

WASHINGTON 534											
INLAND TELEPHONE COMPANY											
BALANCE SHEET - RECONCILIATION											
FOR THE YEARS ENDED DECEMBER 31, 2014 and 2015											
Line #		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
ASSETS											
CURRENT ASSTES											
1	Cash and Equivalents	114,840		114,840		114,840	282,161		282,161		282,161
2	Cash-RUS Construction Fund	75,774		75,774		75,774	344,772		344,772		344,772
3	Affiliates:										
	a. Telecom. Accounts Receivable	0		0		0			0		0
	b. Other Accounts Receivable			0		0			0		0
	c. Notes Receivable			0		0			0		0
4	Non-Affiliates										
	a. Telecom. Accounts Receivable	538,193	(48,842)	587,035		587,035	621,477	213,118	408,359		408,359
	b. Other Accounts Receivable			0		0			0		0
	c. Notes Receivable			0		0			0		0
5	Interest and Dividends Receivable			0		0			0		0
6	Materials - Regulated	241,005		241,005		241,005	242,749		242,749		242,749
7	Materials - Nonregulated			0		0			0		0
8	Prepayments	42,366		42,366		42,366	77,094		77,094		77,094
9	Other Current Assets			0		0			0		0
10	Total Current Assets (1 thru 9)	1,012,178	(48,842)	1,061,020	0	1,061,020	1,568,253	213,118	1,355,135	0	1,355,135
NONCURRENT ASSTES											
11	Investments in Affiliated Companies										
	a. Rural Development	733,101		733,101		733,101	484,080		484,080		484,080
	b. Nonrural Development	0		0		0			0		0
12	Other Investments										
	a. Rural Development	0		0		0			0		0
	b. Nonrural Development	201,491		201,491		201,491	217,985		217,985		217,985
13	Nonregulated Investment	1,606,179	722,896	883,283	273,688	1,156,971	1,550,828	584,796	966,032	179,547	1,145,579
14	Other Noncurrent Assets	250		250		250	250		250		250
15	Deferred Charges	0		0		0			0		0
16	Jurisdictional Differences	0		0		0			0		0
17	Total Noncurrent Assets (11 thru 16)	2,541,021	722,896	1,818,125	273,688	2,091,813	2,253,143	584,796	1,668,347	179,547	1,847,894
PLANT, PROPERTY, AND EQUIPMENT											
18	Telecom. Plant-in-Service	27,004,739	3,882,059	23,122,680	(862,147)	22,260,533	27,040,232	3,872,305	23,167,927	(715,951)	22,451,976
19	Property Held for Future Use	0		0		0	629,899		629,899		629,899
20	Plant Under Construction	2,292,893	62,056	2,230,837	(101,298)	2,129,539	5,115,939	59,233	5,056,706	(32,728)	5,023,978
21	Plant Adj., Nonop. Plant & Goodwill	0		0		0			0		0
22	Less: Accumulated Depreciation (CR)	(17,846,483)	(2,979,121)	(14,867,362)	689,757	(14,177,605)	(18,905,314)	(3,143,579)	(15,761,735)	569,132	(15,192,603)
23	Net Plant (18 thru 22)	11,451,149	964,994	10,486,155	(273,688)	10,212,467	13,880,756	787,959	13,092,797	(179,547)	12,913,250
24	TOTAL ASSETS (10 + 17 + 23)	15,004,348	1,639,048	13,365,300	0	13,365,300	17,702,152	1,585,873	16,116,279	0	16,116,279

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LIABILITIES AND STOCKHOLDERS' EQUITY											
CURRENT LIABILITIES											
25	Accounts Payable	872,782		872,782		872,782	250,669		250,669		250,669
26	Notes Payable	0		0		0			0		0
27	Advance Billings and Payments	0		0		0			0		0
28	Customer Deposits	2,329	416	1,913		1,913	2,416	240	2,176		2,176
29	Current Mat. L/T Debt	448,400	19,832	428,568	(15,297)	413,271	663,400	15,202	648,198	(20,031)	628,167
30	Current Mat. L/T Debt-Rural Dev	0		0		0			0		0
31	Current Mat. L/T Debt-Capital Lease	0		0		0			0		0
32	Income Taxes Accrued	20		20		20			0		0
33	Other Taxes Accrued	98,938	26,001	72,937		72,937	86,445	13,375	73,070		73,070
34	Other Current Liabilities	356,671		356,671		356,671	504,041		504,041		504,041
35	Total Current Liabilities (25 thru 34)	1,779,140	46,249	1,732,891	(15,297)	1,717,594	1,506,971	28,817	1,478,154	(20,031)	1,458,123
LONG-TERM DEBT											
36	Funded Debt-RUS Notes	168,166	21,732	146,434	(5,227)	141,207	112,070	19,324	92,746	(2,866)	89,880
37	Funded Debt-RTB Notes	45,278	5,851	39,427	(1,407)	38,020	22,721	3,918	18,803	(581)	18,222
38	Funded Debt-FFB Notes	6,229,991	158,112	6,071,879	(216,731)	5,855,148	8,947,295	17,399	8,929,896	(275,958)	8,653,938
39	Funded Debt-Other	(3,363)		(3,363)		(3,363)	(3,535)		(3,535)		(3,535)
40	Funded Debt-Rural Development Loan			0		0			0		0
41	Premium (Discount) on L/T Debt			0		0			0		0
42	Reacquired Debt			0		0			0		0
43	Obligations Under Capital Lease			0		0			0		0
44	Adv. From Affiliated Companies			0		0			0		0
45	Other Long-Term Debt			0		0			0		0
46	Total Long-Term Debt (36 thru 45)	6,440,072	185,695	6,254,377	(223,365)	6,031,012	9,078,551	40,641	9,037,910	(279,405)	8,758,505
OTHER LIAB. & DEF. CREDITS											
47	Other Long-Term Liabilities	0		0		0	0		0		0
48	Other Deferred Credits	578,942	106,341	472,601	(36,179)	436,422	1,011,744	80,870	930,874	(48,345)	882,529
49	Other Jurisdictional Differences	0		0		0	0		0		0
50	Total Other Liab & Def Credits (47 thru 49)	578,942	106,341	472,601	(36,179)	436,422	1,011,744	80,870	930,874	(48,345)	882,529
EQUITY											
51	Cap. Stock Outstand. & Subscribed	93,150		93,150		93,150	93,150		93,150		93,150
52	Additional Paid-in-Capital	7,175		7,175		7,175	7,175		7,175		7,175
53	Treasury Stock	0		0		0	0		0		0
54	Membership and Cap. Certificates	0		0		0	0		0		0
55	Other Capital	0		0		0	0		0		0
56	Patronage Capital Credits	0		0		0	0		0		0
57	Retained Earnings	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
58	Total Equity (51 thru 57)	6,206,194	1,300,763	4,905,431	274,841	5,180,272	6,104,886	1,435,545	4,669,341	347,781	5,017,122
59	TOTAL LIABILITIES & EQUITY (35+46+50+58)	15,004,348	1,639,048	13,365,300	0	13,365,300	17,702,152	1,585,873	16,116,279	0	16,116,279

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
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
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
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
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
29	Jurisdictional Differences			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
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
35	Dividends Declared (Common)	0		0		0	0		0		0
36	Dividends Declared (Preferred)	0		0		0	0		0		0
37	Other Debits Year-to-Date	1,331		1,331		1,331	316		316		316
38	Transfers to Patronage Capital	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
41	Transfers of Patronage Capital	0		0		0	0		0		0
42	Patronage Capital Credits Retired	0		0		0	0		0		0
43	Patronage Capital End-of-Year (40+41-42)	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				