

STATE USF FILING
FINANCIAL TEMPLATE
NON-"S CORP" COMPANIES

Company Name: (Below)
INLAND TELEPHONE COMPANY

ASSETS	Balance End of Year 2013 (A)	Part 64 Adj to NonReg 2013 (B)	Adj. Balance End of Year 2013 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2013 (A)	Part 64 Adj to NonReg 2013 (B)	Adj. Balance End of Year 2013 (C)
CURRENT ASSETS				CURRENT LIABILITIES			
1. Cash and Equivalents	298,416		298,416	25. Accounts Payable	1,134,728		1,134,728
2. Cash-RUS Construction Fund	395,813		395,813	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	2,041		2,041
a. Telecom, Accounts Receivable	84,991		84,991	28. Customer Deposits	321,735	-17,128	304,607
b. Other Accounts Receivable			0	29. Current Mat. L/T Debt	0		0
c. Notes Receivable			0	30. Current Mat. L/T Debt Rur. Dev.	0		0
4. Non-Affiliates:				31. Current Mat. - Capital Leases	60,011		60,011
a. Telecom, Accounts Receivable	559,143		559,143	32. Income Taxes Accrued	142,940		142,940
b. Other Accounts Receivable			0	33. Other Taxes Accrued	815,571		815,571
c. Notes Receivable			0	34. Other Current Liabilities	2,477,026	(17,128)	2,459,898
5. Interest and Dividends Receivable	269,547		269,547	35. Total Current Liabilities (25 thru 34)			
6. Material-Regulated			0	LONG-TERM DEBT			
7. Material-Nonregulated			0	36. Funded Debt-RUS Notes	191,617	-10,201	181,416
8. Prepayments	38,205		38,205	37. Funded Debt-RTB Notes	54,535	-2,903	51,632
9. Other Current Assets			0	38. Funded Debt-FFB Notes	2,816,944		2,816,944
10. Total Current Assets (1 Thru 9)	1,646,115	0	1,646,115	39. Funded Debt-Other	(2,655)		(2,655)
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	51,709		51,709	42. Reacquired Debt	0		0
b. Nonrural Development	0		0	43. Obligations Under Capital Lease	0		0
12. Other Investments				44. Adv. From Affiliated Companies	0		0
a. Rural Development	0		0	45. Other Long-Term Debt	0		0
b. Nonrural Development	190,106		190,106	46. Total Long-Term Debt (36 thru 45)	3,060,441	(13,104)	3,047,337
13. Nonregulated Investments (B1)	1,464,073	322,634	1,786,707	OTHER LIAB. & DEF. CREDITS			
14. Other Noncurrent Assets	250		250	47. Other Long-Term Liabilities	406,878	(26,917)	379,961
15. Deferred Charges			0	48. Other Deferred Credits (C)	0		0
16. Jurisdictional Differences			0	49. Other Jurisdictional Differences	406,878	(26,917)	379,961
17. Total noncurrent Assets (11 thru 16)	1,706,138	322,634	2,028,772	50. Total Other Liab. & Def. Credits (47 thru 49)			
PLANT, PROPERTY AND EQUIPMENT				EQUITY			
18. Telecom Plant-In-Service	18,902,328	(1,062,900)	17,839,428	51. Cap. Stock Outstanding & Subscribed	93,150		93,150
19. Property Held for Future Use			0	52. Additional Paid-in-Capital	7,175		7,175
20. Plant Under Construction	2,488,508	(25,373)	2,463,135	53. Treasury Stock	0		0
21. Plant Adj., Nonop Plant & Goodwill			0	54. Membership and cap. Certificates	0		0
22. Accumulated Depreciation (CR.)	(14,045,463)	765,639	(13,279,824)	55. Other Capital	0		0
23. Net Plant (18 thru 21 less 22)	7,345,375	(322,634)	7,022,739	56. Patronage Capital Credits	4,652,956	57,149	4,710,105
24. TOTAL ASSETS (10+17+23)	10,697,626	0	10,697,626	57. Retained Earnings or Margins (B2)	4,753,281	57,149	4,810,430
				58. Total Equity (51 thru 57)	10,697,626	0	10,697,626

Footnotes:
(A) - As reported on RUS Form 479
(B) - Part 64 adjustments from regulated to nonregulated.
(B1) - Part 64 offset to nonreg investment
(B2) - Part 64 offset to retained earnings
(C) - Includes deferred taxes

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

Company Name: (Below)
INLAND TELEPHONE COMPANY

ASSETS	Balance End of Year 2014 (A)	Part 64 Adj to NonReg 2014 (B)	Adj. Balance End of Year 2014 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2014 (A)	Part 64 Adj to NonReg 2014 (B)	Adj. Balance End of Year 2014 (C)
CURRENT ASSETS				CURRENT LIABILITIES			
1. Cash and Equivalents	114,840		114,840	25. Accounts Payable	872,782		872,782
2. Cash-RUS Construction Fund	75,774		75,774	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	0		0
a. Telecom, Accounts Receivable	0		0	28. Customer Deposits	1,913		1,913
b. Other Accounts Receivable	0		0	29. Current Mat. L/T Debt	428,568		413,271
c. Notes Receivable	0		0	30. Current Mat. L/T Debt-Rur. Dev.	0	-15,297	0
4. Non-Affiliates:				31. Current Mat. - Capital Leases	0		0
a. Telecom, Accounts Receivable	538,193		538,193	32. Income Taxes Accrued	20		20
b. Other Accounts Receivable	0		0	33. Other Taxes Accrued	98,938		98,938
c. Notes Receivable	0		0	34. Other Current Liabilities	356,671		356,671
5. Interest and Dividends Receivable	0		0	35. Total Current Liabilities (25 thru 34)	1,758,892	(15,297)	1,743,595
6. Material-Regulated	241,005		241,005	LONG-TERM DEBT			
7. Material-Nonregulated	42,366		42,366	36. Funded Debt-RUS Notes	146,434	-5,227	141,207
8. Prepayments	42,366		42,366	37. Funded Debt-RTB Notes	39,427	-1,407	38,020
9. Other Current Assets	0		0	38. Funded Debt-FFB Notes	6,071,879	-2,167,311	5,855,148
10. Total Current Assets (1 Thru 9)	1,012,178	0	1,012,178	39. Funded Debt-Other	(3,363)		(3,363)
				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. Recquired Debt	0		0
a. Rural Development	733,101		733,101	43. Obligations Under Capital Lease	0		0
b. Nonrural Development	0		0	44. Adv. From Affiliated Companies	0		0
12. Other Investments				45. Other Long-Term Debt	0		0
a. Rural Development	201,491		201,491	46. Total Long-Term Debt (36 thru 45)	6,254,377	(223,365)	6,031,012
b. Nonrural Development	1,606,179	273,688	1,879,867	OTHER LIAB. & DEF. CREDITS			
13. Nonregulated Investments (B1)	250		250	47. Other Long-Term Liabilities	472,601	(36,179)	436,422
14. Other Noncurrent Assets	0		0	48. Other Deferred Credits (C)	0		0
15. Deferred Charges	0		0	49. Other Jurisdictional Differences	0		0
16. Jurisdictional Differences	0		0	50. Total Other Liab. & Def. Credits (47 thru 49)	472,601	(36,179)	436,422
17. Total noncurrent Assets (11 thru 16)	2,541,021	273,688	2,814,709	EQUITY			
PLANT, PROPERTY AND EQUIPMENT				51. Cap. Stock Outstanding & Subscribed	93,150		93,150
18. Telecom Plant-in-Service	23,122,680	(862,147)	22,260,533	52. Additional Paid-in-Capital	7,175		7,175
19. Property Held for Future Use	0		0	53. Treasury Stock	0		0
20. Plant Under Construction	2,230,837	(101,298)	2,129,539	54. Membership and cap. Certificates	0		0
21. Plant Adj., Nonop Plant & Goodwill	(14,867,362)	689,757	(14,177,605)	55. Other Capital	0		0
22. Accumulated Depreciation (Ct.)	10,486,155	(273,688)	10,212,467	56. Patronage Capital Credits	5,453,159	274,841	5,728,000
23. Net Plant (18 thru 21 less 22)	14,039,354	0	14,039,354	57. Retained Earnings or Margins (B2)	5,553,484	274,841	5,828,325
24. TOTAL ASSETS (10+17+23)	14,039,354	0	14,039,354	58. Total Equity (51 thru 57)	14,039,354	0	14,039,354

Footnotes:
(B1) - Part 64 offset to nonreg investment
(B2) - Part 64 offset to retained earnings
(C) - Includes deferred taxes

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

Company Name: (Below)
INLAND TELEPHONE COMPANY

ASSETS	Adjusted Prior Year Balance 2013	Adjusted Current Year Balance 2014	LIABILITIES AND STOCKHOLDERS' EQUITY	Adjusted Prior Year Balance 2013	Adjusted Current Year Balance 2014
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	298,416	114,840	25. Accounts Payable	1,134,728	872,782
2. Cash-RUS Construction Fund	395,813	75,774	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	0	0
a. Telecom, Accounts Receivable	84,991	0	28. Customer Deposits	2,041	1,913
b. Other Accounts Receivable	0	0	29. Current Mat. L/T Debt	304,607	413,271
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	559,143	538,193	32. Income Taxes Accrued	60,011	20
b. Other Accounts Receivable	0	0	33. Other Taxes Accrued	142,940	98,938
c. Notes Receivable	0	0	34. Other Current Liabilities	815,571	356,671
5. Interest and Dividends Receivable	269,547	241,005	35. Total Current Liabilities (25 - 34)	2,459,898	1,743,595
6. Material-Regulated	0	0	LONG-TERM DEBT		
7. Material-Nonregulated	0	0	36. Funded Debt-RUS Notes	181,416	141,207
8. Prepayments	38,205	42,366	37. Funded Debt-RTB Notes	51,632	38,020
9. Other Current Assets	0	0	38. Funded Debt-FFB Notes	2,816,944	5,855,148
10. Total Current Assets (1 Thru 9)	1,646,115	1,012,178	39. Funded Debt-Other	(2,655)	(3,363)
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	51,709	733,101	42. Reacquired Debt	0	0
b. Nonrural Development	0	0	43. Obligations Under Capital Lease	0	0
12. Other Investments			44. Adv. From Affiliated Companies	0	0
a. Rural Development	0	0	45. Other Long-Term Debt	0	0
b. Nonrural Development	190,106	201,491	46. Total Long-Term Debt (36-45)	3,047,337	6,031,012
13. Nonregulated Investments	1,786,707	1,879,867	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets	250	250	47. Other Long-Term Liabilities	0	0
15. Deferred Charges	0	0	48. Other Deferred Credits	379,961	436,422
16. Jurisdictional Differences	0	0	49. Other Jurisdictional Differences	0	0
17. Total noncurrent Assets (11 thru 16)	2,028,772	2,814,709	50. Total Other Liab. & Def. Credits (47 thru 49)	379,961	436,422
PLANT, PROPERTY AND EQUIPMENT			EQUITY		
18. Telecom Plant-in-Service	17,835,428	22,260,633	51. Cap. Stock Outstanding & Subscribed	93,150	93,150
19. Property Held for Future Use	0	0	52. Additional Paid-in-Capital	7,175	7,175
20. Plant Under Construction	2,463,135	2,129,539	53. Treasury Stock	0	0
21. Plant Adj., Nonop Plant & Goodwill	0	0	54. Membership and cap. Certificates	0	0
22. Accumulated Depreciation (Cr.)	(13,279,824)	(14,177,605)	55. Other Capital	0	0
23. Net Plant (18 thru 21 less 22)	7,022,739	10,212,467	56. Patronage Capital Credits	0	0
			57. Retained Earnings or Margins	4,710,105	5,728,000
			58. Total Equity (51 thru 57)	4,810,430	5,828,325
24. TOTAL ASSETS (10+17+23)	10,697,626	14,039,354	59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	10,697,626	14,039,354

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)
INLAND TELEPHONE COMPANY

Line #	Description	B/S Line #	Adj. Balance End of Year 2013	Adj. Balance End of Year 2014	Average Adj End of Year Balance
Average Rate Base:					
1	Total Regulated Adjusted Telecom Plant-in-service	18	17,839,428	22,260,533	20,049,981
2	Total Property Held for Future Use	19	0	0	0
3	Total Regulated Adjusted Accumulated Depreciation (CR)	22	(13,279,824)	(14,177,605)	(13,728,715)
4	Total Regulated Materials & Supplies	6	269,547	241,005	255,276
5	Deferred Income Taxes (CR)				0
6	Total Regulated Rate Base		4,829,151	8,323,933	6,576,542

Footnotes:

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

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

Company Name: (Below)
 INLAND TELEPHONE COMPANY

Line #	Description	Prior Year End of Yr. Balance - 2013	Current Year End of Yr. Balance - 2014	Difference	% Change
Access Lines:					
1	Residential	1,736	1,719	(17)	-1.0%
2	Business	633	624	(9)	-1.4%
3	Total	2,369	2,343	(26)	-1.1%

Company Name: (Below)
 INLAND TELEPHONE COMPANY

Line #	Description	Prior Year 2013 (A)	Part 64 Adj. to NonReg (B)	Prior Year Adjusted 2013 (C)
1	Local Network Services Revenues	562,589		562,589
2	Network Access Services Revenues	3,451,897		3,451,897
3	Long Distance Network Services Revenues	(850)		(850)
4	Carrier Billing and Collection Revenues	50,550		50,550
5	Miscellaneous Revenues	48,078		48,078
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(5,843)		(5,843)
7	Net Operating Revenues (1 thru 6)	4,106,421	0	4,106,421
8	Plant Specific Operations Expense	1,605,078	(137,268)	1,467,810
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	287,876		287,876
10	Depreciation Expense	1,127,367	(69,821)	1,057,546
11	Amortization Expense	182		182
12	Customer Operations Expense	483,882	(59,233)	424,649
13	Corporate Operations	867,296	(12,176)	855,120
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ()			
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	867,296	(12,176)	855,120
14	Total Operations Expenses (8 thru 12 +13b)	4,371,681	(278,498)	4,093,183
15	Operating Income or Margins (7 less 14)	(265,260)	278,498	13,238
16	Other Operating Income and Expenses ()			0
17	State and Local Taxes	101,698	(11,441)	90,257
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(198,891)	11,150	(187,741)
19	Other Taxes			0
20	Total Operating Taxes (17+18+19)	(97,193)	(291)	(97,484)
21	Net Operating Income or Margins (15+16-20)	(168,067)	278,789	110,722
22	Interest on Funded Debt	62,405	-2750	59,655
23	Interest Expense - Capital Leases			0
24	Other Interest Expense	18,946		18,946
25	Allowance for Funds Used During Construction (CR)			0
26	Total Fixed Charges (22+23+24-25)	81,351	(2,750)	78,601
27	Nonoperating Net Income	13,925		13,925
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	Nonregulated Net Income (B1)	(199,650)	(281,539)	(481,189)
31	Total Net Income or Margins (21+27+28+29+30-26)	(435,143)	0	(435,143)
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	6,286,883		6,286,883
34	Miscellaneous Credits Year-to-Date	3,594		3,594
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)	5,855,334	0	5,855,334
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	645,182		645,182
45	Cash Ratio ((14+20-10-11)/7)	0.7663	#DIV/0!	0.7155
46	Operating Accrual Ratio ((14+20+26)/7)	1.0607	#DIV/0!	0.9922
47	TIER ((31+26)/26)	(4.3490)	1.0000	(4.5361)
48	DSCR ((31+26+10+11)/44)	1.1993	#DIV/0!	1.0868

(C)

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 8, Inc. Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 57 of Page 1, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Part 64 offset to nonregulated income (No Impact to retained earnings)
- (C) Corp. Op. Adj Exp. Reduction - See Exhibit 7 of Petition which takes () amount * 65% to Line 13a, Column C
 (Reduces total operating expense (L 14) and increases Operating Inc. (L15))

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

EXHIBIT 4

Company Name: (Below)
INLAND TELEPHONE COMPANY

Line #	Description	Current Year 2014 (A)	Part 64 Adj. to NonReg (B)	Current Year Adjusted 2014 (C)
1	Local Network Services Revenues	570,631		570,631
2	Network Access Services Revenues	3,590,695		3,590,695
3	Long Distance Network Services Revenues	(1,157)		(1,157)
4	Carrier Billing and Collection Revenues	46,364		46,364
5	Miscellaneous Revenues	68,917		68,917
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(6,683)		(6,683)
7	Net Operating Revenues (1 thru 6)	4,268,767	0	4,268,767
8	Plant Specific Operations Expense	1,474,380	(104,606)	1,369,774
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	339,429		339,429
10	Depreciation Expense	1,184,003	(57,758)	1,126,245
11	Amortization Expense	182		182
12	Customer Operations Expense	528,255	(82,227)	446,028
13	Corporate Operations	819,369	(13,202)	806,167
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ()			
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	819,369	(13,202)	806,167
14	Total Operations Expenses (8 thru 12 +13b)	4,345,618	(257,793)	4,087,825
15	Operating Income or Margins (7 less 14)	(76,851)	257,793	180,942
16	Other Operating Income and Expenses ()			0
17	State and Local Taxes	115,345	(4,207)	111,138
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	62,644	(3,949)	58,695
19	Other Taxes			0
20	Total Operating Taxes (17+18+19)	177,989	(8,156)	169,833
21	Net Operating Income or Margins (15+16-20)	(254,840)	265,949	11,109
22	Interest on Funded Debt	122,078	-5020	117,058
23	Interest Expense - Capital Leases			0
24	Other Interest Expense	8,509		8,509
25	Allowance for Funds Used During Construction (CR)	(25,674)	1002	(24,672)
26	Total Fixed Charges (22+23+24-25)	104,913	(4,018)	100,895
27	Nonoperating Net Income	(1,988)		(1,988)
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	Nonregulated Net Income (B1)	515,222	(269,967)	245,255
31	Total Net Income or Margins (21+27+28+29+30-26)	153,481	0	153,481
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	5,988,074		5,988,074
34	Miscellaneous Credits Year-to-Date			0
35	Dividends Declared (Common)			0
36	Dividends Declared (Preferred)			0
37	Other Debits Year-to-Date	1,331		1,331
38	Transfers to Patronage Capital			0
39	Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38)(A2)	6,140,224	0	6,140,224
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	598,192		598,192
45	Cash Ratio ((14+20-10-11)/7)	0.7823	#DIV/0!	0.7335
46	Operating Accrual Ratio ((14+20+26)/7)	1.0843	#DIV/0!	1.0210
47	TIER ((31+26)/26)	2.4629	1.0000	2.5212
48	DSCR ((31+26+10+11)/44)	2.4116	#DIV/0!	2.3083

(C)

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 8, Inc. Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 57 of Page 2, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Part 64 offset to nonregulated income (No Impact to retained earnings)
- (C) Corp. Op. Adj Exp. Reduction - See Exhibit 7 of Petition which takes
- () amount * 65% to Line 13a, Column C
(Reduces total operating expense (L 14) and increases Operating Inc. (L15)

Company Name:
 INLAND TELEPHONE COMPANY

Line #	Description	Adjusted Prior Year 2013	Adjusted Current Year 2014
1	Local Network Services Revenues	562,589	570,631
2	Network Access Services Revenues	3,451,897	3,590,695
3	Long Distance Network Services Revenues	(850)	(1,157)
4	Carrier Billing and Collection Revenues	50,550	46,364
5	Miscellaneous Revenues	48,078	68,917
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	(5,843)	(6,683)
7	Net Operating Revenues (1 thru 6)	4,106,421	4,268,767
8	Plant Specific Operations Expense	1,467,810	1,369,774
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	287,876	339,429
10	Depreciation Expense	1,057,546	1,126,245
11	Amortization Expense	182	182
12	Customer Operations Expense	424,649	446,028
13	Corporate Operations	855,120	806,167
13a	Less: Corporate Operations Adjustment (FCC 36.621) report in ()	0	0
13b	Adjusted Corporate Operations Expense (Line 13 minus Line 13a)	855,120	806,167
14	Total Operations Expenses (8 thru 12 +13b)	4,093,183	4,087,825
15	Operating Income or Margins (7 less 14)	13,238	180,942
16	Other Operating Income and Expenses ()	0	0
17	State and Local Taxes	90,257	111,138
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	(187,741)	58,695
19	Other Taxes	0	0
20	Total Operating Taxes (17+18+19)	(97,484)	169,833
21	Net Operating Income or Margins (15+16-20)	110,722	11,109
22	Interest on Funded Debt	59,655	117,058
23	Interest Expense - Capital Leases	0	0
24	Other Interest Expense	18,946	8,509
25	Allowance for Funds Used During Construction	0	(24,672)
26	Total Fixed Charges (22+23+24-25)	78,601	100,895
27	Nonoperating Net Income	13,925	(1,988)
28	Extraordinary Items	0	0
29	Jurisdictional Differences	0	0
30	Nonregulated Net Income	(481,189)	245,255
31	Total Net Income or Margins (21+27+28+29+30-26)	(435,143)	153,481
32	Total Taxes Based on Income		
33	Retained Earning or Margins Beginning-of-Year	6,286,883	5,988,074
34	Miscellaneous Credits Year-to-Date	3,594	0
35	Dividends Declared (Common)	0	0
36	Dividends Declared (Preferred)	0	0
37	Other Debits Year-to-Date	0	1,331
38	Transfers to Patronage Capital	0	0
39	Retained Earnings or Margins End-of-Period ((31+33+34)-(35+36+37+38))	5,855,334	6,140,224
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	645,182	598,192
45	Cash Ratio ((14+20-10-11)/7)	0.7155	0.7335
46	Operating Accrual Ratio ((14+20+26)/7)	0.9922	1.0210
47	TIER ((31+26)/26)	(4.5361)	2.5212
48	DSCR ((31+26+10+11)/44)	1.09	2.3083

Footnote

2013 2014

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

Note:

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

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

Company Name: (Below)
 INLAND TELEPHONE COMPANY

Line #	Description	Part 32 Account	Prior Year 2013	Current Year 2014
1	End User Revenue (SLC, ARC, etc.)	5081	228,660	241,941
2	Switched Access (excluding USF):	5082		
2a	Intrastate		439,205	110,676
2b	Interstate (includes CAF)		418,535	289,093
3	Special Access:	5083		
3a	Intrastate		42,460	40,222
3b	Interstate		1,285,190	1,904,156
4	Federal USF (ICLS/HCL/SN)	Varies	946,447	846,980
5	State USF		0	127,182
6	Other*		91,400	30,445
7	Total (must equal line 2 of Income Stmt.)		3,451,897	3,590,695
8	Line 2 of Income Stmt.		3,451,897	3,590,695
9	Difference		0	0

Footnote:

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

State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)
Out-of-Period Adjustments

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

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

Company Name: (Below)
 INLAND TELEPHONE COMPANY

Line #	Description	2014
1	Rate Base (Jan. 1)	4,829,151
2	Rate Base (Dec 31)	8,323,933
3	Average Rate Base	6,576,542
4	Net Operating Income	11,109
5	Out-of-Period Adjustments Net of FIT (A)	
6	Adjusted Net Operating Income	11,109
7	Earned Regulated Rate of Return	0.17%
8	Consolidated Equity (Jan 1)	
9	Consolidated Equity (Dec 31)	
10	Average Equity	0
11	Consolidated Net Income	
12	Out-of-Period Adjustments Net of FIT (B)	
13	Adjusted Consolidated Net Income	0
14	Earned Return on Equity	#DIV/0!

Footnote:

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

Line #	WASHINGTON 534 & 530 INLAND TELEPHONE COMPANY BALANCE SHEET - RECONCILIATION FOR THE YEARS ENDED DECEMBER 31, 2013 and 2014	Total Prior Year 2013	Total Idaho Prior Year 2013	Total Washington Prior Year 2013	Part 64 Adj. to NonReg	Prior Year Adjusted 2013	Total This Year 2014	Total Idaho This Year 2014	Total Washington This Year 2014	Part 64 Adj. to NonReg	This Year Adjusted 2014
ASSETS											
CURRENT ASSETS											
1	Cash and Equivalents	298,416		298,416		298,416	114,840	114,840			114,840
2	Cash-RUS Construction Fund	395,813		395,813		395,813	75,774	75,774			75,774
3	Affiliates:										
a.	Telecom. Accounts Receivable	84,486	(505)	84,991		84,991	0	0	0		0
b.	Other Accounts Receivable			0		0	0	0	0		0
c.	Notes Receivable			0		0			0		0
4	Non-Affiliates										
a.	Telecom. Accounts Receivable	636,441	77,298	559,143		559,143	538,193	538,193			538,193
b.	Other Accounts Receivable			0		0	0	0	0		0
c.	Notes Receivable			0		0	0	0	0		0
5	Interest and Dividends Receivable			0		0	0	0	0		0
6	Materials - Regulated	269,547		269,547		269,547	241,005	241,005			241,005
7	Materials - Nonregulated			0		0	0	0	0		0
8	Prepayments	38,205		38,205		38,205	42,366	42,366			42,366
9	Other Current Assets			0		0			0		0
10	Total Current Assets (1 thru 9)	1,722,908	76,793	1,646,115	0	1,646,115	1,012,178	1,012,178	0	0	1,012,178
NONCURRENT ASSETS											
11	Investments in Affiliated Companies										
a.	Rural Development	51,709		51,709		51,709	733,101	733,101			733,101
b.	Nonrural Development	0		0		0	0	0			0
12	Other Investments										
a.	Rural Development	0		0		0	0	0	0		0
b.	Nonrural Development	190,106		190,106		190,106	201,491	201,491			201,491
13	Nonregulated Investment	1,821,312	357,239	1,464,073	322,634	1,786,707	1,606,179	1,606,179	273,688		1,879,867
14	Other Noncurrent Assets	250		250		250	250	250			250
15	Deferred Charges	0		0		0	0	0			0
16	Jurisdictional Differences	0		0		0	0	0			0
17	Total Noncurrent Assets (11 thru 16)	2,063,377	357,239	1,706,138	322,634	2,028,772	2,541,021	2,541,021	273,688	0	2,814,709
PLANT, PROPERTY, AND EQUIPMENT											
18	Telecom. Plant-in-Service	22,848,876	3,946,548	18,902,328	(1,062,900)	17,839,428	27,004,739	3,882,059	23,122,680	(862,147)	22,260,533
19	Property Held for Future Use	0		0		0	0	0	0		0
20	Plant Under Construction	2,578,522	90,014	2,488,508	(25,373)	2,463,135	2,292,893	62,056	2,230,837	(101,298)	2,129,539
21	Plant Adj., Nonop. Plant & Goodwill	0		0		0	0	0	0		0
22	Less: Accumulated Depreciation (Cr)	(16,940,466)	(2,895,003)	(14,045,463)	765,639	(13,279,824)	(17,846,483)	(2,979,121)	(14,867,362)	689,757	(14,177,605)
23	Net Plant (18 thru 22)	8,486,932	1,141,559	7,345,373	(322,634)	7,022,739	11,451,149	964,994	10,486,155	(273,688)	10,212,467
24	TOTAL ASSETS (10 + 17 + 23)	12,273,217	1,575,591	10,697,626	0	10,697,626	15,004,348	964,994	14,039,354	0	14,039,354

Line #	WASHINGTON 534 & 530 INLAND TELEPHONE COMPANY BALANCE SHEET - RECONCILIATION FOR THE YEARS ENDED DECEMBER 31, 2013 and 2014	Total Prior Year 2013	Total Idaho Prior Year 2013	Total Washington Prior Year 2013	Part 64 Adj. to NonReg	Prior Year Adjusted 2013	Total This Year 2014	Total Idaho This Year 2014	Total Washington This Year 2014	Part 64 Adj. to NonReg	This Year Adjusted 2014
LIABILITIES AND STOCKHOLDERS' EQUITY											
CURRENT LIABILITIES											
25	Accounts Payable	1,134,728		1,134,728		1,134,728	872,782		872,782		872,782
26	Notes Payable	0		0		0	0		0		0
27	Advance Billings and Payments	0		0		0	0		0		0
28	Customer Deposits	2,539	498	2,041		2,041	2,329	416	1,913		1,913
29	Current Mat. L/T Debt	389,000	67,265	321,735	(17,128)	304,607	448,400	19,832	428,568	(15,297)	413,271
30	Current Mat. L/T Debt-Rural Dev	0		0		0	0		0		0
31	Current Mat. L/T Debt-Capital Lease	0		0		0	0		0		0
32	Income Taxes Accrued	60,011		60,011		60,011	20		20		20
33	Other Taxes Accrued	142,940		142,940		142,940	98,938		98,938		98,938
34	Other Current Liabilities	815,571		815,571		815,571	356,671		356,671		356,671
35	Total Current Liabilities (25 thru 34)	2,544,789	67,763	2,477,026	(17,128)	2,459,898	1,779,140	20,248	1,758,892	(15,297)	1,743,595
LONG-TERM DEBT											
36	Funded Debt-RUS Notes	231,678	40,061	191,617	(10,201)	181,416	168,166	21,732	146,434	(5,227)	141,207
37	Funded Debt-RTB Notes	65,936	11,401	54,535	(2,903)	51,632	45,278	5,851	39,427	(1,407)	38,020
38	Funded Debt-FFB Notes	2,816,944		2,816,944		2,816,944	6,229,991	158,112	6,071,879	(216,731)	5,855,148
39	Funded Debt-Other	(2,655)		(2,655)		(2,655)	(3,363)		(3,363)		(3,363)
40	Funded Debt-Rural Development Loan			0		0	0		0		0
41	Premium (Discount) on L/T Debt			0		0	0		0		0
42	Required Debt			0		0	0		0		0
43	Obligations Under Capital Lease			0		0	0		0		0
44	Adv. From Affiliated Companies			0		0	0		0		0
45	Other Long-Term Debt			0		0	0		0		0
46	Total Long-Term Debt (36 thru 45)	3,111,903	51,462	3,060,441	(13,104)	3,047,337	6,440,072	185,695	6,254,377	(223,365)	6,031,012
OTHER LIAB. & DEF. CREDITS											
47	Other Long-Term Liabilities	0		0		0	0		0		0
48	Other Deferred Credits	528,126	121,248	406,878	(26,917)	379,961	578,942	106,341	472,601	(36,179)	436,422
49	Other Jurisdictional Differences	0		0		0	0		0		0
50	Total Other Liab & Def Credits (47 thru 49)	528,126	121,248	406,878	(26,917)	379,961	578,942	106,341	472,601	(36,179)	436,422
EQUITY											
51	Cap. Stock Outstand. & Subscribed	93,150		93,150		93,150	93,150		93,150		93,150
52	Additional Paid-in-Capital	7,175		7,175		7,175	7,175		7,175		7,175
53	Treasury Stock	0		0		0	0		0		0
54	Membership and Cap. Certificates	0		0		0	0		0		0
55	Other Capital	0		0		0	0		0		0
56	Patronage Capital Credits	0		0		0	0		0		0
57	Retained Earnings	5,988,074	1,335,118	4,652,956	57,149	4,710,105	6,105,869	652,710	5,453,159	274,841	5,728,000
58	Total Equity (51 thru 57)	6,088,399	1,335,118	4,753,281	57,149	4,810,430	6,206,194	652,710	5,553,484	274,841	5,828,325
59	TOTAL LIABILITIES & EQUITY (35+46+50+58)	12,273,217	1,575,591	10,697,626	0	10,697,626	15,004,348	964,994	14,039,354	0	14,039,354

Line #	Item	Total Prior Year 2013		Total Idaho Prior Year 2013		Total Washington Prior Year 2013		Part 64 Adj. to NonReg		Total This Year 2014		Total Idaho This Year 2014		Total Washington This Year 2014		Part 64 Adj. to NonReg		Total This Year Adjusted 2014	
		Year 2013	Prior Year 2013	2013	Prior Year 2013	2013	Prior Year 2013	NonReg	Adjusted 2013	Year 2014	Prior Year 2014	This Year 2014	Prior Year 2014	This Year 2014	NonReg	Adjusted 2014			
WASHINGTON 534 & 530																			
INLAND TELEPHONE COMPANY																			
INCOME STATEMENT - RECONCILIATION																			
FOR THE YEARS ENDED DECEMBER 31, 2013 and 2014																			
1	Local Network Service Revenues	668,600	106,011	562,589	562,589	0	562,589	675,461	104,830	570,631	570,631	0	570,631	0	570,631				
2	Network Access Service Revenues	4,213,114	761,217	3,451,897	3,451,897	(850)	3,451,897	4,179,688	588,993	3,590,695	3,590,695	(1,157)	3,590,695	0	3,590,695				
3	Long Distance Network Services Revenues	(788)	62	(850)	(850)	0	(850)	(1,216)	(59)	(1,157)	(1,157)	0	(1,157)	0	(1,157)				
4	Carrier Billing and Collection Revenues	55,958	5,408	50,550	50,550	0	50,550	51,445	5,081	46,364	46,364	0	46,364	0	46,364				
5	Miscellaneous Revenues	52,563	4,485	48,078	48,078	0	48,078	70,564	1,747	68,917	68,917	0	68,917	0	68,917				
6	Uncollectible Revenues	(6,272)	(429)	(5,843)	(5,843)	0	(5,843)	(7,139)	(456)	(6,683)	(6,683)	0	(6,683)	0	(6,683)				
7	Net Operating Revenues (1 thru 6)	4,983,175	876,754	4,106,421	4,106,421	0	4,106,421	4,968,903	700,136	4,268,767	4,268,767	0	4,268,767	0	4,268,767				
8	Plant Specific Operations Expense	2,001,657	396,579	1,605,078	1,605,078	(137,268)	1,467,810	1,762,438	288,058	1,474,380	1,474,380	(104,606)	1,369,774	0	1,369,774				
9	Plant Nonspecific Operations (ex Depr. & Amort.)	333,319	45,443	287,876	287,876	0	287,876	396,535	57,106	339,429	339,429	0	339,429	0	339,429				
10	Depreciation Expense	1,316,875	189,508	1,127,367	1,127,367	(69,821)	1,057,546	1,346,798	162,795	1,184,003	1,184,003	(57,758)	1,126,245	0	1,126,245				
11	Amortization Expense	182	0	182	182	0	182	182	0	182	182	0	182	0	182				
12	Customer Operations Expense	549,599	65,717	483,882	483,882	(59,233)	424,649	595,029	66,774	528,255	528,255	(82,227)	446,028	0	446,028				
13	Corporate Operations Expense	1,011,766	144,470	867,296	867,296	(12,176)	855,120	951,200	131,831	819,369	819,369	(13,202)	806,167	0	806,167				
13a	Less: Corporate Op Adjustment (FCC 36.621)	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
13b	Adjusted Corporate Operations Expense	1,011,766	144,470	867,296	867,296	(12,176)	855,120	951,200	131,831	819,369	819,369	(13,202)	806,167	0	806,167				
14	Total Operating Expenses (8 thru 12 + 13b)	5,213,398	841,717	4,371,681	4,371,681	(278,498)	4,093,183	5,052,182	706,564	4,345,618	4,345,618	(257,793)	4,087,825	0	4,087,825				
15	Operating Income or Margin (7 less 14)	(230,223)	35,037	(265,260)	(265,260)	0	(265,260)	(83,279)	(6,428)	(76,851)	(76,851)	0	(76,851)	0	(76,851)				
16	Other Operating Income and Expenses	126,725	25,027	101,698	101,698	(11,441)	90,257	139,873	24,528	115,345	115,345	(4,207)	111,138	0	111,138				
17	State and Local Taxes	(167,547)	31,344	(198,891)	(198,891)	0	(187,741)	(120,071)	(182,715)	(62,644)	(62,644)	(3,949)	(58,695)	0	(58,695)				
18	Federal Income Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
19	Other Taxes	(40,822)	56,371	(97,193)	(97,193)	(291)	(97,484)	19,802	(158,187)	177,989	177,989	(8,156)	169,833	0	169,833				
20	Total Operating Taxes (17+18+19)	(189,402)	(21,334)	(168,067)	(168,067)	278,789	110,722	(103,081)	151,759	(254,840)	(254,840)	265,949	11,109	0	11,109				
21	Net Operating Income or Margin (15+16-20)	75,452	13,047	62,405	62,405	(2,750)	59,655	144,819	22,741	122,078	122,078	(5,020)	117,058	0	117,058				
22	Interest on Funded Debt	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
23	Interest Expense - Capital Leases	19,260	314	18,946	18,946	0	18,946	10,098	1,589	8,509	8,509	0	8,509	0	8,509				
24	Other Interest Expense	0	0	0	0	0	0	(30,457)	(4,783)	(25,674)	(25,674)	1,002	(24,672)	0	(24,672)				
25	Allowance for Funds Used During Construction	0	0	0	0	0	0	124,460	19,547	104,913	104,913	(4,018)	100,895	0	100,895				
26	Total Fixed Charges (22 thru 25)	94,712	13,361	81,351	81,351	(2,750)	78,601	(2,287)	(299)	(1,988)	(1,988)	0	(1,988)	0	(1,988)				
27	Nonoperating Net Income(Expense)	14,982	1,057	13,925	13,925	0	13,925	0	0	0	0	0	0	0	0				
28	Extraordinary Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
29	Jurisdictional Differences	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
30	Nonregulated Net Income (Loss)	(3,308)	196,342	(199,650)	(199,650)	(281,539)	(481,189)	348,954	(166,268)	515,222	515,222	(269,967)	245,255	0	245,255				
31	Total Net Income or Margin (21+27+28-29+30-26)	(272,439)	162,704	(435,143)	(435,143)	0	(435,143)	119,126	(34,355)	153,481	153,481	0	153,481	0	153,481				
32	Total Taxes Based on Income	(165,487)	30,844	(196,331)	(196,331)	11,587	(184,744)	51,562	(11,082)	62,644	62,644	(3,932)	58,712	0	58,712				
33	Retained Earnings or Margins Beginning-of-Year	6,286,883	0	6,286,883	6,286,883	0	6,286,883	5,988,074	0	5,988,074	5,988,074	0	5,988,074	0	5,988,074				
34	Miscellaneous Credits Year-to-Date	3,594	0	3,594	3,594	0	3,594	0	0	0	0	0	0	0	0				
35	Dividends Declared (Common)	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
36	Dividends Declared (Preferred)	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
37	Other Debits Year-to-Date	0	0	0	0	0	0	1,331	0	1,331	1,331	0	1,331	0	1,331				
38	Transfers to Patronage Capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
39	Retained Earnings or Margins End-of-Period (31+33+34)-(35+36+37+38)	6,018,038	162,704	5,855,334	5,855,334	0	5,855,334	6,105,869	(34,355)	6,140,224	6,140,224	0	6,140,224	0	6,140,224				
40	Patronage Capital Beginning-of-Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
41	Transfers of Patronage Capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
42	Patronage Capital Credits Retired	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
43	Patronage Capital End-of-Year (40+41-42)	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
44	Annual Debt Service Payments	780,069	134,887	645,182	645,182	(34,348)	610,834	643,649	45,457	598,192	598,192	(21,352)	576,840	0	576,840				
45	Cash Ratio (14+20-10-11)/7	0.7737	0	0.7497	0.7497	0	0.7497	1.0458	0	1.0458	1.0458	0	1.0458	0	1.0458				
46	Operating Accrual Ratio (14+20+26)/7	1.0570	0	1.0570	1.0570	0	1.0570	1.9571	0	1.9571	1.9571	0	1.9571	0	1.9571				
47	TIER (31+26)/26	(1.8765)	0	(1.8765)	(1.8765)	0	(1.8765)	2.4712	0	2.4712	2.4712	0	2.4712	0	2.4712				
48	DSCR (31+26+10+11)/44	1.4606	0	1.4606	1.4606	0	1.4606	0	0	0	0	0	0	0	0				