

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)  
 Lewis River Telephone Co., Inc. d/b/a TDS Telecom

ASSETS	Balance End of Year 2013 (A)	Part 64 Adj to NonReg 2013 (B)	Adj. Balance End of Year 2013 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2013 (A)	Part 64 Adj to NonReg 2013 (B)	Adj. Balance End of Year 2013 (C)
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
1. Cash and Equivalents	1,265,460		1,265,460	25. Accounts Payable	654,545		654,545
2. Cash-RUS Construction Fund	0		0	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	12,842		12,842
a. Telecom, Accounts Receivable	0		0	28. Customer Deposits	0		0
b. Other Accounts Receivable	13,217		13,217	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	449,792		449,792	32. Income Taxes Accrued	175,284		175,284
b. Other Accounts Receivable	126,893		126,893	33. Other Taxes Accrued	33,666		33,666
c. Notes Receivable	0		0	34. Other Current Liabilities	27,685		27,685
5. Interest and Dividends Receivable	145		145	35. Total Current Liabilities (25 thru 34)	904,022	0	904,022
6. Material-Regulated	68,932		68,932	<b>LONG-TERM DEBT</b>			
7. Material-Nonregulated	0		0	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)	1,924,439	0	1,924,439	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	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)	51,641	95,691	147,332	<b>OTHER LIAB. &amp; DEF. CREDITS</b>			
14. Other Noncurrent Assets	0		0	47. Other Long-Term Liabilities	(179,262)		(179,262)
15. Deferred Charges	7,078		7,078	48. Other Deferred Credits (C)	396,356	(9,901)	386,455
16. Jurisdictional Differences	0		0	49. Other Jurisdictional Differences	0		0
17. Total noncurrent Assets (11 thru 16)	58,719	95,691	154,410	50. Total Other Liab. & Def. Credits (47 thru 49)	217,095	(9,901)	207,194
<b>PLANT, PROPERTY AND EQUIPMENT</b>				<b>EQUITY</b>			
18. Telecom Plant-In-Service	20,929,486	(268,861)	20,660,625	51. Cap. Stock Outstanding & Subscribed	35,000		35,000
19. Property Held for Future Use	0		0	52. Additional Paid-in-Capital	1,388,283		1,388,283
20. Plant Under Construction	344,376		344,376	53. Treasury Stock	0		0
21. Plant Adj., Nonop Plant & Goodwill	0		0	54. Membership and cap. Certificates	0		0
22. Accumulated Depreciation (CR.)	(16,970,838)	173,170	(16,797,668)	55. Other Capital	96,425		96,425
23. Net Plant (18 thru 21 less 22)	4,303,024	(95,691)	4,207,333	56. Patronage Capital Credits	0		0
<b>24. TOTAL ASSETS (10+17+23)</b>	<b>6,286,183</b>	<b>0</b>	<b>6,286,183</b>	57. Retained Earnings or Margins (B2)	3,645,359	9,901	3,655,260
				58. Total Equity (51 thru 57)	5,165,066	9,901	5,174,967
				<b>59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>	<b>6,286,183</b>	<b>0</b>	<b>6,286,183</b>

Footnotes:

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

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)  
Lewis River Telephone Co., Inc. d/b/a TDS Telecom

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)
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
1. Cash and Equivalents	1,282,254		1,282,254	25. Accounts Payable	468,696		468,696
2. Cash-RUS Construction Fund	0		0	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	18,143		18,143
a. Telecom, Accounts Receivable	0		0	28. Customer Deposits	0		0
b. Other Accounts Receivable	101,996		101,996	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	441,468		441,468	32. Income Taxes Accrued	14,243		14,243
b. Other Accounts Receivable	200,907		200,907	33. Other Taxes Accrued	33,182		33,182
c. Notes Receivable	0		0	34. Other Current Liabilities	27,502		27,502
5. Interest and Dividends Receivable	135		135	35. Total Current Liabilities (25 thru 34)	561,766	0	561,766
6. Material-Regulated	74,207		74,207	<b>LONG-TERM DEBT</b>			
7. Material-Nonregulated	0		0	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)	2,100,968	0	2,100,968	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	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)	24,512	55,020	79,532	<b>OTHER LIAB. &amp; DEF. CREDITS</b>			
14. Other Noncurrent Assets	0		0	47. Other Long-Term Liabilities	(229,503)		(229,503)
15. Deferred Charges	10,846		10,846	48. Other Deferred Credits (C)	366,069	(5,895)	360,174
16. Jurisdictional Differences	0		0	49. Other Jurisdictional Differences	0		0
17. Total noncurrent Assets (11 thru 16)	35,358	55,020	90,378	50. Total Other Liab. & Def. Credits (47 thru 49)	136,566	(5,895)	130,671
<b>PLANT, PROPERTY AND EQUIPMENT</b>				<b>EQUITY</b>			
18. Telecom Plant-In-Service	20,160,394	(142,357)	20,018,037	51. Cap. Stock Outstanding & Subscribed	35,000		35,000
19. Property Held for Future Use	0		0	52. Additional Paid-in-Capital	1,388,283		1,388,283
20. Plant Under Construction	71,904		71,904	53. Treasury Stock	0		0
21. Plant Adj., Nonop Plant & Goodwill	315,007		315,007	54. Membership and cap. Certificates	0		0
22. Accumulated Depreciation (CR.)	(16,715,121)	87,337	(16,627,784)	55. Other Capital	119,134		119,134
23. Net Plant (18 thru 21 less 22)	3,832,184	(55,020)	3,777,164	56. Patronage Capital Credits	0		0
<b>24. TOTAL ASSETS (10+17+23)</b>	<b>5,968,510</b>	<b>0</b>	<b>5,968,510</b>	57. Retained Earnings or Margins (B2)	3,727,761	5,895	3,733,656
				58. Total Equity (51 thru 57)	5,270,178	5,895	5,276,073
				<b>59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>	<b>5,968,510</b>	<b>0</b>	<b>5,968,510</b>

Footnotes:

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

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)  
 Prior and Current Year Balance Sheet

Company Name: (Below)  
 Lewis River Telephone Co., Inc. d/b/a TDS Telecom

ASSETS	Adjusted Prior Year Balance 2013	Adjusted Current Year Balance 2014	LIABILITIES AND STOCKHOLDERS' EQUITY	Adjusted Prior Year Balance 2013	Adjusted Current Year Balance 2014
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents	1,265,460	1,282,254	25. Accounts Payable	654,545	468,696
2. Cash-RUS Construction Fund	0	0	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	12,842	18,143
a. Telecom, Accounts Receivable	0	0	28. Customer Deposits	0	0
b. Other Accounts Receivable	13,217	101,996	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	449,792	441,468	32. Income Taxes Accrued	175,284	14,243
b. Other Accounts Receivable	126,893	200,907	33. Other Taxes Accrued	33,666	33,182
c. Notes Receivable	0	0	34. Other Current Liabilities	27,685	27,502
5. Interest and Dividends Receivable	145	135	35. Total Current Liabilities (25 - 34)	904,022	561,766
6. Material-Regulated	68,932	74,207	<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated	0	0	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)	1,924,439	2,100,968	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	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	147,332	79,532	<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets	0	0	47. Other Long-Term Liabilities	(179,262)	(229,503)
15. Deferred Charges	7,078	10,846	48. Other Deferred Credits	386,455	360,174
16. Jurisdictional Differences	0	0	49. Other Jurisdictional Differences	0	0
17. Total noncurrent Assets (11 thru 16)	154,410	90,378	50. Total Other Liab. & Def. Credits (47 thru 49)	207,194	130,671
<b>PLANT, PROPERTY AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom Plant-in-Service	20,660,625	20,018,037	51. Cap. Stock Outstanding & Subscribed	35,000	35,000
19. Property Held for Future Use	0	0	52. Additional Paid-in-Capital	1,388,283	1,388,283
20. Plant Under Construction	344,376	71,904	53. Treasury Stock	0	0
21. Plant Adj., Nonop Plant & Goodwill	0	315,007	54. Membership and cap. Certificates	0	0
22. Accumulated Depreciation (CR.)	(16,797,668)	(16,627,784)	55. Other Capital	96,425	119,134
23. Net Plant (18 thru 21 less 22)	4,207,333	3,777,164	56. Patronage Capital Credits	0	0
<b>24. TOTAL ASSETS (10+17+23)</b>	<b>6,286,183</b>	<b>5,968,510</b>	57. Retained Earnings or Margins	3,655,260	3,733,656
			58. Total Equity (51 thru 57)	5,174,967	5,276,073
			<b>59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>	<b>6,286,183</b>	<b>5,968,510</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)  
Lewis River Telephone Co., Inc. d/b/a TDS Telecom

Line #	Description	B/S Line #	Adj. Balance End of Year 2013	Adj. Balance End of Year 2014	Average Adj End of Year Balance
<b>Average Rate Base:</b>					
1	Total Regulated Adjusted Telecom Plant-In-service	18	20,660,625	20,018,037	20,339,331
2	Total Property Held for Future Use	19	0	0	0
3	Total Regulated Adjusted Accumulated Depreciation (CR)	22	(16,797,668)	(16,627,784)	(16,712,726)
4	Total Regulated Materials & Supplies	6	68,932	74,207	71,570
5	Deferred Income Taxes (CR)		(315,732)	(474,551)	(395,142)
6	<b>Total Regulated Rate Base</b>		<b>3,616,157</b>	<b>2,989,909</b>	<b>3,303,033</b>

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)  
Lewis River Telephone Co., Inc. d/b/a TDS Telecom

Line #	Description	Prior Year End of Yr. Balance - 2013	Current Year End of Yr. Balance - 2014	Difference	% Change
	<b>Access Lines:</b>				
1	Residential	4,051	3,984	(67)	-1.7%
2	Business	492	457	(35)	-7.1%
3	Total	4,543	4,441	(102)	-2.2%

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

Company Name: (Below)  
 Lewis River Telephone Co., Inc. d/b/a TDS Telecom

Line #	Description	Prior Year 2013 (A)	Part 64 Adj. to NonReg (B)	Prior Year Adjusted 2013 (C)
1	Local Network Services Revenues	1,348,658		1,348,658
2	Network Access Services Revenues	1,724,865		1,724,865
3	Long Distance Network Services Revenues	34		34
4	Carrier Billing and Collection Revenues	121,519		121,519
5	Miscellaneous Revenues	233,667		233,667
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(14,627)		(14,627)
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>3,414,115</b>	<b>0</b>	<b>3,414,115</b>
8	Plant Specific Operations Expense	711,217	(42,715)	668,502
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	612,473	(34,283)	578,190
10	Depreciation Expense	966,157	(104,888)	861,269
11	Amortization Expense	70,756	(10,416)	60,340
12	Customer Operations Expense	515,967	(33,867)	482,100
13	Corporate Operations	891,104	(46,163)	844,941
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ( )			0
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	891,104	(46,163)	844,941
14	<b>Total Operations Expenses (8 thru 12 +13b)</b>	<b>3,767,673</b>	<b>(272,332)</b>	<b>3,495,341</b>
15	Operating Income or Margins (7 less 14)	(353,558)	272,332	(81,226)
16	Other Operating Income and Expenses ( )	0		0
17	State and Local Taxes	0	0	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(181,614)	99,266	(82,348)
19	Other Taxes	165,513	(11,284)	154,229
20	<b>Total Operating Taxes (17+18+19)</b>	<b>(16,101)</b>	<b>87,982</b>	<b>71,881</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>(337,456)</b>	<b>184,350</b>	<b>(153,106)</b>
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
26	<b>Total Fixed Charges (22+23+24-25)</b>	<b>0</b>	<b>0</b>	<b>0</b>
27	Nonoperating Net Income	505		505
28	Extraordinary Items	0		0
29	Jurisdictional Differences	0		0
30	<b>Nonregulated Net Income (B1)</b>	<b>810,371</b>	<b>(184,350)</b>	<b>626,021</b>
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>473,420</b>	<b>0</b>	<b>473,420</b>
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	4,529,939		4,529,939
34	Miscellaneous Credits Year-to-Date	9,901		9,901
35	Dividends Declared (Common)	1,358,000		1,358,000
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 End-of-Period ((31+33+34)-(35+36+37+38)(A2)</b>	<b>3,655,260</b>	<b>0</b>	<b>3,655,260</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>	<b>0</b>
44	Annual Debt Service Payments	0		0
45	Cash Ratio ((14+20-10-11)/7)	0.7951	#DIV/0!	0.7749
46	Operating Accrual Ratio ((14+20+26)/7)	1.0988	#DIV/0!	1.0448
47	TIER ((31+26)/26)	#DIV/0!	#DIV/0!	#DIV/0!
48	DSCR ((31+26+10+11)/44)	#DIV/0!	#DIV/0!	#DIV/0!

(C)

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 8, 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) Part 64 offset to nonregulated income (No Impact to retained earnings)
- (C) Corp. Op. Adj Exp. Reduction - See Exhibit 7 of Petition which takes ( ) amount \* 65% to Line 13a, Column C (Reduces total operating expense (L 14) and increases Operating Inc. (L15)

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

Company Name: (Below)  
Lewis River Telephone Co., Inc. d/b/a TDS Telecom

Line #	Description	Current Year 2014 (A)	Part 64 Adj. to NonReg (B)	Current Year Adjusted 2014 (C)
1	Local Network Services Revenues	1,285,428		1,285,428
2	Network Access Services Revenues	1,792,112		1,792,112
3	Long Distance Network Services Revenues	(122)		(122)
4	Carrier Billing and Collection Revenues	110,077		110,077
5	Miscellaneous Revenues	92,489		92,489
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	1,033		1,033
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>3,281,016</b>	<b>0</b>	<b>3,281,016</b>
8	Plant Specific Operations Expense	674,682	(73,018)	601,664
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	596,263	(37,533)	558,730
10	Depreciation Expense	796,121	(118,099)	678,022
11	Amortization Expense	78,983	(11,448)	67,535
12	Customer Operations Expense	420,271	(28,744)	391,527
13	Corporate Operations	846,107	(57,691)	788,416
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ( )			0
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	846,107	(57,691)	788,416
14	<b>Total Operations Expenses (8 thru 12 +13b)</b>	<b>3,412,427</b>	<b>(326,533)</b>	<b>3,085,894</b>
15	Operating Income or Margins (7 less 14)	(131,411)	326,533	195,122
16	Other Operating Income and Expenses ( )	0	59,336	59,336
17	State and Local Taxes	0	0	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(102,741)	139,623	36,882
19	Other Taxes	162,217	(13,054)	149,163
20	<b>Total Operating Taxes (17+18+19)</b>	<b>59,476</b>	<b>126,569</b>	<b>186,045</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>(190,887)</b>	<b>259,300</b>	<b>68,413</b>
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
26	<b>Total Fixed Charges (22+23+24-25)</b>	<b>0</b>	<b>0</b>	<b>0</b>
27	Nonoperating Net Income	(25,648)		(25,648)
28	Extraordinary Items	0		0
29	Jurisdictional Differences	0		0
30	Nonregulated Net Income (B1)	855,937	(259,300)	596,637
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>639,402</b>	<b>0</b>	<b>639,402</b>
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	3,645,359		3,645,359
34	Miscellaneous Credits Year-to-Date	5,895		5,895
35	Dividends Declared (Common)	557,000		557,000
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 End-of-Period ((31+33+34)-(35+36+37+38)(A2)</b>	<b>3,733,656</b>	<b>0</b>	<b>3,733,656</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>	<b>0</b>
44	Annual Debt Service Payments	0		0
45	Cash Ratio ((14+20-10-11)/7)	0.7915	#DIV/0!	0.7700
46	Operating Accrual Ratio ((14+20+26)/7)	1.0582	#DIV/0!	0.9972
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 8, 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) Part 64 offset to nonregulated income (No Impact to retained earnings)
- (C) Corp. Op. Adj Exp. Reduction - See Exhibit 7 of Petition which takes ( ) amount \* 65% to Line 13a, Column C (Reduces total operating expense (L 14) and increases Operating Inc. (L15)



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

Company Name:  
 Lewis River Telephone Co., Inc. d/b/a TDS Telecom

Line #	Description	Adjusted Prior Year 2013	Adjusted Current Year 2014
1	Local Network Services Revenues	1,348,658	1,285,428
2	Network Access Services Revenues	1,724,865	1,792,112
3	Long Distance Network Services Revenues	34	(122)
4	Carrier Billing and Collection Revenues	121,519	110,077
5	Miscellaneous Revenues	233,667	92,489
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(14,627)	1,033
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>3,414,115</b>	<b>3,281,016</b>
8	Plant Specific Operations Expense	668,502	601,664
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	578,190	558,730
10	Depreciation Expense	861,269	678,022
11	Amortization Expense	60,340	67,535
12	Customer Operations Expense	482,100	391,527
13	Corporate Operations	844,941	788,416
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ( )	0	0
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	844,941	788,416
14	<b>Total Operations Expenses (8 thru 12 +13b)</b>	<b>3,495,341</b>	<b>3,085,894</b>
15	Operating Income or Margins (7 less 14)	(81,226)	195,122
16	Other Operating Income and Expenses ( )	0	59,336
17	State and Local Taxes	0	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(82,348)	36,882
19	Other Taxes	154,229	149,163
20	<b>Total Operating Taxes (17+18+19)</b>	<b>71,881</b>	<b>186,045</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>(153,106)</b>	<b>68,413</b>
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	<b>Total Fixed Charges (22+23+24-25)</b>	<b>0</b>	<b>0</b>
27	Nonoperating Net Income	505	(25,648)
28	Extraordinary Items	0	0
29	Jurisdictional Differences	0	0
30	Nonregulated Net Income	626,021	596,637
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>473,420</b>	<b>639,402</b>
32	Total Taxes Based on Income		
33	Retained Earning or Margins Beginning-of-Year	4,529,939	3,645,359
34	Miscellaneous Credits Year-to-Date	9,901	5,895
35	Dividends Declared (Common)	1,358,000	557,000
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>3,655,260</b>	<b>3,733,656</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)	0.7749	0.7700
46	Operating Accrual Ratio ((14+20+26)/7)	1.0448	0.9972
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).

2013 2014

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

Company Name: (Below)  
Lewis River Telephone Co., Inc. d/b/a TDS Telecom

Line #	Description	Part 32 Account	Prior Year 2013	Current Year 2014
1	End User Revenue (SLC, ARC, etc.)	5081	384,054	383,070
2	Switched Access (excluding USF):	5082		
2a	Intrastate		150,847	177,863
2b	Interstate (includes CAF)		202,360	364,117
3	Special Access:	5083		
3a	Intrastate		48,964	64,647
3b	Interstate		286,526	356,911
4	Federal USF (ICLS/HCL/SN)	Varies	652,115	399,593
5	State USF		0	45,910
6	Other*			
7	Total (must equal line 2 of Income Stmt.)		1,724,865	1,792,112
8	Line 2 of Income Stmt.		1,724,865	1,792,112
9	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 Adjustments

Description of Out-of-Period - 2014 (As Recorded)	Part 32 Account	
	Debit	Credit
Adjustment #1:		
Adjustment #2:		
Adjustment #3:		
Adjustment #4		

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

Company Name: (Below)

Lewis River Telephone Co., Inc. d/b/a TDS Telecom

Line #	Description	2014
1	Rate Base (Jan. 1)	3,616,157
2	Rate Base (Dec 31)	2,989,909
3	<b>Average Rate Base</b>	<b>3,303,033</b>
4	Net Operating Income	68,413
5	Out-of-Period Adjustments Net of FIT (A)	
6	<b>Adjusted Net Operating Income</b>	<b>68,413</b>
7	<b>Earned Regulated Rate of Return</b>	<b>2.07%</b>
8	Consolidated Equity (Jan 1)	5,174,967
9	Consolidated Equity (Dec 31)	5,276,073
10	<b>Average Equity</b>	<b>5,225,520</b>
11	Consolidated Net Income	639,402
12	Out-of-Period Adjustments Net of FIT (B)	
13	<b>Adjusted Consolidated Net Income</b>	<b>639,402</b>
14	<b>Earned Return on Equity</b>	<b>12.24%</b>

Footnote:

- (A) Source: Line 31 from Out-of-Period  
 Adjustment work sheet