

STATE USF FILING
FINANCIAL TEMPLATE
"S CORP" COMPANIES

Company Name: (Below)
Whidbey 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	5,466,584		5,466,584	25. Accounts Payable	873,012		873,012
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	3,125	(3,125)	0
b. Other Accounts Receivable			0	29. Current Mat. L/T Debt			0
c. Notes Receivable	1,719,789		1,719,789	30. Current Mat. L/T Debt Rur. Dev.			0
4. Non-Affiliates:				31. Current Mat. - Capital Leases			0
a. Telecom, Accounts Receivable	400,541		400,541	32. Income Taxes Accrued			0
b. Other Accounts Receivable	1,346,322		1,346,322	33. Other Taxes Accrued	264,677		264,677
c. Notes Receivable			0	34. Other Current Liabilities	671,157		671,157
5. Interest and Dividends Receivable	193,227		193,227	35. Total Current Liabilities (25 thru 34)	1,811,971	(3,125)	1,808,846
6. Material-Regulated	874,713		874,713	LONG-TERM DEBT			
7. Material-Nonregulated	26,180		26,180	36. Funded Debt-RUS Notes			0
8. Prepayments	354,765		354,765	37. Funded Debt-RTB Notes			0
9. Other Current Assets	590,006		590,006	38. Funded Debt-FFB Notes			0
10. Total Current Assets (1 Thru 9)	10,972,127	0	10,972,127	39. Funded Debt-Other	8,000,000		8,000,000
				40. Funded Debt-Rural Develop. Loan			0
NONCURRENT ASSETS				41. Premium (Discount) on L/T Debt			0
11. Investment in Affiliated Companies				42. Reacquired Debt			0
a. Rural Development	8,734,033		8,734,033	43. Obligations Under Capital Lease			0
b. Nonrural Development	4,962,486		4,962,486	44. Adv. From Affiliated Companies			0
12. Other Investments				45. Other Long-Term Debt			0
a. Rural Development			0	46. Total Long-Term Debt (36 thru 45)	8,000,000	0	8,000,000
b. Nonrural Development	1,439,096		1,439,096	OTHER LIAB. & DEF. CREDITS			
13. Nonregulated Investments (B1)	6,132,044	2,405,402	8,537,446	47. Other Long-Term Liabilities			0
14. Other Noncurrent Assets	4,505,938		4,505,938	48. Deferred Income Taxes		(4,456,194)	(4,456,194)
15. Deferred Charges			0	49. Other Deferred Credits (D)	422,720	(422,720)	0
16. Jurisdictional Differences			0	50. Other Jurisdictional Differences			0
17. Total noncurrent Assets (11 thru 16)	25,773,597	2,405,402	28,178,999	51. Total Other Liab. & Def. Credits (47 thru 50)	422,720	(4,878,914)	(4,456,194)
				EQUITY			
PLANT, PROPERTY AND EQUIPMENT				52. Cap. Stock Outstanding & Subscribed	72,000		72,000
18. Telecom Plant-In-Service	94,883,530	(3,475,634)	91,407,896	53. Additional Paid-in-Capital			0
19. Property Held for Future Use	798,914	(798,914)	0	54. Treasury Stock			0
20. Plant Under Construction	2,063,972		2,063,972	55. Membership and cap. Certificates			0
21. Plant Adj., Nonop Plant & Goodwill			0	56. Other Capital	100,029		100,029
22. Accumulated Depreciation (CR.)	(72,465,299)	1,869,146	(70,596,153)	57. Patronage Capital Credits			0
23. Net Plant (18 thru 21 less 22)	25,281,117	(2,405,402)	22,875,715	58. Retained Earnings or Margins (B2)	51,620,121	4,882,039	56,502,160
				59. Total Equity (52 thru 58)	51,792,150	4,882,039	56,674,189
24. TOTAL ASSETS (10+17+23)	62,026,841	0	62,026,841	60. TOTAL LIABILITIES AND EQUITY (35+46+51+59)	62,026,841	0	62,026,841

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

Company Name: (Below)
Whidbey 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	4,724,126		4,724,126	25. Accounts Payable	722,643		722,643
2. Cash-RUS Construction Fund			0	26. Notes Payable			0
3. Affiliates:				27. Advance Billings and Payments	4,338	(4,338)	0
a. Telecom, Accounts Receivable			0	28. Customer Deposits			0
b. Other Accounts Receivable			0	29. Current Mat. L/T Debt	1,000,000		1,000,000
c. Notes Receivable	1,908,915		1,908,915	30. Current Mat. L/T Debt Rur. Dev.			0
4. Non-Affiliates:				31. Current Mat. - Capital Leases			0
a. Telecom, Accounts Receivable	578,408		578,408	32. Income Taxes Accrued			0
b. Other Accounts Receivable	640,406		640,406	33. Other Taxes Accrued	250,839		250,839
c. Notes Receivable	0		0	34. Other Current Liabilities	788,593		788,593
5. Interest and Dividends Receivable	373,116		373,116	35. Total Current Liabilities (25 thru 34)	2,766,413	(4,338)	2,762,075
6. Material-Regulated	844,205		844,205	LONG-TERM DEBT			
7. Material-Nonregulated	34,530		34,530	36. Funded Debt-RUS Notes			0
8. Prepayments	380,495		380,495	37. Funded Debt-RTB Notes			0
9. Other Current Assets	590,006		590,006	38. Funded Debt-FFB Notes			0
10. Total Current Assets (1 Thru 9)	10,074,207	0	10,074,207	39. Funded Debt-Other	11,500,000		11,500,000
				40. Funded Debt-Rural Develop. Loan			0
NONCURRENT ASSETS				41. Premium (Discount) on L/T Debt			0
11. Investment in Affiliated Companies				42. Reacquired Debt			0
a. Rural Development	8,848,341		8,848,341	43. Obligations Under Capital Lease			0
b. Nonrural Development	4,962,486		4,962,486	44. Adv. From Affiliated Companies			0
12. Other Investments				45. Other Long-Term Debt			0
a. Rural Development	0		0	46. Total Long-Term Debt (36 thru 45)	11,500,000	0	11,500,000
b. Nonrural Development	1,452,711		1,452,711	OTHER LIAB. & DEF. CREDITS			
13. Nonregulated Investments (B1)	5,521,674	1,346,849	6,868,523	47. Other Long-Term Liabilities			0
14. Other Noncurrent Assets	6,317,771		6,317,771	48. Deferred Income Taxes	0	(5,840,018)	(5,840,018)
15. Deferred Charges			0	49. Other Deferred Credits (D)	468,816		468,816
16. Jurisdictional Differences			0	50. Other Jurisdictional Differences			0
17. Total noncurrent Assets (11 thru 16)	27,102,983	1,346,849	28,449,832	51. Total Other Liab. & Def. Credits (47 thru 50)	468,816	(5,840,018)	(5,371,202)
				EQUITY			
PLANT, PROPERTY AND EQUIPMENT				52. Cap. Stock Outstanding & Subscribed	72,000		72,000
18. Telecom Plant-In-Service	103,663,516	(2,467,001)	101,196,515	53. Additional Paid-in-Capital			0
19. Property Held for Future Use	798,914	(798,914)	0	54. Treasury Stock			0
20. Plant Under Construction	123,144		123,144	55. Membership and cap. Certificates			0
21. Plant Adj., Nonop Plant & Goodwill			0	56. Other Capital	105,648		105,648
22. Accumulated Depreciation (CR.)	(75,606,652)	1,919,067	(73,687,585)	57. Patronage Capital Credits			0
23. Net Plant (18 thru 21 less 22)	28,978,922	(1,346,849)	27,632,073	58. Retained Earnings or Margins (B2)	51,243,235	5,844,356	57,087,591
				59. Total Equity (52 thru 58)	51,420,883	5,844,356	57,265,239
24. TOTAL ASSETS (10+17+23)	66,156,112	0	66,156,112	60. TOTAL LIABILITIES AND EQUITY (35+46+51+59)	66,156,112	0	66,156,112

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

Company Name: (Below)
Whidbey 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	5,466,584	4,724,126	25. Accounts Payable	873,012	722,643
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	1,000,000
c. Notes Receivable	1,719,789	1,908,915	30. Current Mat. L/T Debt Rur. Dev.	0	0
4. Non-Affiliates:			31. Current Mat. - Capital Leases	0	0
a. Telecom, Accounts Receivable	400,541	578,408	32. Income Taxes Accrued	0	0
b. Other Accounts Receivable	1,346,322	640,406	33. Other Taxes Accrued	264,677	250,839
c. Notes Receivable	0	0	34. Other Current Liabilities	671,157	788,593
5. Interest and Dividends Receivable	193,227	373,116	35. Total Current Liabilities (25 - 34)	1,808,846	2,762,075
6. Material-Regulated	874,713	844,205	LONG-TERM DEBT		
7. Material-Nonregulated	26,180	34,530	36. Funded Debt-RUS Notes	0	0
8. Prepayments	354,765	380,495	37. Funded Debt-RTB Notes	0	0
9. Other Current Assets	590,006	590,006	38. Funded Debt-FFB Notes	0	0
10. Total Current Assets (1 Thru 9)	10,972,127	10,074,207	39. Funded Debt-Other	8,000,000	11,500,000
			40. Funded Debt-Rural Develop. Loan	0	0
NONCURRENT ASSETS			41. Premium (Discount) on L/T Debt	0	0
11. Investment in Affiliated Companies			42. Reacquired Debt	0	0
a. Rural Development	8,734,033	8,848,341	43. Obligations Under Capital Lease	0	0
b. Nonrural Development	4,962,486	4,962,486	44. Adv. From Affiliated Companies	0	0
12. Other Investments			45. Other Long-Term Debt	0	0
a. Rural Development	0	0	46. Total Long-Term Debt (36-45)	8,000,000	11,500,000
b. Nonrural Development	1,439,096	1,452,711	OTHER LIAB. & DEF. CREDITS		
13. Nonregulated Investments	8,537,446	6,868,523	47. Other Long-Term Liabilities	0	0
14. Other Noncurrent Assets	4,505,938	6,317,771	48. Deferred Income Taxes	(4,456,194)	(5,840,018)
15. Deferred Charges	0	0	49. Other Deferred Credits	0	468,816
16. Jurisdictional Differences	0	0	50. Other Jurisdictional Differences	0	0
17. Total noncurrent Assets (11 thru 16)	28,178,999	28,449,832	51. Total Other Liab. & Def. Credits (47 thru 50)	(4,456,194)	(5,371,202)
			EQUITY		
PLANT, PROPERTY AND EQUIPMENT			52. Cap. Stock Outstanding & Subscribed	72,000	72,000
18. Telecom Plant-in-Service	91,407,896	101,196,515	53. Additional Paid-in-Capital	0	0
19. Property Held for Future Use	0	0	54. Treasury Stock	0	0
20. Plant Under Construction	2,063,972	123,144	55. Membership and cap. Certificates	0	0
21. Plant Adj., Nonop Plant & Goodwill	0	0	56. Other Capital	100,029	105,648
22. Accumulated Depreciation (CR.)	(70,596,153)	(73,687,585)	57. Patronage Capital Credits	0	0
23. Net Plant (18 thru 21 less 22)	22,875,715	27,632,073	58. Retained Earnings or Margins	56,502,160	57,087,591
			59. Total Equity (51 thru 57)	56,674,189	57,265,239
24. TOTAL ASSETS (10+17+23)	62,026,841	66,156,112	60. TOTAL LIABILITIES AND EQUITY (35+46+51+59)	62,026,841	66,156,112

Footnote:
Adjusted Balances represents balances
after Part 64 adjustments

Company Name: (Below)
 Whidbey 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	91,407,896	101,196,515	96,302,205
2	Total Property Held for Future Use	19	0	0	0
3	Total Regulated Adjusted Accumulated Depreciation (CR)	22	(70,596,153)	(73,687,585)	(72,141,869)
4	Total Regulated Materials & Supplies	6	874,713	844,205	859,459
5	Deferred Income Taxes (CR)*		(4,387,989)	(5,774,951)	(5,081,470)
6	Total Regulated Rate Base		17,298,467	22,578,183	19,938,325

Footnotes:

1. Normal balance of deferred income taxes and accumulated depreciation is a credit.

* 2. For "S Corp" companies, manual input required for Deferred Operating Income Taxes, Line 5.

3. Adjusted balance includes Part 64 adjustments

Company Name: (Below)

Whidbey Telephone Company

Line #	Description	Prior Year End of Yr. Balance - 2016	Current Year End of Yr. Balance - 2017	Difference	% Change
	Access Lines:				
1	Residential	7,113	6,128	(985)	-13.8%
2	Business	1,614	1,483	(131)	-8.1%
3	Total	8,727	7,611	(1,116)	-12.8%

Note: If 2016 does not equal last year's petition and template, explain.

Company Name: (Below)
Whidbey Telephone Company

Line #	Description	Prior Year 2016 (A)	Part 64 Adj. to NonReg (B)	Prior Year Adjusted 2016 (C)
1	Local Network Services Revenues	2,301,935		2,301,935
2	Network Access Services Revenues	9,785,647		9,785,647
3	Long Distance Network Services Revenues	0		0
4	Carrier Billing and Collection Revenues	91,818	(85,022)	6,796
5	Miscellaneous Revenues	416,946	(8,327)	408,619
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(7,210)		(7,210)
7	Net Operating Revenues (1 thru 6)	12,589,136	(93,349)	12,495,787
8	Plant Specific Operations Expense	3,423,438	(52,444)	3,370,994
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	2,008,423	(362,909)	1,645,514
10	Depreciation Expense	3,045,348	(74,926)	2,970,422
11	Amortization Expense	0		0
12	Customer Operations Expense	1,170,870	(71,800)	1,099,070
13	Corporate Operations	2,752,452	(55,570)	2,696,882
14	Total Operations Expenses (8 thru 13)	12,400,531	(617,649)	11,782,882
15	Operating Income or Margins (7 less 14)	188,605	524,300	712,905
16	Other Operating Income and Expenses ()	18,182	-24425	(6,243)
17	State and Local Taxes			0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)		0	0
19	Other Taxes	365,223	(43,934)	321,289
20	Total Operating Taxes (17+18+19)	365,223	(43,934)	321,289
21	Net Operating Income or Margins (15+16-20)	(158,436)	543,809	385,373
22	Interest on Funded Debt	163,413	(104,772)	58,641
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)	163,413	(104,772)	58,641
27	Nonoperating Net Income	3,754,671		3,754,671
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	Nonregulated Net Income (B1)	322,522	(648,581)	(326,059)
31	Total Net Income or Margins (21+27+28+29+30-26)	3,755,344	0	3,755,344
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	50,353,577		50,353,577
34	Miscellaneous Credits Year-to-Date			0
35	Dividends Declared (Common)	2,488,800		2,488,800
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)	51,620,121	0	51,620,121
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	750,000		750,000
45	Cash Ratio ((14+20-10-11)/7)	0.7721	6.2846	0.7309
46	Operating Accrual Ratio ((14+20+26)/7)	1.0270	8.2096	0.9734
47	TIER ((31+26)/26)	23.9807	1.0000	65.0396
48	DSCR ((31+26+10+11)/44)	9.2855	#DIV/0!	9.0459

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)

Company Name: (Below)
Whidbey Telephone Company

Line #	Description	Current Year 2017 (A)	Part 64 Adj. to NonReg (B)	Current Year Adjusted 2017 (C)
1	Local Network Services Revenues	2,162,168		2,162,168
2	Network Access Services Revenues	10,734,025		10,734,025
3	Long Distance Network Services Revenues			0
4	Carrier Billing and Collection Revenues	84,404	(80,599)	3,805
5	Miscellaneous Revenues	356,866	(7,506)	349,360
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	1,996		1,996
7	Net Operating Revenues (1 thru 6)	13,339,459	(88,105)	13,251,354
8	Plant Specific Operations Expense	3,591,531	(285,498)	3,306,033
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	1,979,367	(107,652)	1,871,715
10	Depreciation Expense	3,299,778	(26,545)	3,273,233
11	Amortization Expense			0
12	Customer Operations Expense	1,265,323	(79,063)	1,186,260
13	Corporate Operations	2,840,281	(67,026)	2,773,255
14	Total Operations Expenses (8 thru 13)	12,976,280	(565,784)	12,410,496
15	Operating Income or Margins (7 less 14)	363,179	477,679	840,858
16	Other Operating Income and Expenses ()	22	(22)	0
17	State and Local Taxes			0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)		0	0
19	Other Taxes	355,653	(47,476)	308,177
20	Total Operating Taxes (17+18+19)	355,653	(47,476)	308,177
21	Net Operating Income or Margins (15+16-20)	7,548	525,133	532,681
22	Interest on Funded Debt	539,187	(295,774)	243,413
23	Interest Expense - Capital Leases			0
24	Other Interest Expense			0
25	Allowance for Funds Used During Construction (Record as a Credit)	(223,189)		(223,189)
26	Total Fixed Charges (22+23+24+25)	315,998	(295,774)	20,224
27	Nonoperating Net Income	2,911,991		2,911,991
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	Nonregulated Net Income (B1)	(273,227)	(820,907)	(1,094,134)
31	Total Net Income or Margins (21+27+28+29+30-26)	2,330,314	0	2,330,314
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	51,620,121		51,620,121
34	Miscellaneous Credits Year-to-Date			0
35	Dividends Declared (Common)	2,707,200		2,707,200
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)	51,243,235	0	51,243,235
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)	0.7521	6.6593	0.7128
46	Operating Accrual Ratio ((14+20+26)/7)	1.0231	10.3176	0.9613
47	TIER ((31+26)/26)	8.3745	1.0000	116.2252
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)

Company Name: (Below)
Whidbey Telephone Company

Line #	Description	Adjusted Prior Year 2016	Adjusted Current Year 2017
1	Local Network Services Revenues	2,301,935	2,162,168
2	Network Access Services Revenues	9,785,647	10,734,025
3	Long Distance Network Services Revenues	0	0
4	Carrier Billing and Collection Revenues	6,796	3,805
5	Miscellaneous Revenues	408,619	349,360
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(7,210)	1,996
7	Net Operating Revenues (1 thru 6)	12,495,787	13,251,354
8	Plant Specific Operations Expense	3,370,994	3,306,033
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	1,645,514	1,871,715
10	Depreciation Expense	2,970,422	3,273,233
11	Amortization Expense	0	0
12	Customer Operations Expense	1,099,070	1,186,260
13	Corporate Operations	2,696,882	2,773,255
14	Total Operations Expenses (8 thru 13)	11,782,882	12,410,496
15	Operating Income or Margins (7 less 14)	712,905	840,858
16	Other Operating Income and Expenses ()	(6,243)	0
17	State and Local Taxes	0	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	0	0
19	Other Taxes	321,289	308,177
20	Total Operating Taxes (17+18+19)	321,289	308,177
21	Net Operating Income or Margins (15+16-20)	385,373	532,681
22	Interest on Funded Debt	58,641	243,413
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	(223,189)
26	Total Fixed Charges (22+23+24+25)	58,641	20,224
27	Nonoperating Net Income	3,754,671	2,911,991
28	Extraordinary Items	0	0
29	Jurisdictional Differences	0	0
30	Nonregulated Net Income	(326,059)	(1,094,134)
31	Total Net Income or Margins (21+27+28+29+30-26)	3,755,344	2,330,314
32	Total Taxes Based on Income		
33	Retained Earning or Margins Beginning-of-Year	50,353,577	51,620,121
34	Miscellaneous Credits Year-to-Date	0	0
35	Dividends Declared (Common)	2,488,800	2,707,200
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))	51,620,121	51,243,235
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	750,000	0
45	Cash Ratio ((14+20-10-11)/7)	0.7309	0.7128
46	Operating Accrual Ratio ((14+20+26)/7)	0.9734	0.9613
47	TIER ((31+26)/26)	65.0396	116.2252
48	DSCR ((31+26+10+11)/44)	9.05	#DIV/0!

Footnote	2016	2017
(A1) S Corporation Effective Tax Rate (2 decimal places):	37.73%	37.67%

Note:

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

Company Name: (Below)

Whidbey Telephone Company

Line #	Description	Part 32 Account	Prior Year 2016	Current Year 2017
1	End User Revenue (SLC, ARC, etc.)	5081	1,268,716	1,336,418
2	Switched Access (excluding USF):	5082		
2a	Intrastate		667,128	530,185
2b	Interstate (includes CAF)		1,279,585	914,444
3	Special Access:	5083		
3a	Intrastate			
3b	Interstate		3,065,017	4,377,796
4	Federal USF (ICLS/HCL/SN)	Varies	2,708,286	2,683,646
5	Federal USF (ACAM or BLS)	Varies		
6	State USF	Varies	796,916	891,536
7	Other*	Varies		
8	Total (must equal line 2 of Income Stmt.)		9,785,648	10,734,025
9	Line 2 of Income Stmt.		9,785,647	10,734,025
10	Difference		1	0

Footnote:

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

Company Name: (Below)

Whidbey Telephone Company

Description of Out-of-Period - 2017 (As Recorded) OR Pro Forma (PF) Adjustments for Current Year or Reversing from Prior Year	Year	OOP or PDF?	Part 32 Account	
			Debit	Credit
Adjustment #1:				
Adjustment #2:				
Adjustment #3:				
Adjustment #4				
Adjustment #5				

Company Name:
Whidbey Telephone Company

Line #	Source(A)	Net Operating Income Inputted FIT Calculation	2017	
1	Page 9, Line 21 (CY)	Adjusted Net Operating Income	532,681	(A)
2		Out-of-Period or Pro Forma Adjustments (Net of FIT)*		
3	Page 9, Line 26 (CY)	Total Fixed Charges	20,224	
4	Sum	Adj. Taxable Operating Income (Line 1 + Line 2 - Line 3)	512,457	
5		Inputted S Corp. Tax Rate(B)	37.67%	(B)
6	Calculated	inputted FIT (Line 4* Line 5)	193,043	
7	Sum	Adj. Net Operating Income after FIT (Lines 1 + 2 - 6)	339,638	
Line #	Source(A)	NonOperating Income Inputted FIT Calculation		
8	Page 9, Line 27 (CY)	Nonoperating net income	2,911,991	(C)
9	Page 9, Line 30 (CY)	Nonregulated net income	(1,094,134)	
10	Sum	Sub-Total (Line 27+Line 30)	1,817,857	
11		Inputted S Corp. Tax Rate(B)	37.67%	
12	Calculated	FIT (Line 10 * Line 11)	684,787	
13	Sum	Nonop/Nonreg income after FIT (Line 10 - Line 12)	1,133,070	
14	Sum	Adjusted Net Income w/inputted FIT	1,472,709	(B)+(C)**
Line #	Source(A)	Sanity Check:		
15	Page 9, Line 31 (CY)	Line 31 as reported	2,330,314	(D)**
16		Out-of-Period or Pro Forma Adjustments*	-	
17		Total	2,330,314	
18		Inverse of effective tax rate (100%-Line 10 percent)	62.33%	
19	Calculated	Adjusted Net Income (Line 17*Line 18)	1,452,485	
Line #	Source(A)	Regulated Rate of Return		
20	Page 5, Total (PY)	Regulated rate base Year End 2016	17,298,467	(E)
21	Page 5, Total (CY)	Regulated rate base Year End 2017	22,578,183	
22	Sum	Total	39,876,650	
23	Calculated	Simple Avg.	19,938,325	(B)/(E)
24	Line 7 (above)	Adj Operating Income after inputted FIT	339,638	
27	Calculated	Regulated rate of return	1.7%	

Footnotes:

- * In addition to out-of-period or pro forma adjustments, if the company had any disallowed corporate operations expense, please record net of FIT on Line 2. (Line 16 will auto populate)
- ** The difference between Line 14 (B +C) and Line 19 (D) should be Total Fixed Charges (Line 3) Fixed charges are deductible for calculating FIT, but is not included in net operating income used to calculate the ROR. Net operating income mirrors Line 21 of the Income statement