

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)
 Tenino Telephone Company

| ASSETS | Balance End of Year 2016 (A) | Part 64 Adj to NonReg 2016 (B) | Adj. Balance End of Year 2016 (C) | LIABILITIES AND STOCKHOLDERS' EQUITY | Balance End of Year 2016 (A) | Part 64 Adj to NonReg 2016 (B) | Adj. Balance End of Year 2016 (C) |
|--|------------------------------------|--------------------------------------|---|---|------------------------------------|--------------------------------------|---|
| CURRENT ASSETS | | | | CURRENT LIABILITIES | | | |
| 1. Cash and Equivalents | 4,083,195 | | 4,083,195 | 25. Accounts Payable | 59,516 | | 59,516 |
| 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 | 208,680 | | 208,680 | 32. Income Taxes Accrued | | | 0 |
| b. Other Accounts Receivable | | | 0 | 33. Other Taxes Accrued | 89,661 | | 89,661 |
| c. Notes Receivable | | | 0 | 34. Other Current Liabilities | 233,671 | | 233,671 |
| 5. Interest and Dividends Receivable | | | 0 | 35. Total Current Liabilities (25 thru 34) | 382,848 | 0 | 382,848 |
| 6. Material-Regulated | | | 0 | LONG-TERM DEBT | | | |
| 7. Material-Nonregulated | | | 0 | 36. Funded Debt-RUS Notes | | | 0 |
| 8. Prepayments | | | 0 | 37. Funded Debt-RTB Notes | | | 0 |
| 9. Other Current Assets | 57,125 | | 57,125 | 38. Funded Debt-FFB Notes | | | 0 |
| 10. Total Current Assets (1 Thru 9) | 4,349,000 | 0 | 4,349,000 | 39. Funded Debt-Other | | | 0 |
| NONCURRENT ASSETS | | | | 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 | 123,396 | | 123,396 |
| a. Rural Development | 0 | | 0 | 45. Other Long-Term Debt | | | 0 |
| b. Nonrural Development | 3,000 | | 3,000 | 46. Total Long-Term Debt (36 thru 45) | 123,396 | 0 | 123,396 |
| 13. Nonregulated Investments (B1) | | 3,524 | 3,524 | OTHER LIAB. & DEF. CREDITS | | | |
| 14. Other Noncurrent Assets | | | 0 | 47. Other Long-Term Liabilities | | | 0 |
| 15. Deferred Charges | 657,664 | (850) | 656,814 | 48. Deferred Income Taxes | | | 0 |
| 16. Jurisdictional Differences | | | 0 | 49. Other Deferred Credits (D) | | | 0 |
| 17. Total noncurrent Assets (11 thru 16) | 660,664 | 2,674 | 663,338 | 50. Other Jurisdictional Differences | | | 0 |
| PLANT, PROPERTY AND EQUIPMENT | | | | 51. Total Other Liab. & Def. Credits (47 thru 50) | 0 | 0 | 0 |
| 18. Telecom Plant-In-Service | 23,701,018 | (30,700) | 23,670,318 | EQUITY | | | |
| 19. Property Held for Future Use | | | 0 | 52. Cap. Stock Outstanding & Subscribed | 97,200 | | 97,200 |
| 20. Plant Under Construction | 44,258 | | 44,258 | 53. Additional Paid-in-Capital | | | 0 |
| 21. Plant Adj., Nonop Plant & Goodwill | | | 0 | 54. Treasury Stock | | | 0 |
| 22. Accumulated Depreciation (CR.) | (22,371,221) | 28,026 | (22,343,195) | 55. Membership and Capital Certificates | | | 0 |
| 23. Net Plant (18 thru 21 less 22) | 1,374,055 | (2,674) | 1,371,381 | 56. Other Capital | | | 0 |
| 24. TOTAL ASSETS (10+17+23) | 6,383,719 | 0 | 6,383,719 | 57. Patronage Capital Credits | | | 0 |
| | | | | 58. Retained Earnings or Margins (B2) | 5,780,275 | 0 | 5,780,275 |
| | | | | 59. Total Equity (52 thru 58) | 5,877,475 | - | 5,877,475 |
| | | | | 60. TOTAL LIABILITIES AND EQUITY (35+46+51+59) | 6,383,719 | 0 | 6,383,719 |

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)
Tenino 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) |
|--|------------------------------------|--------------------------------------|---|---|------------------------------------|--------------------------------------|---|
| CURRENT ASSETS | | | | CURRENT LIABILITIES | | | |
| 1. Cash and Equivalents | 3,905,894 | | 3,905,894 | 25. Accounts Payable | 128,668 | | 128,668 |
| 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 | 168,817 | | 168,817 | 32. Income Taxes Accrued | | | 0 |
| b. Other Accounts Receivable | | | 0 | 33. Other Taxes Accrued | 78,608 | | 78,608 |
| c. Notes Receivable | | | 0 | 34. Other Current Liabilities | 395,623 | | 395,623 |
| 5. Interest and Dividends Receivable | | | 0 | 35. Total Current Liabilities (25 thru 34) | 602,899 | 0 | 602,899 |
| 6. Material-Regulated | | | 0 | LONG-TERM DEBT | | | |
| 7. Material-Nonregulated | | | 0 | 36. Funded Debt-RUS Notes | | | 0 |
| 8. Prepayments | 54,421 | | 54,421 | 37. Funded Debt-RTB Notes | | | 0 |
| 9. Other Current Assets | 49,808 | | 49,808 | 38. Funded Debt-FFB Notes | | | 0 |
| 10. Total Current Assets (1 Thru 9) | 4,178,940 | 0 | 4,178,940 | 39. Funded Debt-Other | | | 0 |
| NONCURRENT ASSETS | | | | 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 | 146,338 | | 146,338 |
| a. Rural Development | | | 0 | 45. Other Long-Term Debt | | | 0 |
| b. Nonrural Development | | | 0 | 46. Total Long-Term Debt (36 thru 45) | 146,338 | 0 | 146,338 |
| 13. Nonregulated Investments (B1) | 3,000 | 684 | 3,684 | OTHER LIAB. & DEF. CREDITS | | | |
| 14. Other Noncurrent Assets | | | 0 | 47. Other Long-Term Liabilities | | | 0 |
| 15. Deferred Charges | 445,664 | 615 | 446,279 | 48. Deferred Income Taxes | | | 0 |
| 16. Jurisdictional Differences | | | 0 | 49. Other Deferred Credits (D) | | | 0 |
| 17. Total noncurrent Assets (11 thru 16) | 448,664 | 1,299 | 449,963 | 50. Other Jurisdictional Differences | | | 0 |
| PLANT, PROPERTY AND EQUIPMENT | | | | 51. Total Other Liab. & Def. Credits (47 thru 50) | 0 | 0 | 0 |
| 18. Telecom Plant-In-Service | 24,247,991 | (21,438) | 24,226,553 | EQUITY | | | |
| 19. Property Held for Future Use | | | 0 | 52. Cap. Stock Outstanding & Subscribed | 97,200 | | 97,200 |
| 20. Plant Under Construction | 155,679 | | 155,679 | 53. Additional Paid-in-Capital | | | 0 |
| 21. Plant Adj., Nonop Plant & Goodwill | | | 0 | 54. Treasury Stock | | | 0 |
| 22. Accumulated Depreciation (CR.) | (23,184,194) | 20,139 | (23,164,055) | 55. Membership and Capital Certificates | | | 0 |
| 23. Net Plant (18 thru 21 less 22) | 1,219,476 | (1,299) | 1,218,177 | 56. Other Capital | | | 0 |
| 24. TOTAL ASSETS (10+17+23) | 5,847,080 | 0 | 5,847,080 | 57. Patronage Capital Credits | | | 0 |
| | | | | 58. Retained Earnings or Margins (B2) | 5,000,643 | 0 | 5,000,643 |
| | | | | 59. Total Equity (52 thru 58) | 5,097,843 | - | 5,097,843 |
| | | | | 60. TOTAL LIABILITIES AND EQUITY (35+46+51+59) | 5,847,080 | 0 | 5,847,080 |

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)
 Tenino Telephone Company

| ASSETS | Adjusted Prior Year Balance 2016 | Adjusted Current Year Balance 2017 | LIABILITIES AND STOCKHOLDERS' EQUITY | Adjusted Prior Year Balance 2016 | Adjusted Current Year Balance 2017 |
|--|--|--|---|--|--|
| CURRENT ASSETS | | | CURRENT LIABILITIES | | |
| 1. Cash and Equivalents | 4,083,195 | 3,905,894 | 25. Accounts Payable | 59,516 | 128,668 |
| 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 | 208,680 | 168,817 | 32. Income Taxes Accrued | 0 | 0 |
| b. Other Accounts Receivable | 0 | 0 | 33. Other Taxes Accrued | 89,661 | 78,608 |
| c. Notes Receivable | 0 | 0 | 34. Other Current Liabilities | 233,671 | 395,623 |
| 5. Interest and Dividends Receivable | 0 | 0 | 35. Total Current Liabilities (25 - 34) | 382,848 | 602,899 |
| 6. Material-Regulated | 0 | 0 | LONG-TERM DEBT | | |
| 7. Material-Nonregulated | 0 | 0 | 36. Funded Debt-RUS Notes | 0 | 0 |
| 8. Prepayments | 0 | 54,421 | 37. Funded Debt-RTB Notes | 0 | 0 |
| 9. Other Current Assets | 57,125 | 49,808 | 38. Funded Debt-FFB Notes | 0 | 0 |
| 10. Total Current Assets (1 Thru 9) | 4,349,000 | 4,178,940 | 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 | 123,396 | 146,338 |
| a. Rural Development | 0 | 0 | 45. Other Long-Term Debt | 0 | 0 |
| b. Nonrural Development | 3,000 | 0 | 46. Total Long-Term Debt (36-45) | 123,396 | 146,338 |
| 13. Nonregulated Investments | 3,524 | 3,684 | OTHER LIAB. & DEF. CREDITS | | |
| 14. Other Noncurrent Assets | 0 | 0 | 47. Other Long-Term Liabilities | 0 | 0 |
| 15. Deferred Charges | 656,814 | 446,279 | 48. Deferred Income Taxes | 0 | 0 |
| 16. Jurisdictional Differences | 0 | 0 | 49. Other Deferred Credits | 0 | 0 |
| 17. Total noncurrent Assets (11 thru 16) | 663,338 | 449,963 | 50. Other Jurisdictional Differences | 0 | 0 |
| PLANT, PROPERTY AND EQUIPMENT | | | 51. Total Other Liab. & Def. Credits (47 thru 50) | 0 | 0 |
| 18. Telecom Plant-in-Service | 23,670,318 | 24,226,553 | EQUITY | | |
| 19. Property Held for Future Use | 0 | 0 | 52. Cap. Stock Outstanding & Subscribed | 97,200 | 97,200 |
| 20. Plant Under Construction | 44,258 | 155,679 | 53. Additional Paid-in-Capital | 0 | 0 |
| 21. Plant Adj., Nonop Plant & Goodwill | 0 | 0 | 54. Treasury Stock | 0 | 0 |
| 22. Accumulated Depreciation (CR.) | (22,343,195) | (23,164,055) | 55. Membership and Capital Certificates | 0 | 0 |
| 23. Net Plant (18 thru 21 less 22) | 1,371,381 | 1,218,177 | 56. Other Capital | 0 | 0 |
| 24. TOTAL ASSETS (10+17+23) | 6,383,719 | 5,847,080 | 57. Patronage Capital Credits | 0 | 0 |
| | | | 58. Retained Earnings or Margins | 5,780,275 | 5,000,643 |
| | | | 59. Total Equity (52 thru 58) | 5,877,475 | 5,097,843 |
| | | | 59. TOTAL LIABILITIES AND EQUITY (35+46+51+59) | 6,383,719 | 5,847,080 |

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)

Tenino Telephone Company _____

| Line # | Description | B/S Line # | Adj. Balance End of Year 2016 | Adj. Balance End of Year 2017 | Average Adj End of Year Balance |
|---------------------------|--|------------|-------------------------------|-------------------------------|---------------------------------|
| Average Rate Base: | | | | | |
| 1 | Total Regulated Adjusted Telecom Plant-In-Service | 18 | 23,670,318 | 24,226,553 | 23,948,436 |
| 2 | Total Property Held for Future Use | 19 | 0 | 0 | 0 |
| 3 | Total Regulated Adjusted Accumulated Depreciation (CR) | 22 | (22,343,195) | (23,164,055) | (22,753,625) |
| 4 | Total Regulated Materials & Supplies | 6 | 0 | 0 | 0 |
| 5 | Deferred Income Taxes (CR) * - Manually input | | | | 0 |
| 6 | Total Regulated Rate Base | | 1,327,123 | 1,062,498 | 1,194,811 |

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)

Tenino Telephone Company _____

| Line # | Description | Prior Year End of Yr. Balance - 2016 | Current Year End of Yr. Balance - 2017 | Difference | % Change |
|--------|----------------------|--|--|------------|-------------|
| | Access Lines: | | | | |
| 1 | Residential | 2,098 | 1,987 | (111) | -5.3% |
| 2 | Business | 451 | 460 | 9 | 2.0% |
| 3 | Total | 2,549 | 2,447 | (102) | -4.0% |

Note: If 2016 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)
 Tenino Telephone Company

| Line # | Description | Prior Year 2016 (A) | Part 64 Adj. to NonReg (B) | Prior Year Adjusted 2016 (C) |
|--------|--|---------------------------|----------------------------------|------------------------------------|
| 1 | Local Network Services Revenues | 617,895 | | 617,895 |
| 2 | Network Access Services Revenues | 2,466,052 | | 2,466,052 |
| 3 | Long Distance Network Services Revenues | | | 0 |
| 4 | Carrier Billing and Collection Revenues | 28,947 | | 28,947 |
| 5 | Miscellaneous Revenues | 32,907 | | 32,907 |
| 6 | Uncollectible Revenues (Normal Balance is debit or in brackets) | (8,949) | | (8,949) |
| 7 | Net Operating Revenues (1 thru 6) | 3,136,852 | 0 | 3,136,852 |
| 8 | Plant Specific Operations Expense | 1,324,193 | (4,983) | 1,319,210 |
| 9 | Plant Nonspecific Operations Expense (excluding Depreciation & Amort.) | 737,863 | | 737,863 |
| 10 | Depreciation Expense | 767,870 | (2,368) | 765,502 |
| 11 | Amortization Expense | | | 0 |
| 12 | Customer Operations Expense | 274,164 | (6,619) | 267,545 |
| 13 | Corporate Operations | 705,105 | (6,771) | 698,334 |
| 14 | Total Operations Expenses (8 thru 13) | 3,809,195 | (20,741) | 3,788,454 |
| 15 | Operating Income or Margins (7 less 14) | (672,343) | 20,741 | (651,602) |
| 16 | Other Operating Income and Expenses () | | | 0 |
| 17 | State and Local Taxes | 98,467 | (102) | 98,365 |
| 18 | Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP) | (260,309) | 17,423 | (242,886) |
| 19 | Other Taxes | | | 0 |
| 20 | Total Operating Taxes (17+18+19) | (161,842) | 17,321 | (144,521) |
| 21 | Net Operating Income or Margins (15+16-20) | (510,501) | 3,420 | (507,081) |
| 22 | Interest on Funded Debt | | | 0 |
| 23 | Interest Expense - Capital Leases | | | 0 |
| 24 | Other Interest Expense | | | 0 |
| 25 | Allowance for Funds Used During Construction (Record as a Credit) | | | 0 |
| 26 | Total Fixed Charges (22+23+24+25) | 0 | 0 | 0 |
| 27 | Nonoperating Net Income | 42,361 | | 42,361 |
| 28 | Extraordinary Items | | | 0 |
| 29 | Jurisdictional Differences | | | 0 |
| 30 | Nonregulated Net Income (B1) | 20,146 | (3,420) | 16,726 |
| 31 | Total Net Income or Margins (21+27+28+29+30-26) | (447,994) | 0 | (447,994) |
| 32 | Total Taxes Based on Income | | | |
| 33 | Retained Earning or Margins Beginning-of-Year | 6,228,269 | | 6,228,269 |
| 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 | Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2) | 5,780,275 | 0 | 5,780,275 |
| 40 | Patronage Capital Beginning-of-Year | | | 0 |
| 41 | Transfers to Patronage Capital | | | 0 |
| 42 | Patronage Capital Credits Retired | | | 0 |
| 43 | Patronage Capital End-of-Year (40+41-42) | 0 | 0 | 0 |
| 44 | Annual Debt Service Payments | 0 | | 0 |
| 45 | Cash Ratio ((14+20-10-11)/7) | 0.9180 | #DIV/0! | 0.9176 |
| 46 | Operating Accrual Ratio ((14+20+26)/7) | 1.1627 | #DIV/0! | 1.1617 |
| 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, 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)
 Tenino Telephone Company

| Line # | Description | Current Year 2017 (A) | Part 64 Adj. to NonReg (B) | Current Year Adjusted 2017 (C) |
|--------|--|-----------------------------|----------------------------------|--------------------------------------|
| 1 | Local Network Services Revenues | 602,931 | | 602,931 |
| 2 | Network Access Services Revenues | 2,369,006 | | 2,369,006 |
| 3 | Long Distance Network Services Revenues | | | 0 |
| 4 | Carrier Billing and Collection Revenues | 14,736 | | 14,736 |
| 5 | Miscellaneous Revenues | 29,359 | | 29,359 |
| 6 | Uncollectible Revenues (Normal Balance is debit or in brackets) | (8,845) | | (8,845) |
| 7 | Net Operating Revenues (1 thru 6) | 3,007,187 | 0 | 3,007,187 |
| 8 | Plant Specific Operations Expense | 1,251,215 | (2,336) | 1,248,879 |
| 9 | Plant Nonspecific Operations Expense (excluding Depreciation & Amort.) | 678,193 | | 678,193 |
| 10 | Depreciation Expense | 879,758 | (1,231) | 878,527 |
| 11 | Amortization Expense | | | 0 |
| 12 | Customer Operations Expense | 270,494 | (4,943) | 265,551 |
| 13 | Corporate Operations | 680,787 | (6,548) | 674,239 |
| 14 | Total Operations Expenses (8 thru 13) | 3,760,447 | (15,058) | 3,745,389 |
| 15 | Operating Income or Margins (7 less 14) | (753,260) | 15,058 | (738,202) |
| 16 | Other Operating Income and Expenses () | | | 0 |
| 17 | State and Local Taxes | 84,382 | (58) | 84,324 |
| 18 | Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP) | (6,974) | 12,972 | 5,998 |
| 19 | Other Taxes | | | 0 |
| 20 | Total Operating Taxes (17+18+19) | 77,408 | 12,914 | 90,322 |
| 21 | Net Operating Income or Margins (15+16-20) | (830,668) | 2,144 | (828,524) |
| 22 | Interest on Funded Debt | | | 0 |
| 23 | Interest Expense - Capital Leases | | | 0 |
| 24 | Other Interest Expense | | | 0 |
| 25 | Allowance for Funds Used During Construction (Record as a Credit) | | | 0 |
| 26 | Total Fixed Charges (22+23+24+25) | 0 | 0 | 0 |
| 27 | Nonoperating Net Income | 23,773 | | 23,773 |
| 28 | Extraordinary Items | | | 0 |
| 29 | Jurisdictional Differences | | | 0 |
| 30 | Nonregulated Net Income (B1) | 27,263 | (2,144) | 25,119 |
| 31 | Total Net Income or Margins (21+27+28+29+30-26) | (779,632) | 0 | (779,632) |
| 32 | Total Taxes Based on Income | | | |
| 33 | Retained Earning or Margins Beginning-of-Year | 5,780,275 | | 5,780,275 |
| 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 | Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2) | 5,000,643 | 0 | 5,000,643 |
| 40 | Patronage Capital Beginning-of-Year | | | 0 |
| 41 | Transfers to Patronage Capital | | | 0 |
| 42 | Patronage Capital Credits Retired | | | 0 |
| 43 | Patronage Capital End-of-Year (40+41-42) | 0 | 0 | 0 |
| 44 | Annual Debt Service Payments | | | 0 |
| 45 | Cash Ratio ((14+20-10-11)/7) | 0.9837 | #DIV/0! | 0.9834 |
| 46 | Operating Accrual Ratio ((14+20+26)/7) | 1.2762 | #DIV/0! | 1.2755 |
| 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, 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:
 Tenino Telephone Company

| Line # | Description | Adjusted Prior Year 2016 | Adjusted Current Year 2017 |
|--------|--|--------------------------------|----------------------------------|
| 1 | Local Network Services Revenues | 617,895 | 602,931 |
| 2 | Network Access Services Revenues | 2,466,052 | 2,369,006 |
| 3 | Long Distance Network Services Revenues | 0 | 0 |
| 4 | Carrier Billing and Collection Revenues | 28,947 | 14,736 |
| 5 | Miscellaneous Revenues | 32,907 | 29,359 |
| 6 | Uncollectible Revenues (Normal Balance is debit or in brackets) | (8,949) | (8,845) |
| 7 | Net Operating Revenues (1 thru 6) | 3,136,852 | 3,007,187 |
| 8 | Plant Specific Operations Expense | 1,319,210 | 1,248,879 |
| 9 | Plant Nonspecific Operations Expense (excluding Depreciation & Amort.) | 737,863 | 678,193 |
| 10 | Depreciation Expense | 765,502 | 878,527 |
| 11 | Amortization Expense | 0 | 0 |
| 12 | Customer Operations Expense | 267,545 | 265,551 |
| 13 | Corporate Operations | 698,334 | 674,239 |
| 14 | Total Operations Expenses (8 thru 13) | 3,788,454 | 3,745,389 |
| 15 | Operating Income or Margins (7 less 14) | (651,602) | (738,202) |
| 16 | Other Operating Income and Expenses () | 0 | 0 |
| 17 | State and Local Taxes | 98,365 | 84,324 |
| 18 | Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP) | (242,886) | 5,998 |
| 19 | Other Taxes | 0 | 0 |
| 20 | Total Operating Taxes (17+18+19) | (144,521) | 90,322 |
| 21 | Net Operating Income or Margins (15+16-20) | (507,081) | (828,524) |
| 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 (Record as a Credit) | 0 | 0 |
| 26 | Total Fixed Charges (22+23+24+25) | 0 | 0 |
| 27 | Nonoperating Net Income | 42,361 | 23,773 |
| 28 | Extraordinary Items | 0 | 0 |
| 29 | Jurisdictional Differences | 0 | 0 |
| 30 | Nonregulated Net Income | 16,726 | 25,119 |
| 31 | Total Net Income or Margins (21+27+28+29+30-26) | (447,994) | (779,632) |
| 32 | Total Taxes Based on Income | | |
| 33 | Retained Earning or Margins Beginning-of-Year | 6,228,269 | 5,780,275 |
| 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 | Retained Earnings or Margins End-of-Period ((31+33+34)-(35+36+37+38)) | 5,780,275 | 5,000,643 |
| 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) | 0.9176 | 0.9834 |
| 46 | Operating Accrual Ratio ((14+20+26)/7) | 1.1617 | 1.2755 |
| 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).

2016 2017

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

Company Name: (Below)
Tenino Telephone Company

| Line # | Description | Part 32 Account | Prior Year 2016 | Current Year 2017 |
|--------|---|-----------------|-----------------|-------------------|
| 1 | End User Revenue (SLC, ARC, etc.) | 5081 | 372,956 | 369,710 |
| 2 | Switched Access (excluding USF): | 5082 | | |
| 2a | Intrastate | | 78,597 | 61,203 |
| 2b | Interstate (includes CAF) | | 305,877 | 499,839 |
| 3 | Special Access: | 5083 | | |
| 3a | Intrastate | | 2,819 | 4,422 |
| 3b | Interstate | | 468,706 | 438,921 |
| 4 | Federal USF (except CAF and ACAM/BLS) | Varies | 1,010,793 | 36,464 |
| 5 | Federal USF (ACAM or BLS) | Varies | | 703,080 |
| 6 | State USF | Varies | 226,222 | 255,150 |
| 7 | Other* | | 82 | 217 |
| 8 | Total (must equal line 2 of Income Stmt.) | | 2,466,052 | 2,369,006 |
| 9 | Line 2 of Income Stmt. | | 2,466,052 | 2,369,006 |
| 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)
 Tenino Telephone Company _____

| Description of Out-of-Period (OOP) - 2017 (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)

Tenino Telephone Company

| Line # | Description | Company 2017 (A) | Staff 2017 (B) |
|--------|--|------------------------|----------------------|
| 1 | Rate Base (Jan. 1) | 1,327,123 | 1,327,123 |
| 2 | Rate Base (Dec 31) | 1,062,498 | 1,062,498 |
| 3 | Average Rate Base | <u>1,194,811</u> | <u>1,194,811</u> |
| 4 | Net Operating Income | (828,524) | (828,524) |
| 5 | Out-of-Period Adjustments Net of FIT | | |
| 6 | Adjusted Net Operating Income | <u>(828,524)</u> | <u>(828,524)</u> |
| 7 | Earned Regulated Rate of Return | <u>-69.34%</u> | <u>-69.34%</u> |

Footnotes:

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