tots in appreciation for the work Rural Telephone did.

Service awards were given to employees who have been with the company for 5, 10, 15, 20 and 30 years. Mr. Brungardt was honored for having been on the board for 40 years.

LeAnn Shearer and Larry Henderson provided the pre-meeting entertainment.

Door prizes were given out.



Toast of the town. Ethan Hays and Andrea Lowry toasted the evening with sparkling fruit juice last Saturday as they celebrated prom at Northern Valley High School, Alma. — Telegram photo by Carolyn Plotts

Huskies rodeo with Vegas style

By **CAROLYN PLOTTS**
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It took more than howling western Kansas winds and the threat of rain to dampen the spirits of Northern Valley High School juniors and seniors last Friday evening as they assembled for the annual Junior/Senior Prom.

Some prom goers chose dramatic modes of transportation to transport them to the high school. One couple rode in on horseback, a limousine brought one girl, another couple was chauffeured in a classic car and another couple posed in front of a souped-up hot rod.

The winds did force the promenade to be moved inside the Almena Congregational Church. Couples gathered in the basement and, as Superintendent Bill Lowry introduced them, each couple made their entrance and promenaded down the church's center aisle. Friends and family had ample opportunity to snap lots of pictures.

Following the promenade, the juniors, seniors and their dates, along with school board members and their spouses, the teaching and coaching staff and their spouses gathered in the high school gymnasium for dinner.

The theme for the evening was "Come Away With Me". With the magic of netting, black draping and twinkle lights, the gym had been transformed into a sophisticated bistro complete with



Crowned as royalty to reign over Northern Valley High School's Junior-Senior Prom last Saturday were Queen Kelli Cole and King Henry Griffiths. — Photo courtesy of Brandon Towery

candlelights, champagne glasses and bottles of sparkling grape and apple juice.

During dinner Prom King and Prom Queen were announced. Decided by votes of the junior class, Kelli Cole and Henry Griffiths were chosen as this year's prom royalty. Miss Cole is the daughter of Jim and Monica Cole, Long Island and Mr. Griffiths is the son of Scott and Robbie Griffiths, Long Island.

Following dinner the prom goers danced to the music provided by DJ Complete Music of Manhattan.

From the dining room the party moved to the big gymnasium which had been converted into a casino, following the "Rodeo Vegas" theme of Post Prom. Party goers received "money" at the door and could play Vegas-type games to "buy" prizes from the "casino store".

One post prom committee volunteer said it was a lot of work, but they (the committee) did it for the kids.

Norton Schools

Staff Spotlight

Classified Employee



Claire Herman

Mrs. Claire Herman is completing her fifth year as a special education paraprofessional at NJHS. She and her husband Joe are the parents of four sons. Reading and running are her favorite leisure activities as well as keeping up with her sons' activities. She says the best thing about her job is being around the students and teachers at NJHS.

Certified Employee



Phil Morel

Mr. Phil Morel is the 5th and 6th grade social studies teacher at EES. He is completing his 34th year of teaching, and 29 of those have been in USD 211. Mr. Morel earned his Bachelor's Degree at Fort Hays State University. He and his wife, Joyce, are the parents of four children. Mr. Morel lists golf as his hobby. He enjoys the questions that kids ask. Mr. Morel has announced his retirement effective at the end of the 2006-07 school year.

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