

RELAY MISSOURI PROVIDES FREE PHONE ACCESS FOR HEARING AND SPEECH IMPAIRED



Relay Missouri is a service that provides full telephone accessibility to people who are deaf, hard of hearing, deaf-blind and speech-disabled. It can be used to make telephone calls to family, friends, businesses or anyone who has a phone.

The service is available 24 hours a day, seven days a week, 365 days a year. It is accurate and transparent. The operator voices everything you type and types everything you say.

All Relay Missouri calls are strictly private. No records of any conversations are maintained.

Relay services are available at no charge. Equipment itself is available upon request to eligible parties. The service is funded by the State.

To learn more, visit relaymissouri.com or kingdomtelco.com/relay-missouri. To use the service, dial 7-1-1 or call the Relay Customer Service Hotline at 800-676-3777 to reach the type of relay needed.

HIGH SCHOOL SENIORS: APPLY NOW FOR A \$2,500 FRS SCHOLARSHIP



The Foundation for Rural Service (FRS) offers an annual college scholarship program to help further higher education among rural youth. The \$2,500 scholarships are available to students for their first year of college, university or vocational-technical school. The FRS program encourages the students to

return to their rural hometowns after graduation, where they can help to build vital, healthy communities.

Each student is sponsored by an NTCA member company like Kingdom Telephone. The FRS funds \$2,000 of each scholarship and the sponsoring company awards the remaining \$500.

Seniors whose parents are Kingdom Telephone or Kingdom Technology Solutions customers may apply by obtaining an application from their guidance counselor. Forms may also be downloaded from the FRS website at frs.org. All applications should be sent directly to FRS and must be postmarked no later than March 1, 2018. Winners will be announced by May 1, 2018.

BOARD OF DIRECTORS & EXCHANGES

President

Doug Lensing, Rhineland

Vice-President

Eugene Richards, Tebbetts

Secretary/Treasurer

Bennie Young, Hatton

Jake Baumgartner, Auxvasse

Jim Blacklock, Williamsburg

Jim Buffington, Mokane

Gene Eldringhoff, Big Spring

Glen Horstman, At Large: Southern

Scott Whalen, At Large: Northern

General Manager, Renee' Reeter



FOR INFORMATION ABOUT OUR PRODUCTS OR SERVICES
(573) 386-2241

OFFICE HOURS

Monday-Friday, 9:00 a.m.-5:00 p.m.

The business office will be closed on the following holidays.

- December 22 & 25 - Christmas
- January 1 - New Year's Day
- February 19 - President's Day
- May 28 - Memorial Day

THE KINGDOM CONNECTION

A Kingdom Telephone Company Publication

December 2017

Fiber Deployment: The Kingdom Philosophy

Dear Members,

It is difficult to believe we are at another year end. We have been busy this year with our own construction, expansion, and working to serve our members. We are hoping for another mild winter so we can continue our upgrade projects. With our ability to get higher Internet speeds to our copper customers, most of our members are being patient waiting for fiber. We appreciate that we have such loyal customers and thank them for staying with us.



With everything going on, the number one question I get from our members is how Callaway Electric's Callabyte project is affecting Kingdom Telephone. To date, we have lost a small percentage of members. Many of those have said they will come back when we get them fiber. We continue to serve our customers with **experienced** employees and will continue our fiber upgrade projects. We have a construction crew building in rural parts of Auxvasse and another in Mokane right now. Tebbetts (295) and Hatton (387) are already 100% fiber and Auxvasse (386) and Mokane (676) are partially served with fiber.

The second question I have been asked is "why can't Kingdom move as fast as Callabyte". There are a few reasons:

1. We bury our fiber which will result in a longer life and isn't subject to outages caused by ice and severe wind storms. This takes much longer than stringing it up on electric poles, but it is safer and more secure underground.
2. We are not borrowing tens of millions of dollars, as this would result in our having to raise rates just to pay the interest on the loan! We currently cash flow all member area projects.
3. We use one contractor to bury the fiber who has been working for our company for over thirty years and who we trust to build a quality network.
4. We use our experienced employees to service our members, many of whom are your friends and neighbors.

Since Kingdom started providing Internet, we have invested over \$33 million in our member area. Of that, over \$24 million has been fiber. We hope to spend another \$25 million to finish upgrades. Kingdom has no debt on these prior investments and plans to continue building in the member area without debt. If we were to borrow \$25 million in order to build fiber more quickly, we would have to increase service rates by more than \$30 per month for every single member just to pay the interest! Imagine the cost if we were

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MAKING LIFE BETTER

FIBER DEPLOYMENT: THE KINGDOM PHILOSOPHY

(Continued from page one)

three or four times larger. In addition, we would have to hire many new contractors who we have no experience with, and our members might not get the quality they deserve for spending millions of extra dollars. Kingdom's Board of Directors and I believe that we are being fiscally responsible to our member owners, by not burying the company in debt. In addition, 100% of our members can already receive Internet service because we have spent millions over the past years upgrading our networks. In the fiber areas, we have already been providing gigabit service so Callabyte isn't offering anything new. In the copper areas we can provide most customers with 30 Mbps for only \$55 per month.

Kingdom knows that without the Federal Universal Service subsidy that telephone companies receive, it is not economically feasible to build fiber in the rural areas. That sounds harsh to say, but it is reality. Our Universal Service support is scheduled to expire at the end of 2026. Therefore, Kingdom has to be financially responsible and live within its means.

Because our Universal Service support is set to expire, Kingdom is finding other revenue sources to make up the differences. Presently we are building fiber in the city of Mexico, Mo. This is an area that is profitable without subsidy, which is designed to mitigate the expected loss of Universal Service support and will offset the high cost of supporting our members in the rural areas. In this project alone we have the potential to match or exceed the revenue we collect in our entire 560 square miles of our telephone company.

Kingdom has been in business since 1954, and we make prudent business decisions to ensure that we will continue to innovate for many decades to come. We are a strong company with dedicated employees who serve our members with the knowledge and experience you deserve. Thank you for allowing us that honor.

If you have any questions, please give me a call.

Renée Reeter, General Manager

KINGDOM UPDATES ITS ONLINE LOOK

If you haven't visited the Kingdom website lately, hop online and explore our new look. The web address is the same, kingdomtelco.com, and all of your favorite tools like Online Bill Pay, Account Maintenance, and the Online Directory are still there plus some helpful new features that focus on getting the most out of your high speed Internet connection.

There is a handy Streaming Video Guide that will show you step-by-step how easy it is to say goodbye to your cable or satellite bill. Links to streaming devices and streaming services will help you to get acquainted with what is available.

There is also a new tool called a Cord-Cutting Calculator that will let you see how much you can save each month by streaming video over your Internet connection. You will find the calculator at kingdomtelco.com/cost-calculator/, and it's simple to use. You can put together your dream entertainment package by choosing a streaming device and making various programming selections. As you make your choices, the calculator interactively reflects the corresponding prices, showing both a monthly total and one-time costs. Play with it — check and uncheck boxes until you come up with exactly the programming and price that you want.

MEET BOARD MEMBER SCOTT WHALEN



Auxvasse resident Scott Whalen has been chosen to fill the At Large: Northern Exchange Board seat previously occupied by Randy Smith.

Scott is the owner and operator of Whalen Services in Auxvasse. The business installs water and sewer utilities and offers dump truck and excavation services, custom lime spreading and custom hay baling. Scott is married to Marie and they have three sons, Carson, Colin and Clay.

We welcome Scott to the Board of Directors and look forward to working with him as he joins us in serving the members of our cooperative.

BOARD SELECTS NOMINATING COMMITTEE; ANNOUNCES MEETING VENUE

Kingdom Telephone members elect three directors each year at the Annual Meeting, and the first step in this process is the selection of a committee to nominate the candidates who will run. This year, the nominating committee for the Board of Directors was appointed at a meeting of the board held on November 9, 2017.

- Kenneth Hoover, Williamsburg, 254-3604
- Chuck Eckert, Williamsburg, 254-3661
- Pamela Farrah, Mokane, 676-3923
- Pamela Norris, Mokane, 676-5602
- Donald Mealy, At-Large Southern, 676-5254
- Kevin L. Horstman, At-Large Southern, 676-5062

Our bylaws describe three methods of nomination:

1. Selection by the nominating committee. If you are interested in becoming a candidate for Board membership, contact a member of the nominating committee before January 9, 2018. The committee will meet on January 9 at 6:00 p.m. at the business office.
2. Nomination by petition. Petitions must be signed by fifteen or more shareholders and delivered to the business office by 5:00 p.m., January 26, 2018.
3. Nomination from the floor. You may nominate a candidate from the floor at the Annual Meeting.

The meeting will be held on March 10, the second Saturday in March, at South Callaway High School in Mokane.

TELEPHONE AND RAILROAD HISTORY IN THE SPOTLIGHT AT KINGDOM



History enthusiasts touring the area on the Kingdom of Callaway Historical Society's 'Cruising Callaway to Auxvasse' afternoon, October 1, 2017, stopped in at our offices to immerse themselves in telephone and railroad lore. Art Gresham (left and center) displayed his personal collection of telephone memorabilia and Kingdom board members joined him to share company history. Mike Offineer, a local train buff (right), was on hand with train items and information about the Chicago & Alton Railroad Depot that formerly served Auxvasse.