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 Company

CURRENT ASSETS 1. Cash and Equivalents 2. Cash-RUS Construction Fund 3. Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	1,434,594 0 0 464,257 0 166,348 153,059 0 94 32,535	Adj to NonReg 2015 (B) - - - - - -	End of Year 2015 (C) 1,434,594 0 0 464,257 0	CURRENT LIABILITIES 25. Accounts Payable 26. Notes Payable 27. Advance Billings and Payments 28. Customer Deposits	End of Year 2015 (A) 454,475 0 49,358 0	Adj to NonReg 2015 (B) - - -	End of Year 2015 (C) 454,475 0
CURRENT ASSETS 1. Cash and Equivalents 2. Cash-RUS Construction Fund 3. Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	1,434,594 0 0 464,257 0 166,348 153,059 0 94	2015 (B)	1,434,594 0 0 0 464,257	25. Accounts Payable26. Notes Payable27. Advance Billings and Payments28. Customer Deposits	454,475 0 49,358 0	2015 (B) - - -	
1. Cash and Equivalents 2. Cash-RUS Construction Fund 3. Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	0 464,257 0 166,348 153,059 0 94		0 0 464,257	25. Accounts Payable26. Notes Payable27. Advance Billings and Payments28. Customer Deposits	0 49,358 0	- - -	454,475 0
2. Cash-RUS Construction Fund 3. Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	0 464,257 0 166,348 153,059 0 94	:	0 0 464,257	26. Notes Payable27. Advance Billings and Payments28. Customer Deposits	0 49,358 0	- - -	454,475 0
3. Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	0 464,257 0 166,348 153,059 0 94	-	0 464,257	27. Advance Billings and Payments28. Customer Deposits	49,358 0	-	0
a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	464,257 0 166,348 153,059 0 94	- - -	464,257	28. Customer Deposits	0	-	
b. Other Accounts Receivable c. Notes Receivable 4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	464,257 0 166,348 153,059 0 94		464,257	•	ŭ		49,358
c. Notes Receivable 4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	0 166,348 153,059 0 94	:	,	I		-	0
4. Non-Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	166,348 153,059 0 94	-	0	29. Current Mat. L/T Debt	0	-	0
a. Telecom, Accounts Receivable b. Other Accounts Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	153,059 0 94	-		30. Current Mat. L/T Debt Rur. Dev.	0	-	0
b. Other Accounts Receivable c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	153,059 0 94	-		31. Current Mat Capital Leases	0	-	0
c. Notes Receivable 5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	0 94	-	166,348	32. Income Taxes Accrued	115,350	-	115,350
5. Interest and Dividends Receivable 6. Material-Regulated 7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	94		153,059	33. Other Taxes Accrued	24,276	-	24,276
Material-Regulated Material-Nonregulated Prepayments Other Current Assets		-	0	34. Other Current Liabilities	22,235	-	22,235
7. Material-Nonregulated 8. Prepayments 9. Other Current Assets	32,535	-	94	35. Total Current Liabilities (25 thru 34)	665,694	0	665,694
Prepayments Other Current Assets		-	32,535	LONG-TERM DEBT			
9. Other Current Assets	0	-	0	36. Funded Debt-RUS Notes	0	-	0
	6,464	-	6,464	37. Funded Debt-RTB Notes	0	-	0
10. Total Current Assets (1 Thru 9)	0	-	0	38. Funded Debt-FFB Notes	0	-	0
	2,257,351	0	2,257,351	39. Funded Debt-Other	0	-	0
				40. Funded Debt-Rural Develop. Loan	0	-	0
				41. Premium (Discount) on L/T Debt	0	-	0
NONCURRENT ASSETS				42. Reacquired Debt	0	-	0
11. Investment in Affiliated Companies				43. Obligations Under Capital Lease	0	-	0
a. Rural Development	0	-	0	44. Adv. From Affiliated Companies	0	-	0
b. Nonrural Development	0	-	0	45. Other Long-Term Debt	0	-	0
12. Other Investments				46. Total Long-Term Debt (36 thru 45)	0	0	0
a. Rural Development	0	-	0	OTHER LIAB. & DEF. CREDITS			
b. Nonrural Development	0	-	0	47. Other Long-Term Liabilities	9,582	-	9,582
13. Nonregulated Investments (B1)	9,659	30,066	39,725	48. Deferred Income Taxes	778,508	0	778,508
14. Other Noncurrent Assets	20,590	-	20,590	49. Other Deferred Credits (D)	0	-	0
15. Deferred Charges	0	-	0	50. Other Jurisdictional Differences	0	-	0
16. Jurisdictional Differences	0	-	0	51. Total Other Liab. & Def. Credits (47 thru 50)	788,090	0	788,090
17. Total noncurrent Assets (11 thru 16)	30,249	30,066	60,315	EQUITY			
				52. Cap. Stock Outstanding & Subscribed	26,200		26,200
PLANT, PROPERTY AND EQUIPMENT				53. Additional Paid-in-Capital	0		0
18. Telecom Plant-In-Service	15,201,118	(45,274)	15,155,844	54. Treasury Stock	0		0
19. Property Held for Future Use	0	0	0	55. Membership and Capital Certificates	0		0
20. Plant Under Construction	6,405	0	6,405	56. Other Capital	66		66
21. Plant Adj.,Nonop Plant & Goodwill	30,012	0	30,012	57. Patronage Capital Credits	0		0
I	(11,657,874)	15,208	(11,642,666)	58. Retained Earnings or Margins (B2)	4,387,211	0	4,387,211
· · · · · · · · · · · · · · · · · · ·	3,579,661	(30,066)	3,549,595	59. Total Equity (52 thru 58)	4,413,477	-	4,413,477
24. TOTAL ASSETS (10+17+23)	2,373,001				.,,		1

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

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

Company Name: (Below) McDaniel Telephone Company

	Balance	Part 64	Adj. Balance		Balance	Part 64	Adj. Balance
ASSETS	End of Year	Adj to NonReg	End of Year	LIABILITIES AND STOCKHOLDERS' EQUITY	End of Year	Adj to NonReg	End of Year
	2016 (A)	2016 (B)	2016 (C)		2016 (A)	2016 (B)	2016 (C)
CURRENT ASSETS				CURRENT LIABILITIES			
Cash and Equivalents	2,641,545	-	2,641,545	25. Accounts Payable	548,271	-	548,271
2. Cash-RUS Construction Fund	0	-	0	26. Notes Payable	0	-	0
3. Affiliates:				27. Advance Billings and Payments	50,932	-	50,932
a. Telecom, Accounts Receivable	0	-	0	28. Customer Deposits	0	-	0
b. Other Accounts Receivable	717,772	-	717,772	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	135,065	-	135,065	32. Income Taxes Accrued	200,180	-	200,180
b. Other Accounts Receivable	120,121	-	120,121	33. Other Taxes Accrued	23,596	-	23,596
c. Notes Receivable	0	-	0	34. Other Current Liabilities	18,402	-	18,402
5. Interest and Dividends Receivable	0	-	0	35. Total Current Liabilities (25 thru 34)	841,381	0	841,381
6. Material-Regulated	41,967	-	41,967	LONG-TERM DEBT			
7. Material-Nonregulated	0	-	0	36. Funded Debt-RUS Notes	0	-	0
8. Prepayments	6,464	-	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)	3,662,934	0	3,662,934	39. Funded Debt-Other	0	-	0
				40. Funded Debt-Rural Develop. Loan	0	-	0
				41. Premium (Discount) on L/T Debt	0	-	0
NONCURRENT ASSETS				42. Reacquired Debt	0	-	0
11. Investment in Affiliated Companies				43. Obligations Under Capital Lease	0	-	0
a. Rural Development	0	-	0	44. Adv. From Affiliated Companies	0	-	0
b. Nonrural Development	0	-	0	45. Other Long-Term Debt	0	-	0
12. Other Investments				46. Total Long-Term Debt (36 thru 45)	0	0	0
a. Rural Development	0	-	0	OTHER LIAB. & DEF. CREDITS			
b. Nonrural Development	0	-	0	47. Other Long-Term Liabilities	19,135	-	19,135
13. Nonregulated Investments (B1)	7,159	31,495	38,654	48. Deferred Income Taxes	565,694	0	565,694
14. Other Noncurrent Assets	19,690	-	19,690	49. Other Deferred Credits (D)	0	-	0
15. Deferred Charges	0	-	0	50. Other Jurisdictional Differences	0	-	0
16. Jurisdictional Differences	0	-	0	51. Total Other Liab. & Def. Credits (47 thru 50)	584,829	0	584,829
17. Total noncurrent Assets (11 thru 16)	26,849	31,495	58,344	EQUITY			
				52. Cap. Stock Outstanding & Subscribed	26,200		26,200
PLANT, PROPERTY AND EQUIPMENT				53. Additional Paid-in-Capital	0		0
18. Telecom Plant-In-Service	14,987,430	(52,940)	14,934,490	54. Treasury Stock	0		0
19. Property Held for Future Use	0	0	0	55. Membership and Capital Certificates	0		0
20. Plant Under Construction	24,097	0	24,097	56. Other Capital	(4,778)		(4,778)
21. Plant Adj.,Nonop Plant & Goodwill	28,567	0	28,567	57. Patronage Capital Credits	0		0
22. Accumulated Depreciation (CR.)	(12,257,388)	21,445	(12,235,943)	58. Retained Earnings or Margins (B2)	5,024,858	0	5,024,858
23. Net Plant (18 thru 21 less 22)	2,782,707	(31,495)	2,751,212	59. Total Equity (52 thru 58)	5,046,280	-	5,046,280
24. TOTAL ASSETS (10+17+23)	6,472,490	0	6,472,490	60. TOTAL LIABILITIES AND EQUITY (35+46+51+59)	6,472,490	0	6,472,490

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

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Company Name: (Below) McDaniel Telephone Company

ASSETS CURRENT ASSETS 1. Cash and Equivalents 2. Cash-RUS Construction Fund 3. Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable	Prior Year Balance 2015 1,434,594 0 0 464,257	Current Year Balance 2016 2,641,545 0	CURRENT LIABILITIES 25. Accounts Payable 26. Notes Payable	Prior Year Balance 2015 454,475	Current Year Balance 2016 548,271
Cash and Equivalents Cash-RUS Construction Fund Affiliates: Telecom, Accounts Receivable Other Accounts Receivable	1,434,594 0 0 0 464,257	2,641,545 0	25. Accounts Payable		
Cash and Equivalents Cash-RUS Construction Fund Affiliates: Telecom, Accounts Receivable Other Accounts Receivable	0 0 464,257	0	25. Accounts Payable	454,475	5/18 271
Cash-RUS Construction Fund Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable	0 0 464,257	0	*	454,475	5/18 271
Affiliates: a. Telecom, Accounts Receivable b. Other Accounts Receivable	0 464,257		26. Notes Payable		340,2/1
a. Telecom, Accounts Receivable b. Other Accounts Receivable	464,257	0		0	0
b. Other Accounts Receivable	464,257	0	27. Advance Billings and Payments	49,358	50,932
	,	U	28. Customer Deposits	0	0
	0	717,772	29. Current Mat. L/T Debt	0	0
c. Notes Receivable	U	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	135,065	32. Income Taxes Accrued	115,350	200,180
b. Other Accounts Receivable	153,059	120,121	33. Other Taxes Accrued	24,276	23,596
c. Notes Receivable	0	0	34. Other Current Liabilities	22,235	18,402
5. Interest and Dividends Receivable	94	0	35. Total Current Liabilities (25 - 34)	665,694	841,381
6. Material-Regulated	32,535	41,967	LONG-TERM DEBT		
7. Material-Nonregulated	0	0	36. Funded Debt-RUS Notes	0	0
8. Prepayments	6,464	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)	2,257,351	3,662,934	39. Funded Debt-Other	0	0
			40. Funded Debt-Rural Develop. Loan	0	0
			41. Premium (Discount) on L/T Debt	0	0
NONCURRENT ASSETS			42. Reacquired Debt	0	0
11. Investment in Affiliated Companies			43. Obligations Under Capital Lease	0	0
a. Rural Development	0	0	44. Adv. From Affiliated Companies	0	0
b. Nonrural Development	0	0	45. Other Long-Term Debt	0	0
12. Other Investments			46. Total Long-Term Debt (36-45)	0	0
a. Rural Development	0	0	OTHER LIAB. & DEF. CREDITS		
b. Nonrural Development	0	0	47. Other Long-Term Liabilities	9,582	19,135
13. Nonregulated Investments	39,725	38,654	48. Deferred Income Taxes	778,508	565,694
14. Other Noncurrent Assets	20,590	19,690	49. Other Deferred Credits	0	0
15. Deferred Charges	0	0	50. Other Jurisdictional Differences	0	0
16. Jurisdictional Differences	0	0	51. Total Other Liab. & Def. Credits (47 thru 50)	788,090	584,829
17. Total noncurrent Assets (11 thru 16)	60,315	58,344	EQUITY		
			52. Cap. Stock Outstanding & Subscribed	26,200	26,200
PLANT, PROPERTY AND EQUIPMENT			53. Additional Paid-in-Capital	0	0
18. Telecom Plant-in-Service	15,155,844	14,934,490	54. Treasury Stock	0	0
19. Property Held for Future Use	0	0	55. Membership and Capital Certificates	0	0
20. Plant Under Construction	6,405	24,097	56. Other Capital	66	(4,778)
21. Plant Adj.,Nonop Plant & Goodwill	30,012	28,567	57. Patronage Capital Credits	0	0
22. Accumulated Depreciation (CR.)	(11,642,666)	(12,235,943)	58. Retained Earnings or Margins	4,387,211	5,024,858
23. Net Plant (18 thru 21 less 22)	3,549,595	2,751,212	59. Total Equity (52 thru 58)	4,413,477	5,046,280
24. TOTAL ASSETS (10+17+23)	5,867,261	6,472,490	59. TOTAL LIABILITIES AND EQUITY (35+46+51+59)	5,867,261	6,472,490

Footnote:

Adjusted Balances represents balances after Part 64 adjustments

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

Company Name: (Below) McDaniel Telephone Company

		B/S	Adj. Balance	Adj. Balance	Average
Line #	Description	Line	End of Year	End of Year	Adj End of Year
		#	2015	2016	Balance
	Average Rate Base:				
1	Total Regulated Adjusted Telecom Plant-In-service	18	15,155,844	14,934,490	15,045,167
2	Total Property Held for Future Use	19	0	0	0
3	Total Regulated Adjusted Accumulated Depreciation (CR)	22	(11,642,666)	(12,235,943)	(11,939,304)
4	Total Regulated Materials & Supplies	6	32,535	41,967	37,251
5	Deferred Income Taxes (CR)	48	(775,764)	(552,139)	(663,951)
6	Total Regulated Rate Base		2,769,949	2,188,376	2,479,162

Footnotes:

- 1. Normal balance of deferred income taxes and accumulated depreciation is a credit.
- 2. Adjusted balance includes Part 64 adjustments

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

Company Name: (Below) McDaniel Telephone Company

		Prior Year	Current Year		
Line #	Description	End of Yr.	End of Yr.	Difference	%
		Balance - 2015	Balance - 2016		Change
	Access Lines:				
1	Residential	2,969	2,884	(85)	-2.9%
2	Business	485	469	(16)	-3.3%
3	Total	3,454	3,353	(101)	-2.9%

Note: If 2015 does not equal last year's petition and template, explain.

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Company Name: (Below) McDaniel Telephone Company

		Prior Year	Part 64	Prior Year
Line #	Description	2015	Adj. to NonReg	Adjusted
Line #	Description	(A)	(B)	2015 (C)
1	Local Network Services Revenues	901,130	0	901,130
2	Network Access Services Revenues	1,929,639	0	1,929,639
3	Long Distance Network Services Revenues	32	0	32
4	-		0	
	Carrier Billing and Collection Revenues Miscellaneous Revenues	88,368	0	88,368
5 6		42,458	0	42,458
7	Uncollectible Revenues (Normal Balance is debit or in brackets)	(8,109)	0	(8,109) 2,953,518
	Net Operating Revenues (1 thru 6)	2,953,518		, ,
8	Plant Specific Operations Expense	574,092	(42,837)	531,255
_	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
	Total Operations Expenses (8 thru 13)	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
	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
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			
33	Retained Earning or Margins Beginning-of-Year	4,966,838	-	4,966,838
34	Miscellaneous Credits Year-to-Date	1	-	1
35	Dividends Declared (Common)	1,279,000	-	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 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
45	Cash Ratio ((14+20-10-11)/7)	0.6912	#DIV/0!	0.6774
46	Operating Accrual Ratio ((14+20+26)/7)	1.0135	#DIV/0!	0.9723
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 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

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Company Name: (Below) McDaniel Telephone Company

Plant Specific Operation Plant Nonspecific Operation Plant Nonspecific Operation Plant Nonspecific Operation Depreciation Expense Customer Operations Total Operating Income or Manager Coperating Income or Manager Total Operating Income Total Fixed Charges Total Operating Accrual Total Ret Income Total Net Income Total Net Income Total Fixed Charges Total Operating Series Total Fixed Charges Total Operating Series Total Fixed Charges Total Operating Series Total Operating Accrual Ratio Tier ((31+26)/26)		Current Year	Part 64	Current Year
1 Local Network Services 2 Network Access Services 3 Long Distance Network 4 Carrier Billing and Collet 5 Miscellaneous Revenue 6 Uncollectible Revenues 7 Net Operating Revenue 8 Plant Specific Operation 9 Plant Nonspecific Operation 10 Depreciation Expense 11 Amortization Expense 12 Customer Operations Expense 13 Corporate Operations 14 Total Operating Income or Mis 16 Other Operating Income 17 State and Local Taxes 18 Federal Income Taxes (A 19 Other Taxes 19 Other Taxes 20 Total Operating Income or Mis 21 Net Operating Income or Mis 22 Interest on Funded Deb 23 Interest Expense - Capit 24 Other Interest Expense 25 Allowance for Funds Us 26 Total Fixed Charges (22 27 Nonoperating Net Income 28 Extraordinary Items 29 Jurisdictional Difference 30 Nonregulated Net Incom 28 Extraordinary Items 29 Jurisdictional Difference 30 Nonregulated Net Incom 31 Total Net Income or Mis 32 Total Taxes Based on In 33 Retained Earning or Ma 34 Miscellaneous Credits Y 35 Dividends Declared (Cor 36 Dividends Declared (Pre 37 Other Debits Year-to-Da 38 Transfers to Patronage (a 29 Patronage Capital Begin 40 Transfers to Patronage (a 41 Patronage Capital Credit 42 Patronage Capital Credit 43 Patronage Capital Credit 44 Annual Debt Service Pay 45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)	Description	2016	Adj. to NonReg	Adjusted
Network Access Service Network Access Service Net Operating and Colled Plant Specific Operation Plant Specific Operation Plant Nonspecific Operation Plant Nonspecific Operation Corporate Operations Extenses Customer Operations Extenses Total Operating Income or Maccess Corporate Operations Total Operating Income or Maccess Net Operating Income or Interest Expense - Capit Other Taxes Total Operating Taxes (Access Expense - Capit Other Interest Expense - Capit Other Interest Expense Allowance for Funds Using Income or Maccess Total Fixed Charges (22) Nonoperating Net Income or Maccess Total Fixed Charges (22) Nonoperating Net Income or Maccess Total Taxes Based on Inmaccess Retained Earning or Maccess Miscellaneous Credits Y Dividends Declared (Cool Dividends Declared (Predit Other Debits Year-to-Dacess Transfers to Patronage (Access) Retained Earnings End- Patronage Capital End- Annual Debt Service Pay Cash Ratio ((14+20-10-1) Operating Accrual Ratio TIER ((31+26)/26)	Description	(A)	(B)	2016 (C)
2 Network Access Service 3 Long Distance Network 4 Carrier Billing and Colled 5 Miscellaneous Revenue 6 Uncollectible Revenues 7 Net Operating Revenue 8 Plant Specific Operation 9 Plant Nonspecific Operation 10 Depreciation Expense 11 Amortization Expense 12 Customer Operations Ex 13 Corporate Operations 14 Total Operating Income or Maccord Total Operating Income 15 Operating Income or Maccord Total Operating Income 16 Other Operating Income 17 State and Local Taxes 18 Federal Income Taxes (According Income or Maccording Income 19 Other Taxes 10 Other Taxes 11 Net Operating Taxes (According Income or Maccording	ork Services Revenues	905,892	0	905,892
Long Distance Network Carrier Billing and Collet Miscellaneous Revenue Uncollectible Revenues Plant Specific Operation Plant Nonspecific Operation Plant Nonspecific Operation Plant Nonspecific Operation Corporate Operations Expense Customer Operations Expense Customer Operations Expense Customer Operations Expense Operating Income or March Cother Operating Income Total Operating Income Total Operating Income Total Operating Income Cother Operating Income Total Operating Income Cother Taxes Interest on Funded Deb Interest Expense - Capit Other Interest Expense Allowance for Funds Use Total Fixed Charges (22 Nonoperating Net Income Extraordinary Items Jurisdictional Difference Nonregulated Net Incom Total Net Income or March Retained Earning or March Miscellaneous Credits Y Dividends Declared (Corporation Operation O		1,862,342	0	1,862,342
Carrier Billing and Collet Miscellaneous Revenues Miscellaneous Revenues Plant Specific Operation Plant Specific Operation Plant Specific Operation Plant Nonspecific Operation Plant Nonspecific Operation Corporate Operations Expense Customer Operations Expense Customer Operations Expense Customer Operations Expense Operating Income or Macon Miscellaneous Expense Total Operating Income or Macon Miscellaneous Expense Net Operating Income Taxes (According Income Taxes) Interest on Funded Deb Interest Expense - Capit Other Interest Expense - Capit Other Interest Expense - Miscellaneous Credits Y Nonoperating Net Income Extraordinary Items Jurisdictional Difference Nonregulated Net Income Total Net Income or Macon Miscellaneous Credits Y Dividends Declared (Cor Dividends Declared (Cor Other Debits Year-to-Da Transfers to Patronage (Pre Transfers to Patronage (Patronage Capital Begin Transfers to Patronage (Patronage Capital Incellaneous Credital Patronage Capital End- Annual Debt Service Pay Cash Ratio ((14+20-10-1) Cash Ratio ((14+20-10-1) Operating Accrual Ratio TIER ((31+26)/26)		1,002,542	0	1,802,342
Miscellaneous Revenue Met Operating Revenues Plant Specific Operation Plant Nonspecific Operation Plant Nonspecific Operation Depreciation Expense Customer Operations Expense Customer Operations Expense Customer Operations Expense Corporate Operations Expense Operating Income or Misor Other Operating Income Total Operating Income State and Local Taxes Federal Income Taxes (An Other Operating Income Interest on Funded Deb Interest on Funded Deb Interest Expense Allowance for Funds Usi Total Fixed Charges (22 Nonoperating Net Income Extraordinary Items Jurisdictional Difference Nonregulated Net Income Nonregulated Net Income Total Net Income or Mis Total Taxes Based on Income I		81,547	0	81,547
Met Operating Revenues Plant Specific Operation Plant Nonspecific Operation Plant Nonspecific Operation Plant Nonspecific Operation Customer Operations Expense Customer Operations Expense Customer Operations Expense Customer Operations Expense Corporate Operations Expense Corporate Operations Corporate Operations Corporate Operations Corporate Operations Expense Corporate Operating Income Cother Operating Income Cother Taxes Cother Interest Expense Cother Interest Cother I	-	37,262	0	37,262
Plant Specific Operation Plant Nonspecific Operation Plant Nonspecific Operation Plant Nonspecific Operation Plant Nonspecific Operation Customer Operations Corporate Operations Corporation Income or Management Corporating Income or Interest on Funded Deb Interest Expense - Capit Corporating Income or Interest Expense Allowance for Funds Us Corporating Net Income Corporation Corporating Net Income Corporation Corporatio	le Revenues (Normal Balance is debit or in brackets)	1,529	0	1,529
Plant Specific Operation Plant Nonspecific Opera Depreciation Expense Amortization Expense Customer Operations Ex Corporate Operations Expense Corporate Operations Total Operating Income or Management Operating Income or Management Other Operating Income State and Local Taxes Federal Income Taxes (A Other Taxes Total Operating Taxes (I Net Operating Income or Interest on Funded Deb Interest Expense - Capit Other Interest Expense Allowance for Funds Use Total Fixed Charges (22 Nonoperating Net Income Extraordinary Items Jurisdictional Difference Nonregulated Net Incom Total Net Income or Management Total Taxes Based on In Retained Earning or Management Miscellaneous Credits Y Dividends Declared (Cor Dividends Declared (Cor Transfers to Patronage (Cor Transfers to Patronage (Cor Patronage Capital Begin Transfers to Patronage (Cor Patronage Capital Credit Patronage Capital Index Annual Debt Service Pay Cash Ratio ((14+20-10-1 Operating Accrual Ratio TIER ((31+26)/26)	·	2,888,571	0	2,888,571
9 Plant Nonspecific Opera 10 Depreciation Expense 11 Amortization Expense 12 Customer Operations Expense 13 Corporate Operations Expense 14 Total Operating Income 15 Operating Income or Management 16 Other Operating Income 17 State and Local Taxes 18 Federal Income Taxes (** 19 Other Taxes 20 Total Operating Taxes (** 21 Net Operating Income 22 Interest on Funded Deb 23 Interest Expense - Capit 24 Other Interest Expense 25 Allowance for Funds Usi 26 Total Fixed Charges (22 27 Nonoperating Net Incom 28 Extraordinary Items 29 Jurisdictional Difference 30 Nonregulated Net Incom 31 Total Net Income or Ma 32 Total Taxes Based on Inc 33 Retained Earning or Ma 34 Miscellaneous Credits Y 35 Dividends Declared (Cor 36 Dividends Declared (Cor 37 Other Debits Year-to-Da 38 Transfers to Patronage (** 39 Retained Earnings End- 40 Patronage Capital Begin 41 Transfers to Patronage (** 42 Patronage Capital Erd- 43 Annual Debt Service Pay 44 Cash Ratio (!14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)		568,624	(46,719)	521,905
Depreciation Expense Amortization Expense Customer Operations Expense Corporate Operations Operating Income State and Local Taxes Federal Income Taxes (A Other Operating Income Total Operating Income Total Operating Income Total Operating Income Other Taxes Interest on Funded Deb Interest Expense - Capit Other Interest Expense Interest E	pecific Operations Expense (excluding Depreciation & Amort.)	452,644	(30,188)	422,456
Amortization Expense Customer Operations Expense Corporate Operations Expense Total Operations Expense Operating Income or Michael State and Local Taxes Federal Income Taxes (An Other Operating Income of Michael State and Local Taxes Federal Income Taxes (An Other Operating Income of Michael State and Local Taxes Federal Income Taxes (An Other Taxes Federal Income Taxes (An Other Taxes) Total Operating Income of Interest Expense - Capit Other Interest Expense - Capit Other Interest Expense - Capit Other Interest Expense Other Interest Interes		829,790	(86,358)	743,432
Customer Operations Expension Total Operations Expension Total Operations Expension Total Operations Expension Total Operating Income or Microbia Total Coperating Income Total Coperating Income Total Operating Taxes (Interest on Funded Deblinterest Expense Allowance for Funds Using Income Total Fixed Charges (22) Nonoperating Net Income Extraordinary Items Jurisdictional Difference Nonregulated Net Income Total Net Income Nonregulated Net Income Total Taxes Based on Interest Total Taxes Based Total Taxes B	•	75,270	(10,296)	64,974
Corporate Operations Total Operating Income or Ma Other Operating Income Total Fixed Charges Total Taxes Based on In Total Net Income or Ma Total Taxes Based on In Total Taxes Based on In Total Taxes Based on In Total Fixed Charges Total Taxes Total Fixed Total Taxes Total Fixed Total Taxes Total Fixed Total Taxes Based on In Total Net Income or Ma Total Net Income Total Fixed Charges Total Operating Income Total Operating	•	331,926	(22,934)	308,992
Total Operations Expen 15 Operating Income or Ma 16 Other Operating Income 17 State and Local Taxes 18 Federal Income Taxes (A 19 Other Taxes 20 Total Operating Taxes (I 21 Net Operating Income 22 Interest on Funded Deb 23 Interest Expense - Capit 24 Other Interest Expense 25 Allowance for Funds Usi 26 Total Fixed Charges (22 27 Nonoperating Net Incom 28 Extraordinary Items 29 Jurisdictional Difference 30 Nonregulated Net Incom 31 Total Net Income or Ma 32 Total Taxes Based on In 33 Retained Earning or Ma 34 Miscellaneous Credits Y 35 Dividends Declared (Cor 36 Dividends Declared (Cor 37 Other Debits Year-to-Da 38 Transfers to Patronage (A 29 Patronage Capital Begin 40 Patronage Capital Begin 41 Transfers to Patronage (A 42 Patronage Capital Credit 43 Patronage Capital Ind- 44 Annual Debt Service Pay 45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)	·	686,118	(47,945)	638,173
Operating Income or Manager of Ma		2,944,372	(244,440)	2,699,932
Other Operating Income 17 State and Local Taxes 18 Federal Income Taxes (A 19 Other Taxes 20 Total Operating Taxes (I 21 Net Operating Income 22 Interest on Funded Deb 23 Interest Expense - Capit 24 Other Interest Expense 25 Allowance for Funds Use 26 Total Fixed Charges (22 27 Nonoperating Net Incor 28 Extraordinary Items 29 Jurisdictional Difference 30 Nonregulated Net Incor 31 Total Net Income or Ma 32 Total Taxes Based on Inc 33 Retained Earning or Ma 34 Miscellaneous Credits Y 35 Dividends Declared (Cor 36 Dividends Declared (Pre 37 Other Debits Year-to-Da 38 Transfers to Patronage (Pre 39 Retained Earnings End- 40 Patronage Capital Begin 41 Transfers to Patronage (42 43 Patronage Capital Credit 44 Annual Debt Service Pay 45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)		(55,800)	244,440	188,640
17 State and Local Taxes 18 Federal Income Taxes (A 19 Other Taxes 20 Total Operating Taxes (I 21 Net Operating Income I 22 Interest on Funded Deb 23 Interest Expense - Capit 24 Other Interest Expense 25 Allowance for Funds Usi 26 Total Fixed Charges (22 27 Nonoperating Net Income 28 Extraordinary Items 29 Jurisdictional Difference 30 Nonregulated Net Income 31 Total Net Income or Ma 32 Total Taxes Based on Inc 33 Retained Earning or Ma 34 Miscellaneous Credits Y 35 Dividends Declared (Con 36 Dividends Declared (Pre 37 Other Debits Year-to-Da 38 Transfers to Patronage (Pre 39 Retained Earnings End- 40 Patronage Capital Begin 41 Transfers to Patronage (42 Patronage Capital Credit 43 Patronage Capital Credit 44 Annual Debt Service Pa 45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)	* · · · · · · · · · · · · · · · · · · ·	(55,000)	55,273	55,273
18 Federal Income Taxes (A 19 Other Taxes 20 Total Operating Taxes (1 21 Net Operating Income of Interest on Funded Deb Interest Expense - Capit Other Interest Expense - Service Paylor of Paylor o		0	-	0
19 Other Taxes 20 Total Operating Taxes (21 Net Operating Income of Interest on Funded Deb Interest Expense - Capit Other Interest Expense 25 Allowance for Funds Use Total Fixed Charges (22 Nonoperating Net Income Extraordinary Items 29 Jurisdictional Difference Nonregulated Net Income or Maximum Services of Nonregulated Net Income or Maximum Services of None Services of None Services of Nonregulated Net Income or Maximum Services of Nonregulated Nother Debits Year-to-Daximum Services of Nonregulated Nother Debits Year-to-Daximum Services of Nonregulated Services of Nonregulated Nonregu	ome Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(64,322)	108,489	44,167
Total Operating Taxes (21 Net Operating Income of Interest on Funded Deb Interest Expense - Capit Other Interest Expense - Capit Other Interest Expense - Capit Other Interest Expense - Allowance for Funds Usic Total Fixed Charges (22 Nonoperating Net Income Extraordinary Items Jurisdictional Difference Nonregulated Net Income or Mail Total Net Income or Mail Total Taxes Based on Interest Income Setting of Mail Total Taxes Based on Interest Income Setting or Mail Miscellaneous Credits Y Dividends Declared (Con Dividends Declared (Predit Other Debits Year-to-Dail Transfers to Patronage (Apatronage Capital End-Patronage Capital End-Patronage Capital Credit Patronage Capital End-Patronage Capital E		127,972	(10,256)	117,716
Net Operating Income 122 Interest on Funded Deb 123 Interest Expense - Capit 124 Other Interest Expense 125 Allowance for Funds Use 126 Total Fixed Charges (22 127 Nonoperating Net Incom 128 Extraordinary Items 129 Jurisdictional Difference 130 Nonregulated Net Incom 131 Total Net Income or Ma 132 Total Taxes Based on Ind 133 Retained Earning or Ma 134 Miscellaneous Credits Y 135 Dividends Declared (Cor 136 Dividends Declared (Pre 137 Other Debits Year-to-Da 138 Transfers to Patronage (Pre 139 Retained Earnings End- 140 Patronage Capital Begin 141 Transfers to Patronage (Patronage Capital Credit 143 Patronage Capital Credit 144 Annual Debt Service Pay 155 Cash Ratio (14+20-10-1 166 Operating Accrual Ratio 176 TIER ((31+26)/26)		63,649	98,233	161,882
Interest on Funded Deb Interest Expense - Capit Other Interest Expense Allowance for Funds Us Total Fixed Charges (22 Nonoperating Net Incor Extraordinary Items Jurisdictional Difference Nonregulated Net Incor Total Net Income or Ma Retained Earning or Ma Retained Earning or Ma Miscellaneous Credits Y Dividends Declared (Cor Dividends Declared (Pre Other Debits Year-to-Da Transfers to Patronage (12 Transfers to Patronage (13 Retained Earnings End- Patronage Capital Begin Transfers to Patronage (14 Patronage Capital End- Annual Debt Service Pay Cash Ratio (14+20-10-1 Goperating Accrual Ratio TIER ((31+26)/26)	ing Income or Margins (15+16-20)	(119,450)	201,480	82,030
23 Interest Expense - Capit 24 Other Interest Expense 25 Allowance for Funds Use 26 Total Fixed Charges (22 27 Nonoperating Net Incor 28 Extraordinary Items 29 Jurisdictional Difference 30 Nonregulated Net Incor 31 Total Net Income or Ma 32 Total Taxes Based on Inc 33 Retained Earning or Ma 34 Miscellaneous Credits Y 35 Dividends Declared (Cor 36 Dividends Declared (Pre 37 Other Debits Year-to-Da 38 Transfers to Patronage (39 39 Retained Earnings End- 40 Patronage Capital Begin 41 Transfers to Patronage (42 43 Patronage Capital Credit 44 Annual Debt Service Pay 45 Cash Ratio ((14+20-10-1) 46 Operating Accrual Ratio 47 TIER ((31+26)/26)		0	-	0
Other Interest Expense Allowance for Funds Use Total Fixed Charges (22 Nonoperating Net Incore Extraordinary Items Jurisdictional Difference Nonregulated Net Incore Total Net Income or Ma Total Net Income or Ma Total Taxes Based on Incore Retained Earning or Ma Miscellaneous Credits Y Dividends Declared (Core Dividends Declared (Pre Transfers to Patronage (Pre Transfers to Patronage (Pre Patronage Capital Begin Transfers to Patronage (Patronage Capital Credit Patronage Capital Credit Annual Debt Service Pay Cash Ratio ((14+20-10-1) Coperating Accrual Ratio TIER ((31+26)/26)		0	_	0
Allowance for Funds Usi Total Fixed Charges (22 Total Net Income or Ma Total Net Income or Ma Total Taxes Based on Inc Retained Earning or Ma Miscellaneous Credits Y Dividends Declared (Cor Dividends Declared (Pre Transfers to Patronage (Pre Transfer	•	0	_	0
Total Fixed Charges (22 Nonoperating Net Incor Extraordinary Items Jurisdictional Difference Nonregulated Net Incor Total Net Income or Ma Total Taxes Based on Ini Retained Earning or Ma Miscellaneous Credits Y Dividends Declared (Cor Dividends Declared (Pre Transfers to Patronage (12) Retained Earnings End- Patronage Capital Begin Transfers to Patronage (14) Patronage Capital Credit Patronage Capital Credit Annual Debt Service Pay Cash Ratio (14+20-10-1 Geperating Accrual Ratio TIER ((31+26)/26)	for Funds Used During Construction (CR)	0	_	0
Nonoperating Net Incor Extraordinary Items Jurisdictional Difference Nonregulated Net Incom Total Net Income or Ma Total Taxes Based on Ini Retained Earning or Ma Miscellaneous Credits Y Dividends Declared (Cor Dividends Declared (Pre Transfers to Patronage (Pre Retained Earnings End- Patronage Capital Begin Transfers to Patronage (Patronage Capital Credit Patronage Capital Credit Patronage Capital End- Annual Debt Service Pay Cash Ratio ((14+20-10-146) Operating Accrual Ratio TIER ((31+26)/26)		0	0	0
Extraordinary Items Jurisdictional Difference Nonregulated Net Incom Total Net Income or Ma Total Net Income or Ma Total Net Income or Ma Total Taxes Based on Income Service Income or Ma Miscellaneous Credits Y Dividends Declared (Cool Dividends Declared (Pre Transfers to Patronage (Pre Retained Earnings End- Patronage Capital Begin Transfers to Patronage (Patronage Capital Credit Patronage Capital Credit Patronage Capital End- Annual Debt Service Pa, Cash Ratio ((14+20-10-1 Operating Accrual Ratio TIER ((31+26)/26)		1,815	-	1,815
Jurisdictional Difference Nonregulated Net Incom Total Net Income or Ma Total Net Income or Ma Total Taxes Based on Income Retained Earning or Ma Miscellaneous Credits Y Dividends Declared (Cor Dividends Declared (Cor Transfers to Patronage (Cor Retained Earnings End- Patronage Capital Begin Transfers to Patronage (Patronage Capital Credit Patronage Capital Credit Patronage Capital End- Annual Debt Service Pa, Cash Ratio ((14+20-10-1 Operating Accrual Ratio TIER ((31+26)/26)	-	0	-	0
30 Nonregulated Net Incom 31 Total Net Income or Ma 32 Total Taxes Based on Inc 33 Retained Earning or Ma 34 Miscellaneous Credits Y 35 Dividends Declared (Cor 36 Dividends Declared (Pre 37 Other Debits Year-to-Da 38 Transfers to Patronage (39 Retained Earnings End- 40 Patronage Capital Begin 41 Transfers to Patronage (42 Patronage Capital Credit 43 Patronage Capital Credit 44 Annual Debt Service Pa, 45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)	•	0	-	0
Total Net Income or Ma Total Net Income or Ma Total Taxes Based on Income or Ma Retained Earning or Ma Miscellaneous Credits Y Dividends Declared (Pre Total Taxes Based on Income or Ma Transfers to Patronage (Pre Retained Earnings End- Patronage Capital Begin Transfers to Patronage (Patronage Capital Credit Patronage Capital Credit Annual Debt Service Pay Cash Ratio ((14+20-10-146) Operating Accrual Ratio TIER ((31+26)/26)		755,283	(201,480)	553,803
Total Taxes Based on Inc. Total Taxes Based on Inc. Retained Earning or Ma Miscellaneous Credits Y Dividends Declared (Cor Other Debits Year-to-Da Transfers to Patronage (Patronage Capital Begin Transfers to Patronage (Patronage Capital Credit Patronage Capital End- Annual Debt Service Pay Cash Ratio (14+20-10-1 Operating Accrual Ratio TIER ((31+26)/26)	ncome or Margins (21+27+28+29+30-26)	637,649	0	637,649
Miscellaneous Credits Y Dividends Declared (Cor Core Dividends Declared (Pre Transfers to Patronage (Pre Retained Earnings End- Patronage Capital Begin Transfers to Patronage (Patronage Capital Credit) Patronage Capital Credit Patronage Capital End- Annual Debt Service Pay Cash Ratio ((14+20-10-1 Operating Accrual Ratio TIER ((31+26)/26)		,		,
Miscellaneous Credits Y Joividends Declared (Cor Joividends Declared (Pre Tother Debits Year-to-Da Retained Earnings End- Patronage Capital Begin Transfers to Patronage (Patronage Capital Credit Patronage Capital Credit Patronage Capital End- Annual Debt Service Pay Cash Ratio (14+20-10-1 Gerating Accrual Ratio TIER ((31+26)/26)	arning or Margins Beginning-of-Year	4,387,209	-	4,387,209
Dividends Declared (Cor 36 Dividends Declared (Pre 37 Other Debits Year-to-Da 38 Transfers to Patronage (40 Patronage Capital Begin 41 Transfers to Patronage (42 Patronage Capital Credit 43 Patronage Capital End- 44 Annual Debt Service Pa 45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)		0	-	0
36 Dividends Declared (Pre 37 Other Debits Year-to-Da 38 Transfers to Patronage (39 Retained Earnings End- 40 Patronage Capital Begin 41 Transfers to Patronage (42 Patronage Capital Credii 43 Patronage Capital End- 44 Annual Debt Service Pa, 45 Cash Ratio ((14+20-10-1) 46 Operating Accrual Ratio 47 TIER ((31+26)/26)		0	-	0
37 Other Debits Year-to-Da 38 Transfers to Patronage (2) 39 Retained Earnings End- 40 Patronage Capital Begin 41 Transfers to Patronage (4) 42 Patronage Capital Credit 43 Patronage Capital End- 44 Annual Debt Service Pay 45 Cash Ratio ((14+20-10-1) 46 Operating Accrual Ratio 47 TIER ((31+26)/26)		0	-	0
Transfers to Patronage Gapital Begin Transfers to Patronage Gapital Begin Transfers to Patronage Gapital Credit Patronage Capital Credit Patronage Capital End-44 Annual Debt Service Pay Gash Ratio ((14+20-10-146 Operating Accrual Ratio TIER ((31+26)/26)		0	-	0
Retained Earnings End- 40 Patronage Capital Begin 41 Transfers to Patronage (42 Patronage Capital Credit 43 Patronage Capital Credit 44 Annual Debt Service Pay 45 Cash Ratio ((14+20-10-146) 46 Operating Accrual Ratio 47 TIER ((31+26)/26)		0	-	0
40 Patronage Capital Begin 41 Transfers to Patronage Gential Credit 42 Patronage Capital Credit 43 Patronage Capital End- 44 Annual Debt Service Pay 45 Cash Ratio (14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)	arnings End-of-Period ((31+33+34)-(35+36+37+38)(A2)	5,024,858	0	5,024,858
Transfers to Patronage (Patronage Capital Credit Patronage Capital End- Annual Debt Service Pay Cash Ratio ((14+20-10-1 Operating Accrual Ratio TIER ((31+26)/26)	Capital Beginning-of-Year	0	=	0
Patronage Capital Credii 43 Patronage Capital End- 44 Annual Debt Service Pay 45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)		0	-	0
Patronage Capital End- Annual Debt Service Pay Cash Ratio ((14+20-10-1 Operating Accrual Ratio TIER ((31+26)/26)	- ·	0	-	0
Annual Debt Service Pay 45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)	Capital End-of-Year (40+41-42)	0	0	0
45 Cash Ratio ((14+20-10-1 46 Operating Accrual Ratio 47 TIER ((31+26)/26)				0
46 Operating Accrual Ratio 47 TIER ((31+26)/26)	•	0.7280	#DIV/0!	0.7109
47 TIER ((31+26)/26)	Accrual Ratio ((14+20+26)/7)	1.0414	#DIV/0!	0.9907
1111 -1		#DIV/0!	#DIV/0!	#DIV/0!
46 D3CN ((31+20+10+11))4	26+10+11)/44)	#DIV/0!	#DIV/0!	#DIV/0!
	<i>"</i> '	,	-,	-,

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 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

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

Company Name: McDaniel Telephone Company

		Adjusted	Adjusted
Line #	Description	Prior Year	Current Year
		2015	2016
1	Local Network Services Revenues	901,130	905,892
2	Network Access Services Revenues	1,929,639	1,862,342
3	Long Distance Network Services Revenues	32	0
4	Carrier Billing and Collection Revenues	88,368	81,547
5	Miscellaneous Revenues	42,458	37,262
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(8,109)	1,529
7	Net Operating Revenues (1 thru 6)	2,953,518	2,888,571
8	Plant Specific Operations Expense	531,255	521,905
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	375,790	422,456
10	Depreciation Expense	817,172	743,432
11	Amortization Expense	53,779	64,974
12	Customer Operations Expense	296,725	308,992
13	Corporate Operations	617,952	638,173
14	Total Operations Expenses (8 thru 13)	2,692,673	2,699,932
15	Operating Income or Margins (7 less 14)	260,845	188,640
16	Other Operating Income and Expenses ()	53,631	55,273
17	State and Local Taxes	0	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	73,141	44,167
19	Other Taxes	105,911	117,716
20	Total Operating Taxes (17+18+19)	179,052	161,882
21	Net Operating Income or Margins (15+16-20)	135,424	82,030
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	483	1,815
28	Extraordinary Items	0	0
29	Jurisdictional Differences	0	0
30	Nonregulated Net Income	563,465	553,803
31	Total Net Income or Margins (21+27+28+29+30-26)	699,372	637,649
32	Total Taxes Based on Income		
33	Retained Earning or Margins Beginning-of-Year	4,966,838	4,387,209
34	Miscellaneous Credits Year-to-Date	1	0
35	Dividends Declared (Common)	1,279,000	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)	4,387,211	5,024,858
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)	0.6774	0.7109
46	Operating Accrual Ratio ((14+20+26)/7)	0.9723	0.9907
47	TIER ((31+26)/26)	#DIV/0!	#DIV/0!
48	DSCR ((31+26+10+11)/44)	#DIV/0!	#DIV/0!

Footnote 2015 2016

(A1) S Corporation Effective Tax Rate (2 decimal places):

Note:

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

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

Company Name: (Below) McDaniel Telephone Company

			Prior Year	Current Year
Line #	Description	Part 32	2015	2016
		Account		
1	End User Revenue (SLC, ARC, etc.)	5081	345,112	357,980
2	Switched Access (excluding USF):	5082		
2a	Intrastate		353,825	139,248
2b	Interstate (includes CAF)		301,004	459,117
3	Special Access:	5083		
3a	Intrastate		1,274	1,274
3b	Interstate		228,162	178,059
4	Federal USF (ICLS/HCL/SN)	Varies	502,965	499,473
5	State USF		197,298	227,191
6	Other*		0	0
7	Total (must equal line 2 of Income Stmt.)		1,929,639	1,862,342
8	Line 2 of Income Stmt.		1,929,639	1,862,342
9	Difference		0	0

Footnote:

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^{* -} 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)		
McDaniel Telephone Company		

Description of Out-of-Period (OOP) - 2016 (As Recorded) OR	Year		Part 32	Account
Pro Forma (PF)Adjustment for Current Year Petition or Reversing from Prior Year		OOP or PF?	Debit	Credit
Adjustment #1:				
Adjustment #2:				
Adjustment #3:				
Adjustment #4				
Adjustment #5				

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

Company Name: (Below) McDaniel Telephone Company

Line #	Description	2016 (A)	2016 (B)
1	Rate Base (Jan. 1)	2,769,949	2,769,949
2	Rate Base (Dec 31)	2,188,376	2,188,376
3	Average Rate Base	2,479,162	2,479,162
4	Net Operating Income	82,030	82,030
5	Out-of-Period Adjustments Net of FIT (1)		
6	Adjusted Net Operating Income	82,030	82,030
7	Earned Regulated Rate of Return	3.31%	3.31%

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

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