

STATE USF FILING  
FINANCIAL TEMPLATE  
NON-"S CORP" COMPANIES

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
Prior Year Balance Sheet

Company Name: (Below)  
Kalama Telephone Company

ASSETS	Balance End of Year 2017 (A)	Part 64 Adj to NonReg 2017 (B)	Adj. Balance End of Year 2017 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2017 (A)	Part 64 Adj to NonReg 2017 (B)	Adj. Balance End of Year 2017 (C)
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
1. Cash and Equivalents	870,497		870,497	25. Accounts Payable	43,294		43,294
2. Cash-RUS Construction Fund			0	26. Notes Payable			0
3. Affiliates:				27. Advance Billings and Payments			0
a. Telecom, Accounts Receivable			0	28. Customer Deposits			0
b. Other Accounts Receivable			0	29. Current Mat. L/T Debt			0
c. Notes Receivable			0	30. Current Mat. L/T Debt Rur. Dev.			0
4. Non-Affiliates:				31. Current Mat. - Capital Leases			0
a. Telecom, Accounts Receivable	118,523		118,523	32. Income Taxes Accrued	3,565		3,565
b. Other Accounts Receivable			0	33. Other Taxes Accrued	14,192		14,192
c. Notes Receivable			0	34. Other Current Liabilities	346,780		346,780
5. Interest and Dividends Receivable			0	35. Total Current Liabilities (25 thru 34)	407,831	0	407,831
6. Material-Regulated	34,672		34,672	<b>LONG-TERM DEBT</b>			
7. Material-Nonregulated			0	36. Funded Debt-RUS Notes			0
8. Prepayments	32,329		32,329	37. Funded Debt-RTB Notes			0
9. Other Current Assets			0	38. Funded Debt-FFB Notes			0
10. Total Current Assets (1 Thru 9)	1,056,021	0	1,056,021	39. Funded Debt-Other			0
<b>NONCURRENT ASSETS</b>				40. Funded Debt-Rural Develop. Loan			0
11. Investment in Affiliated Companies				41. Premium (Discount) on L/T Debt			0
a. Rural Development	0		0	42. Reacquired Debt			0
b. Nonrural Development	0		0	43. Obligations Under Capital Lease			0
12. Other Investments				44. Adv. From Affiliated Companies	2,800,086		2,800,086
a. Rural Development	0		0	45. Other Long-Term Debt			0
b. Nonrural Development			0	46. Total Long-Term Debt (36 thru 45)	2,800,086	0	2,800,086
13. Nonregulated Investments (B1)		(219,730)	(219,730)	<b>OTHER LIAB. &amp; DEF. CREDITS</b>			
14. Other Noncurrent Assets			0	47. Other Long-Term Liabilities			0
15. Deferred Charges	327,092	220,279	547,371	48. Deferred Income Taxes			0
16. Jurisdictional Differences			0	49. Other Deferred Credits (D)			0
17. Total noncurrent Assets (11 thru 16)	327,092	549	327,641	50. Other Jurisdictional Differences			0
<b>PLANT, PROPERTY AND EQUIPMENT</b>				51. Total Other Liab. & Def. Credits (47 thru 50)	0	0	0
18. Telecom Plant-In-Service	19,212,808	(19,912)	19,192,896	<b>EQUITY</b>			
19. Property Held for Future Use			0	52. Cap. Stock Outstanding & Subscribed	35,000		35,000
20. Plant Under Construction	155,863		155,863	53. Additional Paid-in-Capital			0
21. Plant Adj., Nonop Plant & Goodwill			0	54. Treasury Stock			0
22. Accumulated Depreciation (CR.)	(17,726,950)	19,363	(17,707,587)	55. Membership and Capital Certificates			0
23. Net Plant (18 thru 21 less 22)	1,641,721	(549)	1,641,172	56. Other Capital			0
<b>24. TOTAL ASSETS (10+17+23)</b>	<b>3,024,834</b>	<b>0</b>	<b>3,024,834</b>	57. Patronage Capital Credits			0
				58. Retained Earnings or Margins (B2)	(218,083)	0	(218,083)
				59. Total Equity (52 thru 58)	(183,083)	-	(183,083)
				<b>60. TOTAL LIABILITIES AND EQUITY (35+46+51+59)</b>	<b>3,024,834</b>	<b>0</b>	<b>3,024,834</b>

Footnotes:

- (A) - As reported on RUS Form 479
- (B) - Part 64 adjustments from regulated to nonregulated.
- (C) - Adjusted Balance after Part 64

Footnotes:

- (B1) - Part 64 offset to nonreg investment
- (B2) - Part 64 offset to retained earnings
- (D) - Excludes deferred taxes

State USF Petition Filing Requirement -WAC 480-123-110(1)(e)  
Current Year Balance Sheet

Company Name: (Below)  
Kalama Telephone Company

ASSETS	Balance End of Year 2018 (A)	Part 64 Adj to NonReg 2018 (B)	Adj. Balance End of Year 2018 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2018 (A)	Part 64 Adj to NonReg 2018 (B)	Adj. Balance End of Year 2018 (C)
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
1. Cash and Equivalents	1,307,909		1,307,909	25. Accounts Payable	57,075		57,075
2. Cash-RUS Construction Fund			0	26. Notes Payable			0
3. Affiliates:				27. Advance Billings and Payments			0
a. Telecom, Accounts Receivable			0	28. Customer Deposits			0
b. Other Accounts Receivable			0	29. Current Mat. L/T Debt			0
c. Notes Receivable			0	30. Current Mat. L/T Debt Rur. Dev.			0
4. Non-Affiliates:				31. Current Mat. - Capital Leases			0
a. Telecom, Accounts Receivable	24,703		24,703	32. Income Taxes Accrued	26,366		26,366
b. Other Accounts Receivable			0	33. Other Taxes Accrued	13,342		13,342
c. Notes Receivable			0	34. Other Current Liabilities	371,117		371,117
5. Interest and Dividends Receivable			0	35. Total Current Liabilities (25 thru 34)	467,900	0	467,900
6. Material-Regulated	36,948		36,948	<b>LONG-TERM DEBT</b>			
7. Material-Nonregulated			0	36. Funded Debt-RUS Notes			0
8. Prepayments	20,919		20,919	37. Funded Debt-RTB Notes			0
9. Other Current Assets			0	38. Funded Debt-FFB Notes			0
10. Total Current Assets (1 Thru 9)	1,390,479	0	1,390,479	39. Funded Debt-Other			0
<b>NONCURRENT ASSETS</b>				40. Funded Debt-Rural Develop. Loan			0
11. Investment in Affiliated Companies				41. Premium (Discount) on L/T Debt			0
a. Rural Development			0	42. Reacquired Debt			0
b. Nonrural Development			0	43. Obligations Under Capital Lease			0
12. Other Investments				44. Adv. From Affiliated Companies	3,405,598		3,405,598
a. Rural Development			0	45. Other Long-Term Debt			0
b. Nonrural Development			0	46. Total Long-Term Debt (36 thru 45)	3,405,598	0	3,405,598
13. Nonregulated Investments (B1)		(178,389)	(178,389)	<b>OTHER LIAB. &amp; DEF. CREDITS</b>			
14. Other Noncurrent Assets			0	47. Other Long-Term Liabilities			0
15. Deferred Charges	281,990	178,810	460,800	48. Deferred Income Taxes			0
16. Jurisdictional Differences			0	49. Other Deferred Credits (D)			0
17. Total noncurrent Assets (11 thru 16)	281,990	421	282,411	50. Other Jurisdictional Differences			0
<b>PLANT, PROPERTY AND EQUIPMENT</b>				51. Total Other Liab. & Def. Credits (47 thru 50)	0	0	0
18. Telecom Plant-In-Service	19,699,728	(15,658)	19,684,070	<b>EQUITY</b>			
19. Property Held for Future Use			0	52. Cap. Stock Outstanding & Subscribed	35,000		35,000
20. Plant Under Construction	414,216		414,216	53. Additional Paid-in-Capital			0
21. Plant Adj., Nonop Plant & Goodwill			0	54. Treasury Stock			0
22. Accumulated Depreciation (CR.)	(18,151,402)	15,237	(18,136,165)	55. Membership and Capital Certificates			0
23. Net Plant (18 thru 21 less 22)	1,962,542	(421)	1,962,121	56. Other Capital			0
<b>24. TOTAL ASSETS (10+17+23)</b>	<b>3,635,011</b>	<b>0</b>	<b>3,635,011</b>	57. Patronage Capital Credits			0
				58. Retained Earnings or Margins (B2)	(273,487)	0	(273,487)
				59. Total Equity (52 thru 58)	(238,487)	-	(238,487)
				<b>60. TOTAL LIABILITIES AND EQUITY (35+46+51+59)</b>	<b>3,635,011</b>	<b>0</b>	<b>3,635,011</b>

Footnotes:

- (A) - As reported on RUS Form 479  
(B) - Part 64 adjustments from regulated to nonregulated.  
(C) - Adjusted Balance after Part 64

Footnotes:

- (B1) - Part 64 offset to nonreg investment  
(B2) - Part 64 offset to retained earnings  
(D) - Excludes deferred taxes

State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)  
 Prior and Current Year Balance Sheet

Company Name: (Below)  
 Kalama Telephone Company

ASSETS	Adjusted Prior Year Balance 2017	Adjusted Current Year Balance 2018	LIABILITIES AND STOCKHOLDERS' EQUITY	Adjusted Prior Year Balance 2017	Adjusted Current Year Balance 2018
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents	870,497	1,307,909	25. Accounts Payable	43,294	57,075
2. Cash-RUS Construction Fund	0	0	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	0	0
a. Telecom, Accounts Receivable	0	0	28. Customer Deposits	0	0
b. Other Accounts Receivable	0	0	29. Current Mat. L/T Debt	0	0
c. Notes Receivable	0	0	30. Current Mat. L/T Debt Rur. Dev.	0	0
4. Non-Affiliates:			31. Current Mat. - Capital Leases	0	0
a. Telecom, Accounts Receivable	118,523	24,703	32. Income Taxes Accrued	3,565	26,366
b. Other Accounts Receivable	0	0	33. Other Taxes Accrued	14,192	13,342
c. Notes Receivable	0	0	34. Other Current Liabilities	346,780	371,117
5. Interest and Dividends Receivable	0	0	35. Total Current Liabilities (25 - 34)	407,831	467,900
6. Material-Regulated	34,672	36,948	<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated	0	0	36. Funded Debt-RUS Notes	0	0
8. Prepayments	32,329	20,919	37. Funded Debt-RTB Notes	0	0
9. Other Current Assets	0	0	38. Funded Debt-FFB Notes	0	0
10. Total Current Assets (1 Thru 9)	1,056,021	1,390,479	39. Funded Debt-Other	0	0
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan	0	0
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt	0	0
a. Rural Development	0	0	42. Reacquired Debt	0	0
b. Nonrural Development	0	0	43. Obligations Under Capital Lease	0	0
12. Other Investments			44. Adv. From Affiliated Companies	2,800,086	3,405,598
a. Rural Development	0	0	45. Other Long-Term Debt	0	0
b. Nonrural Development	0	0	46. Total Long-Term Debt (36-45)	2,800,086	3,405,598
13. Nonregulated Investments	(219,730)	(178,389)	<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets	0	0	47. Other Long-Term Liabilities	0	0
15. Deferred Charges	547,371	460,800	48. Deferred Income Taxes	0	0
16. Jurisdictional Differences	0	0	49. Other Deferred Credits	0	0
17. Total noncurrent Assets (11 thru 16)	327,641	282,411	50. Other Jurisdictional Differences	0	0
<b>PLANT, PROPERTY AND EQUIPMENT</b>			51. Total Other Liab. & Def. Credits (47 thru 50)	0	0
18. Telecom Plant-in-Service	19,192,896	19,684,070	<b>EQUITY</b>		
19. Property Held for Future Use	0	0	52. Cap. Stock Outstanding & Subscribed	35,000	35,000
20. Plant Under Construction	155,863	414,216	53. Additional Paid-in-Capital	0	0
21. Plant Adj., Nonop Plant & Goodwill	0	0	54. Treasury Stock	0	0
22. Accumulated Depreciation (CR.)	(17,707,587)	(18,136,165)	55. Membership and Capital Certificates	0	0
23. Net Plant (18 thru 21 less 22)	1,641,172	1,962,121	56. Other Capital	0	0
<b>24. TOTAL ASSETS (10+17+23)</b>	<b>3,024,834</b>	<b>3,635,011</b>	57. Patronage Capital Credits	0	0
			58. Retained Earnings or Margins	(218,083)	(273,487)
			59. Total Equity (52 thru 58)	(183,083)	(238,487)
			<b>59. TOTAL LIABILITIES AND EQUITY (35+46+51+59)</b>	<b>3,024,834</b>	<b>3,635,011</b>

Footnote:  
 Adjusted Balances represents balances  
 after Part 64 adjustments.

**State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)**  
**Prior and Current Year Rate Base**

Company Name: (Below)

Kalama Telephone Company \_\_\_\_\_

Line #	Description	B/S Line #	Adj. Balance End of Year 2017	Adj. Balance End of Year 2018	Average Adj End of Year Balance
<b>Average Rate Base:</b>					
1	Total Regulated Adjusted Telecom Plant-In-Service	18	19,192,896	19,684,070	19,438,483
2	Total Property Held for Future Use	19	0	0	0
3	Total Regulated Adjusted Accumulated Depreciation (CR)	22	(17,707,587)	(18,136,165)	(17,921,876)
4	Total Regulated Materials & Supplies	6	34,672	36,948	35,810
5	Deferred Income Taxes (CR) * - Manually input		547,371	460,800	504,086
6	<b>Total Regulated Rate Base</b>		<b>2,067,352</b>	<b>2,045,653</b>	<b>2,056,503</b>

Footnotes:

1. Normal balance of deferred operating income taxes and accumulated depreciation is a credit.
- \* 2. Deferred Income Taxes (Line 5) may not equal the Balance Sheet Deferred Income Taxes (Line 48) if the later includes non-operating.
3. Adjusted balance includes Part 64 adjustments

**State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)**  
**Prior and Current Year Access Lines**

Company Name: (Below)  
Kalama Telephone Company

Line #	Description	Prior Year End of Yr. Balance - 2017	Current Year End of Yr. Balance - 2018	Difference	% Change
	<b>Access Lines:</b>				
1	Residential	1,669	1,671	2	0.1%
2	Business	525	534	9	1.7%
3	Total	2,194	2,205	11	0.5%

Note: If 2017 does not equal last year's petition and template, explain.

State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)  
 Prior Year Income Statement

Company Name: (Below)  
 Kalama Telephone Company

Line #	Description	Prior Year 2017 (A)	Part 64 Adj. to NonReg (B)	Prior Year Adjusted 2017 (C)
1	Local Network Services Revenues	570,385		570,385
2	Network Access Services Revenues	2,335,480		2,335,480
3	Long Distance Network Services Revenues			0
4	Carrier Billing and Collection Revenues	8,515		8,515
5	Miscellaneous Revenues	29,626		29,626
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(5,311)		(5,311)
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>2,938,695</b>	<b>0</b>	<b>2,938,695</b>
8	Plant Specific Operations Expense	988,358	(3,091)	985,267
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	638,886		638,886
10	Depreciation Expense	551,441	(1,228)	550,213
11	Amortization Expense			0
12	Customer Operations Expense	228,850	(3,872)	224,978
13	Corporate Operations	564,595	(6,037)	558,558
14	<b>Total Operations Expenses (8 thru 13)</b>	<b>2,972,130</b>	<b>(14,228)</b>	<b>2,957,902</b>
15	Operating Income or Margins (7 less 14)	(33,435)	14,228	(19,207)
16	Other Operating Income and Expenses ( )			0
17	State and Local Taxes	82,504	(66)	82,438
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	122,053	(213,168)	(91,115)
19	Other Taxes			0
20	<b>Total Operating Taxes (17+18+19)</b>	<b>204,557</b>	<b>(213,234)</b>	<b>(8,677)</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>(237,992)</b>	<b>227,462</b>	<b>(10,530)</b>
22	Interest on Funded Debt			0
23	Interest Expense - Capital Leases			0
24	Other Interest Expense	126,143	(95)	126,048
25	Allowance for Funds Used During Construction (Record as a Credit)			0
26	<b>Total Fixed Charges (22+23+24+25)</b>	<b>126,143</b>	<b>(95)</b>	<b>126,048</b>
27	Nonoperating Net Income	(16,840)		(16,840)
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	Nonregulated Net Income (B1)	28,371	(227,557)	(199,186)
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>(352,604)</b>	<b>0</b>	<b>(352,604)</b>
32	Total Taxes Based on Income			0
33	Retained Earning or Margins Beginning-of-Year	134,521		134,521
34	Miscellaneous Credits Year-to-Date			0
35	Dividends Declared (Common)			0
36	Dividends Declared (Preferred)			0
37	Other Debits Year-to-Date			0
38	Transfers to Patronage Capital			0
39	<b>Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2)</b>	<b>(218,083)</b>	<b>0</b>	<b>(218,083)</b>
40	Patronage Capital Beginning-of-Year			0
41	Transfers to Patronage Capital			0
42	Patronage Capital Credits Retired			0
43	<b>Patronage Capital End-of-Year (40+41-42)</b>	<b>0</b>	<b>0</b>	<b>0</b>
44	Annual Debt Service Payments			0
45	Cash Ratio ((14+20-10-11)/7)	0.8933	#DIV/0!	0.8164
46	Operating Accrual Ratio ((14+20+26)/7)	1.1239	#DIV/0!	1.0465
47	TIER ((31+26)/26)	(1.7953)	1.0000	(1.7974)
48	DSCR ((31+26+10+11)/44)	#DIV/0!	#DIV/0!	#DIV/0!

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 9, Income Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 58 of Page 2, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Column B, automatic offset to Nonregulated Net Income (No impact to Retained Earnings)
- (C) Adjusted balance after Part 64 adjustments

State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)  
 Current Year Income Statement

Company Name: (Below)  
 Kalama Telephone Company

Line #	Description	Current Year 2018 (A)	Part 64 Adj. to NonReg (B)	Current Year Adjusted 2018 (C)
1	Local Network Services Revenues	572,118		572,118
2	Network Access Services Revenues	2,207,452		2,207,452
3	Long Distance Network Services Revenues	0		0
4	Carrier Billing and Collection Revenues	8,827		8,827
5	Miscellaneous Revenues	29,856		29,856
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(6,487)		(6,487)
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>2,811,766</b>	<b>0</b>	<b>2,811,766</b>
8	Plant Specific Operations Expense	902,945	(1,907)	901,038
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	575,478		575,478
10	Depreciation Expense	433,770	(473)	433,297
11	Amortization Expense	0		0
12	Customer Operations Expense	211,651	(3,773)	207,878
13	Corporate Operations	536,273	(1,378)	534,895
14	<b>Total Operations Expenses (8 thru 13)</b>	<b>2,660,117</b>	<b>(7,531)</b>	<b>2,652,586</b>
15	Operating Income or Margins (7 less 14)	151,649	7,531	159,180
16	Other Operating Income and Expenses ( )			0
17	State and Local Taxes	82,614	(52)	82,562
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(11,070)	(42,229)	(53,299)
19	Other Taxes			0
20	<b>Total Operating Taxes (17+18+19)</b>	<b>71,544</b>	<b>(42,281)</b>	<b>29,263</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>80,105</b>	<b>49,812</b>	<b>129,917</b>
22	Interest on Funded Debt	131,646		131,646
23	Interest Expense - Capital Leases			0
24	Other Interest Expense			0
25	Allowance for Funds Used During Construction (Record as a Credit)			0
26	<b>Total Fixed Charges (22+23+24+25)</b>	<b>131,646</b>	<b>0</b>	<b>131,646</b>
27	Nonoperating Net Income	8,581		8,581
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	Nonregulated Net Income (B1)	(12,444)	(49,812)	(62,256)
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>(55,404)</b>	<b>0</b>	<b>(55,404)</b>
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	(218,083)		(218,083)
34	Miscellaneous Credits Year-to-Date			0
35	Dividends Declared (Common)			0
36	Dividends Declared (Preferred)			0
37	Other Debits Year-to-Date			0
38	Transfers to Patronage Capital			0
39	<b>Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2)</b>	<b>(273,487)</b>	<b>0</b>	<b>(273,487)</b>
40	Patronage Capital Beginning-of-Year			0
41	Transfers to Patronage Capital			0
42	Patronage Capital Credits Retired			0
43	<b>Patronage Capital End-of-Year (40+41-42)</b>	<b>0</b>	<b>0</b>	<b>0</b>
44	Annual Debt Service Payments			0
45	Cash Ratio ((14+20-10-11)/7)	0.8172	#DIV/0!	0.7997
46	Operating Accrual Ratio ((14+20+26)/7)	1.0183	#DIV/0!	1.0006
47	TIER ((31+26)/26)	0.5791	#DIV/0!	0.5791
48	DSCR ((31+26+10+11)/44)	#DIV/0!	#DIV/0!	#DIV/0!

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 9, Income Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 58 of Page 3, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Column B, automatic offset to Nonregulated Net Income (No Impact to Retained Earnings)
- (C) Adjusted balance after Part 64 adjustments



State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)  
 Prior and Current Year Income Statement

Company Name:  
 Kalama Telephone Company

Line #	Description	Adjusted Prior Year 2017	Adjusted Current Year 2018
1	Local Network Services Revenues	570,385	572,118
2	Network Access Services Revenues	2,335,480	2,207,452
3	Long Distance Network Services Revenues	0	0
4	Carrier Billing and Collection Revenues	8,515	8,827
5	Miscellaneous Revenues	29,626	29,856
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(5,311)	(6,487)
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>2,938,695</b>	<b>2,811,766</b>
8	Plant Specific Operations Expense	985,267	901,038
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	638,886	575,478
10	Depreciation Expense	550,213	433,297
11	Amortization Expense	0	0
12	Customer Operations Expense	224,978	207,878
13	Corporate Operations	558,558	534,895
14	<b>Total Operations Expenses (8 thru 13)</b>	<b>2,957,902</b>	<b>2,652,586</b>
15	Operating Income or Margins (7 less 14)	(19,207)	159,180
16	Other Operating Income and Expenses ( )	0	0
17	State and Local Taxes	82,438	82,562
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(91,115)	(53,299)
19	Other Taxes	0	0
20	<b>Total Operating Taxes (17+18+19)</b>	<b>(8,677)</b>	<b>29,263</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>(10,530)</b>	<b>129,917</b>
22	Interest on Funded Debt	0	131,646
23	Interest Expense - Capital Leases	0	0
24	Other Interest Expense	126,048	0
25	Allowance for Funds Used During Construction (Record as a Credit)	0	0
26	<b>Total Fixed Charges (22+23+24+25)</b>	<b>126,048</b>	<b>131,646</b>
27	Nonoperating Net Income	(16,840)	8,581
28	Extraordinary Items	0	0
29	Jurisdictional Differences	0	0
30	Nonregulated Net Income	(199,186)	(62,256)
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>(352,604)</b>	<b>(55,404)</b>
32	Total Taxes Based on Income		
33	Retained Earning or Margins Beginning-of-Year	134,521	(218,083)
34	Miscellaneous Credits Year-to-Date	0	0
35	Dividends Declared (Common)	0	0
36	Dividends Declared (Preferred)	0	0
37	Other Debits Year-to-Date	0	0
38	Transfers to Patronage Capital	0	0
39	<b>Retained Earnings or Margins End-of-Period ((31+33+34)-(35+36+37+38))</b>	<b>(218,083)</b>	<b>(273,487)</b>
40	Patronage Capital Beginning-of-Year	0	0
41	Transfers to Patronage Capital	0	0
42	Patronage Capital Credits Retired	0	0
43	<b>Patronage Capital End-of-Year (40+41-42)</b>	<b>0</b>	<b>0</b>
44	Annual Debt Service Payments	0	0
45	Cash Ratio ((14+20-10-11)/7)	0.8164	0.7997
46	Operating Accrual Ratio ((14+20+26)/7)	1.0465	1.0006
47	TIER ((31+26)/26)	(1.7974)	0.5791
48	DSCR ((31+26+10+11)/44)	#DIV/0!	#DIV/0!

Footnote

(A1) S Corporation Effective Tax Rate (2 decimal places):

Note:

Adjusted Income Statement reflects Part 64 Adjustments (Regulated to Nonregulated).

2017                      2018

**State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)**  
**Prior and Current Year Access Revenue Detail**

Company Name: (Below)  
Kalama Telephone Company

Line #	Description	Part 32 Account	Prior Year 2017	Current Year 2018
1	End User Revenue (SLC, ARC, etc.)	5081	347,467	338,456
2	Switched Access (excluding USF):	5082		
2a	Intrastate		43,628	34,699
2b	Interstate (includes CAF)		401,353	366,988
3	Special Access:	5083		
3a	Intrastate		2,934	3,169
3b	Interstate		427,703	351,655
4	Federal USF (except CAF and ACAM/BLS)	Varies	298,476	239,847
5	Federal USF (ACAM or BLS)	Varies	550,584	581,730
6	State USF	Varies	262,741	290,909
7	Other*		594	(1)
8	Total (must equal line 2 of Income Stmt.)		2,335,480	2,207,452
9	Line 2 of Income Stmt.		2,335,480	2,207,452
10	Difference		0	0

Footnote:

\* - if > than 5% of Access revenue total, provide description below.

**State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)**  
**Out-of-Period and Pro Forma Adjustments**

Company Name: (Below)  
 Kalama Telephone Company

Description of Out-of-Period (OOP) - 2018 (As Recorded) <b>OR</b> Pro Forma (PF) Adjustment for Current Year Petition or Reversing from Prior Year	Year	OOP or PF?	Part 32 Account	
			Debit	Credit
Adjustment #1: Remove 2017 Budget Control Refund received in 2018				
5082.00 CAF-BLS (CCL) Revenue	2018	PF	\$ 40,638	
5088.00 High Cost Loop (USF) Revenue	2018	PF	\$ 29,822	
4070.00 Federal Income Tax Payable	2018	PF	\$ 14,797	
1190.03 Other Accounts Recievable - NECA	2018	PF		\$ 70,460
7200.12 FIT Tax Expense	2018	PF		\$ 14,797
Adjustment #2: To Adjust 2018 Budget Control Refund (received in 2019) accrual to actual				
4070.00 Federal Income Tax Payable	2018	PF	\$ 192	
5088.00 High Cost Loop (USF) Revenue	2018	PF	\$ 1,163	
1190.03 Other Accounts Recievable - NECA	2018	PF		\$ 913
5082.00 CAF-BLS (CCL) Revenue	2018	PF		\$ 250
7200.12 FIT Tax Expense	2018	PF		\$ 192
Adjustment #3:				
Adjustment #4				
Adjustment #5				

State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)  
 Rate of Return and Consolidated Return on Equity

Company Name: (Below)

Kalama Telephone Company

Line #	Description	Company 2018 (A)	Staff 2018 (B)
1	Rate Base (Jan. 1)	2,067,352	2,067,352
2	Rate Base (Dec 31)	2,045,653	2,045,653
3	<b>Average Rate Base</b>	2,056,503	2,056,503
4	Net Operating Income	129,917	129,917
5	Out-of-Period Adjustments Net of FIT	(56,384)	
6	<b>Adjusted Net Operating Income</b>	73,533	129,917
7	<b>Earned Regulated Rate of Return</b>	3.58%	6.32%

Footnotes:

- (A) Column A to be completed by Company,
- (B) Column B should equal Column A, but may include any Staff Adjustments