



4004

**ANNUAL REPORT**

OF

Name: MILLTOWN MUTUAL TELEPHONE COMPANY

Principal Office: 825 INNOVATION AVENUE  
P.O. BOX 40  
MILLTOWN, WI 54858-0040  
PO Box Zip Code: 54858-0040

For the Year Ended: DECEMBER 31, 2004

**TELECOMMUNICATIONS UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN**

P.O. Box 7854  
Madison, WI 53707-7854  
<http://psc.wi.gov>

*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. The annual report due date is April 1 of the following year. If that date falls on a weekend or holiday, the annual report is due the following business day.
2. **Electronic filing via e-mail is required, unless additional provisional confidential treatment is desired.** Go to the Public Service Commission of Wisconsin's Web Page at <http://psc.wi.gov>, and select the appropriate program for Incumbent Local Exchange Carriers (LECs). If additional confidential treatment is desired, contact Christopher Larson at (608) 267-9508 or [christopher.larson@psc.state.wi.us](mailto:christopher.larson@psc.state.wi.us) for instructions.
3. LEC entities with no revenues for the report year are required to file a LEC annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility in conformity with the Uniform System of Accounts prescribed by the Public Service Commission in docket 05-US-116. 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.
5. 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.
6. 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.
7. Numeric items are limited to digits (0-9). Do not type commas when entering numbers. A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if 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.
8. Report all dollar amounts to the nearest thousand dollars. (Example: \$130,000 should be reported as \$130.)
9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
10. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the 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.
11. 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.
12. The LEC annual report program incorporates provisional confidentiality capability for selected items. These items vary from year to year and are based on the Commission's decision regarding confidential items in the annual report.

## GENERAL RULES FOR REPORTING

If additional provisional confidential treatment is desired, do not file the annual report electronically using the program's e-mail filing capabilities.

13. It is not necessary to manually or electronically "sign" the signature page. It is not necessary to file a hardcopy of the annual report with the Commission.
14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files; Filing the Completed Report:**

Program edit checks, which are located under the Admin dropdown menu, should be run at the completion of data entry. Each edit problem lists pertinent schedule(s) as well as the nature of the problem (such as "does not equal"). Edit items should be reviewed and corrected; unresolved problems should be footnoted in the report, if necessary. This screen automatically saves the edit checks to an .edt file that may be viewed and edited (for purposes of adding necessary notations) using a word processing package such as WordPad.

The confidential listing, which is located under the Admin dropdown menu, should also be run at the completion of data entry. This will create a .clf file.

Select the annual report to export from the Main-Report Selection window. Click Admin, Export Data to PSC to start the export process. This will create an .mdb file, which will subsequently be encrypted to a file with an .sen extension. An export status file is also created (with a .txt extension). The export status report file may also be viewed in a word processing package such as WordPad. If you encounter any export errors, please contact the Commission for assistance.

The .edt, .clf, .sen, and .txt files will be zipped to a file with a .zip extension. An e-mail message will be created, addressed to pscrcs@psc.state.wi.us. The .zip file is automatically attached to the e-mail message. After the e-mail is created, it will automatically be sent to the Commission.

Once received and processed by the Commission, you will receive a response indicating that your annual report has been received and is being processed. You will be notified if there are any problems with the annual report filing.

15. **Name Changes:**

If a name change (e.g., the new name, the date of the change, and the affected entities with their respective four-digit Commission identification numbers) is identified in the report, documents from the State of Wisconsin Department of Financial Institutions (DFI) also must be submitted to the Commission:

A domestic corporation should send a copy of the stamped page from its Articles of Amendment as filed with DFI. A foreign corporation should send a copy of their Amended Certificate of Authority as issued by DFI.

*These documents can be obtained by:*

1. Calling DFI at (608) 261-7577;
2. Contacting DFI on the web at <http://www.wdfi.org>; or
3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

**A name change is not effective in the Commission's records until a separate notification letter is sent to the Commission including documentation to confirm registration of that change with the State of Wisconsin Department of Financial Institutions.**

## GENERAL RULES FOR REPORTING

### 16. Changes to the Annual Report Subsequent to Filing:

If making revisions to the report subsequent to an electronic filing (i.e., using the program's e-mail capabilities) with the Commission, resubmit the report via e-mail following the procedures set forth above in item number 14. New edit check, confidential listing, exported annual report, and export status files should be created as a result of the revisions.

### SIGNATURE PAGE

I John K Klatt of  
(Person responsible for accounts)

MILLTOWN MUTUAL 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.

John K Klatt 05/05/2005  
(Person responsible for accounts) (Date)

President/ CEO  
(Title)

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## ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

<b>Access Line</b>	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.
<b>Analog Signal</b>	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.
<b>Cellular System</b>	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.
<b>Central Office</b>	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.
<b>Centrex</b>	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).
<b>Channel</b>	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.
<b>Customer</b>	A person who uses a telephone as a subscriber.
<b>Digital Signal</b>	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.
<b>Equal Access</b>	The ability of the subscriber to use any long distance service by dialing the same number of digits.
<b>Exchange</b>	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.
<b>Extended Area Service (EAS)</b>	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
<b>Extended Community Calling (ECC)</b>	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.
<b>Feature Group A</b>	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

<b>Feature Group B</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.
<b>Feature Group C</b>	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.
<b>Feature Group D</b>	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.
<b>FX-IN</b>	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.
<b>FX-OUT</b>	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.
<b>Host Switching System</b>	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.
<b>Local Access Transport Area (LATA)</b>	A geographic area within which an operating company may offer its telecommunications services.
<b>Mobile Telephone</b>	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
<b>Paging</b>	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
<b>Pair</b>	Two wires of a single circuit.
<b>Pay Station</b>	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
<b>Private Line Service</b>	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
<b>Private Branch Exchange (PBX)</b>	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.
<b>Radio Common Carrier (RCC)</b>	A company which furnishes public telecommunications service using one or more radio channels.
<b>Remote Switching Unit (RSU)</b>	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

<b>Route Miles</b>	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"><li>1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.</li><li>2. One mile of a cross country route with any combination of outside plant facilities.</li><li>3. One mile of point-to-point microwave or radio link.</li><li>4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.</li><li>5. One mile of joint use line where the utility either owns the facility or leases space.</li></ol>
<b>Stand Alone Switch</b>	A central office switch which has no remote switching units (RSUs) subtending it.
<b>Trunk</b>	A communications path connecting two switching systems in the establishment of an end-to-end connection.
<b>Wide Area Telephone Service (WATS)</b>	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.
<b>Wire Center</b>	The location of one or more local switching systems. A point at which customers' loops converge.

## ABBREVIATIONS USED IN ANNUAL REPORTS

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

## IDENTIFICATION AND OWNERSHIP

---

**Exact Utility Name:** MILLTOWN MUTUAL TELEPHONE COMPANY  
**Utility Location:** 825 INNOVATION AVENUE  
P.O. BOX 40  
MILLTOWN, WI 54858-0040  
P.O. BOX ZIP 54858-0040

**Utility (or Parent/Holding Company) Web Site Address:**

**When was utility organized?:** 01/01/1908

**Report any change in name and the effective date:**

**Telephone numbers for potential customers to contact company:**

Business Customers: (715) 825 - 2171 Ext:

Residential Customers: (715) 825 - 2171 Ext:

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### Primary Utility Contact (located at utility address)

---

**Name:** JOHN KLATT  
**Title:** PRESIDENT/ CEO

**Office Address:** 825 INNOVATION AVENUE  
P.O. BOX 40  
MILLTOWN, WI 54858-0040

**Fax Number:** (715) 825 - 4299  
**Telephone Number:** (715) 825 - 2171  
**Email Address:** jkklatt@lakeland.ws

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### Officer in charge of correspondence concerning this report

---

**Name:** JOHN KLATT  
**Title:** PRESIDENT/ CEO

**Office Address:** 825 INNOVATION AVENUE  
P.O. BOX 40  
MILLTOWN, WI 54858-0040

**Fax Number:** (715) 825 - 4299  
**Telephone Number:** (715) 825 - 2171  
**Email Address:** jkklatt@lakeland.ws

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

---

**Name:**  
**Title:**

**Office Address:**

**Fax Number:**  
**Telephone Number:**  
**Email Address:**

## IDENTIFICATION AND OWNERSHIP

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### Person responsible for financial information contained in report

---

**Name:** CRYSTAL MORLEY  
**Title:** ACCOUNTANT

**Office Address:** 825 INNOVATION AVENUE  
P.O. BOX 40  
MILLTOWN, WI 54858-0040

**Fax Number:** (715) 825 - 4299  
**Telephone Number:** (715) 825 - 5105  
**Email Address:** crystalm@lakeland.ws

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### Person responsible for statistical information contained in report

---

**Name:** CRYSTAL MORLEY  
**Title:** ACCOUNTANT

**Office Address:** 825 INNOVATION AVENUE  
P.O. BOX 40  
MILLTOWN, WI 54858-0040

**Fax Number:** (715) 825 - 4299  
**Telephone Number:** (715) 825 - 5105  
**Email Address:** crystalm@lakeland.ws

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### Contact person for regulatory inquiries and complaints

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**Name:** JOHN KLATT  
**Title:** PRESIDENT/CEO

**Office Address:** 825 INNOVATION AVENUE  
P.O. BOX 40  
MILLTOWN, WI 54858-0040

**Fax Number:** (715) 825 - 4299  
**Telephone Number:** (715) 825 - 2171  
**Email Address:** jkklatt@lakeland.ws

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**List names, addresses, and percent ownership interest held by persons owning 5 percent or more of outstanding voting securities or membership interests. If any stock (or interest) 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).**

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**Name:** LAKELAND COMMUNICATIONS, INC.  
**Address:** 825 INNOVATION AVENUE  
PO BOX 40  
MILLTOWN , WI 54858-0040

**Percent Interest Held:** 100  
**Beneficial Owner:** NONE

## IDENTIFICATION AND OWNERSHIP

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

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**Company Name:** NONE  
**Form of Interest:** NONE  
**Extent Of Interest:** NONE

### OFFICERS AND DIRECTORS

**Name, Title/Occupation  
and Business Address**

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<b>Name:</b> DAN FLAHERTY <b>Title/Occupation:</b> TREASURER <b>Business Address (1):</b> 825 INNOVATION AVENUE <b>Business Address (2):</b> PO BOX 40 <b>Business Address (3):</b> <b>City State, Zip:</b> MILLTOWN, WI 54858	<b>1</b>
<hr/>	
<b>Name:</b> DONALD BEAULIEU <b>Title/Occupation:</b> BOARD MEMBER <b>Business Address (1):</b> 825 INNOVATION AVENUE <b>Business Address (2):</b> PO BOX 40 <b>Business Address (3):</b> <b>City State, Zip:</b> MILLTOWN, WI 54858	<b>2</b>
<hr/>	
<b>Name:</b> HAROLD DAU <b>Title/Occupation:</b> BOARD MEMBER <b>Business Address (1):</b> 825 INNOVATION AVENUE <b>Business Address (2):</b> PO BOX 40 <b>Business Address (3):</b> <b>City State, Zip:</b> MILLTOWN, WI 54858	<b>3</b>
<hr/>	
<b>Name:</b> JOHN KLATT <b>Title/Occupation:</b> PRESIDENT <b>Business Address (1):</b> 825 INNOVATION AVENUE <b>Business Address (2):</b> PO BOX 40 <b>Business Address (3):</b> <b>City State, Zip:</b> MILLTOWN, WI 54858	<b>4</b>
<hr/>	
<b>Name:</b> MICHAEL JENSEN <b>Title/Occupation:</b> BOARD MEMBER <b>Business Address (1):</b> 825 INNOVATION AVENUE <b>Business Address (2):</b> PO BOX 40 <b>Business Address (3):</b> <b>City State, Zip:</b> MILLTOWN, WI 54858	<b>5</b>
<hr/>	
<b>Name:</b> ROBERT KAINZ <b>Title/Occupation:</b> VICE PRESIDENT <b>Business Address (1):</b> 825 INNOVATION AVENUE <b>Business Address (2):</b> PO BOX 40 <b>Business Address (3):</b> <b>City State, Zip:</b> MILLOTWN, WI 54858	<b>6</b>

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## OFFICERS AND DIRECTORS

### Name, Title/Occupation and Business Address

---

**Name:** WAYNE SHIRLEY

**Title/Occupation:** SECRETARY

**Business Address (1):** 825 INNOVATION AVENUE

**Business Address (2):** PO BOX 40

**Business Address (3):**

**City State, Zip:** MILLTOWN, WI 54858

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7

**INCOME STATEMENT - TOTAL COMPANY**

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
<b>Operating Revenues</b>			
Operating Revenues (5000-5300)	2,153	1,949	1
<b>Total Operating Revenues</b>	<b>2,153</b>	<b>1,949</b>	
<b>Operating Expenses</b>			
Plant Specific Operations Expenses (6110-6410)	563	419	2
Other Plant Nonspecific Operations Expenses	518	400	3
Customer Operations Expense (6610-6620)	212	219	4
Corporate Operations Expense (6720-6790)	423	311	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	210	262	7
<b>Total Operating Expenses</b>	<b>1,926</b>	<b>1,611</b>	
<b>Net Operating Income</b>	<b>227</b>	<b>338</b>	
<b>Other Income</b>			
Nonoperating Income and Expense (7300)	16	257	8
Nonoperating Taxes (7400)	7	101	9
Interest and Related Items (7500)	20	23	10
Extraordinary Items (7600)	0	0	11
Nonregulated Net Income (7990)	61	56	12
<b>Total Nonoperating Income</b>	<b>50</b>	<b>189</b>	
<b>Net Income</b>	<b>277</b>	<b>527</b>	

## 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.)

The accounting policies of the Company conform to generally accepted accounting principles in the United States of America. Management uses estimates and assumptions in preparing its consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the telephone company are maintained in accordance with the Uniform Federal Communications Commission (FCC) as modified by the state regulatory authority.

### A. Property, Plant, and Equipment

Telephone plant is capitalized at original cost including the capitalized cost of salaries and wages, materials, certain payroll taxes, employee benefits, and interest incurred during the construction period.

The company provided for depreciation for financial reporting purposes on the straight-line method by the application of rates based on the estimated service lives of the various classes of depreciable property.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation together with removal cost less salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operations expense.

### B. Income Taxes

Income taxes are accounted for using a liability method and provide for the tax effects of transactions reported in the consolidated financial statements including both taxes currently due and deferred. Deferred taxes are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include property and equipment and the cellular partnership investment. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible, when the assets and liabilities are recovered or settled.

### C. Revenue Recognition

The Company recognizes revenues when earned regardless of the period in which they are billed. The Company is required to provide service to subscribers within its defined service territory.

## 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:

Local network service and internet revenues are recognized over the period a subscriber is connected to the network. Telephone calls within an extended community calling area are recognized when made based on a rate per minute of usage as approved by the state regulatory authority.

Network access service revenues are derived from charges for access to the Company's local exchange network. The interstate portion of access revenues is based on cost separation procedures administered by the National Exchange Carrier Association (NECA) which is regulated by the FCC. The intrastate portion of access revenues is billed on individual company tariff access charge structure based on expense and plant investment of the Company as approved by the state regulatory authority. The tariffs developed from these formulas are used to charge the connecting carrier and recognize revenues in the period the traffic is transported based on the minutes of traffic carried.

Miscellaneous revenues include contractually determined arrangements for the provision of billing and collecting services and are recognized in the period when the services are performed.

### D. Cash and Cash Equivalents

All highly liquid investments purchased with a maturity of 3 months or less are considered cash equivalents.

### E. Investments

Non-marketable investments are stated at cost.

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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.

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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	Balance--FOY (000's) (c)	
<b>CURRENT ASSETS</b>			
<b>CASH AND EQUIVALENTS</b>			
Cash and Equivalents (1120)*	256	395	1
<b>TOTAL CASH AND EQUIVALENTS</b>	<b>256</b>	<b>395</b>	
<b>RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS</b>			
Receivables (1170)*	796	405	2
Allowance for Doubtful Accounts (1171)*			3
<b>TOTAL RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS</b>	<b>796</b>	<b>405</b>	
<b>SUPPLIES</b>			
Inventories (1220)*	66	103	4
<b>TOTAL SUPPLIES</b>	<b>66</b>	<b>103</b>	
<b>PREPAYMENTS</b>			
Prepayments (1280)*	26	87	5
<b>TOTAL PREPAYMENTS</b>	<b>26</b>	<b>87</b>	
<b>OTHER CURRENT ASSETS</b>			
Other Current Assets (1350)*	25	8	6
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>25</b>	<b>8</b>	
<b>TOTAL CURRENT ASSETS</b>	<b>1,169</b>	<b>998</b>	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Nonregulated Investments (1406)*	55	73	7
RTB Class B Stock (1402)*			8
Other Noncurrent Assets (1410)*	55	2	9
<b>TOTAL INVESTMENTS</b>	<b>110</b>	<b>75</b>	
<b>DEFERRED CHARGES</b>			
Deferred Maint., Retirements and Other Deferred Charges (1438)*	17	348	10
<b>TOTAL DEFERRED CHARGES</b>	<b>17</b>	<b>348</b>	
<b>OTHER JURISDICTIONAL ASSETS-NET</b>			
Other Jurisdictional Assets-Net (1500)*			11
<b>TOTAL OTHER JURISDICTIONAL ASSETS-NET</b>	<b>0</b>	<b>0</b>	
<b>TOTAL NONCURRENT ASSETS</b>	<b>127</b>	<b>423</b>	
<b>PLANT</b>			
<b>TELECOMMUNICATIONS PLANT IN SERVICE</b>			
Telecommunications Plant in Service (2001)*	7,446	6,915	12
Less: Accumulated Depreciation (3100)*	5,387	4,938	13
Less: Accumulated Amortization-Tangible (3400)*			14
Less: Accumulated Amortization-Capitalized Leases (3410)			15
<b>NET TELECOMMUNICATIONS PLANT IN SERVICE</b>	<b>2,059</b>	<b>1,977</b>	
<b>PROPERTY HELD FOR FUTURE USE</b>			
Property Held for Future Telecommunications Use (2002)*			16
Less: Accumulated Depr.-Held for Future Telecom. Use (3200)*			17
<b>NET PROPERTY HELD FOR FUTURE USE</b>	<b>0</b>	<b>0</b>	

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

Particulars (a)	Balance--EOY	Balance--FOY (000's) (c)	
<b>PLANT</b>			
<b>NONOPERATING PLANT</b>			
Nonoperating Plant (2006)*			18
Less: Accumulated Depreciation-Nonoperating (3300)*			19
<b>NET NONOPERATING PLANT</b>	<b>0</b>	<b>0</b>	
<b>TPUC</b>			
Telecommunications Plant Under Construction (2003)*	420	123	20
<b>TOTAL TPUC</b>	<b>420</b>	<b>123</b>	
<b>TELECOMMUNICATIONS PLANT ADJUSTMENT</b>			
Telecommunications Plant Adjustment (2005)*			21
<b>NET TELECOMMUNICATIONS PLANT ADJUSTMENT</b>	<b>0</b>	<b>0</b>	
<b>GOODWILL</b>			
Goodwill (2007)*			22
<b>TOTAL GOODWILL</b>	<b>0</b>	<b>0</b>	
<b>TOTAL PLANT</b>	<b>2,479</b>	<b>2,100</b>	
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>3,775</b>	<b>3,521</b>	

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

Particulars (a)	Balance--EOY (000's) (b)	Balance--FOY (000's) (c)	
<b>CURRENT LIABILITIES</b>			
Notes Payable (4020)*			1
Other Current Accounts and Notes Payable (4000)*	572	494	2
Customers' Deposits (4040)*	8	7	3
Income Taxes-Accrued (4070)*			4
Other Taxes-Accrued (4080)*			5
Net Current Deferred Operating Income Taxes (4100)*			6
Net Current Deferred Nonoperating Income Taxes (4110)*			7
Current Maturities-Long-Term Debt (4050)*	72	70	8
Current Maturities-Capital Leases (4060)*			9
Other Current Liabilities (4130)*	3	6	10
<b>TOTAL CURRENT LIABILITIES</b>	<b>655</b>	<b>577</b>	
<b>LONG-TERM DEBT</b>			
Long-Term Debt and Funded Debt (4200)*	403	475	11
<b>TOTAL LONG-TERM DEBT</b>	<b>403</b>	<b>475</b>	
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>			
Other Liabilities and Deferred Credits (4300)*	82	12	12
Unamortized Operating Investment Tax Credits-Net (4320)*			13
Unamortized Nonoperating Investment Tax Credits-Net (4330)*			14
Net Noncurrent Deferred Operating Income Taxes (4340)*			15
Net Deferred Tax Liability Adjustments (4341)*			16
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			17
Deferred Tax Regulatory Adjustments-Net (4361)*			18
Other Jurisdictional Liabilities and Deferred Credits-Net (4370)*			19
<b>TOTAL OTHER LIABILITIES AND DEFERRED CREDITS</b>	<b>82</b>	<b>12</b>	
<b>STOCKHOLDERS' EQUITY</b>			
Capital Stock (4510)*	49	49	20
Additional Paid-in Capital (4520)*			21
Treasury Stock (4530)*			22
Other Capital (4540)*			23
Retained Earnings (4550)*	2,586	2,408	24
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>2,635</b>	<b>2,457</b>	
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>	<b>3,775</b>	<b>3,521</b>	

### **IMPORTANT CHANGES DURING THE YEAR**

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1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates. Provide details and dollar amounts for increases and decreases, respectively, by revenue category noted on Operating Revenues schedule.

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2. 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.

<b>Name of Affiliate (a)</b>	<b>Abbreviations (b)</b>	
Lakeland Communications, Inc.	LAKELAND	<b>1</b>
Lakeland Communications Properties, LLC	LLCP	<b>2</b>
Lakeland Telecom, Inc.	LLT	<b>3</b>
Luck Telephone Company	LUCK	<b>4</b>

### 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	3690ATF104	3690ATF104	3690ATF100	3690ATF100	
Name of Affiliate	LLT	LLT	LUCK	LUCK	1
Designate whether billed to or from:	FROM	TO	FROM	TO	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C	3
Total Dollar Activity (000's)	7	130	625	6	4
Percent of affiliate's business billed to all affiliated regulated utilities					5
If cost based, rate of return on equity or markup incorporated in billings	0.00		0.00		6
Footnotes					

### AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year. 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 (000's) (c)	
Lakeland Telecom, Inc.	1170	211	<b>1</b>
Lakeland Communications Properties, LLC	4000	40	<b>2</b>
Lakeland Communications, Inc.	4000	63	<b>3</b>
Luck Telephone Company	4000	107	<b>4</b>

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

<b>Plant Account (a)</b>	<b>Account (b)</b>	<b>Balance FOY (000's) (c)</b>	<b>Additions (000's) (d)</b>	
<b>GENERAL SUPPORT ASSETS</b>				
Land	2111	33		<b>1</b>
Motor Vehicles	2112	258	32	<b>2</b>
Aircraft	2113	0		<b>3</b>
Tools and Other Work Equipment	2114	132	13	<b>4 A</b>
Buildings	2121	334	53	<b>5</b>
Furniture	2122	20	117	<b>6</b>
Office Equipment	2123	32	22	<b>7</b>
General Purpose Computers	2124	65	38	<b>8</b>
<b>TOTAL GENERAL SUPPORT ASSETS</b>		<b>874</b>	<b>275</b>	
<b>CENTRAL OFFICE ASSETS</b>				
Non-Digital Switching	2211	0		<b>9</b>
Digital Electronic Switching	2212	1,395	19	<b>10 A</b>
Operator Systems	2220	0		<b>11</b>
Radio Systems	2231	0		<b>12</b>
Circuit Equipment	2232	1,088	4	<b>13 A</b>
<b>TOTAL CENTRAL OFFICE ASSETS</b>		<b>2,483</b>	<b>23</b>	
<b>INFORMATION ORIGATION/TERMINATION ASSETS</b>				
Station Apparatus	2311	0		<b>14</b>
Customer Premises Wiring	2321	0		<b>15</b>
Large Private Branch Exchanges	2341	0		<b>16</b>
Public Telephone Terminal Equipment	2351	0		<b>17</b>
Other Terminal Equipment	2362	10		<b>18</b>
<b>TOTAL INFORMATION ORIG/TERM ASSETS</b>		<b>10</b>	<b>0</b>	
<b>CABLE &amp; WIRE FACILITIES ASSETS</b>				
Poles	2411	6		<b>19</b>
Aerial Cable	2421	0	0	<b>20</b>
Underground Cable	2422	8	0	<b>21 A</b>
Buried Cable	2423	3,523	217	<b>22 A</b>
Submarine and Deep Sea Cable	2424	2	0	<b>23 A</b>
Intrabuilding Network Cable	2426	0	0	<b>24</b>
Aerial Wire	2431	0		<b>25</b>
Conduit Systems	2441	9		<b>26</b>
<b>TOTAL CABLE &amp; WIRE FACILITIES ASSETS</b>		<b>3,548</b>	<b>217</b>	
<b>AMORTIZABLE ASSETS</b>				
Capital Leases	2681	0		<b>27</b>
Leasehold Improvements	2682	0		<b>28</b>
Intangibles	2690	0		<b>29</b>
<b>TOTAL AMORTIZABLE ASSETS</b>		<b>0</b>	<b>0</b>	

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

<b>Account (e)</b>	<b>Retirements (000's) (f)</b>	<b>Transfers / Adjustments (000's) (g)</b>	<b>Balance EOY (000's) (h)</b>	
2111	17		16	1
2112	24		266	2
2113			0	3
2114		4	149	4 A
2121	77		310	5
2122			137	6
2123			54	7
2124			103	8
	<b>118</b>	<b>4</b>	<b>1,035</b>	
2211			0	9
2212	0	150	1,564	10 A
2220			0	11
2231			0	12
2232	0	7	1,099	13 A
	<b>0</b>	<b>157</b>	<b>2,663</b>	
2311			0	14
2321			0	15
2341			0	16
2351			0	17
2362			10	18
	<b>0</b>	<b>0</b>	<b>10</b>	
2411	6		0	19
2421	0	0	0	20
2422	0	60	68	21 A
2423	0	(79)	3,661	22 A
2424	0	(2)	0	23 A
2426	0	0	0	24
2431			0	25
2441			9	26
	<b>6</b>	<b>(21)</b>	<b>3,738</b>	
2681			0	27
2682			0	28
2690			0	29
	<b>0</b>	<b>0</b>	<b>0</b>	

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
<b>TOTAL TELECOM. PLANT IN SERVICE</b>	<b>2001</b>	<b>6,915</b>	<b>515</b>	
Less: Allocation to Nonregulated Activity - EOY	2001			<b>30</b>
<b>NET REG TOTAL TELECOM. PLANT IN SERVICE - EOY 2001</b>				

Explain all amounts shown in column (g).

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

<b>Account (e)</b>	<b>Retirements (000's) (f)</b>	<b>Transfers / Adjustments (000's) (g)</b>	<b>Balance EOY (000's) (h)</b>	
2001	124	140	7,446	
2001				<b>30</b>
<b>2001</b>			<b>7,446</b>	

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

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. 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.

<b>Plant Subaccount (a)</b>	<b>Subaccount (b)</b>	<b>Balance FOY (000's) (c)</b>	<b>Additions (000's) (d)</b>	
Digital Electronic Switching - Circuit	2212.1	1,395	19	<b>1 A</b>
Digital Electronic Switching - Packet	2212.2	0		<b>2</b>
Circuit Equipment - Electronic	2232.1	0		<b>3</b>
Circuit Equipment- Optical	2232.2	1,088	4	<b>4 A</b>
Aerial Cable - Nonmetallic	2421.1	0		<b>5</b>
Aerial Cable - Metallic	2421.2	0		<b>6</b>
Underground Cable - Nonmetallic	2422.1	0		<b>7</b>
Underground Cable - Metallic	2422.2	8		<b>8 A</b>
Buried Cable - Nonmetallic	2423.1	1,342	85	<b>9 A</b>
Buried Cable - Metallic	2423.2	2,181	132	<b>10 A</b>
Submarine and Deep Sea Cable - Nonmetallic	2424.1	0		<b>11</b>
Submarine and Deep Sea Cable - Metallic	2424.2	2		<b>12 A</b>
Intrabuilding Cable - Nonmetallic	2426.1	0		<b>13</b>
Intrabuilding Cable - Metallic	2426.2	0		<b>14</b>

Explain all amounts shown in column (g).

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

<b>Subaccount (e)</b>	<b>Retirements (000's) (f)</b>	<b>Transfers / Adjustments (000's) (g)</b>	<b>Balance EOY (000's) (h)</b>	
2212.1		150	1,564	1A
2212.2			0	2
2232.1			0	3
2232.2		7	1,099	4A
2421.1			0	5
2421.2			0	6
2422.1			0	7
2422.2		60	68	8A
2423.1		(41)	1,386	9A
2423.2		(38)	2,275	10A
2424.1			0	11
2424.2		(2)	0	12A
2426.1			0	13
2426.2			0	14

**ACCUMULATED DEPRECIATION CLASS A & B**

Primary Plant Account (a)	Acct (b)	Balance FOY (000's) (c)	Depr Rate (d)	Annual Accrual (000's) (e)	Additional Accrual (000's) (f)	
<b>GENERAL SUPPORT ASSETS</b>						
Motor Vehicles	2112	101	5.0000	38		1
Aircraft	2113	0				2
Tools and Other Work Equipment	2114	116	10.0000	15		3 A
Buildings	2121	162	38.0000	10	71	4
Furniture	2122	20	10.0000	7		5
Office Equipment	2123	32	10.0000	5		6
General Purpose Computers	2124	64	5.0000	15		7
<b>TOTAL GENERAL SUPPORT ASSETS</b>		<b>495</b>		<b>90</b>	<b>71</b>	
<b>CENTRAL OFFICE ASSETS</b>						
Non-Digital Switching	2211	0				8
Digital Electronic Switching	2212	1,350	10.0000	21	0	9 A
Operator Systems	2220	0				10
Radio Systems	2231	0				11
Circuit Equipment	2232	999	10.0000	64	0	12 A
<b>TOTAL CENTRAL OFFICE ASSETS</b>		<b>2,349</b>		<b>85</b>	<b>0</b>	
<b>INFORMATION ORIGINATION/TERMINATION ASSETS</b>						
Station Apparatus	2311	0				13
Customer Premises Wiring	2321	0				14
Large Private Branch Exchanges	2341	0				15
Public Telephone Terminal Equipment	2351	0				16
Other Terminal Equipment	2362	10	10.0000			17
<b>TOTAL INFORMATION ORIG/TERM ASSETS</b>		<b>10</b>		<b>0</b>	<b>0</b>	
<b>CABLE &amp; WIRE FACILITIES ASSETS</b>						
Poles	2411	6	16.0000			18
Aerial Cable	2421	0		0	0	19
Underground Cable	2422	8	20.0000	0	0	20 A
Buried Cable	2423	2,062	19.0000	189	0	21 A
Submarine and Deep Sea Cable	2424	1	19.0000	1	0	22 A
Intrabuilding Network Cable	2426	0		0	0	23
Aerial Wire	2431	0				24
Conduit Systems	2441	7				25
<b>TOTAL CABLE &amp; WIRE FACILITIES ASSETS</b>		<b>2,084</b>		<b>190</b>	<b>0</b>	
<b>Total Accumulated Depreciation</b>	<b>3100</b>	<b>4,938</b>		<b>365</b>	<b>71</b>	
Less: Nonreg Accumulated Depreciation	3100					26
<b>Net Reg Total Accumulated Depreciation</b>	<b>3100</b>			<b>365</b>	<b>71</b>	

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

<b>Acct (g)</b>	<b>Retired (000's) (h)</b>	<b>Cost of Removal (000's) (i)</b>	<b>Salvage (000's) (j)</b>	<b>Other (000's) (k)</b>	<b>Balance EOY (000's) (l)</b>	
2112	24		17		132	1
2113	0				0	2
2114	0			4	135	3 A
2121	77				166	4
2122	0				27	5
2123	0				37	6
2124	0				79	7
	<b>101</b>	<b>0</b>	<b>17</b>	<b>4</b>	<b>576</b>	
2211	0				0	8
2212	0	0	0	113	1,484	9 A
2220	0				0	10
2231	0				0	11
2232	0	0	0	7	1,070	12 A
	<b>0</b>	<b>0</b>	<b>0</b>	<b>120</b>	<b>2,554</b>	
2311	0				0	13
2321	0				0	14
2341	0				0	15
2351	0				0	16
2362	0				10	17
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	
2411	6				0	18
2421	0	0	0	0	0	19
2422	0	0	0	60	68	20 A
2423	0	0	0	(79)	2,172	21 A
2424	0	0	0	(2)	0	22 A
2426	0	0	0	0	0	23
2431	0				0	24
2441	0				7	25
	<b>6</b>	<b>0</b>	<b>0</b>	<b>(21)</b>	<b>2,247</b>	
<b>3100</b>	<b>107</b>	<b>0</b>	<b>17</b>	<b>103</b>	<b>5,387</b>	
3100						26
<b>3100</b>					<b>5,387</b>	

**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 or subsidiary record. 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.

<b>Plant Subaccount (a)</b>	<b>Subacct (b)</b>	<b>Balance FOY (000's) (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (000's) (e)</b>	<b>Additional Accrual (000's) (f)</b>	
Digital Electronic Switching - Circuit	2212.1	1,350	10.0	21		1 A
Digital Electronic Switching - Packet	2212.2	0				2
Circuit Equipment - Electronic	2232.1	0				3
Circuit Equipment- Optical	2232.2	999	10.0	64		4 A
Aerial Cable - Nonmetallic	2421.1	0				5
Aerial Cable - Metallic	2421.2	0				6
Underground Cable - Nonmetallic	2422.1	0				7
Underground Cable - Metallic	2422.2	8	20.0			8 A
Buried Cable - Nonmetallic	2423.1	308	19.0	72		9 A
Buried Cable - Metallic	2423.2	1,754	19.0	117		10 A
Submarine and Deep Sea Cable - Nonmetall	2424.1	0				11
Submarine and Deep Sea Cable - Metallic	2424.2	1	19.0	1		12 A
Intrabuilding Cable - Nonmetallic	2426.1	0				13
Intrabuilding Cable - Metallic	2426.2	0				14

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

<b>Subacct (g)</b>	<b>Retired (000's) (h)</b>	<b>Cost of Removal (000's) (i)</b>	<b>Salvage (000's) (j)</b>	<b>Other (000's) (k)</b>	<b>Balance EOY (000's) (l)</b>	
2212.1	0			113	<b>1,484</b>	<b>1 A</b>
2212.2	0				<b>0</b>	<b>2</b>
2232.1	0				<b>0</b>	<b>3</b>
2232.2	0			7	<b>1,070</b>	<b>4 A</b>
2421.1	0				<b>0</b>	<b>5</b>
2421.2	0				<b>0</b>	<b>6</b>
2422.1	0				<b>0</b>	<b>7</b>
2422.2	0			60	<b>68</b>	<b>8 A</b>
2423.1	0			(41)	<b>339</b>	<b>9 A</b>
2423.2	0			(38)	<b>1,833</b>	<b>10 A</b>
2424.1	0				<b>0</b>	<b>11</b>
2424.2	0			(2)	<b>0</b>	<b>12 A</b>
2426.1	0				<b>0</b>	<b>13</b>
2426.2	0				<b>0</b>	<b>14</b>

**RETAINED EARNINGS (ACCT. 4550)**

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Balance-First of Year	2,408	2,194	1
<b>Changes:</b>			
Balance Transferred from Income	277	527	2
<b>Dividends Declared:</b>			
Common	100	100	3
Preferred	0	0	4
<b>Total Dividends Declared</b>	<b>100</b>	<b>100</b>	
Miscellaneous Debits to Retained Earnings	0	213	5
Miscellaneous Credits to Retained Earnings	1	0	6
<b>Balance--End of Year</b>	<b><u>2,586</u></b>	<b><u>2,408</u></b>	

**REVENUES (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
<b>LOCAL NETWORK SERVICES REVENUES</b>			
Basic Local Service Revenue (5000)*	653	642	1
Basic Area Revenue (5001)			2
Private Line Revenue (5040)			3
Other Basic Area Revenue (5060)			4
<b>TOTAL LOCAL NETWORK SERVICES REVENUES</b>	<b>653</b>	<b>642</b>	
<b>INTERSTATE NETWORK ACCESS SERVICES REV.</b>			
End User Revenue (5081)*	254	247	5
Switched Access Revenue (5082)*	462	311	6
Special Access Revenue (5083)*	173	158	7
<b>TOTAL INTERSTATE NETWORK ACCESS SERVICES REV.</b>	<b>889</b>	<b>716</b>	
<b>INTRASTATE NETWORK ACCESS SERVICES REV.</b>			
End User Revenue (5081)*			8
Switched Access Revenue (5082)*	280	298	9
Special Access Revenue (5083)*	30	32	10
<b>TOTAL INTRASTATE NETWORK ACCESS SERVICES REV.</b>	<b>310</b>	<b>330</b>	
<b>LONG DISTANCE NETWORK SERVICES MESSAGE REV.</b>			
Long Distance Message Revenue (5100)*	4	4	11
<b>TOTAL LONG DISTANCE NETWORK SERVICES MESSAGE REV.</b>	<b>4</b>	<b>4</b>	
<b>MISCELLANEOUS &amp; NONREGULATED REVENUES</b>			
Miscellaneous Revenue (5200)*	303	257	12
Directory Revenue (5230)			13
Nonregulated Operating Revenue (5280)*			14
<b>TOTAL MISCELLANEOUS &amp; NONREGULATED REVENUES</b>	<b>303</b>	<b>257</b>	
<b>GROSS OPERATING REVENUES</b>	<b>2,159</b>	<b>1,949</b>	
<b>UNCOLLECTIBLE REVENUES</b>			
Uncollectible Revenue (5300)*	6		15
<b>TOTAL UNCOLLECTIBLE REVENUES</b>	<b>6</b>	<b>0</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>2,153</b>	<b>1,949</b>	

**EXPENSES - CLASS A & B**

Particulars (a)	Total This Year (000's) (b)	Total Last Year (000's) (c)	
<b>PLANT SPECIFIC OPERATIONS EXPENSE</b>			
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	563	419	1 E
<b>LESS: NONREGULATED</b>			2
<b>NET REGULATED PLANT SPECIFIC OPERATIONS EXPENSE</b>	563	419	
<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>			
Other Property, Plant and Equip. Exp. (6510)			3
Network Operations Expense (6530)	9	9	4
Access Expense (6540)	39	31	5
Depreciat. Exp.--Tele. Plant in Service (6561)	470	360	6 D
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)			7
Amortization Expense--Tangible (6563)			8
Amortization Expense--Intangible (6564)			9
Amortization Expense--Other (6565)			10
<b>Depreciation and Amortization Expense (6560)</b>	470	360	11 D
<b>TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE</b>	518	400	12 D
<b>LESS: NONREGULATED</b>			13
<b>NET REGULATED PLANT NONSPECIFIC OPERATIONS EXPENSE</b>	518	400	
<b>CUSTOMER OPERATIONS EXPENSE</b>			
Marketing (6610)	1	1	14
Services (6620)	211	218	15
<b>TOTAL CUSTOMER OPERATIONS EXPENSE</b>	212	219	16
<b>LESS: NONREGULATED</b>			17
<b>NET REGULATED CUSTOMER OPERATIONS EXPENSE</b>	212	219	
<b>CORPORATE OPERATIONS EXPENSE</b>			
<b>TOTAL CORPORATE OPERATIONS EXPENSE</b>	423	311	18 F
<b>LESS: NONREGULATED</b>			19
<b>NET REGULATED CORPORATE OPERATIONS EXPENSE</b>	423	311	
<b>TOTAL EXPENSES</b>	1,716	1,349	
<b>LESS: NONREGULATED</b>	0	0	
<b>NET REGULATED EXPENSES</b>	1,716	1,349	

### 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 (000's) (b)	
Gross Operating Revenues	2,159	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		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):		8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>		<b>2,159</b>

### CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (000's) (b)	
Total Basic Local Service Revenue (5000)	653	1
Plus: Total Intrastate Access Revenues (5081-5083)	310	2
Plus: Total Long Distance Network Services Revenue	4	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues	2	5
Plus (or Less) Other (please specify):		6
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>		<b>969</b>

**OTHER INCOME ACCOUNTS**

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
TOTAL OTHER OPERATING INCOME AND EXPENSE (7100)		0	1
LESS: NONREGULATED		0	2
<b>NET REGULATED OTHER OPERATING INCOME AND EXPENSE (7100)</b>	<b>0</b>	<b>0</b>	
TOTAL OPERATING TAXES (7200)	210	262	3
LESS: NONREGULATED			4
<b>NET REGULATED OPERATING TAXES (7200)</b>	<b>210</b>	<b>262</b>	
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	16	257	5
LESS: NONREGULATED			6
<b>NET REGULATED NONOPERATING INCOME AND EXPENSE (7300)</b>	<b>16</b>	<b>257</b>	
TOTAL NONOPERATING TAXES (7400)	7	101	7
LESS: NONREGULATED			8
<b>NET REGULATED NONOPERATING TAXES (7400)</b>	<b>7</b>	<b>101</b>	
TOTAL INTEREST AND RELATED ITEMS (7500)	20	23	9
LESS: NONREGULATED			10
<b>NET REGULATED INTEREST AND RELATED ITEMS (7500)</b>	<b>20</b>	<b>23</b>	
TOTAL EXTRAORDINARY ITEMS (7600)			11
LESS: NONREGULATED			12
<b>NET REGULATED EXTRAORDINARY ITEMS (7600)</b>	<b>0</b>	<b>0</b>	
TOTAL NONREGULATED NET INCOME (7990)	61	56	13
<hr/>			
<b>TOTAL OTHER INCOME ACCOUNTS</b>	<b>(160)</b>	<b>(73)</b>	
<b>TOTAL NONREGULATED</b>	<b>61</b>	<b>56</b>	
<b>TOTAL NET REGULATED OTHER INCOME ACCOUNTS</b>	<b>(221)</b>	<b>(129)</b>	

## NONREGULATED ACTIVITIES

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

<b>Nonregulated Activity</b>	
<b>(a)</b>	
Customer Premises Equipment (CPE)	<b>1</b>
Inside Wiring	<b>2</b>
Internet/ DSL	<b>3</b>
Paging	<b>4</b>
Payphones	<b>5</b>
Wireline and Wireless Phone and Accessory Sales	<b>6</b>

### 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)	
<b>LOCAL</b>			
Extended Community Calling	81	305	<b>1</b>
Other Local-Undefined	331	3,504	<b>2</b>
<b>Total Local</b>	<b>412</b>	<b>3,809</b>	
<b>TOLL</b>			
Toll	110	923	<b>3</b>
<b>Total Toll</b>	<b>110</b>	<b>923</b>	
<b>Total Local &amp; Toll</b>	<b>522</b>	<b>4,732</b>	

### 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 & B -- Originating	0	0	0	0	<b>1</b>
Feature Group A & B -- Terminating	11	0	0	0	<b>2</b>
Feature Group C -- Originating	0	0	0	0	<b>3</b>
Feature Group C -- Terminating	0	0	0	0	<b>4</b>
Feature Group D -- Originating	2,841	244	1,370	0	<b>5</b>
Feature Group D -- Terminating	4,824	1,146	642	0	<b>6</b>

**OUTSIDE PLANT STATISTICS AT END OF YEAR**

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	51	<b>1</b>
Route miles of plant - microwave	992	<b>2</b>

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	1	<b>1 B</b>
56/64 kbps (DS0)	2	1	<b>2</b>
1.54 Mbps (DS-1)	20	1	<b>3</b>
45 Mbps (DS-3)	0	0	<b>4 B</b>
SONET OC-1 (51.84 Mbps)	0	0	<b>5</b>
SONET OC-3 (155.52 Mbps)	0	0	<b>6</b>
SONET OC-12 (622.08 Mbps)	0	0	<b>7</b>
SONET OC-48 (2.488 Gbps)	0	0	<b>8</b>
SONET OC-192 (9.953 Gbps)	0	0	<b>9</b>
SONET OC-768 (39.812 Gbps)	0	0	<b>10</b>

**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)	
<b>Business</b>			
1 Party	447	459	3
PBX Trunks/Centrex & Key System Trunks	70	66	4
Centrex Lines			5
FX-Out (Switched)			6
Pay Telephone	4	4	7
Other	118	80	8
<b>Total Business Lines</b>	<b>639</b>	<b>609</b>	<b>9</b>
<b>Residential (Incl. Emp. Concess.)</b>			<b>10</b>
1 Party	2,283	2,249	11
FX-Out (Switched)			12
Other			13
<b>Total Residential Lines</b>	<b>2,283</b>	<b>2,249</b>	<b>14</b>
<b>Total Bus &amp; Res Lines</b>	<b>2,922</b>	<b>2,858</b>	<b>15</b>
Company Total Lines Used	36	41	16
<b>Total Lines Used</b>	<b>2,958</b>	<b>2,899</b>	<b>17</b>
<b>Miscellaneous</b>			<b>18</b>
WATS Lines - OutWATS			19
WATS Lines - 800 Service			20
FX-In-intraLATA			21
Special Access-intraLATA (expressed in equiv. access lines)	26	26	22
Special Access-interLATA (expressed in equiv. access lines)	433	482	23
Feature Group C Trunks	24	24	24
Feature Group D Trunks	96	96	25
TSPS - Trunks	9	9	26
EAS and ECC - Trunks	217	217	27
Cellular Trunks (Pub. Sw. Net.)			28
<b>Customers</b>			<b>29</b>
Number of Lifeline customers at FOY (January 1, 2004) and EOY (December 31, 2004):	58	51	30
Number of Linkup customers connected during FOY (Calendar year 2003) and EOY (Calendar year 2004):	0	10	31
<b>Other</b>			<b>32</b>
Total Company Square Miles	86	86	33
Total Company Route Miles	363	365	34
Footnotes			35

### 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	1940	3400			1
<b>Business</b>					2
1 Party	47	412			3
PBX Trunks/Centrex & Key System Trunks	6	60			4
Centrex Lines					5
FX-Out (Switched)					6
Pay Telephone	1	3			7
Other		80			8
<b>Total Business Lines</b>	<b>54</b>	<b>555</b>	<b>0</b>	<b>0</b>	9
<b>Residential (Incl. Emp. Concess.)</b>					10
1 Party	971	1,278			11
FX-Out (Switched)					12
Other					13
<b>Total Residential Lines</b>	<b>971</b>	<b>1,278</b>	<b>0</b>	<b>0</b>	14
<b>Total Bus &amp; Res Lines</b>	<b>1,025</b>	<b>1,833</b>	<b>0</b>	<b>0</b>	15
Company Total Lines Used	8	33			16
<b>Total Lines Used</b>	<b>1,033</b>	<b>1,866</b>	<b>0</b>	<b>0</b>	17
<b>Miscellaneous</b>					18
WATS Lines - OutWATS					19
WATS Lines - 800 Service					20
FX-In-intraLATA					21
Special Access-intraLATA (equiv. access lines)		26			22
Special Access-interLATA (equiv. access lines)	1	481			23
Feature Group C Trunks		24			24
Feature Group D Trunks		96			25
TSPS - Trunks		9			26
EAS and ECC - Trunks		217			27
Cellular Trunks (Pub. Sw. Net.)					28
<b>Other</b>					29
Exchange Square Miles	36	50			30
Exchange Route Miles	128	237			31
Footnotes					32
					33
					34

### MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Advanced Fiber Communication	AFC	1
Alcatel	AL	2
ATTC	ATT	3
Digital Loop Carrier	DLC	4
GTE	GTE	5
ITT	ITT	6
Lucent	ATT/LUC	7
Northern Telecom	NTI	8
Siemens	SI	9
Stromberg-Carlson	SC	10

### EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electronic--Digital	D	1
Electronic--Video	V	2
IP-Packet	P	3

**CENTRAL OFFICE DATA - END OF YEAR**

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

<b>Description (a)</b>	<b>Central Off. (b)</b>	<b>Central Off. (c)</b>	<b>Central Off. (d)</b>	<b>Central Off. (e)</b>	
Exchange Name	FOX CREEK	MILLTOWN			1
PSCW Exchange ID	1940	3400			2
Central Office Name	FOX CREEK	MILLTOWN			3
PSCW Central Office ID	1	1			4
Central Office CLLI Code	FXCKWIXARSO	MLTWWIXADSO			5
Manufacturer of COE (Page 54)	SC	SC			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote, (D)igital Loop Carrier	R	H			8
Remote Host PSCW Exchange ID	3400				9
Remote Host Central Office CLLI Code	MLTWWIXADSO				10
COE Generic Software Release No.	23	23			11
SS7?	Yes	Yes			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	904	2,220			14
Trunks - In Use	120	589			15
ISDN Available?	No	No			16
ISDN Lines - In Use (BRI)					17
- In Use (PRI)					18
DSL Service Available?	Yes	Yes			19
- In Use (# lines)	10	48			20
End User VoIP Available?	No				21
Digital Service Available: DS-1 - In Use	5	32			22
DS-3 - In Use	0	2			23
OC-3 - In Use					24
Advanced Data Service Available:					25
Packet Switching?	No	No			26
Frame Relay?	No	No			27
ATM (Asynchronous Trans. Mode)?	No	No			28
Fiber Transmission Facilities:					29
No. of fiber strands entering C.O.	48	256			30
No. of fiber strands working (LIT) in C.O.	24	64			31
No. of fiber strands for interoffice use	16	48			32
Miles of fiber sheath in wire center	7	44			33
Access Tandem Serving this C.O.:					34
- C.O. Name	ELK LAKE	ELK LAKE			35
- PSCW C.O. CLLI Code	EKCLKWICDSO	EKCLKWICDSO			36
Does this C.O. do access tandem switching?	No	No			37
Footnotes					38

## GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

### General Footnote

Prior year data has been edited to conform to the new report format.

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### Schedule Footnotes

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### Schedule Line Footnotes

- A) Adjustments are Continuing Property Record entries to reclassify plant items to proper accounts.
- B) For fields with a value of zero Milltown Mutual Telephone Company did not provide the particular circuit in 2004.
- C) Switched Access changes are a direct result of usage billed on carrier access bills. Carrier access billing for Switched access increased in 2004 over 2003.
- D) The increase in Depreciation Expense as well as Total Plant Non-Specific Operations Expense is due to large current year additions to accounts which were previously fully depreciated.
- E) Total Plant Specific Operations Expense increased primarily due to an increase in Land & Building Expense. During 2004 The company incurred moving costs as well as a new monthly building lease payment.
- F) The most significant increases to Corporate Operations Expense are the result of increased insurance premiums and consulting fees. Also marketing expense increases were larger than usual due to an Open House/ Customer Appreciation Day.

**Communities where Basic Local Service is offered to New Customers**

<b>County Name (a)</b>	<b>Municipality Name (b)</b>	<b>Municipality Type (c)</b>	
Polk	APPLE RIVER	Town	1
Polk	BONE LAKE	Town	2
Polk	FOX CREEK	Unincorporated	3
Polk	GEORGETOWN	Town	4
Polk	JOHNSTOWN	Town	5
Polk	MCKINLEY	Town	6
Polk	MILLTOWN	Town	7
Polk	MILLTOWN	Village	8