4004

ANNUAL REPORT

OF

Name:	STATE LONG DISTANCE TELEPHONE COMPANY
Principal Office:	216 W WALWORTH ST P.O. BOX 230 ELKHORN, WI 53121-0230
For the Year Ended:	DECEMBER 31, 2000

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than $25 nor more than $5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.

2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.

3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.

4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.

5. Please report all dollar amounts to the nearest whole dollar.

6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.

7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.

8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.

9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I JERRY GUETSCHOW of
(Person responsible for accounts)

STATE LONG DISTANCE TELEPHONE COMPANY , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

JERRY GUETSCHOW 03/27/2001
(Person responsible for accounts) (Date)

ASSISTANT TREASURER
(Title)

TABLE OF CONTENTS

Schedule Name	Page
Cover Page	1
General Rules for Reporting	2
Signature Page	3
Table of Contents	4
Annual Telecommunications Report Glossary of Terms	5
Abbreviations Used in Annual Reports	6
Identification and Ownership	7
Income Statement - Total Company	8
Notes to Income Statement or Balance Sheet	9
Balance Sheet - Assets (Class B Use Accounts Designated By *)	10
Balance Sheet - Liabilities (Class B Use Accounts Designated By *)	11
Important Changes During the Year	13
Affiliate Abbreviations	14
Affiliated Interest Transactions	15
Affiliated Assets and Liabilities	16
Telecommunications Plant in Service Class A & B	22
Telecommunications Plant in Service Class A & B (Sub-Class Accounts)	24
Accumulated Depreciation Class A & B	26
Accumulated Depreciation Class A & B (Sub-Class Accounts)	28
Retained Earnings (Acct. 4550)	37
Revenues - Class A & B (Class B Use Accounts Designated By *)	40
Expenses - Class A & B	41
Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	43
Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes	43
Other Income Accounts	44
Nonregulated Activities	45
Telephone Calls and Minutes of Use Per Month	47
Access Usage	48
Outside Plant Statistics at End of Year	49
Special Access Circuits in Use at End of Year	49
Service Data	50
Service Data - End of Year	52
Equipment Abbreviations	54
Manufacturer Abbreviations	54
Central Office Data - End of Year	55
General, Schedule Level and Schedule Line Footnotes	56

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.

Analog Signal A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.

Cellular System A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.

Central Office A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.

Centrex A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).

Channel An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.

Customer A person who uses a telephone as a subscriber.

Digital Signal A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.

Equal Access The ability of the subscriber to use any long distance service by dialing the same number of digits.

Exchange A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.

Extended Area Service (EAS) The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.

Extended Community Calling (ECC) The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.

Feature Group A Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.

Feature Group C Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.

Feature Group D Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.

FX-IN A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.

FX-OUT A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.

Host Switching System A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.

Local Access Transport Area (LATA) A geographic area within which an operating company may offer its telecommunications services.

Mobile Telephone A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.

Paging A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.

Pair Two wires of a single circuit.

Pay Station A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.

Private Line Service Channel or circuit rented for private use and not intended to be connected to the general distribution system.

Private Branch Exchange (PBX) A manually, or operator controlled switching system, usually on the customer’s premises, which serves that customer's telephones over a common group of lines from the central office.

Radio Common Carrier (RCC) A company which furnishes public telecommunications service using one or more radio channels.

Remote Switching Unit (RSU) An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:

1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.
2. One mile of a cross country route with any combination of outside plant facilities.
3. One mile of point-to-point microwave or radio link.
4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.
5. One mile of joint use line where the utility either owns the facility or leases space.

Stand Alone Switch A central office switch which has no remote switching units (RSUs) subtending it.

Trunk A communications path connecting two switching systems in the establishment of an end-to-end connection.

Wide Area Telephone Service (WATS) Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.

Wire Center The location of one or more local switching systems. A point at which customers' loops converge.

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	Account
Accum	Accumulated
Acq	Acquisition
Admin	Administrative
Alloc	Allocation
Amort	Amortization
CO	Central Office
Depr	Depreciation
Equip	Equipment
Exp	Expenses
EOY	End of Year
FOY	First of Year
Info	Information
ITC	Investment Tax Credit
Misc	Miscellaneous
Nonoper	Nonoperating
Nonreg	Nonregulated
Oper	Operating
Opns	Operations
Orig	Originating
Prop	Property
Receiv	Receivable
Reg	Regulated
Rev	Revenues
Svcs	Services
Telecom	Telecommunications
Term	Terminating
TPIS	Telecommunications Plant in Service
TPUC	Telecommunications Plant Under Construction
Uncoll	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: STATE LONG DISTANCE TELEPHONE COMPANY
Utility Location: 216 W WALWORTH ST
P.O. BOX 230
ELKHORN, WI 53121-0230
Utility Web Site Address: WWW.STATELONGDISTANCE.COM
When was utility organized?: 10/01/1900
Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR JERRY GUETSCHOW
Title: ASSISTANT TREASURER

Office Address: 216 W WALWORTH ST
P.O. BOX 230
ELKHORN , WI 53121-0230
Fax Number: (262) 723 - 8387
Telephone Number: (262) 741 - 1129
Email Address: jgetch@sldtc.com

Individual or firm, if other than utility employee, preparing this report

Name:
Title:

Office Address:

Fax Number:
Telephone Number:
Email Address:

Person responsible for financial information contained in report

Name: MR JERRY GUETSCHOW
Title: ASSISTANT TREASURER

Office Address: 216 W WALWORTH ST
P.O. BOX 230
ELKHORN , WI 53121
Fax Number: (262) 723 - 8387
Telephone Number: (262) 741 - 1129
Email Address: jgetch@elknet.net

Person responsible for statistical information contained in report

Name: MR JERRY GUETSCHOW
Title: ASSISTANT TREASURER

Office Address: 216 W WALWORTH ST
P.O. BOX 230
ELKHORN , WI 53121
Fax Number: (262) 723 - 8387
Telephone Number: (262) 741 - 1129
Email Address: jgetch@elknet.net

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name:	STATE LONG DISTANCE TELCOM, LTD
Address:	216 W WALWORTH ST PO BOX 230 ELKHORN , WI 53121
Number of Shares Held:	12,000
Beneficial Owner:	NONE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	6,758,088	6,547,000	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	805,483	746,967	2
Plant Nonspecific Operations Expense	1,600,492	1,872,303	3
Customer Operations Expense (6610-6620)	949,970	882,009	4
Corporate Operations Expense (6710-6790)	1,022,858	877,786	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	1,031,506	1,084,553	7
Total Operating Expenses	**5,410,309**	**5,463,618**	8
Net Operating Income	**1,347,779**	**1,083,382**	9
Other Income			
Nonoperating Income and Expense (7300)	137,835	254,694	10
Nonoperating Taxes (7400)	9,003	15,629	11
Interest and Related Items (7500)	91,791	50,202	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	54,682	69,538	14
Total Nonoperating Income	**91,723**	**258,401**	15
Net Income	**1,439,502**	**1,341,783**	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

   See the General Footnotes on Page # 56

2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

   See the General Footnotes on Page # 56

3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

   See the General Footnotes on Page # 56

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	465,212	2,350,646	**1**
Cash (1130)			**2**
Special Cash Deposits (1140)			**3**
Working Cash Advances (1150)			**4**
Temporary Investments (1160)			**5**
TOTAL CASH AND EQUIVALENTS	**465,212**	**2,350,646**	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	303,885	346,019	**6**
Accounts Receivable Allowance-Telecom (1181)*	2,000	2,000	**7**
Net: Telecommunications Accounts Receivable	**301,885**	**344,019**	
Other Accounts Receivable (1190)*	424,052	298,830	**8**
Accounts Receivable Allowance--Other (1191)*	0	0	**9**
Net: Other Accounts Receivable	**424,052**	**298,830**	
Notes Receivable (1200)*	0	0	**10**
Notes Receivable Allowance (1201)*	0	0	**11**
Net: Notes Receivable	**0**	**0**	
Interest and Dividends Receivable (1210)*	1,880	3,403	**12**
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	**727,817**	**646,252**	
SUPPLIES			
Inventories (1220)*	115,804	97,595	**13**
TOTAL SUPPLIES	**115,804**	**97,595**	
PREPAYMENTS			
Total Prepayments (1280)*	62,351	65,048	**14**
Prepaid Rents (1290)			**15**
Prepaid Taxes (1300)			**16**
Prepaid Insurance (1310)			**17**
Prepaid Directory Expenses (1320)			**18**
Other Prepayments (1330)			**19**
TOTAL PREPAYMENTS	**62,351**	**65,048**	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	0	0	**20**
TOTAL OTHER CURRENT ASSETS	**0**	**0**	
TOTAL CURRENT ASSETS	**1,371,184**	**3,159,541**	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	**21**
RTB Class B Stock (1402)*	0	0	**22**
Other Investments in Nonaffiliated Companies (1402)*	1,148,560	1,017,647	**23**
Nonregulated Investments (1406)*	364,785	374,461	**24**
Unamortized Debt Issuance Expense (1407)*	0	0	**25**

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Sinking Funds (1408)*	0	0	**26**
Other Noncurrent Assets (1410)*	1,617	1,612	**27**
TOTAL INVESTMENTS	**1,514,962**	**1,393,720**	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	**28**
Deferred Maintenance and Retirements (1438)*	0	0	**29**
Deferred Charges (1439)*	0	0	**30**
TOTAL DEFERRED CHARGES	**0**	**0**	
TOTAL NONCURRENT ASSETS	**1,514,962**	**1,393,720**	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	16,983,176	15,428,357	**31**
Less: Accumulated Depreciation (3100)*	6,481,550	5,603,480	**32**
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	**33**
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	14,412	**34**
Less: Accumulated Amortization--Intangible (3500)*	0	0	**35**
NET TELECOMMUNICATIONS PLANT IN SERVICE	**10,501,626**	**9,810,465**	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	**36**
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	**37**
NET PROPERTY HELD FOR FUTURE USE	**0**	**0**	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	**38**
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	**39**
NET NONOPERATING PLANT	**0**	**0**	
TPUC			
TPUC (2003)*	1,474,037	289,565	**40**
TOTAL TPUC	**1,474,037**	**289,565**	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0	0	**41**
Less: Accumulated Amortization--Other (3600)*	0	0	**42**
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	**0**	**0**	
TOTAL PLANT	**11,975,663**	**10,100,030**	
TOTAL ASSETS AND OTHER DEBITS	**14,861,809**	**14,653,291**	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	347,448	764,648	**1**
Notes Payable (4020)*	0	0	**2**
Advance Billing and Payments (4030)*	143,508	149,333	**3**
Customer Deposits (4040)*	1,693	419	**4**
Current Maturities--Long-Term Debt (4050)*	0	0	**5**
Current Maturities--Capital Leases (4060)*	0	0	**6**
Income Taxes--Accrued (4070)*	(61,683)	(124,391)	**7**
Other Taxes--Accrued (4080)*	(37,301)	(41,401)	**8**
Net Current Deferred Operating Income Taxes (4100)*	0	0	**9**
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	**10**
Other Accrued Liabilities (4120)*	148,361	195,148	**11**
Other Current Liabilities (4130)*	835	0	**12**
TOTAL CURRENT LIABILITIES	**542,861**	**943,756**	
LONG-TERM DEBT			
Funded Debt (4210)*	800,000	1,400,000	**13**
Premium on Long-Term Debt (4220)*	0	0	**14**
Discount on Long-Term Debt (4230)*	0	0	**15**
Reacquired Debt (4240)*	0	0	**16**
Obligations Under Capital Leases (4250)*	0	0	**17**
Advances from Affiliated Companies (4260)*	0	0	**18**
Other Long-Term Debt (4270)*	0	0	**19**
TOTAL LONG-TERM DEBT	**800,000**	**1,400,000**	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	359,218	335,001	**20**
Unamortized Operating ITC--Net (4320)*	15,508	19,223	**21**
Unamortized Nonoperating ITC--Net (4330)*	0	0	**22**
Net Noncurrent Deferred Operating Income Taxes (4340)*	745,167	582,713	**23**
Net Deferred Tax Liability Adjustments (4341)*	0	0	**24**
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	0	**25**
Other Deferred Credits (4360)*	0	0	**26**
Deferred Tax Regulatory Liability (4361)*	209,415	209,415	**27**
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	**1,329,308**	**1,146,352**	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	1,200,000	1,200,000	**28**
Additional Paid-in Capital (4520)*	115,105	115,105	**29**
Treasury Stock (4530)*	0	0	**30**
Other Capital (4540)*	0	0	**31**
Retained Earnings (4550)*	10,874,535	9,848,078	**32**
TOTAL STOCKHOLDERS' EQUITY	**12,189,640**	**11,163,183**	
TOTAL LIABILITIES AND OTHER CREDITS	**14,861,809**	**14,653,291**	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

   None

2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

   None

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
SLD Services, Ltd	SERVICES	**1**
State Long Distance Telcom, Ltd	TELCOM	**2**
SLD Broadcasting, Ltd	WSLD	**3**

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of $25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded $100,000,000, individual contracts or arrangements not exceeding $100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

Particulars (a)	**(b)**	**(c)**	**(d)**	**(e)**	
Docket	None	5680AT000100	5680AT000103	5680AT000101	
Name of Affiliate	SERVICES	SERVICES	TELCOM	WSLD	**1**
Designate whether billed to or from:	FROM	TO	TO	TO	**2**
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	M	CT	C	CT	**3**
Total Dollar Activity	24,073	520,773	8,762	6,347	**4**
Percent of affiliate's business billed to all affiliated regulated utilities	2.60				**5**
If cost based, rate of return on equity or markup incorporated in billings					**6**

Footnotes

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1200, Notes Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 1408, Sinking Funds; 4010, Accounts Payable; 4020, Notes Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than $5,000 may be reported in aggregate as "other" for a particular account.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
SLD Broadcasting, Ltd	1190	520	**1**
SLD Services, Ltd	1190	47,090	**2**
State Long Distance Telcom, Ltd	1190	932	**3**

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	104,531	49,634	**1**
Motor Vehicles	2112	445,785	67,958	**2**
Aircraft	2113	0		**3**
Special Purpose Vehicles	2114	0		**4**
Garage Work Equipment	2115	0		**5**
Other Work Equipment	2116	232,538	15,588	**6**
Buildings	2121	590,053	609,223	**7**
Furniture	2122	22,469	106,029	**8**
Office Equipment	2123	67,880	8,465	**9**
General Purpose Computers	2124	270,195	22,201	**10**
TOTAL--GENERAL SUPPORT ASSETS:		**1,733,451**	**879,098**	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		**11**
Digital Electronic Switching	2212	3,268,142	217,699	**12**
Electro-Mechanical Switching	2215	0	0	**13**
Operator Systems	2220	0		**14**
Radio Systems	2231	0	0	**15**
Circuit Equipment	2232	2,235,581	99,589	**16**
TOTAL--CENTRAL OFFICE ASSETS:		**5,503,723**	**317,288**	
INFORMATION ORIGINATION/TERMINATION ASSETS				
Station Apparatus	2311	0		**17**
Customer Premises Wiring	2321	0		**18**
Large Private Branch Exchanges	2341	0		**19**
Public Telephone Terminal Equipment	2351	0		**20**
Other Terminal Equipment	2362	253		**21**
TOTAL--INFORMATION ORIG/TERM ASSETS:		**253**	**0**	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	17,394		**22**
Aerial Cable	2421	390,186	9,241	**23**
Underground Cable	2422	698,979	1,546	**24**
Buried Cable	2423	6,291,880	531,021	**25**
Submarine Cable	2424	0	0	**26**
Deep Sea Cable	2425	0		**27**
Intrabuilding Network Cable	2426	0	0	**28**
Aerial Wire	2431	5,116		**29**
Conduit Systems	2441	772,963		**30**
TOTAL--CABLE WIRE FACILITIES ASSETS:		**8,176,518**	**541,808**	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		**31**

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			**154,165**	**1**
2112	81,499		**432,244**	**2**
2113			**0**	**3**
2114			**0**	**4**
2115			**0**	**5**
2116			**248,126**	**6**
2121			**1,199,276**	**7**
2122			**128,498**	**8**
2123	0	0	**76,345**	**9**
2124			**292,396**	**10**
	81,499	**0**	**2,531,050**	
2211			**0**	**11**
2212	12,676	0	**3,473,165**	**12**
2215	0	0	**0**	**13**
2220			**0**	**14**
2231	0	0	**0**	**15**
2232	(1,582)	0	**2,336,752**	**16**
	11,094	**0**	**5,809,917**	
2311			**0**	**17**
2321			**0**	**18**
2341			**0**	**19**
2351			**0**	**20**
2362			**253**	**21**
	0	**0**	**253**	
2411			**17,394**	**22**
2421	8,364	0	**391,063**	**23**
2422	0	0	**700,525**	**24**
2423	67,971	0	**6,754,930**	**25**
2424	0	0	**0**	**26**
2425			**0**	**27**
2426	0	0	**0**	**28**
2431	35		**5,081**	**29**
2441			**772,963**	**30**
	76,370	**0**	**8,641,956**	
2681			**0**	**31**

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
AMORTIZABLE ASSETS				
Leasehold Improvements	2682	14,412		**32**
Intangibles	2690	0		**33**
TOTAL--AMORTIZABLE ASSETS:		**14,412**	**0**	
TOTAL TELECOM. PLANT IN SERVICE	**2001**	**15,428,357**	**1,738,194**	
Less: Allocation to Nonregulated Activity - EOY	2001			**34**
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	**2001**			

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682	14,412		**0**	**32**
2690			**0**	**33**
	14,412	**0**	**0**	
	183,375	**0**	**16,983,176**	
2001			0	**34**
			16,983,176	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	54,690		1
Company Communications Equipment	2123.2	13,190	8,465	2
Software	2212.1	0		3
Digital Switching - Central Office	2212.2	3,268,142	217,699	4
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	1,280,565	70,988	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	955,016	28,601	12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	390,186	9,241	14
Underground Cable - Nonmetallic	2422.1	215,571		15
Underground Cable - Metallic	2422.2	483,408	1,546	16
Buried Cable - Nonmetallic	2423.1	612,385		17
Buried Cable - Metallic	2423.2	5,679,495	531,021	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			**54,690**	**1**
2123.2			**21,655**	**2**
2212.1			**0**	**3**
2212.2	12,676		**3,473,165**	**4**
2212.3			**0**	**5**
2215.1			**0**	**6**
2215.2			**0**	**7**
2231.1			**0**	**8**
2231.2			**0**	**9**
2232.1	(1,582)		**1,353,135**	**10**
2232.2			**0**	**11**
2232.3			**983,617**	**12**
2421.1			**0**	**13**
2421.2	8,364		**391,063**	**14**
2422.1			**215,571**	**15**
2422.2			**484,954**	**16**
2423.1	2,089		**610,296**	**17**
2423.2	65,882		**6,144,634**	**18**
2424.1			**0**	**19**
2424.2			**0**	**20**
2426.1			**0**	**21**
2426.2			**0**	**22**

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	303,703	25.0	50,180		1H
Aircraft	2113	0				2
Special Purpose Vehicles	2114	0				3
Garage Work Equipment	2115	0				4
Other Work Equipment	2116	158,692	8.33	12,971	5,406	5
Buildings	2121	321,512	3.0	26,739		6
Furniture	2122	(3,165)	7.69	5,590	3,353	7
Office Equipment	2123	9,645	25.0	10,179	6,683	8H
General Purpose Computers	2124	218,725	20.0	20,467	619	9
Total-- GENERAL SUPPORT ASSETS		**1,009,112**		**126,126**	**16,061**	
CENTRAL OFFICE ASSETS						
Analog Electronic Switching	2211	0				10
Digital Electronic Switching	2212	188,129	25.0	280,302		11H
Electro-Mechanical Switching	2215	0				12
Operator Systems	2220	0				13
Radio Systems	2231	0				14
Circuit Equipment	2232	1,035,085	25.0	216,135		15H
Total-- CENTRAL OFFICE ASSETS		**1,223,214**		**496,437**	**0**	
INFORMATION ORIG/TERM ASSETS						
Station Apparatus	2311	0				16
Customer Premises Wiring	2321	0				17
Large Private Branch Exchanges	2341	0				18
Public Telephone Terminal Equipment	2351	0				19
Other Terminal Equipment	2362	253	14.29	0		20
Total-- INFORMATION ORIG/TERM ASSETS		**253**		**0**	**0**	
CABLE WIRE FACILITIES ASSETS						
Poles	2411	17,394	7.5	0		21
Aerial Cable	2421	187,073	25.0	19,833		22H
Underground Cable	2422	348,089	25.0	34,955		23H
Buried Cable	2423	2,562,952	25.0	328,943		24H
Submarine Cable	2424	0				25
Deep Sea Cable	2425	0				26
Intrabuilding Network Cable	2426	0				27
Aerial Wire	2431	5,116	11.0	0		28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)		
2112	81,499		2,500		**274,884**	**1**	H
2113					**0**	**2**	
2114					**0**	**3**	
2115					**0**	**4**	
2116					**177,069**	**5**	
2121					**348,251**	**6**	
2122					**5,778**	**7**	
2123	0				**26,507**	**8**	H
2124					**239,811**	**9**	
	81,499	**0**	**2,500**	**0**	**1,072,300**		
2211					**0**	**10**	
2212	12,676	2,946			**452,809**	**11**	H
2215	0				**0**	**12**	
2220					**0**	**13**	
2231	0				**0**	**14**	
2232	(1,582)				**1,252,802**	**15**	H
	11,094	**2,946**	**0**	**0**	**1,705,611**		
2311					**0**	**16**	
2321					**0**	**17**	
2341					**0**	**18**	
2351					**0**	**19**	
2362					**253**	**20**	
	0	**0**	**0**	**0**	**253**		
2411					**17,394**	**21**	
2421	8,364	1,930			**196,612**	**22**	H
2422	0				**383,044**	**23**	H
2423	67,971				**2,823,924**	**24**	H
2424	0				**0**	**25**	
2425					**0**	**26**	
2426	0				**0**	**27**	
2431	35				**5,081**	**28**	

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
CABLE WIRE FACILITIES ASSETS						
Conduit Systems	2441	250,277	3.5	27,054		**29**
Total-- CABLE WIRE FACILITIES ASSETS		**3,370,901**		**410,785**	**0**	
Total Accumulated Depreciation	**3100**	**5,603,480**		**1,033,348**	**16,061**	
Less: Allocation to Nonregulated Activity - Columns e, f and l	3100			0	0	**30**
Net Regulated Total Accum Depreciation - Columns e, f and l	**3100**			**1,033,348**	**16,061**	

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					**277,331**	**29**
	76,370	**1,930**	**0**	**0**	**3,703,386**	
3100	**168,963**	**4,876**	**2,500**	**0**	**6,481,550**	
3100					0	**30**
3100					**6,481,550**	

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators,should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
Office Support Equipment	2123.1	28,354	12.5	6,415	762	1
Company Communications Equipment	2123.2	(18,709)	14.29	3,764	5,921	2
Software	2212.1	0				3
Digital Switching - Central Office	2212.2	188,129	8.33	280,302		4
Digital Switching - Remote	2212.3	0				5
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	0				8
Other Radio Facilities	2231.2	0				9
Digital Circuit Equipment	2232.1	752,511	10.0	119,203		10
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	282,574	10.0	96,932		12
Aerial Cable - Nonmetallic	2421.1	0				13
Aerial Cable - Metallic	2421.2	187,073	5.5	19,833		14
Underground Cable - Nonmetallic	2422.1	46,853	5.0	10,778		15
Underground Cable - Metallic	2422.2	301,236	5.0	24,177		16
Buried Cable - Nonmetallic	2423.1	89,129	5.0	30,514		17
Buried Cable - Metallic	2423.2	2,473,823	5.0	298,429		18
Submarine Cable - Nonmetallic	2424.1	0				19
Submarine Cable - Metallic	2424.2	0				20
Intrabuilding Cable - Nonmetallic	2426.1	0				21
Intrabuilding Cable - Metallic	2426.2	0				22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					**35,531**	**1**
2123.2					**(9,024)**	**2**
2212.1					**0**	**3**
2212.2	12,676	2,946			**452,809**	**4**
2212.3					**0**	**5**
2215.1					**0**	**6**
2215.2					**0**	**7**
2231.1					**0**	**8**
2231.2					**0**	**9**
2232.1	(1,582)				**873,296**	**10**
2232.2					**0**	**11**
2232.3					**379,506**	**12**
2421.1					**0**	**13**
2421.2	8,364	1,930			**196,612**	**14**
2422.1					**57,631**	**15**
2422.2					**325,413**	**16**
2423.1	2,089				**117,554**	**17**
2423.2	65,882				**2,706,370**	**18**
2424.1					**0**	**19**
2424.2					**0**	**20**
2426.1					**0**	**21**
2426.2					**0**	**22**

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	9,848,078	8,890,514	**1**
Changes:			
Balance Transferred from Income	1,439,502	1,341,783	**2**
Dividends Declared:			
Common	390,000	381,000	**3**
Preferred	0	0	**4**
Total Dividends Declared	**390,000**	**381,000**	
Miscellaneous Debits to Retained Earnings	23,045	3,219	**5**
Miscellaneous Credits to Retained Earnings	0	0	**6**
Balance--End of Year	**10,874,535**	**9,848,078**	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	2,018,916	1,872,966	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	**2,018,916**	**1,872,966**	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	543,249	510,176	11
Switched Access Revenue (5082)*	1,352,099	1,414,814	12
Special Access Revenue (5083)*	173,352	151,451	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	**2,068,700**	**2,076,441**	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	1,477,038	1,530,500	15
Special Access Revenue (5084.3)*	353,266	240,265	16 A
TOTAL INTRASTATE ACCESS REVENUES (5084)	**1,830,304**	**1,770,765**	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	0	0	17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	**0**	**0**	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	**0**	**0**	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	**0**	**0**	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	585,176	555,884	**30**
Rent Revenue (5240)*	492	492	**31**
Corporate Operations Revenue (5250)*	0	0	**32**
Miscellaneous:			
Miscellaneous Revenue (5260)*	33,299	31,698	**33**
Special Billing Arrangements Revenue (5261)			**34**
Customer Operations Revenue (5262)			**35**
Plant Operations Revenue (5263)			**36**
Other Incidental Regulated Revenue (5264)			**37**
Other Revenue Settlements (5269)			**38**
Total Miscellaneous Revenue (5260)	**33,299**	**31,698**	
Interstate Billing and Collection Revenue*	96,505	93,904	**39**
Intrastate Billing and Collection Revenue*	128,505	148,049	**40**
Total Carrier Billing and Collection Revenue (5270)*	**225,010**	**241,953**	
Nonregulated Operating Revenue (5280)**			**41**
TOTAL MISCELLANEOUS REVENUES	**843,977**	**830,027**	
GROSS OPERATING REVENUES	**6,761,897**	**6,550,199**	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	3,809	3,199	**42**
Uncollectible Revenue--Telecommunications (5301)			**43**
Uncollectible Revenue--Other (5302)			**44**
TOTAL UNCOLLECTIBLE REVENUE (5300)	**3,809**	**3,199**	
TOTAL OPERATING REVENUES	**6,758,088**	**6,547,000**	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)		
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	50,514	42,232	1	
Less: Nonregulated		0	2	
Net Regulated	**50,514**	**42,232**	3	
Total General Support Expense (6120)	176,881	120,935	4	
Less: Nonregulated		0	5	B
Net Regulated	**176,881**	**120,935**	6	
Total Central Office Switching Expense (6210)	157,127	165,604	7	
Less: Nonregulated		0	8	
Net Regulated	**157,127**	**165,604**	9	
Total Operator Systems Expense (6220)	0	0	10	
Less: Nonregulated		0	11	
Net Regulated	**0**	**0**	12	
Total Central Office Transmission Expenses (6230)	48,522	40,532	13	
Less: Nonregulated		0	14	
Net Regulated	**48,522**	**40,532**	15	
Total Information Orig. / Term. Expense (6310)	0	0	16	
Less: Nonregulated		0	17	
Net Regulated	**0**	**0**	18	
Total Cable and Wire Fac. Expense (6410)	372,439	377,664	19	
Less: Nonregulated		0	20	
Net Regulated	**372,439**	**377,664**	21	
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	**805,483**	**746,967**		
Less: Nonregulated	**0**	**0**		
Net Regulated	**805,483**	**746,967**		
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)		0	22	
Less: Nonregulated		0	23	
Net Regulated	**0**	**0**	24	
Total Network Operations Expense (6530)	488,685	416,487	25	
Less: Nonregulated		0	26	
Net Regulated	**488,685**	**416,487**	27	
Access Expense (6540)	85,659	78,853	28	
Less: Nonregulated		0	29	
Net Regulated	**85,659**	**78,853**	30	
Total Depreciation and Amortization Expense (6560)	1,026,148	1,376,963	31	
Less: Nonregulated		0	32	C
Net Regulated	**1,026,148**	**1,376,963**	33	
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	**1,600,492**	**1,872,303**		
Less: Nonregulated	**0**	**0**		
Net Regulated	**1,600,492**	**1,872,303**		

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)		
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	93,782	24,230	**34**	
Less: Nonregulated		0	**35**	**D**
Net Regulated	**93,782**	**24,230**	**36**	
Total Services (6620)	856,188	857,779	**37**	
Less: Nonregulated		0	**38**	
Net Regulated	**856,188**	**857,779**	**39**	
TOTAL CUSTOMER OPERATIONS EXPENSE	**949,970**	**882,009**		
Less: Nonregulated	**0**	**0**		
Net Regulated	**949,970**	**882,009**		
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	563,708	496,577	**40**	
Less: Nonregulated		0	**41**	
Net Regulated	**563,708**	**496,577**	**42**	
Total General and Administrative (6720)	459,150	381,209	**43**	
Less: Nonregulated		0	**44**	**E**
Net Regulated	**459,150**	**381,209**	**45**	
Provision for Uncollectible Notes Receiv. (6790)	0	0	**46**	
Less: Nonregulated		0	**47**	
Net Regulated	**0**	**0**	**48**	
TOTAL CORPORATE OPERATIONS EXPENSE	**1,022,858**	**877,786**		
Less: Nonregulated	**0**	**0**		
Net Regulated	**1,022,858**	**877,786**		
TOTAL EXPENSES	**4,378,803**	**4,379,065**		
Less: Nonregulated	**0**	**0**		
Net Regulated	**4,378,803**	**4,379,065**		

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)		0	1
Provisioning Expense (6512)		0	2
Total: Reported in Account 6510	**0**	**0**	
Depreciat. Exp.--Tele. Plant in Service (6561)	1,026,148	1,376,483	3 C
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562	0	0	4
Amortization Expense--Tangible (6563)	0	480	5
Amortization Expense--Intangible (6564)	0	0	6
Amortization Expense--Other (6565)	0	0	7
Total: Reported in Account 6560	**1,026,148**	**1,376,963**	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	6,761,897	1
Plus: Collection of amounts previously written off	6,987	2
Less: Uncollectibles written off during the year	10,796	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	**6,758,088**	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	2,018,916	1
Plus: Total Intrastate Access Revenues (5084)	1,830,304	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	**3,849,220**	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	6,761,897	1
Plus: Collection of amounts previously written off	6,987	2
Less: Uncollectibles written off during the year	10,796	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	**6,758,088**	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	2,018,916	1
Plus: Total Intrastate Access Revenues (5084)	1,830,304	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	**3,849,220**	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	0	0	**1**
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	(3,715)	(7,437)	**2**
Operating Federal Income Taxes (7220)	536,325	597,617	**3**
Operating State and Local Income Taxes (7230)	135,432	139,254	**4**
Operating Other Taxes (7240)	186,261	386,190	**5**
Provision for Deferred Operating Income Taxes--Net (7250)	177,203	(31,071)	**6**
TOTAL OPERATING TAXES (7200)	**1,031,506**	**1,084,553**	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	6,601	6,321	**7**
Interest Income (7320)	109,955	138,935	**8**
Income from Sinking and Other Funds (7330)	0	0	**9**
Allowance for Funds Used During Construction (7340)	38,916	50,199	**10**
Gains or (Losses) from the Disposition of Certain Property (7350)	0	0	**11**
Other Nonoperating Income (7360)	(5,196)	(16,727)	**12**
Special Charges (7370)	12,441	(75,966)	**13**
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	**137,835**	**254,694**	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	9,003	15,629	**14**
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	91,791	50,202	**15**
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)	0	0	**16**
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	54,682	69,538	**17**

NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

Nonregulated Activity (a)	
Commercial Real Estate Rent	1
Internet Service Provider	2
Payphone Operations	3

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	0	0	**1**
Extended Area Service	0	0	**2**
Extended Community Calling	0	0	**3**
Other Local-Undefined	0	0	**4**
Total Local	**0**	**0**	
TOLL			
Toll	0	0	**5**
Total Toll	**0**	**0**	
Total Local & Toll	**0**	**0**	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's) Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	32	0	0	0	**1**
Feature Group A -- Term.	0	0	0	0	**2**
Feature Group B -- Orig.	11	0	0	0	**3**
Feature Group B -- Term.	0	0	0	0	**4**
Feature Group C -- Orig.	0	0	2,702	0	**5**
Feature Group C -- Term.	0	0	2,548	0	**6**
Feature Group D -- Orig.	10,153	4,614	4,012	0	**7**
Feature Group D -- Term.	19,508	7,756	0	0	**8**

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	34	1
Strand miles of plant - fiber optics	780	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	9	47	1
56 kbps	18	17	2
64 kbps (DS0)	6	10	3
1.54 Mbps (DS-1)	30	36	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	34	1
Strand miles of plant - fiber optics	780	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	9	47	1
56 kbps	18	17	2
64 kbps (DS0)	6	10	3
1.54 Mbps (DS-1)	30	36	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	1,493	1,545	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	1,693	1,848	6
Centrex Trunks	0	0	7
Centrex Lines	0	0	8
Key System Trunks	0	0	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	5	3	12
Pay Telephone	123	116	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	0	0	16
- Semi-Public	0	0	17
- Cust. Owned	0	0	18
Other	0	0	19
Total Business Lines	**3,314**	**3,512**	20
Residential (Incl. Emp. Concess.)			21
1 Party	7,080	7,391	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	0	0	25
Other	0	0	26
Total Residential Lines	**7,080**	**7,391**	27
Total Bus & Res Lines	**10,394**	**10,903**	28
Company Used Lines	65	67	29
Total Lines Used	**10,459**	**10,970**	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	5	0	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	20	19	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	686	938	7
Special Access-interLATA			8
(expressed in equiv. access lines)	619	753	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	26	26	11
Feature Group C Trunks	168	168	12
Feature Group D Trunks	660	816	13
TSPS - Trunks	25	25	14
EAS - Trunks	408	480	15
Cellular Trunks (Pub. Sw. Net.)	0	0	16
Video Distance Learning			17
- discounted (special tariff)	0	0	18
Customers			19
Business - 2 Party Customers	0	0	20
Business - 4 Party Customers	0	0	21
Residential - 2 Party Customers	0	0	22
Residential - 4 Party Customers	0	0	23
Other			24
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical			26
location of plant)	13,680,494	14,452,126	27
Total Company Square Miles	75	75	28
Total Company Route Miles	0		29
Footnotes			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1730				1
Business					2
1 Party	1,545				3
2 Party	0				4
4 Party	0				5
PBX Trunks/System Trunks	1,848				6
Centrex Trunks	0				7
Centrex Lines	0				8
Key System Trunks	0				9
Mobile (utility provided service)	0				10
Paging (utility provided service)	0				11
FX-Out (Switched)	3				12
Pay Telephone	116				13
Coin-Operated Pay Telephone	0				14
Independent Pay Telephone Provider	0				15
Pay Stations - Public	0				16
- Semi-Public	0				17
- Cust. Owned	0				18
Other	0				19
Total Business Lines	**3,512**	**0**	**0**	**0**	20
Residential (Incl. Emp. Concess.)					21
1 Party	7,391				22
2 Party	0				23
4 Party	0				24
FX-Out (Switched)	0				25
Other	0				26
Total Residential Lines	**7,391**	**0**	**0**	**0**	27
Total Bus & Res Lines	**10,903**	**0**	**0**	**0**	28
Company Used Lines	67				29
Total Lines Used	**10,970**	**0**	**0**	**0**	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1730				1
Miscellaneous					2
WATS Lines - OutWATS	0				3
WATS Lines - 800 Service	0				4
FX-In-intraLATA	19				5
Special Access-intraLATA					6
(equiv. access lines)	938				7
Special Access-interLATA					8
(equiv. access lines)	753				9
Feature Group A Lines	0				10
Feature Group B Trunks	26				11
Feature Group C Trunks	168				12
Feature Group D Trunks	816				13
TSPS - Trunks	25				14
EAS - Trunks	480				15
Cellular Trunks (Pub. Sw. Net.)	0				16
Video Distance Learning					17
- discounted (special tariff)	0				18
Customers					19
Business - 2 Party Customers	0				20
Business - 4 Party Customers	0				21
Residential - 2 Party Customers	0				22
Residential - 4 Party Customers	0				23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	14,452,126				27
Exchange Square Miles	75				28
Exchange Route Miles					29
Footnotes	F,G				30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	**1**
ATTC	ATT	**2**
GTE	GTE	**3**
ITT	ITT	**4**
Lucent	ATT/LUC	**5**
Nippon Electric	NEC	**6**
Northern Telecom	NTI	**7**
Siemens	SI	**8**
Stromberg-Carlson	SC	**9**
VIDAR	VI	**10**

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	**1**
Electronic--Analog	A	**2**
Electronic--Digital	D	**3**
Electronic--Video	V	**4**

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	**1**
ATTC	ATT	**2**
GTE	GTE	**3**
ITT	ITT	**4**
Lucent	ATT/LUC	**5**
Nippon Electric	NEC	**6**
Northern Telecom	NTI	**7**
Siemens	SI	**8**
Stromberg-Carlson	SC	**9**
VIDAR	VI	**10**

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	**1**
Electronic--Analog	A	**2**
Electronic--Digital	D	**3**
Electronic--Video	V	**4**

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	ELKHORN	ELKHORN			1
PSCW Exchange ID	1730	1730			2
Central Office Name	ELKHORN	LAUDERDALE			3
PSCW Central Office ID	1	2			4
Manufacturer of COE (Page 54)	ATT/LUC	ATT/LUC			5
Year COE Installed	1999	1999			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote	S	S			8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0	0			10
COE Generic Software Release No.	5E14	5E14			11
SS7?	Yes	Yes			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	8,097	2,873			14
- Equipped	11,968	5,472			15
- Wired	15,552	6,176			16
Trunks - In Use	1,872	335			17
- Equipped	2,880	960			18
- Wired	3,024	960			19
ISDN Available?	Yes	Yes			20
ISDN Lines - In Use (BRI)	22	3			21
- In Use (PRI)	1	0			22
Switched 56 Service?	No	No			23
Switched 56 lines in use	0	0			24
Digital Transmission Facilities: DS-1 - In Use	150	17			25
DS-3 - In Use	6	1			26
Advanced Data Service Available:					
Packet Switching?	No	No			27
SMDS?	No	No			28
Frame Relay?	No	No			29
ATM (Asynchronous Trans. Mode)?	No	No			30
Video Information - Service Available?	No	No			31
- In Use (# lines) [1]	0	0			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	188	60			33
No. of fiber strands working (LIT) in C.O.	20	4			34
No. of fiber strands for interoffice use	48	24			35
Miles of fiber sheath in wire center	23	11			36
Access Tandem Serving this C.O.:					
- C.O. Name	ELKHORN	ELKHORN			37
- PSCW C.O. ID	1730-01	1730-01			38
Does this C.O. do access tandem switching?	Yes	No			39
Equal Access: InterLATA (1+)?	Yes	Yes			40
Equal Access: IntraLATA (1+)?	Yes	Yes			41
Footnotes					42

[1] Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

The accounting policies of the Company conform to generally accepted accounting principles and reflect practices that are appropriate to the telephone industry

Revenues are recognized when earned, regardless of the period in which they are billed.

Telephone Plant In Service is recorded at original cost and depreciation is computed on the straight-line basis for statement purposes. The provision rate is applied to group account assets for computation of annual depreciation. Retirements are recorded using average unit costs.

Reduction of Income Taxes due to the use of Investment Tax Credit is deferred and is being amortized over the service life of the plant that created the credit.

Payroll taxes, pension costs and employees insurance costss are capitalized on all plant additions. This capitalization is being treated as additions to telephone plant for both statement and income tax purposes. Allowance for funds used during construction (AFUDC) is capitalized on major projects for statement purposes only.

The Company maintains a defined contribution money purchase pension plan for its eligible employees. Contributions to the plan are based upon compensation paid during the plan year. During the years 2000 and 1999 costs incurred under the plan amounted to $352,587 and $356,658 respectively.

The Company maintains a self-funded health care plan for substantially all of its full time employees. For 2000 the Company was liable for employee and/or dependent health care claims up to $15,000 in aggregate per person, after which claims incurred were covered by a stop loss insurance carrier. During 1999 the Companys liability was $10,000 per person. Costs under the plan amounted to $316,366 and $286,116 for the years 2000 and 1999 respectively.

The Company has adopted SFAS 106 which requires the Company to accrue post retirement benefits (other than pensions) during the years in which the employees are actively employed. Costs accrued for the years 2000 and 1999 were $100,800 and $88,988 respectively.

The Company has established a deferred compensation plan for its president. Under terms of the agreement, he is to receive at the time of his retirement an additional annual retirement benefit of $100,000 per year for a period of 10 years. The cost of this benefit is being funded by the accumulated cash value of life insurance policies. The Company is accruing a liability for the deferred compensation agreement over the period of the presidents employment, beginning when the agreement was adopted.

The Company and its affiliates operate under agreements whereby the Company provides general administrative, management, accounting, purchasing, data processing and other services for its affiliates. These services were billed to the affiliates at the Companys costs and amounted to $535,883 and $574,934 for the years 2000 and 1999 respectively.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

to $535,883 and $574,934 for the years 2000 and 1999 respectively.

Schedule Footnotes

Telephone Calls and Minutes of Use Per Month Footnote. Page 47

The Company does not maintain data that would provide Telephone Calls and Minutes of Use Data.

Schedule Line Footnotes

A) Special Access Revenues have increased due to the increased number of special access circuits in service during the year 2000.

B) General Support Expense increased during the year 2000 due to extensive maintenance and remodeling in connection with the celebration of our 100th anniversary.

C) Depreciation Expense is less during the year 2000 because we no longer are recording the depreciation needed to fully depreciate the Central Office Equipment that was retired in 1999.

D) Marketing Expenses increased during 2000 due to the costs of an extensive marketing program to sell custom calling features.

E) General and Administrative Expenses increased during the year 2000 because of the extraordinary costs incurred to celebrate and promote the 100th anniversary of our founding.

F) There is no basis for the data input for Special Access-intraLATA and Special Access-interLATA equivalent access lines (938 and 753 respectively). These numbers were input soley to satisfy the edit check program.

G) The Company does not maintain any records that would provide the Exchange Route Mile information requested.

H) Depreciation rate is not valid. Entry is forced to satisfy the edit check program.