

TENINO TELEPHONE COMPANY
INCOME STATEMENT FOR DECEMBER 31, 2017

Item	<u>Last Year</u>	<u>This Year</u>
1. Local Network Services Revenue	617,894.84	602,931.52
2. Network Access Services Revenue	2,465,957.40	2,368,972.07
3. Long Distance Network Services Revenues	0.00	0.00
4. Carrier Billing and Collection Revenues	28,947.39	14,735.69
5. Miscellaneous Revenues	24,052.02	20,548.28
6. Uncollectible Revenues	0.00	0.00
7. Net Operating Revenues (1 thru 5 less 6)	<u>3,136,851.65</u>	<u>3,007,187.56</u>
8. Plant Specific Operations Expense	1,324,192.48	1,251,214.68
9. Plant Nonspecific Operations Expense	737,862.92	678,193.03
10. Depreciation Expense	767,870.13	879,757.88
11. Amortization Expense	0.00	0.00
12. Customer Operations Expense	274,164.37	270,494.38
13. Corporate Operations Expense	705,104.58	680,786.59
14. Total Operating Expenses (8 thru 13)	<u>3,809,194.48</u>	<u>3,760,446.56</u>
15. Operating Income or Margins (7 less 14)	<u>-672,342.83</u>	<u>-753,259.00</u>
16. Other Operating Income and Expenses	0.00	0.00
17. State and Local Taxes	98,466.58	84,382.25
18. Federal Income Taxes	-228,108.00	19,317.00
19. Other Taxes	0.00	0.00
20. Total Operating Taxes (17 + 18 + 19)	<u>-129,641.42</u>	<u>103,699.25</u>
21. Net Operating Income or Margins (15 + 16 - 20)	<u>-542,701.41</u>	<u>-856,958.25</u>
22. Interest on Funded Debt	0.00	0.00
23. Interest Expense - Capital Leases	0.00	0.00
24. Other Interest Expense	0.00	0.00
25. Allowance For Funds Used During Construction	0.00	0.00
26. Total Fixed Charges (22 + 23 + 24 - 25)	<u>0.00</u>	<u>0.00</u>
27. Nonoperating Net Income	42,360.25	36,019.43
28. Extraordinary Items	0.00	0.00
29. Jurisdictional Differences	0.00	0.00
30. Nonregulated Net Income	52,346.99	41,307.43
31. Total Net Income or Margins (21+27+28+29+30-26)	<u>-447,994.17</u>	<u>-779,631.39</u>
32. Total Taxes Based on Income	0.00	0.00
33. Retained Earnings or Margins Beginning-of-Year	6,228,268.52	5,780,274.35
34. Miscellaneous Credits Year-to-Date	0.00	0.00
35. Dividends Declared (Common)	0.00	0.00
36. Dividends Declared (Preferred)	0.00	0.00
37. Other Debits Year-to-Date	0.00	0.00
38. Transfers to Patronage Capital	0.00	0.00
39. Ret. Earnings/Margins [(31+33+34)-(35+36+37+38)]	5,780,274.35	5,000,642.96
40. Patronage Capital Beginning-of-Year	0.00	0.00
41. Transfers to Patronage Capital	0.00	0.00
42. Patronage Capital Credits Retired	0.00	0.00
43. Patronage Capital End-of-Year (40+41+42)	0.00	0.00
44. Annual Debt Service Payments	0.00	0.00
45. Cash Ratio[(14+20-10-11)/7]	-0.93	-0.99
46. Operating Accrual Ratio [(14+20+26)/7]	-1.17	-1.28
47. TIER [(31+26)/26]	0.00	0.00
48. DSCR [(31+26+10+11)/44]	0.00	0.00