

Exhibit 4

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)
 McDaniel Telephone Co

ASSETS	Balance End of Year 2014 (A)	Part 64 Adj to NonReg 2014 (B)	Adj. Balance End of Year 2014 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2014 (A)	Part 64 Adj to NonReg 2014 (B)	Adj. Balance End of Year 2014 (C)
CURRENT ASSETS				CURRENT LIABILITIES			
1. Cash and Equivalents	1,349,938		1,349,938	25. Accounts Payable	322,811		322,811
2. Cash-RUS Construction Fund	0		0	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	47,732		47,732
a. Telecom, Accounts Receivable	0		0	28. Customer Deposits	0		0
b. Other Accounts Receivable	87,585		87,585	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	58,234		58,234
a. Telecom, Accounts Receivable	168,652		168,652	32. Income Taxes Accrued	22,672		22,672
b. Other Accounts Receivable	370,235		370,235	33. Other Taxes Accrued	25,110		25,110
c. Notes Receivable	0		0	34. Other Current Liabilities	0		0
5. Interest and Dividends Receivable	135		135	35. Total Current Liabilities (25 thru 34)	476,560	0	476,560
6. Material-Regulated	37,825		37,825	LONG-TERM DEBT			
7. Material-Nonregulated	0		0	36. Funded Debt-RUS Notes	0		0
8. Prepayments	6,455		6,455	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)	2,020,826	0	2,020,826	39. Funded Debt-Other	0		0
NONCURRENT ASSETS				40. Funded Debt-Rural Develop. Loan	0		0
11. Investment in Affiliated Companies	0		0	41. Premium (Discount) on L/T Debt	0		0
a. Rural Development	0		0	42. Recquired Debt	0		0
b. Nonrural Development	0		0	43. Obligations Under Capital Lease	0		0
12. Other Investments	0		0	44. Adv. From Affiliated Companies	0		0
a. Rural Development	0		0	45. Other Long-Term Debt	0		0
b. Nonrural Development	0		0	46. Total Long-Term Debt (36 thru 45)	0	0	0
13. Nonregulated Investments (B1)	29,201	39,402	68,603	OTHER LIAB. & DEF. CREDITS	(33,314)		(33,314)
14. Other Noncurrent Assets	4,333		4,333	47. Other Long-Term Liabilities	957,789		957,789
15. Deferred Charges	(3)		(3)	48. Other Deferred Credits (C)	0		0
16. Jurisdictional Differences	0		0	49. Other Jurisdictional Differences	0		0
17. Total noncurrent Assets (11 thru 16)	33,532	39,402	72,934	50. Total Other Liab. & Def. Credits (47 thru 49)	924,475	0	924,475
PLANT, PROPERTY AND EQUIPMENT				EQUITY			
18. Telecom Plant-In-Service	15,075,679	(64,887)	15,010,792	51. Cap. Stock Outstanding & Subscribed	26,200		26,200
19. Property Held for Future Use	0		0	52. Additional Paid-in-Capital	0		0
20. Plant Under Construction	110,631		110,631	53. Treasury Stock	0		0
21. Plant Adj., Nonop Plant & Goodwill	25,762		25,762	54. Membership and cap. Certificates	0		0
22. Accumulated Depreciation (CR.)	(10,841,210)	25,485	(10,815,725)	55. Other Capital	31,147		31,147
23. Net Plant (18 thru 21 less 22)	4,370,862	(39,402)	4,331,460	56. Patronage Capital Credits	0		0
				57. Retained Earnings or Margins (B2)	4,966,838		4,966,838
				58. Total Equity (51 thru 57)	5,024,185		5,024,185
24. TOTAL ASSETS (10+17+23)	6,425,220	0	6,425,220	59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	6,425,220	0	6,425,220

Footnotes:
 (B1) - Part 64 offset to nonreg investment
 (B2) - Part 64 offset to retained earnings
 (C) - Includes deferred taxes

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

Company Name: (Below)
McDaniel Telephone Co

ASSETS	Balance End of Year 2015 (A)	Part 64 Adj to NonReg 2015 (B)	Adj. Balance End of Year 2015 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2015 (A)	Part 64 Adj to NonReg 2015 (B)	Adj. Balance End of Year 2015 (C)
CURRENT ASSETS				CURRENT LIABILITIES			
1. Cash and Equivalents	1,434,594		1,434,594	25. Accounts Payable	454,475		454,475
2. Cash-RUS Construction Fund	0		0	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	49,358		49,358
a. Telecom, Accounts Receivable	0		0	28. Customer Deposits	0		0
b. Other Accounts Receivable	464,257		464,257	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	166,348		166,348	32. Income Taxes Accrued	115,350		115,350
b. Other Accounts Receivable	153,059		153,059	33. Other Taxes Accrued	24,276		24,276
c. Notes Receivable	0		0	34. Other Current Liabilities	22,235		22,235
5. Interest and Dividends Receivable	94		94	35. Total Current Liabilities (25 thru 34)	665,694	0	665,694
6. Material-Regulated	32,535		32,535	LONG-TERM DEBT			
7. Material-Nonregulated	6,464		6,464	36. Funded Debt-RUS Notes	0		0
8. Prepayments	0		0	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)	2,257,351	0	2,257,351	39. Funded Debt-Other	0		0
NONCURRENT ASSETS				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. Recquired Debt	0		0
b. Nonrural Development	0		0	43. Obligations Under Capital Lease	0		0
12. Other Investments				44. Adv. From Affiliated Companies	0		0
a. Rural Development	0		0	45. Other Long-Term Debt	0		0
b. Nonrural Development	0		0	46. Total Long-Term Debt (36 thru 45)	0	0	0
13. Nonregulated Investments (B1)	9,659	30,066	39,725	OTHER LIAB. & DEF. CREDITS			
14. Other Noncurrent Assets	20,590		20,590	47. Other Long-Term Liabilities	9,582		9,582
15. Deferred Charges	0		0	48. Other Deferred Credits (C)	778,508		778,508
16. Jurisdictional Differences	0		0	49. Other Jurisdictional Differences	0		0
17. Total noncurrent Assets (11 thru 16)	30,249	30,066	60,315	50. Total Other Liab. & Def. Credits (47 thru 49)	788,090	0	788,090
PLANT, PROPERTY AND EQUIPMENT				EQUITY			
18. Telecom Plant-In-Service	15,201,118	(45,274)	15,155,844	51. Cap. Stock Outstanding & Subscribed	26,200		26,200
19. Property Held for Future Use	0		0	52. Additional Paid-in-Capital	0		0
20. Plant Under Construction	6,405		6,405	53. Treasury Stock	0		0
21. Plant Adj., Nonop Plant & Goodwill	30,012		30,012	54. Membership and cap. Certificates	66		66
22. Accumulated Depreciation (CR.)	(11,657,874)	15,208	(11,642,666)	55. Other Capital	0		0
23. Net Plant (18 thru 21 less 22)	3,579,661	(30,066)	3,549,595	56. Patronage Capital Credits	4,387,211	0	4,387,211
				57. Retained Earnings or Margins (B2)	4,413,477		4,413,477
				58. Total Equity (51 thru 57)	5,867,261	0	5,867,261
24. TOTAL ASSETS (10+17+23)	5,867,261	0	5,867,261	59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	5,867,261	0	5,867,261

Footnotes:
 (A) - As reported on RUS Form 479
 (B) - Part 64 adjustments from regulated to nonregulated.
 (C) - Includes deferred taxes

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

Company Name: (Below)
McDaniel Telephone Co

ASSETS	Adjusted Prior Year Balance 2014	Adjusted Current Year Balance 2015	LIABILITIES AND STOCKHOLDERS' EQUITY	Adjusted Prior Year Balance 2014	Adjusted Current Year Balance 2015
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	1,349,938	1,434,594	25. Accounts Payable	322,811	454,475
2. Cash-RUS Construction Fund	0	0	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	47,732	49,358
a. Telecom, Accounts Receivable	0	0	28. Customer Deposits	0	0
b. Other Accounts Receivable	87,585	464,257	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	168,652	166,348	32. Income Taxes Accrued	58,234	115,350
b. Other Accounts Receivable	370,235	153,059	33. Other Taxes Accrued	22,672	24,276
c. Notes Receivable	0	0	34. Other Current Liabilities	25,110	22,235
5. Interest and Dividends Receivable	135	94	35. Total Current Liabilities (25 - 34)	476,560	665,694
6. Material-Regulated	37,825	32,535	LONG-TERM DEBT		
7. Material-Nonregulated	0	0	36. Funded Debt-RUS Notes	0	0
8. Prepayments	6,455	6,464	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)	2,020,826	2,257,351	39. Funded Debt-Other	0	0
NONCURRENT ASSETS			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	0	0
a. Rural Development	0	0	45. Other Long-Term Debt	0	0
b. Nonrural Development	0	0	46. Total Long-Term Debt (36-45)	0	0
13. Nonregulated Investments	68,603	39,725	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets	4,333	20,590	47. Other Long-Term Liabilities	(33,314)	9,582
15. Deferred Charges	(3)	0	48. Other Deferred Credits	957,789	778,508
16. Jurisdictional Differences	0	0	49. Other Jurisdictional Differences	0	0
17. Total noncurrent Assets (11 thru 16)	72,934	60,315	50. Total Other Liab. & Def. Credits (47 thru 49)	924,475	788,090
PLANT, PROPERTY AND EQUIPMENT			EQUITY		
18. Telecom Plant-in-Service	15,010,792	15,155,844	51. Cap. Stock Outstanding & Subscribed	26,200	26,200
19. Property Held for Future Use	0	0	52. Additional Paid-in-Capital	0	0
20. Plant Under Construction	110,631	6,405	53. Treasury Stock	0	0
21. Plant Adj., Nonop Plant & Goodwill	25,762	30,012	54. Membership and cap. Certificates	31,147	66
22. Accumulated Depreciation (CR.)	(10,815,725)	(11,642,666)	55. Other Capital	0	0
23. Net Plant (18 thru 21 less 22)	4,331,460	3,549,595	56. Patronage Capital Credits	4,966,838	4,387,211
24. TOTAL ASSETS (10+17+23)	6,425,220	5,867,261	57. Retained Earnings or Margins	5,024,185	4,413,477
			58. Total Equity (51 thru 57)	6,425,220	5,867,261
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	6,425,220	5,867,261

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)
 McDaniel Telephone Co

Line #	Description	B/S Line #	Adj. Balance End of Year 2014	Adj. Balance End of Year 2015	Average Adj. End of Year Balance
	Average Rate Base:				
1	Total Regulated Adjusted Telecom Plant-in-service	18	15,010,792	15,155,844	15,083,318
2	Total Property Held for Future Use	19	0	0	0
3	Total Regulated Adjusted Accumulated Depreciation (CR)	22	(10,815,725)	(11,642,666)	(11,229,195)
4	Total Regulated Materials & Supplies	6	37,825	32,535	35,180
5	Deferred Income Taxes (CR)		(917,202)	(775,764)	(846,483)
6	Total Regulated Rate Base		3,315,690	2,769,949	3,042,820

Footnotes:

1. Normal balance of deferred income taxes and accumulated depreciation is a credit.
2. 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)
 McDaniel Telephone Co

Line #	Description	Prior Year End of Yr. Balance - 2014	Current Year End of Yr. Balance - 2015	Difference	% Change
Access Lines:					
1	Residential	2,974	2,969	(5)	-0.2%
2	Business	487	485	(2)	-0.4%
3	Total	3,461	3,454	(7)	-0.2%

Note: If 2014 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)
 McDaniel Telephone Co

Line #	Description	Prior Year 2014 (A)	Part 64 Adj. to NonReg (B)	Prior Year Adjusted 2014 (C)
		899,697		899,697
1	Local Network Services Revenues	1,801,138		1,801,138
2	Network Access Services Revenues	301	0	301
3	Long Distance Network Services Revenues	94,590	0	94,590
4	Carrier Billing and Collection Revenues	44,627	0	44,627
5	Miscellaneous Revenues	(4,063)	0	(4,063)
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	2,836,290	0	2,836,290
7	Net Operating Revenues (1 thru 6)			
8	Plant Specific Operations Expense	568,585	(37,925)	530,660
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	382,860	(22,248)	360,612
10	Depreciation Expense	862,716	(61,410)	801,306
11	Amortization Expense	60,103	(8,076)	52,027
12	Customer Operations Expense	313,287	(20,776)	292,511
13	Corporate Operations	608,963	(38,365)	570,598
14	Total Operations Expenses (8 thru 12 +13b)	2,796,514	(188,800)	2,607,714
15	Operating Income or Margins (7 less 14)	39,776	188,800	228,576
16	Other Operating Income and Expenses ()	0	52,940	52,940
17	State and Local Taxes	0	-	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(21,373)	87,109	65,737
19	Other Taxes	100,848	(7,144)	93,704
20	Total Operating Taxes (17+18+19)	79,475	79,965	159,441
21	Net Operating Income or Margins (15+16-20)	(39,700)	161,775	122,075
22	Interest on Funded Debt	0		0
23	Interest Expense - Capital Leases	0		0
24	Other Interest Expense	0		0
25	Allowance for Funds Used During Construction (CR)	0	0	0
26	Total Fixed Charges (22+23+24-25)	4,226		4,226
27	Nonoperating Net Income	0		0
28	Extraordinary Items	0		0
29	Jurisdictional Differences	661,357	(161,775)	499,582
30	Nonregulated Net Income (B1)	625,883	0	625,883
31	Total Net Income or Margins (21+27+28+29+30-26)			
32	Total Taxes Based on Income	10,064,955		10,064,955
33	Retained Earning or Margins Beginning-of-Year	0		0
34	Miscellaneous Credits Year-to-Date	5,724,000		5,724,000
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	Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2)	4,966,838	0	4,966,838
40	Patronage Capital Beginning-of-Year	0		0
41	Transfers to Patronage Capital	0		0
42	Patronage Capital Credits Retired	0	0	0
43	Patronage Capital End-of-Year (40+41-42)	0	0	0
44	Annual Debt Service Payments	0.6886	#DIV/0!	0.6748
45	Cash Ratio ((14+20-10-11)/7)	1.0140	#DIV/0!	0.9756
46	Operating Accrual Ratio ((14+20+26)/7)	#DIV/0!	#DIV/0!	#DIV/0!
47	TIER ((31+26)/26)	#DIV/0!	#DIV/0!	#DIV/0!
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, Inc. Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 57 of Page 1, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Column B, automatic offset to Nonregulated Net Income (No impact to Retained Earnings)

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

Company Name: (Below)
McDaniel Telephone Co

Line #	Description	Current Year 2015 (A)	Part 64 Adj. to NonReg (B)	Current Year Adjusted 2015 (C)
1	Local Network Services Revenues	901,130		901,130
2	Network Access Services Revenues	1,929,639		1,929,639
3	Long Distance Network Services Revenues	32	0	32
4	Carrier Billing and Collection Revenues	88,368	0	88,368
5	Miscellaneous Revenues	42,458	0	42,458
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(8,109)	0	(8,109)
7	Net Operating Revenues (1 thru 6)	2,953,518	0	2,953,518
8	Plant Specific Operations Expense	574,092	(42,837)	531,255
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	400,046	(24,256)	375,790
10	Depreciation Expense	888,291	(71,119)	817,172
11	Amortization Expense	63,619	(9,840)	53,779
12	Customer Operations Expense	317,033	(20,308)	296,725
13	Corporate Operations	657,943	(39,991)	617,952
14	Total Operations Expenses (8 thru 12 +13b)	2,901,024	(208,351)	2,692,673
15	Operating Income or Margins (7 less 14)	52,494	208,351	260,845
16	Other Operating Income and Expenses ()	0	53,631	53,631
17	State and Local Taxes	0	-	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(21,288)	94,429	73,141
19	Other Taxes	113,727	(7,816)	105,911
20	Total Operating Taxes (17+18+19)	92,439	86,613	179,052
21	Net Operating Income or Margins (15+16-20)	(39,945)	175,369	135,424
22	Interest on Funded Debt	0		0
23	Interest Expense - Capital Leases	0		0
24	Other Interest Expense	0		0
25	Allowance for Funds Used During Construction (CR)	0	0	0
26	Total Fixed Charges (22+23+24-25)	0	0	0
27	Nonoperating Net Income	483		483
28	Extraordinary Items	0		0
29	Jurisdictional Differences	0		0
30	Nonregulated Net Income (B1)	738,834	(175,369)	563,465
31	Total Net Income or Margins (21+27+28+29+30-26)	699,372	0	699,372
32	Total Taxes Based on Income	4,966,838		4,966,838
33	Retained Earning or Margins Beginning-of-Year	1		1
34	Miscellaneous Credits Year-to-Date	1,279,000		1,279,000
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	Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38)(A2)	4,387,211	0	4,387,211
40	Patronage Capital Beginning-of-Year	0		0
41	Transfers to Patronage Capital	0		0
42	Patronage Capital Credits Retired	0		0
43	Patronage Capital End-of-Year (40+41-42)	0	0	0
44	Annual Debt Service Payments	0.6912	#DIV/0!	0.6774
45	Cash Ratio ((14+20-10-11)/7)	1.0135	#DIV/0!	0.9723
46	Operating Accrual Ratio ((14+20+26)/7)	#DIV/0!	#DIV/0!	#DIV/0!
47	TIER ((31+26)/26)	#DIV/0!	#DIV/0!	#DIV/0!
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, Inc. Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 57 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)

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

Company Name:
 McDaniel Telephone Co

Line #	Description	Adjusted Prior Year 2014	Adjusted Current Year 2015
1	Local Network Services Revenues	899,697	901,130
2	Network Access Services Revenues	1,801,138	1,929,639
3	Long Distance Network Services Revenues	301	32
4	Carrier Billing and Collection Revenues	94,590	88,368
5	Miscellaneous Revenues	44,627	42,458
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(4,063)	(8,109)
7	Net Operating Revenues (1 thru 6)	2,836,290	2,953,518
8	Plant Specific Operations Expense	530,660	531,255
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	360,612	375,790
10	Depreciation Expense	801,306	817,172
11	Amortization Expense	52,027	53,779
12	Customer Operations Expense	292,511	296,725
13	Corporate Operations	570,598	617,952
14	Total Operations Expenses (8 thru 12 +13b)	2,607,714	2,692,673
15	Operating Income or Margins (7 less 14)	228,576	260,845
16	Other Operating Income and Expenses ()	52,940	53,631
17	State and Local Taxes	0	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	65,737	73,141
19	Other Taxes	93,704	105,911
20	Total Operating Taxes (17+18+19)	159,441	179,052
21	Net Operating Income or Margins (15+16-20)	122,075	135,424
22	Interest on Funded Debt	0	0
23	Interest Expense - Capital Leases	0	0
24	Other Interest Expense	0	0
25	Allowance for Funds Used During Construction	0	0
26	Total Fixed Charges (22+23+24-25)	0	0
27	Nonoperating Net Income	4,226	483
28	Extraordinary Items	0	0
29	Jurisdictional Differences	0	0
30	Nonregulated Net Income	499,582	563,465
31	Total Net Income or Margins (21+27+28+29+30-26)	625,883	699,372
32	Total Taxes Based on Income		
33	Retained Earning or Margins Beginning-of-Year	10,064,955	4,966,838
34	Miscellaneous Credits Year-to-Date	0	1
35	Dividends Declared (Common)	5,724,000	1,279,000
36	Dividends Declared (Preferred)	0	0
37	Other Debits Year-to-Date	0	0
38	Transfers to Patronage Capital	0	0
39	Retained Earnings or Margins End-of-Period ((31+33+34)-(35+36+37+38))	4,966,838	4,387,211
40	Patronage Capital Beginning-of-Year	0	0
41	Transfers to Patronage Capital	0	0
42	Patronage Capital Credits Retired	0	0
43	Patronage Capital End-of-Year (40+41-42)	0	0
44	Annual Debt Service Payments	0	0
45	Cash Ratio ((14+20-10-11)/7)	0.6748	0.6774
46	Operating Accrual Ratio ((14+20+26)/7)	0.9756	0.9723
47	TIER ((31+26)/26)	#DIV/0!	#DIV/0!
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).

2014 2015

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

Company Name: (Below)
 McDaniel Telephone Co

Line #	Description	Part 32 Account	Prior Year 2014	Current Year 2015
1	End User Revenue (SLC, ARC, etc.)	5081	331,543	345,112
2	Switched Access (excluding USF):	5082		
2a	Intrastate		242,646	353,825
2b	Interstate (includes CAF)		506,983	301,004
3	Special Access:	5083		
3a	Intrastate		1,274	1,274
3b	Interstate		199,341	228,162
4	Federal USF (ICLS/HCL/SN)	Varies	402,321	502,965
5	State USF		117,031	197,298
6	Other*		0	0
7	Total (must equal line 2 of Income Stmt.)		1,801,138	1,929,639
8	Line 2 of Income Stmt.		1,801,138	1,929,639
9	Difference		0	0

Footnote:
 * - if > than 5% of Access revenue total, provide description below.
 In 2015, the portion of the CAF attributable to the intrastate jurisdiction is reported on Line 2a. In 2014, the total CAF revenue was reported on Line 2b.

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

Company Name: (Below)
 McDaniel Telephone Co

Description of Out-of-Period (OOP) - 2015 (As Recorded) OR Pro Forma (PF)/Adjustment for Current Year Petition or Reversing from Prior Year	Year	OOP or PF?	Part 32 Account	
			Debit	Credit
Adjustment #1:				
Adjustment #2:				
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)
 McDaniel Telephone Co

Line #	Description	2015 (A)	2015 (B)
1	Rate Base (Jan. 1)	3,315,690	3,315,690
2	Rate Base (Dec 31)	2,769,949	2,769,949
3	Average Rate Base	3,042,820	3,042,820
4	Net Operating Income	135,424	135,424
5	Out-of-Period Adjustments Net of FIT (1)		
6	Adjusted Net Operating Income	135,424	135,424
7	Earned Regulated Rate of Return	4.45%	4.45%
8	Consolidated Equity (Jan 1)	5,024,185	5,024,185
9	Consolidated Equity (Dec 31)	4,413,477	4,413,477
10	Average Equity	4,718,831	4,718,831
11	Consolidated Net Income	699,372	699,372
12	Out-of-Period Adjustments Net of FIT (1)		
13	Adjusted Consolidated Net Income	699,372	699,372
14	Earned Return on Equity	14.82%	14.82%

Footnotes:

- (1) Lines 5 & 12 will be completed by Staff
- (A) Column A to be completed by Company,
- (B) Column B should equal Column A, but may include any Staff Adjustments