



4004

ANNUAL REPORT

OF

Name: CUBA CITY TELEPHONE EXCHANGE COMPANY

Principal Office: 2801 INTERNATIONAL LN
MADISON, WI 53704-3119

For the Year Ended: DECEMBER 31, 1997

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 notes to the income statement or the balance sheet, 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.

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
Statement of Cash Flows	12
Important Changes During the Year	13
Affiliate Abbreviations	14
Affiliated Interest Transactions	15
Affiliated Assets and Liabilities	16
Accounts Receivable Net Write Offs - Telecommunications	17
Notes Receivable (Acct. 1200) and Allowances (Acct. 1201)	18
Investments in Nonaffiliated Companies (Acct. 1402)	19
Nonregulated Investments (Acct. 1406)	20
Deferred Maintenance and Retirements (Acct. 1438)	21
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
Net Deferred Operating Income Taxes (Acct. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)	30
Notes Payable (Acct. 4020)	32
Long-Term Debt	33
Capital Stock Accounts at End of Year	35
Retained Earnings (Acct. 4550)	37
Distribution of Taxes	38
Revenues - Class A & B (Class B Use Accounts Designated By *)	40
Expense Matrix - Class A & B	41
Calculation of Assessable Revenues for Remainder, DOJ, and Tele. Relay Assessment Purposes	43
Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes	43
Other Income Accounts (Class B Use Accounts Designated By *)	44
Nonregulated Net Income (Acct. 7990)	45
Distribution of Salaries and Wages	46
Employee Data	46
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

TABLE OF CONTENTS

Schedule Name	Page
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: <ol style="list-style-type: none">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: CUBA CITY TELEPHONE EXCHANGE COMPANY
Utility Location: 2801 INTERNATIONAL LN
MADISON, WI 53704-3119

Utility Web Site Address:
When was utility organized?: 01/01/1913
Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: D L . EGLI
Title: FINANCIAL MANAGER

Office Address: 2801 INTERNATIONAL LANE, SUITE 207
MADISON , WI 53704

Fax Number: (608) 244 - 1239
Telephone Number: (608) 244 - 4940
Email Address:

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: D L . EGLI
Title: FINANCIAL MANAGER

Office Address: 2801 INTERNATIONAL LANE, SUITE 207
MADISON , WI 53704

Fax Number: (608) 244 - 1239
Telephone Number: (608) 244 - 4940
Email Address: cctec@mhtc.net

Person responsible for statistical information contained in report

Name: D L . EGLI
Title: FINANCIAL MANAGER

Office Address: 2801 INTERNATIONAL LANE, SUITE 207
MADISON , WI 53704

Fax Number: (608) 244 - 1239
Telephone Number: (608) 244 - 4940
Email Address:

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: LYNCH TELEPHONE CORPORATION III
Address: 8 SOUND SHORE DRIVE, SUITE 290
GREENWICH , CT 06830

Number of Shares Held: 32,000
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: BELMONT TELEPHONE COMPANY
Form of Interest: AFFILIATED INTEREST CONTRACT
Extent Of Interest: SEE ABOVE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,218,042	1,176,134	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	78,532	79,549	2
Plant Nonspecific Operations Expense	202,795	217,550	3
Customer Operations Expense (6610-6620)	116,654	170,338	4
Corporate Operations Expense (6710-6790)	284,756	231,911	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	231,595	218,689	7
Total Operating Expenses	914,332	918,037	8
Net Operating Income	303,710	258,097	9
Other Income			
Nonoperating Income and Expense (7300)	23,643	22,642	10
Nonoperating Taxes (7400)	4,631	4,316	11
Interest and Related Items (7500)	61,348	29,366	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(7,158)	(11,997)	14
Total Nonoperating Income	(49,494)	(23,037)	15
Net Income	254,216	235,060	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.)

 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.

 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.

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)*	865,891	592,727	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	865,891	592,727	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	128,574	152,521	6
Accounts Receivable Allowance-Telecom (1181)*		0	7
Net: Telecommunications Accounts Receivable	128,574	152,521	
Other Accounts Receivable (1190)*	180,781	43,775	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	180,781	43,775	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	10,961	3,147	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	320,316	199,443	
SUPPLIES			
Inventories (1220)*	22,029	21,698	13
TOTAL SUPPLIES	22,029	21,698	
PREPAYMENTS			
Total Prepayments (1280)*	8,790	9,082	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	8,790	9,082	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*		0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	1,217,026	822,950	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	0	0	22
Nonregulated Investments (1406)*	63,024	8,460	23
Unamortized Debt Issuance Expense (1407)*		0	24
Sinking Funds (1408)*	0	0	25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	45,623	978	26
TOTAL INVESTMENTS	108,647	9,438	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*		0	29
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	108,647	9,438	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	2,989,018	2,918,975	30
Less: Accumulated Depreciation (3100)*	1,657,651	1,498,294	31
Less: Accumulated Amortization--Capitalized Leases (3410)*		0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*		0	33
Less: Accumulated Amortization--Intangible (3500)*		0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,331,367	1,420,681	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*		0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*		0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*		0	37
Less: Accumulated Depreciation--Nonoperating (3300)*	11,079	0	38
NET NONOPERATING PLANT	(11,079)	0	
TPUC			
TPUC (2003)*	67,935	0	39
TOTAL TPUC	67,935	0	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	40
Less: Accumulated Amortization--Other (3600)*		0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,388,223	1,420,681	
TOTAL ASSETS AND OTHER DEBITS*	2,713,896	2,253,069	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	132,249	119,524	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	111,543	8,700	3
Customer Deposits (4040)*	2,555	2,485	4
Current Maturities--Long-Term Debt (4050)*	51,000	36,200	5
Current Maturities--Capital Leases (4060)*		0	6
Income Taxes--Accrued (4070)*	60,264	79,597	7
Other Taxes--Accrued (4080)*	(11,826)	(9,789)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	4,383	5,100	11
Other Current Liabilities (4130)*	82,240	121,260	12
TOTAL CURRENT LIABILITIES*	432,408	363,077	
LONG-TERM DEBT			
Funded Debt (4210)*	1,031,808	566,567	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	1,031,808	566,567	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*	6,835	8,521	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	81,661	79,646	23
Net Deferred Tax Liability Adjustments (4341)*	748	748	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*			26
Deferred Tax Regulatory Liability (4361)*	12,457	7,147	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	101,701	96,062	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	240,000	240,000	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*			31
Retained Earnings (4550)*	907,979	987,363	32
TOTAL STOCKHOLDERS' EQUITY*	1,147,979	1,227,363	
TOTAL LIABILITIES AND OTHER CREDITS*	2,713,896	2,253,069	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	254,216	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	169,599	2
Interest during construction	(1,095)	3
Changes in assets and liabilities:		
Current assets (net)	(120,912)	4
Other noncurrent assets	(44,645)	5
Other current liabilities	54,531	6
Other liabilities and deferred credits	5,639	7
Other (specify):		
TOTAL ADJUSTMENTS	63,117	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	317,333	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(136,046)	8
Investments in affiliated companies	0	9
Nonoperating Investments	(54,564)	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(190,610)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	480,041	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	(333,600)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	146,441	
NET INCREASE IN CASH AND CASH EQUIVALENTS	273,164	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

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

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

7. Changes in articles of incorporation or amendments to charter.

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

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)	
Belmont Telephone Company	BTC	1
Other	OTH	2

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 and categorize billings according to the account categories shown below.

Particulars (a)	(b)	(c)	(d)	(e)		
Docket	1460-AT-000101					
Name of Affiliate	BTC					1
Designate whether billed to or from:	TO					2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	MTO					3
Revenues						4
Expenses:						
Plant Specific Operations Expense	33,121					5
Plant Nonspecific Operations Expense	21,883					6
Customer Operations Expense	55,661					7
Corporate Operations Expense	103,750					8
Total Operating Expenses	214,415	0	0	0		9
Other:						
Plant Accounts	8,371					10
Accumulated Depreciation						11
Accumulated Amortization						12
Clearing						13
All Other	13,817					14
Total	236,603	0	0	0		15
Percent of affiliate's business billed to all affiliated regulated utilities						16
If cost based, rate of return on equity or markup incorporated in billings						17
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; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts 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. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)
--------------------------	--------------------------	-----------------------

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off		1
Uncollectibles written off during the year		2
Net write offs during the year	<u><u>0</u></u>	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
--	-------------------------------	-------------------------	----------------------------------	-------------------------------	---

INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock		1
Other:		
Total Investments in Nonaffiliated Companies	0	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
MERCH FOR RESALE	12,906	1
PAYPHONES	4,572	2
SRNTC EQUIPMENT	45,546	3
	0	4

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
--	--------------------------------

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	44,317		1
Motor Vehicles	2112	99,262		2
Aircraft	2113			3
Special Purpose Vehicles	2114			4
Garage Work Equipment	2115			5
Other Work Equipment	2116	33,052	6,387	6
Buildings	2121	331,768	2,163	7
Furniture	2122	64,383	4,749	8
Office Equipment	2123	34,673	5,539	9 1
General Purpose Computers	2124	53,195	2,956	10
TOTAL--GENERAL SUPPORT ASSETS:		660,650	21,794	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211			11
Digital Electronic Switching	2212	550,897	8,824	12 1
Electro-Mechanical Switching	2215	0	0	13 1
Operator Systems	2220			14
Radio Systems	2231	0	0	15 1
Circuit Equipment	2232	110,410	8,775	16 1
TOTAL--CENTRAL OFFICE ASSETS:		661,307	17,599	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311			17
Customer Premises Wiring	2321			18
Large Private Branch Exchanges	2341			19
Public Telephone Terminal Equipment	2351	4,572		20 1
Other Terminal Equipment	2362			21
TOTAL--INFORMATION ORIG/TERM ASSETS:		4,572	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411			22
Aerial Cable	2421	0	0	23 1
Underground Cable	2422	0	0	24 1
Buried Cable	2423	1,449,145	40,769	25 1
Submarine Cable	2424	0	0	26 1
Deep Sea Cable	2425			27
Intrabuilding Network Cable	2426	0	0	28 1
Aerial Wire	2431			29
Conduit Systems	2441	143,302		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		1,592,447	40,769	
AMORTIZABLE ASSETS				
Capital Leases	2681			31

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			44,317	1
2112			99,262	2
2113			0	3
2114			0	4
2115			0	5
2116			39,439	6
2121			333,931	7
2122			69,132	8
2123	6,263	0	33,949	9 1
2124			56,151	10
	6,263	0	676,181	
2211			0	11
2212	0	0	559,721	12 1
2215	0	0	0	13 1
2220			0	14
2231	0	0	0	15 1
2232	0	0	119,185	16 1
	0	0	678,906	
2311			0	17
2321			0	18
2341			0	19
2351		(4,572)	0	20 1
2362			0	21
	0	(4,572)	0	
2411			0	22
2421	0	0	0	23 1
2422	0	0	0	24 1
2423	(715)	0	1,490,629	25 1
2424	0	0	0	26 1
2425			0	27
2426	0	0	0	28 1
2431			0	29
2441			143,302	30
	(715)	0	1,633,931	
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		32
Intangibles	2690		33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	2,918,976	80,162
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			0	32
2690			0	33
	0	0	0	
	5,548	(4,572)	2,989,018	
2001			0	34
			2,989,018	

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	26,115		1
Company Communications Equipment	2123.2	8,558	5,539	2
Software	2212.1			3
Digital Switching - Central Office	2212.2	550,897	8,824	4
Digital Switching - Remote	2212.3			5
Step by Step Switching	2215.1			6
Crossbar Switching	2215.2			7
Satellite and Earth Station Facilities	2231.1			8
Other Radio Facilities	2231.2			9
Digital Circuit Equipment	2232.1	110,410	8,775	10
Analog Circuit Equipment	2232.2			11
Light Wave Circuit Equipment	2232.3			12
Aerial Cable - Nonmetallic	2421.1			13
Aerial Cable - Metallic	2421.2			14
Underground Cable - Nonmetallic	2422.1			15
Underground Cable - Metallic	2422.2			16
Buried Cable - Nonmetallic	2423.1	1,245,457	33,021	17
Buried Cable - Metallic	2423.2	203,688	7,748	18
Submarine Cable - Nonmetallic	2424.1			19
Submarine Cable - Metallic	2424.2			20
Intrabuilding Cable - Nonmetallic	2426.1			21
Intrabuilding Cable - Metallic	2426.2			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	1,065		25,050	1
2123.2	5,198		8,899	2
2212.1			0	3
2212.2			559,721	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			119,185	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			0	14
2422.1			0	15
2422.2			0	16
2423.1	(715)		1,279,193	17
2423.2			211,436	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	39,917	14.5	14,400	1
Aircraft	2113				2
Special Purpose Vehicles	2114				3
Garage Work Equipment	2115				4
Other Work Equipment	2116	21,554	10.0	3,624	5
Buildings	2121	126,088	2.5	8,321	6
Furniture	2122	41,033	7.69	5,133	7
Office Equipment	2123	21,719	10.0	2,558	8
General Purpose Computers	2124	52,720	20.0	3,431	9
Total-- GENERAL SUPPORT ASSETS		303,031		37,467	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211				10
Digital Electronic Switching	2212	417,641	10.29	57,138	11
Electro-Mechanical Switching	2215				12
Operator Systems	2220				13
Radio Systems	2231				14
Circuit Equipment	2232	60,344	8.3	9,528	15
Total-- CENTRAL OFFICE ASSETS		477,985		66,666	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311				16
Customer Premises Wiring	2321				17
Large Private Branch Exchanges	2341				18
Public Telephone Terminal Equipment	2351	4,572			19 ²
Other Terminal Equipment	2362				20
Total-- INFORMATION ORIG/TERM ASSETS		4,572		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411				21
Aerial Cable	2421				22
Underground Cable	2422				23
Buried Cable	2423	706,256	4.16	61,166	24
Submarine Cable	2424				25
Deep Sea Cable	2425				26
Intrabuilding Network Cable	2426				27
Aerial Wire	2431				28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					54,317	1
2113					0	2
2114					0	3
2115					0	4
2116					25,178	5
2121		120			134,289	6
2122					46,166	7
2123	6,263				18,014	8
2124					56,151	9
	6,263	120	0	0	334,115	
2211					0	10
2212	0				474,779	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				69,872	15
	0	0	0	0	544,651	
2311					0	16
2321					0	17
2341					0	18
2351				(4,572)	0	19 2
2362					0	20
	0	0	0	(4,572)	0	
2411					0	21
2421	0				0	22
2422	0				0	23
2423	(715)				768,137	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	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	6,449	3.0	4,299	29
Total-- CABLE WIRE FACILITIES ASSETS		712,705		65,465	0
Total Accumulated Depreciation	3100	1,498,293		169,598	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			0	0 30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				169,598	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					10,748	29
	(715)	0	0	0	778,885	
3100	5,548	120	0	(4,572)	1,657,651	
3100					0	30
3100					1,657,651	

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	13,161	10.0	2,558	1
Company Communications Equipment	2123.2	8,558	14.3		2
Software	2212.1				3
Digital Switching - Central Office	2212.2	417,641	10.29	57,138	4
Digital Switching - Remote	2212.3				5
Step by Step Switching	2215.1				6
Crossbar Switching	2215.2				7
Satellite and Earth Station Facilities	2231.1				8
Other Radio Facilities	2231.2				9
Digital Circuit Equipment	2232.1	60,344	8.3	9,528	10
Analog Circuit Equipment	2232.2				11
Light Wave Circuit Equipment	2232.3				12
Aerial Cable - Nonmetallic	2421.1				13
Aerial Cable - Metallic	2421.2				14
Underground Cable - Nonmetallic	2422.1				15
Underground Cable - Metallic	2422.2				16
Buried Cable - Nonmetallic	2423.1	697,987	4.16	51,825	17
Buried Cable - Metallic	2423.2	8,269	4.5	9,341	18
Submarine Cable - Nonmetallic	2424.1				19
Submarine Cable - Metallic	2424.2				20
Intrabuilding Cable - Nonmetallic	2426.1				21
Intrabuilding Cable - Metallic	2426.2				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	1,065				14,654	1
2123.2	5,198				3,360	2
2212.1					0	3
2212.2					474,779	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					69,872	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					0	14
2422.1					0	15
2422.2					0	16
2423.1	(715)				750,527	17
2423.2					17,610	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2 a
Deferred Tax Regulatory Asset (1437)		3
Net Current Deferred Operating Income Taxes (4100)		4
Net Noncurrent Deferred Operating Income Taxes (4340)	(79,646)	5
Net Deferred Tax Liability Adjustments (4341)	(748)	6
Deferred Tax Regulatory Liability (4361)	(7,147)	7
Net Property Related Deferred Operating Income Taxes	(87,541)	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	(87,541)	
NONPROPERTY RELATED		
Other Current Assets (1350)		9
Other Noncurrent Assets (1410)		10
Deferred Tax Regulatory Asset (1437)		11
Net Current Deferred Operating Income Taxes (4100)		12
Net Noncurrent Deferred Operating Income Taxes (4340)		13
Net Deferred Tax Liability Adjustments (4341)		14
Deferred Tax Regulatory Liability (4361)		15
Total Nonproperty Related Deferred Operating Income Taxes	0	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250			13,200	13,200	2 a
				0	3
7250				0	4
7250	(2,015)			(81,661)	5
				(748)	6
	(5,310)			(12,457)	7
	(7,325)	0	13,200	(81,666)	
				0	8
	(7,325)	0	13,200	(81,666)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250				0	13
				0	14
				0	15
	0	0	0	0	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
---------------------	-------------------------------	-------------------------	----------------------------------	--------------------------------

LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RUS/RTB	08/21/1974-01/21/1997	08/21/2009-01/21/2017	5.0000-6.6600	1
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
5.7641			1,031,808	51,000	1,082,808	1
	0	0	1,031,808	51,000	1,082,808	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
	35,000	7.50	1
TOTAL COMMON STOCK	35,000		
TOTAL	<u>35,000</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares (e)	Amount (f)	Shares (g)	Amount (h)	
COMMON STOCK:					
	32,000	240,000			1
	32,000	240,000	0	0	
TOTAL	<u>32,000</u>	<u>240,000</u>	<u>0</u>	<u>0</u>	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	987,363	893,823	1
Changes:			
Balance Transferred from Income	254,216	234,740	2
Dividends Declared:			
Common	333,600	141,200	3
Preferred			4
Total Dividends Declared	333,600	141,200	
Miscellaneous Debits to Retained Earnings			5
Miscellaneous Credits to Retained Earnings			6
Balance--End of Year	<u>907,979</u>	<u>987,363</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	69,600	34,608	123,622	1
Nonoperating Taxes (Accts. 7410 - 7450)		946	3,685	2
Extraordinary Items (Accts. 7630 & 7640)			0	3
Nonregulated Net Income (Acct. 7990)				4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
TOTAL	<u><u>69,600</u></u>	<u><u>35,554</u></u>	<u><u>127,307</u></u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
1,750			2,015		231,595	1
					4,631	2
					0	3
					0	4
					0	5
					0	6
				27,897	27,897	7
				204	204	8
				504	504	9
1,750	0	0	2,015	28,605	264,831	

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)*	323,225	306,889	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)	323,225	306,889	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	76,840	73,098	11
Switched Access Revenue (5082)*	416,624	409,144	12
Special Access Revenue (5083)*		0	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	493,464	482,242	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	245,561	228,266	15
Special Access Revenue (5084.3)*		0	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	245,561	228,266	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*		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)*	45,953	45,337	30
Rent Revenue (5240)*		0	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	39,736	37,250	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)	39,736	37,250	
Interstate Billing and Collection Revenue*	43,433	43,926	39
Intrastate Billing and Collection Revenue*	28,546	33,282	40
Total Carrier Billing and Collection Revenue (5270)*	71,979	77,208	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	157,668	159,795	
GROSS OPERATING REVENUES	1,219,918	1,177,192	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	1,876	1,058	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	1,876	1,058	
TOTAL OPERATING REVENUES	<u>1,218,042</u>	<u>1,176,134</u>	

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

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	684	702	880	1
Less: Nonregulated		0		2
Net Regulated	684	702	880	3
Total General Support Expense (6120)	14,066	12,674	1,896	4
Less: Nonregulated		0		5 2,0
Net Regulated	14,066	12,674	1,896	6
Total Central Office Switching Expense (6210)	26,659	20,604	17,236	7
Less: Nonregulated		0		8 1,1
Net Regulated	26,659	20,604	17,236	9
Total Operator Systems Expense (6220)	0	0		10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	1,941	4,892	4,208	13
Less: Nonregulated		0		14 1,2
Net Regulated	1,941	4,892	4,208	15
Total Information Orig. / Term. Expense (6310)	1,115	1,137	464	16
Less: Nonregulated		0		17
Net Regulated	1,115	1,137	464	18
Total Cable and Wire Fac. Expense (6410)	35,084	38,523	24,975	19
Less: Nonregulated		0		20 1,3
Net Regulated	35,084	38,523	24,975	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	79,549	78,532	49,659	
Less: Nonregulated	0	0	0	
Net Regulated	79,549	78,532	49,659	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	800	0	22
Less: Nonregulated		0		23
Net Regulated	0	800	0	24
Total Network Operations Expense (6530)	49,247	30,289	52,565	25
Less: Nonregulated		0		26 1,4
Net Regulated	49,247	30,289	52,565	27
Access Expense (6540)	1,518	2,107		28
Less: Nonregulated		0		29
Net Regulated	1,518	2,107	0	30
Total Depreciation and Amortization Expense (6560)	166,785	169,599		31
Less: Nonregulated		0		32 1,6
Net Regulated	166,785	169,599		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	217,550	202,795	52,565	
Less: Nonregulated	0	0	0	
Net Regulated	217,550	202,795	52,565	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110	101		7,408	(7,687)	1
					2
	101	0	7,408	(7,687)	3
6120	412		10,182	184	4
					5 2,0
	412	0	10,182	184	6
6210	4,141		(1,494)	721	7
					8 1,1
	4,141	0	(1,494)	721	9
6220					10
					11
	0	0	0	0	12
6230	973		(686)	397	13
					14 1,2
	973	0	(686)	397	15
6310	115		520	38	16
					17
	115	0	520	38	18
6410	5,988		7,560		19
					20 1,3
	5,988	0	7,560	0	21
	11,730	0	23,490	(6,347)	
	0	0	0	0	
	11,730	0	23,490	(6,347)	
6510	0	0	800	0	22
					23
	0		800	0	24
6530	12,556		(31,961)	(2,871)	25
					26 1,4
	12,556	0	(31,961)	(2,871)	27
6540			2,107		28
					29
	0	0	2,107	0	30
6560			169,599		31
					32 1,6
			169,599		33
	12,556	0	140,545	(2,871)	
	0	0	0	0	
	12,556	0	140,545	(2,871)	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	1,267	1,037	32,838	34
Less: Nonregulated		0		35
Net Regulated	1,267	1,037	0	36
<hr/>				
Total Services (6620)	169,071	115,617	32,838	37
Less: Nonregulated		0		38 1,7
Net Regulated	169,071	115,617	32,838	39
<hr/>				
TOTAL CUSTOMER OPERATIONS EXPENSE	170,338	116,654	32,838	
Less: Nonregulated	0	0	0	
Net Regulated	170,338	116,654	32,838	
<hr/>				
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	72,115	109,175	99,699	40
Less: Nonregulated		0		41 1,8
Net Regulated	72,115	109,175	99,699	42
<hr/>				
Total General and Administrative (6720)	159,796	175,581	107,132	43
Less: Nonregulated		0		44 1,9
Net Regulated	159,796	175,581	107,132	45
<hr/>				
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
<hr/>				
TOTAL CORPORATE OPERATIONS EXPENSE	231,911	284,756	206,831	
Less: Nonregulated	0	0	0	
Net Regulated	231,911	284,756	206,831	
<hr/>				
TOTAL EXPENSES	699,348	682,737	341,893	
Less: Nonregulated	0	0	0	
Net Regulated	699,348	682,737	341,893	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610			1,037		34
	0	0	1,037	0	35
6620	8,841		73,938		36
	8,841		73,938	0	37
	8,841	0	74,975	0	38 1,7
	0	0	0	0	39
	8,841	0	74,975	0	
6710	28,193		(18,717)		40
	28,193		(18,717)	0	41 1,8
6720	30,260		38,116	73	42
	30,260		38,116	73	43
6790			0		44 1,9
	58,453	0	19,399	73	45
	0	0	0	0	46
	58,453	0	19,399	73	47
	91,580	0	258,409	(9,145)	48
	0	0	0	0	
	91,580	0	258,409	(9,145)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		0		1
Provisioning Expense (6512)		800		2
Total: Reported in Account 6510	0	800	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	166,785	169,599		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562		0		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	166,785	169,599		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512			800		2
	0		800	0	
6561			169,599		3
6562					4
6563					5
6564					6
6565					7
			169,599		

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to Department of Justice and telephone relay assessments.

Description (a)	This Year (b)	
Gross Operating Revenues	1,219,918	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	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 Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
<hr/>		
Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes	<u><u>1,219,918</u></u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	323,225	1
Plus: Total Intrastate Access Revenues (5084)	245,561	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify):		5
<hr/>		
Assessable Revenues for Universal Service Fund Assessment Purposes	<u><u>568,786</u></u>	

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	1,219,918	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	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 Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
<hr/>		
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u><u>1,219,918</u></u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	323,225	1
Plus: Total Intrastate Access Revenues (5084)	245,561	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify):		5
<hr/>		
Assessable Revenues for Universal Service Fund Assessment Purposes	<u><u>568,786</u></u>	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*			1
Return from Nonregulated Use of Regulated Facilities (7130)*			2
Gains and (Losses) from Foreign Exchange (7140)			3
Gains or (Losses) from the Disposition of Land and Artworks (7150)			4
Other Operating Gains and (Losses) (7160)*			5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(1,686)	(2,121)	6
Operating Federal Income Taxes (7220)*	125,308	115,366	7
Operating State and Local Income Taxes (7230)*	34,608	29,255	8
Operating Other Taxes (7240)*	71,350	71,487	9
Provision for Deferred Operating Income Taxes--Net (7250)*	2,015	4,702	10
TOTAL OPERATING TAXES (7200)*	231,595	218,689	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*			11
Interest Income (7320)*	50,252	26,398	12
Income from Sinking and Other Funds (7330)*			13
Allowance for Funds Used During Construction (7340)*	1,095	5,863	14
Gains or (Losses) from the Disposition of Certain Property (7350)*			15
Other Nonoperating Income (7360)*			16
Special Charges (7370)*	27,704	9,619	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	23,643	22,642	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*			18
Nonoperating Federal Income Taxes (7420)*	3,685	3,434	19
Nonoperating State and Local Income Taxes (7430)*	946	882	20
Nonoperating Other Taxes (7440)*			21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*			22
TOTAL NONOPERATING TAXES (7400)*	4,631	4,316	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	61,209	29,299	23
Interest Expense--Capital Leases (7520)*			24
Amortization of Debt Issuance Expense (7530)*			25
Other Interest Deductions (7540)*	139	67	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	61,348	29,366	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*	0	0	27
Extraordinary Income Credits (7610)			28
Extraordinary Income Charges (7620)			29
Current Income Tax Effect of Extraordinary Items--Net (7630)			30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)			31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	(7,158)	(11,997)	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	25,192	1
Less: Cost of Goods Sold	6,385	2
Net Sales	18,807	3
Expenses (Acct. 7990.2)	25,965	4
Nonregulated Net Income	<u><u>(7,158)</u></u>	5

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

The company is involved in the leasing and maintenance of station apparatus and the sales and installation of station apparatus and small commercial phone systems.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	341,893	1
Nonregulated Expense	18,481	2
Plant Accounts	26,726	3
Accumulated Depreciation Accounts		4
All Other Accounts		5
Total Salaries and Wages	<u>387,100</u>	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	1.25	1.25	107,506	1
Supervision and Other Management	2.00	2.00	112,993	2
Other Employees	5.00	5.00	151,424	3
Total	<u>8.25</u>	<u>8.25</u>	<u>371,923</u>	

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	341,893	1
Nonregulated Expense	18,481	2
Plant Accounts	26,726	3
Accumulated Depreciation Accounts		4
All Other Accounts		5
Total Salaries and Wages	<u>387,100</u>	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	1.25	1.25	107,506	1
Supervision and Other Management	2.00	2.00	112,993	2
Other Employees	5.00	5.00	151,424	3
Total	<u>8.25</u>	<u>8.25</u>	<u>371,923</u>	

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	141		1 1
Extended Area Service	121		2 2
Extended Community Calling	27	105	3
Other Local-Undefined			4
Total Local	289	105	
TOLL			
Operator Handled: State--intraLATA			5
Operator Handled: State--interLATA			6
Operator Handled: Interstate	1		7
Customer Dialed: State--intraLATA		81	8
Customer Dialed: State--interLATA	154	44	9
Customer Dialed: Interstate		157	10
WATS			11
Other Toll-Undefined			12
Total Toll	155	282	
Total Local & Toll	444	387	

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.	0	0	0	0	1
Feature Group A -- Term.	3	0	22	0	2
Feature Group B -- Orig.	0	0	0	0	3
Feature Group B -- Term.	0	0	0	0	4
Feature Group C -- Orig.	0	0	0	0	5
Feature Group C -- Term.	0	0	0	0	6
Feature Group D -- Orig.	1,965	526	1,033	3	7
Feature Group D -- Term.	2,907	984	918	12	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	114	2
Sheath miles of plant - fiber optics	15	3
Strand miles of plant - fiber optics	234	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	9	1
56 kbps	0	0	2
64 kbps (DS0)	0	9	3
1.54 Mbps (DS-1)	0	0	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 - aerial	0	1
Sheath miles of plant - buried	114	2
Sheath miles of plant - fiber optics	15	3
Strand miles of plant - fiber optics	234	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	9	1
56 kbps	0	0	2
64 kbps (DS0)	0	9	3
1.54 Mbps (DS-1)	0	0	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	217	223	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	6	6	6
Centrex Trunks	0		7
Centrex Lines	0		8
Key System Trunks	59	71	9
Mobile (Utility Provided Service)	0		10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	3	3	12
Pay Telephone		8	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	8	0	16
- Semi-Public	0		17
- Cust. Owned	0		18
Other	0		19
Total Business Lines	293	311	20
Residential (Incl. Emp. Concess.)			
1 Party	1,335	1,378	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	0		25
Other	0		26
Total Residential Lines	1,335	1,378	27
Total Bus & Res Lines	1,628	1,689	28
Company Used Lines	14	14	29
Total Lines Used	1,642	1,703	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	0		3
WATS Lines - 800 Service	0		4
FX-In-intraLATA	0		5
Special Access-intraLATA			6
(expressed in equiv. access lines)	18	18	7
Special Access-interLATA			8
(expressed in equiv. access lines)	0	0	9
Feature Group A Lines	0		10
Feature Group B Trunks	0		11
Feature Group C Trunks	0		12
Feature Group D Trunks	88	88	13
TSPS - Trunks	5	5	14
EAS - Trunks	59	59	15
Cellular Trunks (Pub. Sw. Net.)	0		16
Video Distance Learning			17
- discounted (special tariff)	0		18
Customers			
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			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)			26
	2,258,326	2,312,837	27
Total Company Square Miles	100	100	28
Total Company Route Miles	139	140	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	1330				1
Business					
1 Party	223				2
2 Party					3
4 Party					4
PBX Trunks/System Trunks	6				5
Centrex Trunks					6
Centrex Lines					7
Key System Trunks	71				8
Mobile (utility provided service)					9
Paging (utility provided service)					10
FX-Out (Switched)	3				11
Pay Telephone	8				12
Coin-Operated Pay Telephone	0				13
Independent Pay Telephone Provider	0				14
Pay Stations - Public	0				15
- Semi-Public					16
- Cust. Owned					17
Other					18
Total Business Lines	311	0	0	0	19
Residential (Incl. Emp. Concess.)					
1 Party	1,378				20
2 Party					21
4 Party					22
FX-Out (Switched)					23
Other					24
Total Residential Lines	1,378	0	0	0	25
Total Bus & Res Lines	1,689	0	0	0	26
Company Used Lines	14				27
Total Lines Used	1,703	0	0	0	28
					29
					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	1330				1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	18				7
Special Access-interLATA					8
(equiv. access lines)	0				9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	88				13
TSPS - Trunks	5				14
EAS - Trunks	59				15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	2,312,837				27
Exchange Square Miles	100				28
Exchange Route Miles	140				29
Footnotes					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	CUBA CITY				1
PSCW Exchange ID	1330				2
Central Office Name	CUBA CITY				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	NTI				5
Year COE Installed	1987				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	S				8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0				10
COE Generic Software Release No.	402.52				11
SS7?	No				12
9-1-1?	Yes				13
Access Lines - In Use	1,703				14
- Equipped	1,825				15
- Wired	2,560				16
Trunks - In Use	93				17
- Equipped	101				18
- Wired	105				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)	0				21
- In Use (PRI)	0				22
Switched 56 Service?	No				23
Switched 56 lines in use	0				24
Digital Transmission Facilities: DS-1 - In Use	11				25
DS-3 - In Use	0				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹	0				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	40				33
No. of fiber strands working (LIT) in C.O.	4				34
No. of fiber strands for interoffice use	35				35
Miles of fiber sheath in wire center	15				36
Access Tandem Serving this C.O.:					
- C.O. Name	DODGEVILLE				37
- PSCW C.O. ID	1500-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	No				41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Telecommunications Plant in Service Class A & B Footnote. Page 22

TELECOMMUNICATIONS SCHEDULE FOOTNOTE#1 HAD TO EXIT BEFORE COMPLETED
CURRENT YEAR SO HAD LARGE DIFFERENCES

Accumulated Depreciation Class A & B Footnote. Page 26

ACCUM DEPREC SCHEDULE FOOTNOTE#2 PAYPHONES DEREGULATED IN 1997

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

1. pg 47 intra=-exchange minutes of use not available
 2. pg 47 EAS minutes of use not available
-

Schedule Line Footnotes

- 0) PG 41 LINE 4 THRU 6 FOOTNOTE#20 1997 BLDG EXP REDUCED FROM 1996
- 1) BG 41 LINE 7 THRU 9 NOTE#11 MOST OF 1997 DIGITAL PROJECTS WERE CAPITAL VERSUS EXP
- 2) PG 41 LINE 13 THRU 15 NOTE#12 1997 CIRCUIT EXP UP FROM 1996 ROUTINE ITEMS
- 3) PG 41 LINES 19 THRU 21 NOTE#13 1997 HAD INCREASED REPAIR ACTIVITIES
- 4) PG 41 LINES 25 THRU 27 NOTE#14 1997 HAD MORE SUPERVISORY TIME CAPITALIZED
- 6) PG 41 LINES 31 THRU 33 NOTE#16 INCREASED INVESTMENTS
- 7) PG 41 LINES 37 THRU 39 NOTE#17 REDUCED EXTERNAL RECORDING/RATING EXPENSES CHANGED VENDOR
- 8) PG 41 LINES 40 THRU 42 NOTE#18 INCREASED EXECUTIVE EXPENDITURES
- 9) PG 41 LINES 43 THRU 45 NOTE#19 INCREASED ACCTG&FIN AND CORP SVC FEE EXPENDITURES
- a) Page 31, line 2, column (f), 13,200, reflects the purchase of RTB stock.