

**INLAND TELEPHONE COMPANY - WA  
STUDY AREA CODE 522423  
ATTACHMENTS TO THE FCC FORM 481**

## **LINE 610 - FUNCTIONALITY IN EMERGENCY SITUATIONS**

**(522423 WA FINCTIONAL IN EMERGENCIES CERTIFICATION LN 610.pdf)**

## Ability to Remain Functional in Emergencies Certification

### §54.313(a)(1)

*ETCs must demonstrate that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to re-route traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.*

*§54.202(a)(2) Demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.*


I, James K. Brooks, being of lawful age, state that I am Treasurer/Controller of Inland Telephone Company ("Company")(SAC 522423), that I am authorized to execute this certification on behalf of the Company, and that the facts set forth in this certification are true to the best of my knowledge, information and belief.

On this basis, the Company certifies that it maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g) and in 47 C.F.R. §54.202(a)(2), as such standards relate to functionality of wireline carriers in emergency situations. The Company further certifies that it maintains back-up power to ensure functionality without an external power source in the forms of auxiliary generators and batteries in its central offices as well as adequate battery back-up in its subscriber carrier cabinets where copper facilities are deployed. For its fiber-to-the-premise deployment in its Roslyn exchange, the Company mounted at each premises a universal power source ("UPS") capable of eight hours of back-up power for all optical network terminals and offers for sale, additional batteries for the UPS unit. The Company's switching capability is more than adequate to manage the traffic of its subscribers.

For calls within the exchange of Uniontown, depending upon where a cut is made, there exists redundant toll routing however, the other exchanges have no redundant toll routing. In all exchanges, customers can continue to make calls within the exchange should the interexchange interconnected facilities become disconnected. The Company does not have ring technology at this time however; the Company is always looking for redundant routing alternatives.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 22<sup>nd</sup> day of June, 2020 in Roslyn, Washington.

By:   
James K. Brooks  
Treasurer/Controller  
Inland Telephone Company

**LINE 1010 - VOICE SERVICE RATE COMPARABILITY COMPLIANCE**

**(522423 WA VOICE RATE COMPARABILITY CERTIFICATION LN 1010.pdf)**

## Voice Services Rate Comparability Certification §54.313(a)(2)

Any recipient of high-cost support shall provide the following: A certification that the pricing of the company's voice services is not more than two standard deviations above the applicable national average urban rate for voice service, which will be specified annually in a public notice issued by the FCC's Wireline Competition Bureau.

*PUBLIC NOTICE DA 19-1237 – Voice Rates. Based on the survey results, the 2020 urban average monthly rate (the rate floor) is \$34.81. Therefore, the reasonable comparability benchmark for voice services, two standard deviations above the urban average, is \$54.76. Under the Commission's rules, each ETC, including competitive ETCs providing fixed voice services, must certify in the FCC Form 481 filed no later than July 1, 2020 that the pricing of its basic residential voice services is no more than \$54.76.*

I, James K. Brooks, being of lawful age, state that I am Treasurer/Controller of Inland Telephone Company ("Company"), Study Area Code 522423, that I am authorized to execute this certification on behalf of the Company, and that the facts set forth in this certification are true to the best of my knowledge, information and belief.

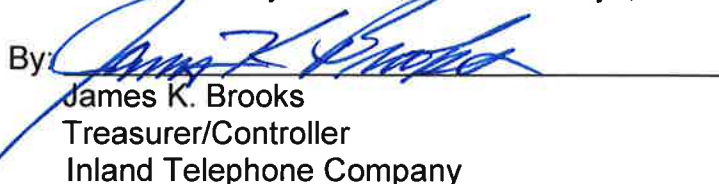
On this basis, the Company certifies, pursuant to 47 C.F.R. § 54.313(a)(10), that the Company's pricing of its voice services is no more than \$54.76.

The Company further submits, as support, the following residential service lines and rates; excluding the Federal Subscriber Line Charge of \$6.50 and below \$34.81:

Exchange	Rate Type	Count	Base Res. Rate	State SLC	State USF Fee	Mand. EAS Charge	Total Per Res.
DEWATTO (372)	Residential	273	22.00	0	0	0	22.00
DEWATTO (372)	Res-Message	1	18.00	0	0	0	18.00
PRESCOTT (849)	Residential	78	18.00	0	0	0	18.00
PRESCOTT (849)	Res-Message	1	18.00	0	0	0	18.00
ROSLYN (649)	Residential	951	18.00	0	0	0	18.00
ROSLYN (649)	Res-Message	4	18.00	0	0	0	18.00
UNIONTOWN (229)	Residential	217	18.00	0	0	0	18.00
UNIONTOWN (229)	Res-Message	6	18.00	0	0	0	18.00

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 22<sup>nd</sup> day of June, 2020 in Roslyn, Washington.

By:   
James K. Brooks  
Treasurer/Controller  
Inland Telephone Company

**LINE 1030 - BROADBAND COMPARABILITY COMPLIANCE**

**(522423 WA BROADBAND RATE COMPARABILITY CERTIFICATION LN 1030.pdf)**

## Broadband Services Rate Comparability Certification §54.313(a)(3)

*Any recipient of high-cost support shall provide the following: A certification that the pricing of one of their broadband services, which meet public interest obligations, is no more than the applicable benchmark announced annually in a public notice issued by the FCC's Wireline Competition Bureau or is no more than the non-promotional price charged for a comparable fixed wireline service in urban areas in the states or U.S. Territories where the eligible telecommunications carrier receives support.*


*PUBLIC NOTICE DA 19-1237 – Broadband Rates. Recipients of high-cost and/or Connect America Fund support that are subject to broadband performance obligations are required to offer broadband service at rates that are at or below the relevant reasonable comparability benchmark. Carriers subject to the Alaska Plan are required to meet Alaska-specific benchmarks and to certify that they are meeting the relevant reasonable comparability benchmark for their broadband service offering in the FCC Form 481 filed no later than July 1, 2020.*

I, James K. Brooks, being of lawful age, state that I am Treasurer/Controller of Inland Telephone Company ("Company"), Study Area Code 522423, that I am authorized to execute this certification on behalf of the Company, and that the facts set forth in this certification are true to the best of my knowledge, information and belief.

The Company offers at least one broadband service plan that meets the relevant metrics in all four of its Washington exchanges; pricing benchmark for the minimum speed standard of 10 Mbps downstream, 1 Mbps upstream, and Unlimited Capacity Allowance. The Company's rate for a 10 Mbps downstream and 1 Mbps upstream service is \$55.00; the benchmark is \$77.30. As building of fiber-to-the-premise continues, the Company's rate for a 100 Mbps downstream, 50 Mbps upstream, and unlimited Capacity is \$95.00; the closest benchmark (100 Mbps/10 Mbps) is \$111.88. On this basis, the Company certifies that the pricing of a service that meets the Commission's broadband public interest obligations is no more than the applicable benchmark announced in Public Notice DA 19-1237; compliant pursuant to 47 C.F.R. § 54.313(a)(3).

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 22<sup>nd</sup> day of June, 2020 in Roslyn, Washington.

By:   
James K. Brooks  
Treasurer/Controller  
Inland Telephone Company

**LINE 1210 - TERMS & CONDITIONS OF VOICE TELEPHONY LIFELINE  
PLANS**

**(522423 WA LIFELINE ASSISTANCE LN 1210.pdf)**



**Lifeline Support – Lifeline Plans Terms and Conditions**  
**§54.422(a)(2)**


*ETCs must provide information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers.*

I, James K. Brooks, being of lawful age, state that I am Treasurer/Controller of Inland Telephone Company (“Company”), Study Area Code 522423, that I am authorized to provide the following statement on behalf of the Company, and that the facts set forth in this statement are true to the best of my knowledge, information and belief.

On this basis, pursuant to 47 C.F.R. § 54.422(a)(2), the Company states that it provides service in a non-discriminatory manner and does not unlawfully discriminate on the basis of race, sex, age, religion, national origin, gender identity, sexual orientation, marital status, veteran status or any other basis prohibited by federal, state or local law. With that said, the Company offers its voice telephony services similarly to all that subscribe; there are no specific “Lifeline Plans” and no special terms or conditions for those utilizing lifeline assistance. The Company’s service application as well as its website point out the lifeline telephone assistance program for those subscribers that may be economically challenged. The Company utilizes the National Verifier as well as FCC Forms 5629, 5630, and 5631 for Lifeline Applications, Household Worksheet and Re-Certification.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 22<sup>nd</sup> day of June, 2020 in Roslyn, Washington.

By:   
James K. Brooks  
Treasurer/Controller  
Inland Telephone Company

**LINE 3010B - CERTIFICATE OF PUBLIC INTEREST {47 CFR §  
54.313(f)(1)(i)}**

**(522423 WA CERTIFICATE OF PUBLIC INTEREST OBLIGATIONS LN 3010B.pdf)**

**Public Interest Obligations - Broadband Certification**  
**§54.313(f)(1)(i)**

*Rate-of-Return ETCs are required to provide certain certifications and other details related to their broadband obligations.*

I, James K. Brooks, being of lawful age, state that I am Treasurer/Controller of Inland Telephone Company ("Company"), Study Area Code 522423, that I am authorized to execute this certification on behalf of the Company, and that the facts set forth in this certification are true to the best of my knowledge, information and belief.

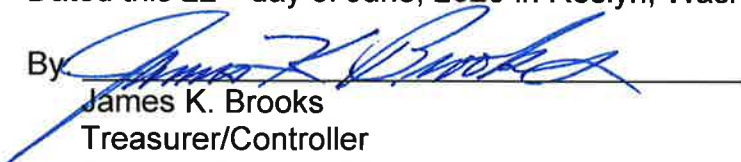
The Company currently offers a 100 Mbps downstream/50 Mbps upstream service in its Roslyn exchange and contractors are working on the installation of fiber-to-the-premise in its Uniontown exchange to enable it to offer similar service. The Company also has plans for upgrading its Prescott and Dewatto exchanges. The Company offers a 10 Mbps downstream/1 Mbps upstream service in all of its exchanges.

On this basis, the Company certifies, pursuant to 47 C.F.R. § 54.313(f)(1)(i), that it has taken reasonable steps to provide upon reasonable request, broadband service at actual speeds of 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, and that requests for such service are met within a reasonable amount of time.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 22<sup>nd</sup> day of June, 2020 in Roslyn, Washington.

By

  
James K. Brooks  
Treasurer/Controller  
Inland Telephone Company

**LINE 3017 - RUS ANNUAL REPORT AND ALL REQUIRED  
DOCUMENTATION**

**(522423 WA RUS ANNUAL REPORT LN 3017.pdf)**

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  Inland Telephone Company  (Prepared with Audited Data)
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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 2019	BORROWER DESIGNATION WA0534
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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

\_\_\_\_\_ 3/25/2020 \_\_\_\_\_  
 Gregory Maras DATE

**PART A. BALANCE SHEET**

	BALANCE PRIOR YEAR	BALANCE END OF PERIOD		BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>ASSETS</b>			<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents	809,634	606,755	25. Accounts Payable	172,199	154,378
2. Cash-RUS Construction Fund	809,556	324,233	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	0	0
a. Telecom, Accounts Receivable	0	0	28. Customer Deposits	2,504	2,198
b. Other Accounts Receivable	0	0	29. Current Mat. L/T Debt	1,104,721	1,123,525
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	563,898	760,642	32. Income Taxes Accrued	0	0
b. Other Accounts Receivable	0	0	33. Other Taxes Accrued	80,191	66,468
c. Notes Receivable	56,449	45,434	34. Other Current Liabilities	599,154	604,815
5. Interest and Dividends Receivable	0	0	<b>35. Total Current Liabilities (25 thru 34)</b>	<b>1,958,769</b>	<b>1,951,384</b>
6. Material-Regulated	266,912	282,212	<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated	0	0	36. Funded Debt-RUS Notes	9,769	0
8. Prepayments	128,855	121,457	37. Funded Debt-RTB Notes	0	0
9. Other Current Assets	40	40	38. Funded Debt-FFB Notes	12,217,654	11,103,868
<b>10. Total Current Assets (1 Thru 9)</b>	<b>2,635,344</b>	<b>2,140,773</b>	39. Funded Debt-Other	(4,103)	(4,312)
<b>NONCURRENT ASSETS</b>			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	2,020,864	2,193,097	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	269,802	288,448	<b>46. Total Long-Term Debt (36 thru 45)</b>	<b>12,223,320</b>	<b>11,099,556</b>
13. Nonregulated Investments	1,593,896	1,775,831	<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets	250	250	47. Other Long-Term Liabilities	0	0
15. Deferred Charges	0	0	48. Other Deferred Credits	1,970,370	1,988,342
16. Jurisdictional Differences	0	0	49. Other Jurisdictional Differences	0	0
<b>17. Total Noncurrent Assets (11 thru 16)</b>	<b>3,884,812</b>	<b>4,257,626</b>	50. Total Other Liabilities and Deferred Credits (47 thru 49)	1,970,370	1,988,342
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service	34,816,371	34,950,329	51. Cap. Stock Outstand. & Subscribed	93,150	93,150
19. Property Held for Future Use	590,472	590,472	52. Additional Paid-in-Capital	7,175	7,175
20. Plant Under Construction	162,313	726,286	53. Treasury Stock	0	0
21. Plant Adj., Nonop. Plant & Goodwill	0	0	54. Membership and Cap. Certificates	0	0
22. Less Accumulated Depreciation	17,853,767	19,014,618	55. Other Capital	0	0
<b>23. Net Plant (18 thru 21 less 22)</b>	<b>17,715,389</b>	<b>17,252,469</b>	56. Patronage Capital Credits	0	0
<b>24. TOTAL ASSETS (10+17+23)</b>			57. Retained Earnings or Margins	7,982,761	8,511,261
	24,235,545	23,650,868	<b>58. Total Equity (51 thru 57)</b>	<b>8,083,086</b>	<b>8,611,586</b>
			<b>59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>	<b>24,235,545</b>	<b>23,650,868</b>

Total Equity = 36.41% % of Total Assets

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

WA0534

PERIOD ENDING

December 2019

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	703,462	660,195
2. Network Access Services Revenues	5,094,753	5,364,072
3. Long Distance Network Services Revenues	3	8
4. Carrier Billing and Collection Revenues	37,711	26,978
5. Miscellaneous Revenues	79,273	74,013
6. Uncollectible Revenues	6,341	34,677
<b>7. Net Operating Revenues (1 thru 5 less 6)</b>	<b>5,908,861</b>	<b>6,090,589</b>
8. Plant Specific Operations Expense	1,779,446	1,783,367
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	490,124	512,504
10. Depreciation Expense	1,457,637	1,466,922
11. Amortization Expense	172	136
12. Customer Operations Expense	612,431	652,288
13. Corporate Operations Expense	949,303	883,196
<b>14. Total Operating Expenses (8 thru 13)</b>	<b>5,289,113</b>	<b>5,298,413</b>
15. Operating Income or Margins (7 less 14)	619,748	792,176
16. Other Operating Income and Expenses	0	0
17. State and Local Taxes	263,685	271,416
18. Federal Income Taxes	170,169	173,022
19. Other Taxes	0	0
<b>20. Total Operating Taxes (17+18+19)</b>	<b>433,854</b>	<b>444,438</b>
21. Net Operating Income or Margins (15+16-20)	185,894	347,738
22. Interest on Funded Debt	300,454	278,272
23. Interest Expense - Capital Leases	0	0
24. Other Interest Expense	39	944
25. Allowance for Funds Used During Construction	10,892	6,901
<b>26. Total Fixed Charges (22+23+24-25)</b>	<b>289,601</b>	<b>272,315</b>
27. Nonoperating Net Income	176,340	(28,832)
28. Extraordinary Items	0	0
29. Jurisdictional Differences	0	0
30. Nonregulated Net Income	520,112	481,909
<b>31. Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>592,745</b>	<b>528,500</b>
32. Total Taxes Based on Income	0	0
33. Retained Earnings or Margins Beginning-of-Year	7,387,781	7,982,761
34. Miscellaneous Credits Year-to-Date	2,235	0
35. Dividends Declared (Common)	0	0
36. Dividends Declared (Preferred)	0	0
37. Other Debits Year-to-Date	0	0
38. Transfers to Patronage Capital	0	0
<b>39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]</b>	<b>7,982,761</b>	<b>8,511,261</b>
40. Patronage Capital Beginning-of-Year	0	0
41. Transfers to Patronage Capital	0	0
42. Patronage Capital Credits Retired	0	0
<b>43. Patronage Capital End-of-Year (40+41-42)</b>	<b>0</b>	<b>0</b>
44. Annual Debt Service Payments	1,400,521	1,383,232
45. Cash Ratio [(14+20-10-11) / 7]	0.7218	0.7020
46. Operating Accrual Ratio [(14+20+26) / 7]	1.0176	0.9876
47. TIER [(31+26) / 26]	3.0468	2.9408
48. DSCR [(31+26+10+11) / 44]	1.6709	1.6395

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

WA0534

PERIOD ENDED

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**Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION**

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
ROSLYN	24.00	18.00	191	1,030	1,221	224.19	100.57
UNIONTOWN	25.00	18.00	71	235	306	309.21	64.25
LENORE	40.68	25.76	6	172	188	178.34	12.00
ROUTE MILES OUTSIDE EXCHANGE AREA						7.67	7.67
LEON	40.68	25.76	1	23	24	20.37	13.14
DEWATTO	27.00	22.00	13	273	286	157.60	53.42
PRESCOTT	26.50	18.00	36	81	117	208.09	53.15
MobileWireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
Total			318	1,814	2,142	1,105.47	304.20
No. Exchanges	7						

USDA-RUS

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

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PERIOD ENDED

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**Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION**

**4. BROADBAND SERVICE**

Details on Least Expensive Broadband Service								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
ROSLYN	1,221	1,442	32	6,000	1,500	49.95	Package	DSL
UNIONTOWN	306	224	132	6,000	1,500	49.95	Package	DSL
LENORE	188	86	32	768	512	39.95	Package	DSL
ROUTE MILES OUTSIDE EXCHANGE AREA								
LEON	24	21	14	6,000	1,500	49.95	Package	DSL
DEWATTO	286	240	25	768	512	39.96	Package	DSL
PRESCOTT	117	56	6	768	512	39.95	Package	DSL
Total	2,142	2,069						



USDA-RUS <b>OPERATING REPORT FOR          TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION WA0534
	PERIOD ENDING December 2019

INSTRUCTIONS- See RUS Bulletin 1744-2

**PART D. SYSTEM DATA**

1. No. Plant Employees 18	2. No. Other Employees 22	3. Square Miles Served 463	4. Access Lines per Square Mile 4.63	5. Subscribers per Route Mile 1.94
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**PART E. TOLL DATA**

1. Study Area ID Code(s) a. _____ b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one) Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
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**PART F. FUNDS INVESTED IN PLANT DURING YEAR**

1. RUS, RTB, & FFB Loan Funds Expended	
2. Other Long-Term Loan Funds Expended	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	1,307,331
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	1,307,331

**PART G. INVESTMENTS IN AFFILIATED COMPANIES**

INVESTMENTS  (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development	172,233		2,193,097		2,193,097
2. Investment in Affiliated Companies - Nonrural Development					

USDA-RUS  
**OPERATING REPORT FOR  
 TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

WA0534

PERIOD ENDING

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**PART H. CURRENT DEPRECIATION RATES**

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)

YES

NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	16.00%
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	16.00%
5. Land and support assets - Buildings	4.00%
6. Land and support assets - Furniture and Office equipment	15.00%
7. Land and support assets - General purpose computers	25.00%
8. Central Office Switching - Digital	9.00%
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	13.00%
12. Central Office Transmission - Circuit equipment	11.19%
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	7.59%
19. Cable and wire facilities - Aerial cable - Metal	42.06%
20. Cable and wire facilities - Aerial cable - Fiber	5.00%
21. Cable and wire facilities - Underground cable - Metal	6.00%
22. Cable and wire facilities - Underground cable - Fiber	5.00%
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

USDA-RUS

BORROWER DESIGNATION

WA0534

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

PERIOD ENDED

December 2019

INSTRUCTIONS – See help in the online application.

**PART I – STATEMENT OF CASH FLOWS**

<b>1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)</b>	1,619,190
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
<b>2. Net Income</b>	528,500
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>	
3. Add: Depreciation	1,466,922
4. Add: Amortization	136
5. Other (Explain) See Note Section	275,667
<i>Changes in Operating Assets and Liabilities</i>	
6. Decrease/(Increase) in Accounts Receivable	(196,744)
7. Decrease/(Increase) in Materials and Inventory	(15,300)
8. Decrease/(Increase) in Prepayments and Deferred Charges	7,398
9. Decrease/(Increase) in Other Current Assets	0
10. Increase/(Decrease) in Accounts Payable	(17,821)
11. Increase/(Decrease) in Advance Billings & Payments	0
12. Increase/(Decrease) in Other Current Liabilities	(8,062)
<b>13. Net Cash Provided/(Used) by Operations</b>	2,040,696
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
14. Decrease/(Increase) in Notes Receivable	11,015
15. Increase/(Decrease) in Notes Payable	0
16. Increase/(Decrease) in Customer Deposits	(306)
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	(1,104,960)
18. Increase/(Decrease) in Other Liabilities & Deferred Credits	17,972
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	0
20. Less: Payment of Dividends	0
21. Less: Patronage Capital Credits Retired	0
22. Other (Explain) See Note Section	(28,681)
<b>23. Net Cash Provided/(Used) by Financing Activities</b>	(1,104,960)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
24. Net Capital Expenditures (Property, Plant & Equipment)	(697,931)
25. Other Long-Term Investments	(372,814)
26. Other Noncurrent Assets & Jurisdictional Differences	0
27. Other (Explain) See Note Section	(553,193)
<b>28. Net Cash Provided/(Used) by Investing Activities</b>	(1,623,938)
<b>29. Net Increase/(Decrease) in Cash</b>	(688,202)
<b>30. Ending Cash</b>	930,988

Revision Date 2010

<p style="text-align: center;">USDA-RUS</p> <p style="text-align: center;"><b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>	<p style="text-align: center;">BORROWER DESIGNATION</p> <p style="text-align: center;">WA0534</p>
<p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>PERIOD ENDED</p> <p style="text-align: center;">December 2019</p>
<p style="text-align: center;"><b>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>	
<p>Part E. 1. Study Area ID Codes Table no available a. 472423b. 522423Part 1 - Statement of Cash Flows 5. Depreciation &amp; amortization on nonregulated investments \$139,723 Change in deposits (\$306) Cash surrender value of life insurance (\$8,216)Less plant in AP difference \$3,209Notes Receivable \$11,015Deferred FIT \$173,022Gain on disposal (\$32,350)Unrealized gain on investment (\$4,224)Non-cash stock dividend (\$6,206)Total Amount of Adjustment- Operations \$275,66722. Notes Receivable (\$11,015)Non-cash transfer of deferred FIT \$155,050Change in deposits \$306Operating Deferred FIT (\$173,022)Total Amount of Adjustment - Financing (\$28,681)27. Retirements/Transfers in Net Plant (\$306,207)Proceeds from sale of equipment \$32,350Cash surrender value of life insurance \$8,216Non-cash stock dividend \$6,206Unrealized gain on investment \$4,224Plant in AP (3,209)Non-cash transfer of deferred FIT (\$155,050)Operating Depreciation on long term investments (\$139,723)Total Amount of Adjustment-Investing (\$553,193)</p>	

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<b>CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	