

USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential. BORROWER NAME  The Toledo Telephone Co., Inc.
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INSTRUCTIONS-Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December 2022	BORROWER DESIGNATION WA0538
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**CERTIFICATION**

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

**ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.**

**DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII**  
*(Check one of the following)*

All of the obligations under the RUS loan documents have been fulfilled in all material respects.
  There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

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DATE

**PART A. BALANCE SHEET**

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents	6,690,138	6,539,572	25. Accounts Payable	136,995	343,656
2. Cash-RUS Construction Fund	4,963	4,963	26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		(2,658)
b. Other Accounts Receivable	20,089	335,729	29. Current Mat. L/T Debt	759,363	759,363
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable	190,810	200,000	32. Income Taxes Accrued	(179,334)	0
b. Other Accounts Receivable	753,454	454,999	33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities	357,067	(71,207)
5. Interest and Dividends Receivable			<b>35. Total Current Liabilities (25 thru 34)</b>	<b>1,074,091</b>	<b>1,029,154</b>
6. Material-Regulated	434,191	655,701	<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated	43,939	50,000	36. Funded Debt-RUS Notes		
8. Prepayments	0	205,575	37. Funded Debt-RTB Notes		
9. Other Current Assets	7,580,735	7,580,735	38. Funded Debt-FFB Notes	9,852,966	8,919,026
<b>10. Total Current Assets (1 Thru 9)</b>	<b>15,718,319</b>	<b>16,027,274</b>	39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development	838,835	838,835	43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development	298,141	250,664	<b>46. Total Long-Term Debt (36 thru 45)</b>	<b>9,852,966</b>	<b>8,919,026</b>
13. Nonregulated Investments	297,474	297,474	<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits	2,117,600	2,117,600
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
<b>17. Total Noncurrent Assets (11 thru 16)</b>	<b>1,434,450</b>	<b>1,386,973</b>	50. Total Other Liabilities and Deferred Credits (47 thru 49)	<b>2,117,600</b>	<b>2,117,600</b>
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service	31,151,940	31,772,524	51. Cap. Stock Outstand. & Subscribed	10,670	10,670
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction	344,627	1,274,503	53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation	17,490,002	19,039,643	55. Other Capital		
<b>23. Net Plant (18 thru 21 less 22)</b>	<b>14,006,565</b>	<b>14,007,384</b>	56. Patronage Capital Credits		
<b>24. TOTAL ASSETS (10+17+23)</b>			57. Retained Earnings or Margins	18,104,007	19,345,181
	31,159,334	31,421,631	<b>58. Total Equity (51 thru 57)</b>	<b>18,114,677</b>	<b>19,355,851</b>
			<b>59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>	<b>31,159,334</b>	<b>31,421,631</b>

Total Equity = 61.60% % of Total Assets

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

WA0538

PERIOD ENDING

December 2022

INSTRUCTIONS- See RUS Bulletin 1744-2

**PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS**

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	38,527	26,681
2. Network Access Services Revenues	5,606,341	5,361,153
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues	569	411
5. Miscellaneous Revenues	47,300	45,969
6. Uncollectible Revenues	(956)	
<b>7. Net Operating Revenues (1 thru 5 less 6)</b>	<b>5,693,693</b>	<b>5,434,214</b>
8. Plant Specific Operations Expense	1,382,201	1,533,265
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	534,245	238,245
10. Depreciation Expense	1,557,109	1,283,103
11. Amortization Expense		
12. Customer Operations Expense	174,489	561,956
13. Corporate Operations Expense	992,006	1,506,996
<b>14. Total Operating Expenses (8 thru 13)</b>	<b>4,640,050</b>	<b>5,123,565</b>
15. Operating Income or Margins (7 less 14)	1,053,643	310,649
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes	926,854	0
19. Other Taxes	263,773	55,127
<b>20. Total Operating Taxes (17+18+19)</b>	<b>1,190,627</b>	<b>55,127</b>
21. Net Operating Income or Margins (15+16-20)	(136,984)	255,522
22. Interest on Funded Debt	245,679	132,194
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction	0	
<b>26. Total Fixed Charges (22+23+24-25)</b>	<b>245,679</b>	<b>132,194</b>
27. Nonoperating Net Income	962,066	(39,226)
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income	898,574	1,157,072
<b>31. Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>1,477,977</b>	<b>1,241,174</b>
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year	16,626,030	18,104,007
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
<b>39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]</b>	<b>18,104,007</b>	<b>19,345,181</b>
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
<b>43. Patronage Capital End-of-Year (40+41-42)</b>	<b>0</b>	<b>0</b>
44. Annual Debt Service Payments	623,420	933,941
45. Cash Ratio [(14+20-10-11) / 7]	0.7506	0.7169
46. Operating Accrual Ratio [(14+20+26) / 7]	1.0672	0.9773
47. TIER [(31+26) / 26]	7.0159	10.3890
48. DSCR [(31+26+10+11) / 44]	5.2625	2.8444