

WASHINGTON 534											
INLAND TELEPHONE COMPANY											
INCOME STATEMENT - RECONCILIATION											
FOR THE YEARS ENDED DECEMBER 31, 2014 and 2015											
Line #	Item	Total This Year 2014	Total Idaho This Year 2014	Total Washington This Year 2014	Part 64 Adj. to NonReg	Prior Year Adjusted 2014	Total This Year 2015	Total Idaho This Year 2015	Total Washington This Year 2015	Part 64 Adj. to NonReg	This Year Adjusted 2015
1	Local Network Service Revenues	675,461	104,830	570,631		570,631	684,380	101,764	582,616		582,616
2	Network Access Service Revenues	4,179,688	588,993	3,590,695		3,590,695	4,170,260	704,555	3,465,705		3,465,705
3	Long Distance Network Services Revenues	(1,216)	(59)	(1,157)		(1,157)	(449)	(3)	(446)		(446)
4	Carrier Billing and Collection Revenues	51,445	5,081	46,364		46,364	49,928	5,147	44,781		44,781
5	Miscellaneous Revenues	70,664	1,747	68,917		68,917	36,574	1,734	34,840		34,840
6	Uncollectible Revenues	(7,139)	(456)	(6,683)		(6,683)	(157)	(636)	479		479
7	Net Operating Revenues (1 thru 6)	4,968,903	700,136	4,268,767	0	4,268,767	4,940,536	812,561	4,127,975	0	4,127,975
8	Plant Specific Operations Expense	1,762,438	288,058	1,474,380	(104,606)	1,369,774	1,592,338	234,579	1,357,759	(67,792)	1,289,967
9	Plant Nonspecific Operations (ex Depr. & Amort.)	396,535	57,106	339,429		339,429	471,850	60,051	411,799		411,799
10	Depreciation Expense	1,346,798	162,795	1,184,003	(57,758)	1,126,245	1,294,047	161,107	1,132,940	(38,969)	1,093,971
11	Amortization Expense	182	0	182		182	182		182		182
12	Customer Operations Expense	595,029	66,774	528,255	(82,227)	446,028	539,664	58,833	480,831	(72,829)	408,002
13	Corporate Operations Expense	951,200	131,831	819,369	(13,202)	806,167	1,001,800	128,667	873,133	(12,037)	861,096
13a	Less: Corporate Op Adjustment (FCC 36.621)	0	0	0	0	0	0	0	0	0	0
13b	Adjusted Corporate Operations Expense	951,200	131,831	819,369	(13,202)	806,167	1,001,800	128,667	873,133	(12,037)	861,096
14	Total Operating Expenses (8 thru 12 + 13b)	5,052,182	706,564	4,345,618	(257,793)	4,087,825	4,899,881	643,237	4,256,644	(191,627)	4,065,017
15	Operating Income or Margin (7 less 14)	(83,279)	(6,428)	(76,851)	257,793	180,942	40,655	169,324	(128,669)	191,627	62,958
16	Other Operating Income and Expenses	0	0	0	0	0	0	0	0	0	0
17	State and Local Taxes	139,873	24,528	115,345	(4,207)	111,138	142,942	25,574	117,368	(3,477)	113,891
18	Federal Income Taxes	(120,071)	(182,715)	62,644	(3,949)	58,695	(38,430)	(26,156)	(12,274)	3,726	(8,548)
19	Other Taxes	0	0	0	0	0	0	0	0	0	0
20	Total Operating Taxes (17+18+19)	19,802	(158,187)	177,989	(8,156)	169,833	104,512	(582)	105,094	249	105,343
21	Net Operating Income or Margin (15+16-20)	(103,081)	151,759	(254,840)	265,949	11,109	(63,857)	169,906	(233,763)	191,378	(42,385)
22	Interest on Funded Debt	144,819	22,741	122,078	(5,020)	117,058	214,726	30,809	183,917	(5,699)	178,218
23	Interest Expense - Capital Leases	0	0	0	0	0	0	0	0	0	0
24	Other Interest Expense	10,098	1,589	8,509		8,509	191	30	161		161
25	Allowance for Funds Used During Construction	(30,457)	(4,783)	(25,674)	1,002	(24,672)	(67,703)		(67,703)		(67,703)
26	Total Fixed Charges (22 thru 25)	124,460	19,547	104,913	(4,018)	100,895	147,214	30,839	116,375	(5,699)	110,676
27	Nonoperating Net Income(Expense)	(2,287)	(299)	(1,988)		(1,988)	11,931	2,689	9,242		9,242
28	Extraordinary Items	0	0	0	0	0	0	0	0	0	0
29	Jurisdictional Differences	0	0	0	0	0	0	0	0	0	0
30	Nonregulated Net Income (Loss)	348,954	(166,268)	515,222	(269,967)	245,255	98,148	(6,974)	105,122	(197,077)	(91,955)
31	Total Net Income or Margin (21+27+28+29+30-26)	119,126	(34,355)	153,481	0	153,481	(100,992)	134,782	(235,774)	0	(235,774)
32	Total Taxes Based on Income	51,562	(11,082)	62,644	(3,932)	58,712	0	0	0	0	0
33	Retained Earnings or Margins Beginning-of-Year	5,988,074	1,335,118	4,652,956	274,841	4,927,797	6,105,869	1,300,763	4,805,106	347,781	5,152,887
34	Miscellaneous Credits Year-to-Date	0	0	0	0	0	0	0	0	0	0
35	Dividends Declared (Common)	0	0	0	0	0	0	0	0	0	0
36	Dividends Declared (Preferred)	0	0	0	0	0	0	0	0	0	0
37	Other Debits Year-to-Date	1,331	0	1,331	0	1,331	316	0	316	0	316
38	Transfers to Patronage Capital	0	0	0	0	0	0	0	0	0	0
39	Retained Earnings or Margins End-of-Period (31+33+34)-(35+36+37+38)	6,105,869	1,300,763	4,805,106	274,841	5,079,947	6,004,561	1,435,545	4,569,016	347,781	4,916,797
40	Patronage Capital Beginning-of-Year	0	0	0	0	0	0	0	0	0	0
41	Transfers of Patronage Capital	0	0	0	0	0	0	0	0	0	0
42	Patronage Capital Credits Retired	0	0	0	0	0	0	0	0	0	0
43	Patronage Capital End-of-Year (40+41-42)	0	0	0	0	0	0	0	0	0	0
44	Annual Debt Service Payments	643,649	45,457	598,192	(21,352)	576,840	740,499	16,580	723,919	(22,371)	701,548
45	Cash Ratio (14+20-10-11)/7	0.7497					0.7510				
46	Operating Accrual Ratio (14+20+26)/7	1.0458					1.0427				
47	TIER (31+26)/26	1.9571					0.3140				
48	DSCR (31+26+10+11)/44	2.4712					1.8102				