



2018 Annual Report



A note from our President and General Manager

PRESIDENT:

Dan Branyon



GENERAL MANAGER:

Randall Lis



We are happy to report that 2018 was the year in which we exceeded financial expectations while continuing our steady progress in modernizing our network with fiber optic technology. Several years ago, we developed a set of core values which we use to guide our daily efforts and work environment.

The first and perhaps most important is, **we care for our customers**. There is never a need to call an 800 number or talk to someone in a different state or country to get help. We remain local, easy to do business with, and always put the customer first.

Secondly, **we care for our company**. This cooperative has a rich history dating back to 1951. Our employees have a sense of responsibility to protect its assets and reputation. This is accomplished through financial discipline, ethical business practices, and integrity in everything we do.

Third, **we care for our coworkers**. We feel it is important to take care of our employees and teammates by treating each other as we would like to be treated. This builds a bond of trust and ultimately improves the way in which we support our customers.

Finally, **we care for our community**. Our employees are your friends, neighbors, and relatives. We do not spend a lot of time and money on traditional advertising. Instead, we choose to spend our resources on community giving and sponsoring local events.

Our commitment to the community and our customers is further proved by the fact that we were able to give back nearly \$1 million in capital credits to our cooperative members in 2018. On behalf of the PRTC Board of Directors and the dedicated employees who make up our PRTC team, thank you for allowing us to serve your communications needs.

2018 CONSOLIDATED BALANCE SHEETS

ASSETS

Current Assets	\$49,165,727
Non-Current Assets	23,860,104
Plant In Service	148,308,163
Depreciation	(107,258,320)
Net Plant	41,049,843
TOTAL ASSETS	\$114,075,674

LIABILITIES & EQUITY

Current Liabilities	\$3,650,517
Long-Term Debt	10,462,478
Other Liabilities	9,831,305
Total Liabilities	23,944,300
Equity	90,131,374
TOTAL LIABILITIES & EQUITY	\$114,075,674

NOTE: Amounts from audited reports provided by McNair, McLemore, Middlebrooks & Co, LLC

2018 STATEMENTS OF OPERATIONS

OPERATING REVENUES

Local Network Service Revenues	\$2,771,001
Network Access Services Revenues	5,171,713
Miscellaneous Revenues	7,262,109
Net Operating Revenues	\$15,204,823

OPERATING EXPENSES

Operating and Maintenance Expense	\$10,023,937
Depreciation Expense	2,733,948

TOTAL OPERATING EXPENSES	12,757,885
Operating Income (Loss)	\$2,446,938

OTHER INCOME / EXPENSES

Interest Expense	(\$615,009)
Gain on Sale of Partnership Interest	17,785,729
Non-Operating Income (Loss)	(2,665,127)

TOTAL OTHER INCOME	14,505,593
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NET MARGINS	\$16,952,531
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Board of Directors



WE CARE

When PRTC was formed as the Piedmont Rural Telephone Cooperative in 1951, it had a single, unwavering mission: provide the greatest care and service to our customers, our employees, and our communities. It is through this dedication to caring that PRTC adapts to the needs of its members. PRTC provides reliable communication technology solutions, local customer service, support, and a more integrated, connected community.

FRONT:	JOYCE A. WALLACE	JANE IVEY	DANIEL BRANYON	ROBERT BYRD	JAMES H. GAMBRELL
	Director Area 2 Seat 3	Secretary Treasurer Area 3 Seat 2	President Area 3 Seat 3	Vice President Area 2 Seat 1	Director Area 1 Seat 1
BACK:	WALTER PATTERSON	RANDALL LIS	TIM MAHON	JOHN D. MCCLINTOCK	
	Director Area 1 Seat 2	General Manager	Director Area 3 Seat 1	Director Area 1 Seat 3	



Empowering the Next Generation of Leaders

Matthew Brownlee | Hickory Tavern, SC

When you meet Matthew Brownlee for the first time, you learn a few things right off. You notice his easygoing demeanor, his impressive work ethic, and his character. You learn that he's from Laurens County's Hickory Tavern Community, and proud of it. But mostly, within those first few minutes, you learn that Matthew is — at his core — a farmer.

When Matthew graduated from Laurens District 55 High School in 2019, he received many honors and awards. His classmates voted him "Most Likely to Take Their Date to a Tractor Show," an award that was particularly fitting — especially since his graduation gift was a big orange tractor.

Matthew's passion is found in agriculture and farm animals — a passion that led him to become actively involved in the National FFA Organization in high school. During his senior year, he even served as President of the Laurens FFA, a position which prepared him for being elected FFA Treasurer at the state level.

This year, Matthew will travel across the nation to grow, learn, and spread his love of agriculture. In the fall, he'll start college and take his first steps toward an agriculture degree. In time, he'll return to his home farm with a new education and an invigorated passion for agriculture.

Matthew told us, "PRTC is important in many of my daily tasks, like waking up and checking my email, completing scholarship applications, communicating on the phone with potential customers about our farm, and working with FFA from the comfort of my home. I'm proud to be a part of the PRTC family."

Matthew is no stranger to our cooperative. He is the son of Brian Brownlee, Central Office Supervisor at PRTC. Matthew's future in agriculture is bright, and PRTC plans to be there for every step to provide state-of-the-art technology to the rural areas of Laurens County.



Keeping Busy Families Connected

Dr. Ameca Thomas and Family | Gray Court, SC

Dr. Ameca Thomas is the Assistant Superintendent for Teaching and Learning at Laurens District 55 Schools. She resides in Gray Court with her husband, Ira, and three daughters, Lauren, Addison, and MaKenzie. As a wife and mother of three young girls, Dr. Thomas knows how challenging it can be to find the perfect balance between work and her personal life. That's why she uses technology to empower herself to be productive at work and to expertly manage her personal life and home.

"With my career and family, it's essential that I prioritize and effectively manage my time and my schedule. Everything goes on my digital calendar — both work and personal items. If it isn't written down, it won't get done, so I make sure that everything is on there. This helps me with juggling gymnastics, piano, appointments, and more. I also use my phone and computer for fitness when keeping up with my steps each day," said Dr. Thomas.

Technology is an integral part of the Thomas family's lives; it helps keep everything organized. They also use technology to do research for school, play educational games, watch movies, and do other activities. Plus, with FaceTime, Dr. Thomas can stay connected with family and see her girls when she has to work late at the office.

At work, Dr. Thomas also leverages technology to communicate, share information, stay organized, analyze data, create reports, send emails, and develop presentations — just to name a few. With PRTC Internet access, she's able to work from home without missing a beat. The new Fiber Optic network in the Gray Court Exchange provides the Thomas Family with a fast, secure connection to the rest of the world — and most importantly, to each other.



Furthering the Growth of Local Institutions

Chestnut Ridge Baptist Church | Laurens, SC

The roots of Chestnut Ridge Baptist Church extend as far back as 1808, when Rev. Joseph Babb, pastor of Beaverdam Church, began preaching under a poplar tree about one mile east of the church's present location. The first church building was erected in 1815, and the congregation operated as an extension of Beaverdam Church. On December 29, 1821, 32 members were dismissed from Beaverdam to become an independent church. The name Chestnutridge was chosen because the church was on a ridge covered with Chestnut trees, and it was later changed to two words — Chestnut Ridge. In 1988, a new sanctuary was constructed, one which the congregation still uses today.

Now, nearly 200 years after the founding of the church, Chestnut Ridge uses the Internet to grow and spread their mission through streaming and Facebook, leveraging the technology provided by PRTC's Fiber network. Today, Senior

Pastor Rev. Alex Henderson reaches his congregation of 1,012 members through two Sunday morning sermons, both streamed live on Facebook at 8:30 a.m. and 10:50 a.m. This allows members to enjoy sermons from the comfort of their homes, something that's especially convenient for members who are unable to attend due to sickness or the weather. Chestnut Ridge even shares their Wednesday night Bible studies online in audio format at www.chestnutridgechurch.org.

PRTC is proud to have provided service to Chestnut Ridge Baptist Church since 1955. The church plans to open a second location on the east side of Laurens, and PRTC is excited to be there to help it continue to grow. Many thanks to Chestnut Ridge, one of our longest served customers, for allowing PRTC to be their technology provider for 64 years since 1955.



Supporting Local Business Owners

Laurens Livestock Auction | Laurens, SC

If you travel to the intersection of Hwy 49 and Interstate 385 around noon on a Wednesday, you'll discover the Laurens Livestock Auction in full swing. Owners Stoney Bailey, Clay Ellison, and Will John Simpson come from families who have been involved in livestock for generations. Together, they opened the Livestock Auction in January 2017 to carry on that tradition. Since then, they've relied on PRTC's Fiber network to help ensure their business runs smoothly.

The Laurens Livestock Auction is an adventure for anyone, but for those that are selling or buying cattle, goats, sheep, or the occasional donkey, it's serious business. To kick things off, animals are numbered and weighed. Then, their data appears on a screen during the auction, and the auctioneer's fast, mesmerizing voice fills the area. Attendees place bids, and once a bidder has been awarded the sale, their number

and their bid is sent to the office, where a payment check is automatically printed. This is a much faster process than it was in the past, thanks to the recently installed Fiber network in the Laurens Exchange.

Visitors can purchase farm animals on Wednesday afternoon, and Fat Daddy's Barbecue offers up a delightful lunch starting at 11:00 a.m. Locals sometimes visit the Livestock Auction to eat before the auction begins, and others simply come for the food and fellowship. Whatever your reason for attending, the atmosphere is always full of excitement.

If you haven't visited the Laurens Livestock, you're missing out. PRTC is proud to be a part of the success of this local business.



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