According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions,

searching existing data sources, gathering and maintainin			nmation collection is estimated to average 4 hours per response, men the collection of information.	ading the time for reviewing in	muctions,		
USDA-RI	US		This data will be used by RUS to review your financial situation. You	nur 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				
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS			Inland Telephone Company				
			(Prepared with Audited Data)				
INSTRUCTIONS-Submit report to RUS within 30 days after close of the period.			PERIOD ENDING	BORROWER DESIGNATION)N		
For detailed instructions, see RUS Bulletin 1744-2.	Report in whole dollar	rs only.	December, 2015	WA0534			
	**************************************		RTIFICATION	6.1			
to the best of our knowledge and belief ALL INSURANCE REQUIRED BY RENEWALS HAVE BEEN OBTAIN	7 CFR PART 1788 NED FOR ALL PO	, CHAPTER XVI LICIES.	ounts and other records of the system and reflect the sta	NG PERIOD AND			
DURING THE PERI	OD COVERED BY		PURSUANT TO PART 1788 OF 7CFR CHAPTER of the following)	AVII			
X All of the obligations under the RUS loan d have been fulfilled in all material respects.	ocuments		There has been a default in the fulfillment of the obli under the RUS loan documents. Said default(s) is/a specifically described in the Telecom Operating Rep	re			
Gregory Maras	_	3/28/2016					
		DATE	50				
		PART /	A. BALANCE SHEET				
	BALANCE	BALANCE		BALANCE	BALANCE		
ASSETS	PRIOR YEAR	END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	PRIOR YEAR	END OF PERIOD		
CURRENT ASSETS			CURRENT LIABILITIES				
Cash and Equivalents	114,840	282,161	25. Accounts Payable	872,782	250,669		
2. Cash-RUS Construction Fund	75,774	344,772	26. Notes Payable	0	C		
3. Affiliates:			27. Advance Billings and Payments	0	O		
a. Telecom, Accounts Receivable	0	0	28. Customer Deposits	2,329	2,416		
b. Other Accounts Receivable		0	29. Current Mat. L/T Debt	448,400	663,400		
c. Notes Receivable	0	0	30. Current Mat. L/T Debt-Rur. Dev.	0			
4. Non-Affiliates:			31. Current MatCapital Leases	0	C		
a. Telecom, Accounts Receivable	538,193	621,477		20	C		
b. Other Accounts Receivable	0	0	33. Other Taxes Accrued	98,938	86,445		
c. Notes Receivable	0	0	34. Other Current Liabilities	356,671	504,041		
Interest and Dividends Receivable	0	0	35. Total Current Liabilities (25 thru 34)	1,779,140	1,506,971		
6. Material-Regulated	241,005		LONG-TERM DEBT				
7. Material-Nonregulated	0		36. Funded Debt-RUS Notes	168,166	112,070		
8. Prepayments	42,366		37. Funded Debt-RTB Notes	45,278	22,721		
Other Current Assets	0		38. Funded Debt-FFB Notes	6,229,991	8,947,295		
10. Total Current Assets (1 Thru 9)	1,012,178		39. Funded Debt-Other	(3,363)	(3,535)		
NONCURRENT ASSETS	Established State	Section Continue	40. Funded Debt-Rural Develop. Loan	0	C		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt	0	C		
a. Rural Development	733,101	484,080	42. Reacquired Debt	0	C		
b. Nonrural Development	0	0	43. Obligations Under Capital Lease	0	C		
12. Other Investments			44. Adv. From Affiliated Companies	0	0		
a. Rural Development	0	0	45. Other Long-Term Debt	0	C		
b. Nonrural Development	201,491	Sand Silver State	46. Total Long-Term Debt (36 thru 45)	6,440,072	9,078,551		
13. Nonregulated Investments	1,606,179		OTHER LIAB. & DEF. CREDITS				
14. Other Noncurrent Assets	250		47. Other Long-Term Liabilities	0	0		
15. Deferred Charges	0		48. Other Deferred Credits	578,942	1,011,744		
16. Jurisdictional Differences	0		49. Other Jurisdictional Differences	0	0		
17. Total Noncurrent Assets (11 thru 16)	2,541,021		50. Total Other Liabilities and Deferred Credits (47 thru 49)	578,942	1,011,744		
PLANT, PROPERTY, AND EQUIPMENT		CHILDRED TO CONTRACT OF THE CO	EQUITY	PER			
18. Telecom, Plant-in-Service	27,004,739	STANDARD CONTRACTOR CONTRACTOR CONTRACTOR	51. Cap. Stock Outstand. & Subscribed	93,150	93,150		
	27,004,739		52. Additional Paid-in-Capital	7,175	7,175		
19. Property Held for Future Use	2,292,893	The Charge of the said	53. Treasury Stock	0	7,175		
Plant Under Construction Plant Adj., Nonop. Plant & Goodwill	2,252,053		54. Membership and Cap. Certificates	0			
Control of the State of the Control	17 946 483			0	0		
22. Less Accumulated Depreciation			Other Capital Patronage Capital Credits	0	0		
23. Net Plant (18 thru 21 less 22)	11,451,149	13,000,736					
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	6,105,869	6,004,561		
			58. Total Equity (51 thru 57)	6,206,194	6,104,886		

15,004,348 17,702,152

59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)

15,004,348 17,702,152

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

WA0534

PERIOD ENDING

December, 2015

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
	100 Table 100 Ta	
Local Network Services Revenues	675,461	4,170,260
2. Network Access Services Revenues	4,179,688	(449)
Long Distance Network Services Revenues	(1,216)	49,928
Carrier Billing and Collection Revenues		Missian / Ministra
5. Miscellaneous Revenues	70,664	36,574
6. Uncollectible Revenues	7,139	
7. Net Operating Revenues (1 thru 5 less 6)	4,968,903 1,762,438	4,940,536 1,592,338
Plant Specific Operations Expense	Source State Inches	
Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	396,535	471,850
Depreciation Expense	1,346,798	1,294,047
Amortization Expense	182	182
Customer Operations Expense	595,029	539,664
Corporate Operations Expense	951,200	1,001,800
4. Total Operating Expenses (8 thru 13)	5,052,182	4,899,881
5. Operating Income or Margins (7 less 14)	(83,279)	40,655
Other Operating Income and Expenses		(C
7. State and Local Taxes	139,873	142,942
8. Federal Income Taxes	(120,071)	(38,430)
9. Other Taxes	0	
0. Total Operating Taxes (17+18+19)	19,802	104,512
1. Net Operating Income or Margins (15+16-20)	(103,081)	(63,857)
2. Interest on Funded Debt	144,819	214,726
3. Interest Expense - Capital Leases	0	C
4. Other Interest Expense	10,098	191
5. Allowance for Funds Used During Construction	30,457	67,703
6. Total Fixed Charges (22+23+24-25)	124,460	147,214
7. Nonoperating Net Income	(2,287)	11,931
8. Extraordinary Items		C
9. Jurisdictional Differences		C
0. Nonregulated Net Income	348,954	98,148
1. Total Net Income or Margins (21+27+28+29+30-26)	119,126	(100,992)
2. Total Taxes Based on Income	51,562	
3. Retained Earnings or Margins Beginning-of-Year	5,988,074	6,105,869
4. Miscellaneous Credits Year-to-Date		C
5. Dividends Declared (Common)		C
6. Dividends Declared (Preferred)		C
77. Other Debits Year-to-Date	1,331	316
18. Transfers to Patronage Capital		C
9. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	6,105,869	6,004,561
Patronage Capital Beginning-of-Year		C
1. Transfers to Patronage Capital		C
Patronage Capital Credits Retired		C
3. Patronage Capital End-of-Year (40+41-42)	0	C
4. Annual Debt Service Payments	643,649	740,499
5. Cash Ratio [(14+20-10-11) / 7]	0.7497	0.7510
	1.0458	1.0427
	1.9571	0.3140
7. TIER [(31+26) / 26] 8. DSCR [(31+26+10+11) / 44]	2.4712	1.8102

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

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PERIOD ENDED

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INSTRUCTIONS - See RUS Bulletin 1744-2

	Part C. SUI	SCRIBER (ACC	ESS LINE), ROUTE N	MILE, & HIGH SPEED	DATA INFORM	IATION	
	1. RATE	s	2. SUBSC	RIBERS (ACCESS LINE	3. ROUTE MILES		
EXCHANGE	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
DEWATTO	27.00	22.00	19	294	313	144.25	40.07
PRESCOTT	26.50	16.50	40	108	148	198.31	43.37
ROSLYN	24.00	16.00	194	1,063	1,257	157.68	34.06
UNIONTOWN	25.00	16.00	216	290	506	258.96	64.17
LEON	40.68	25.76	1	27	28	20.37	13.14
LENORE	40.68	25.76	21	229	250	178.34	12.00
MobileWireless					0		8 324
Route Mileage Outside Exchange Area					es e	18.07	18.07
Total			491	2,011	2,502	975.98	224.88
No. Exchanges	6			9-380 340	825-25	10-10-	

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

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PERIOD ENDED

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INSTRUCTIONS - See RUS Bulletin 1744-2

1,656

2,502

Total

	Tarte	. SUBSCRIBER (A		ROADBAND SER		DATA ALL CALL		
						sive Broadband S	ervice	
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)
DEWATTO	313	230	50	768	512	39.95	Package	DSL
PRESCOTT	148	63	22	768	512	39.95	Package	DSL
ROSLYN	1,257	977	570	6,000	1,500	49.95	Package	DSL
NWOTNOINL	506	233	176	6,000	1,500	49.95	Package	DSL
LEON	28	19	13	6,000	1,500	49.95	Package	DSL
LENORE	250	134	99	768	512	39.95	Package	DSL

			2011 - 11 - 12 - 12 - 12 - 12 - 12 - 12					
	USI	DA-RUS			BORROWER DE	SIGNATION		
	OPERATING	REPORT FOR	₹		WA0534			
T	ELECOMMUNICA	TIONS BORRO	OWERS		PERIOD ENDING			
1 4 4 5 FEE					December, 2	015		
INSTRUCTIONS- See RUS Bulletin	1744-2							
			PART D. SYSTE	M DATA			West 138 138 138 138 138 138 138 138 138 138	
1. No. Plant Employees	2. No. Other Employees	28	3. Square Miles Served	463	4. Access Lines per Squar	e Mile 5 . 40	5. Subscribers per Route Mile 2.56	
			PART E. TOLL					
Study Area ID Code(s)		2. Types of Toll Se	ettlements (Check on	e)				
a.	472423			Interstate:	Average Schedule	9	X Cost Basis	
b.	522423							
c.				Intrastate:	Average Schedule	8	X Cost Basis	
d.								
1								
".								
). j.								
40 Mars - 10 - 10 - 10 - 10 - 10 - 10 - 10 - 1								
		PART F. FUI	NDS INVESTED IN F	PLANT DURING YE	EAR			
1. RUS, RTB, & FFB Loan Funds Ex	pended						3,379,252	
2. Other Long-Term Loan Funds Exp	48. 61	3-10				1999 USS 1998 SANTO S		
3. Funds Expended Under RUS Inter	rim Approval			-	100 E 100 E	2//6		
4. Other Short-Term Loan Funds Exp	pended				West Control of the C			
General Funds Expended (Other t	than Interim)						801,781	
Salvaged Materials	42			112-200				
Contribution in Aid to Construction			21					
B. Gross Additions to Telecom. Plant	t (1 thru 7)		-				4,181,033	
		PART G. INV	ESTMENTS IN AFF	ILIATED COMPAN	IIES	120	Section Control of the Control of th	
		1	CURRENT	EAR DATA		CUMULATIVE DA	ATA	
					Cumulative	Cumulative		
INVES	STMENTS		Investment	Income/Loss	Investment	Income/Loss	Current	
			This Year	This Year	To Date	To Date	Balance	
	(a)		(b)	(c)	(d)	(e)	Ø	
Investment in Affiliated Companies Affiliated Companies			(249,021)		484,080		484,080	
O Investment in Affiliated Companies	a Mongred Dougloop	sont:					4	

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OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION WA0534	
PERIOD ENDING	
December, 2015	

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)

X YES NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
Land and support assets - Motor Vehicles	16.0
Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipme	ent 16.0
5. Land and support assets - Buildings	4.0
6. Land and support assets - Furniture and Office equipment	15.0
7. Land and support assets - General purpose computers	25.0
Central Office Switching - Digital	9.0
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	13.0
12. Central Office Transmission - Circuit equipment	11.1
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wi	ring
15. Information origination/termination - Large private branch e	xchanges
16. Information origination/termination - Public telephone termi	
17. Information origination/termination - Other terminal equipm	ent
18. Cable and wire facilities - Poles	7.5
19. Cable and wire facilities - Aerial cable - Metal	42.0
20. Cable and wire facilities - Aerial cable - Fiber	5.0
21. Cable and wire facilities - Underground cable - Metal	6.0
22. Cable and wire facilities - Underground cable - Fiber	5.0
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	

	See Notes Section		(266,346)		
27.	Other (Explain)				
26.	Other Noncurrent Assets & Jurisdictional Differences				
25.	Other Long-Term Investments		287,87		
24.	Net Capital Expenditures (Property, Plant & Equipment)		(3,488,438)		
-7-7-1	CASH FLOWS FROM INVESTING ACT	TIVITIES			
23.	Net Cash Provided/(Used) by Financing Activities		2,853,479		
22.	Other (Explain) See Notes Section		(432,889		
21.	Less: Patronage Capital Credits Retired	70 (8) 40 (8) (8) (8) (8) (8) (8) (8) (8) (8) (8)			
20.	Increase/(Decrease) in Capital Stock, Pald-in Capital, Membership and Capital Less: Payment of Dividends	S 21 3000			
19.					
18.	432,80				
17.	2,853,47				
16.	8				
15.	Increase/(Decrease) in Notes Payable				
14.	Decrease/(Increase) in Notes Receivable	TIVITEO			
10.	CASH FLOWS FROM FINANCING AC	TIVITIES	1,045,74		
12. 13.	Increase/(Decrease) in Other Current Liabilities Net Cash Provided/(Used) by Operations		1,049,74		
11.	Increase/(Decrease) in Advance Billings & Payments		134,85		
14.1355	10. Increase/(Decrease) in Accounts Payable				
9.	Decrease/(Increase) in Other Current Assets		(622,113		
8.					
7.	Decrease/(Increase) in Materials and Inventory		(1,744		
6.	Decrease/(Increase) in Accounts Receivable	(83,284			
	Changes in Operating Assets and Lia	bilities			
4. 5.	Add: Amortization Other (Explain) See Notes Section		463,52		
3.	Add: Depreciation		1,294,04		
	Adjustments to Reconcile Net Income to Net Cash Providence	ded by Operating Activities			
2.	Net Income		(100,992		
	CASH FLOWS FROM OPERATING AC	TIVITIES			
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		190,6		
	PART I - STATEMENT	FOF CASH FLOWS	57615F-9508 8) (50)		
INST	RUCTIONS – See help in the online application.	2015			
	OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	PERIOD ENDED			
			VA0534		

Revision Date 2010

EXHIBIT 6

USDA-RUS	BORROWER DESIGNATION
OPERATING REPORT FOR	WA0534
TELECOMMUNICATIONS BORROWERS INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED
INSTRUCTIONS - See ROS Builetin 1744-2	December, 2015
NOTES TO THE OPERATING REPORT FO	OR TELECOMMUNICATIONS BORROWERS
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	EXHIBIT
USDA-RUS	BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	WA0534
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
NOTES TO THE OPERATING REPORT	FOR TELECOMMUNICATIONS BORROWERS
PART I-STATEMENT OF CASH FLOWS	
CASH FLOW RECONCILING	
EXPLANATIONS	
DESCRIPTION	MOUNT
	*
Line 5-Other	
Increase in CSV	(7,394.00)
Depreciation on Nonregulated Investments	119,533.00
Deferred FIT	(38,430.00)
Noncash Stock Dividend	(9,579.00)
Plant in Accounts Payable	399,284.00
Operating Change in Customer Deposits	87.00
Noncash Transfer State Income Taxes	20.00
	463,521.00
Line 22-Other	
Deferred FIT on Investments	163.00
Noncash Transfer of Deferred FIT	(471,395.00)
1	

Operating Change in Customer Deposits

USDA-RUS	BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	WA0534
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
NOTES TO THE OPERATING REPO	RT FOR TELECOMMUNICATIONS BORROWERS
Current Operating Deferred FIT	38,430.00
	(432,889.00)
Line 27-Other	
Retirement/Transfers in Net Plant and Nonregulated Investments	. (235,714.00)
Operating Cashflow-Long Term	
Invesements	16,953.00
Operating Depreciation On Nonregulated Investments	(119,533.00)
Plant in Accounts Payable	(399,284.00)
Noncash Transfer of Deferred FIT	471,395.00
Deferred FIT on Investments	(163.00)
	(266,346.00)

EXHIBIT 6

USDA-RUS	BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	WA0534
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
CERTIFICATION LOAN DEFAULT NOTES TO THE OPER	RATING REPORT FOR TELECOMMUNICATIONS BORROWERS