



4008

# ANNUAL REPORT

of

Name: CTC TELCOM, INC.

Principal Office: 110 NORTH SECOND AVENUE  
P.O. BOX 164  
DALLAS, WI 54733-0164

For the Year Ended: DECEMBER 31, 2001

## Alternative Telecommunications Utility -- Other Telecommunications Provider

To

## Public Service Commission of Wisconsin

Mailing Address:	P.O. Box 7854 Madison, WI 53707-7854
Courier Address:	610 N. Whitney Way Madison, WI 53705-2729
E-mail:	pscrecs@psc.state.wi.us
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*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.*

## RULES FOR REPORTING

1. The annual report due date is April 1 of the following year. (Example: The 2002 report is due April 1, 2003.) 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>, click on Telecommunications, click on Annual Report Programs and Worksheets, and click on Annual Report Program for Alternative Telecommunications Utility - Other Telecommunications Providers (OTH).
3. Alternative Telecommunications Utility-Other Telecommunications Provider (ATU-Other) entities with no revenues for the report year are required to file an OTH annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to 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.
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. Limited 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. Please report all dollar amounts to the nearest thousand dollars.
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 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 OTH annual report program incorporates provisional confidentiality capability for the following item, based on the Commission's Information Regarding Confidential Filings decision dated February 24, 2003, as supplemented for the new Nonregulated Revenues category on the Operating Revenues schedule:
  - a. Operating Revenues (Particulars, Wisconsin-Based Intrastate, Wisconsin-Based Interstate, Wisconsin-Based Total, and Total Company columns) (pp. 14-15) (Miscellaneous Revenues and Nonregulated Revenues descriptions, other than Video Distance Learning and Directory appearing in the report form, contained in the Particulars column (column a) and respective dollar amounts reported for the Miscellaneous Revenues and Nonregulated Revenues categories in the columns labeled Wisconsin-

## RULES FOR REPORTING

Based Intrastate, Wisconsin-Based Interstate, Wisconsin-Based Total, and Total Company);

- b. Central Office Data-End of Year (p. 19)
  - i. Integrated Service Digital Network (ISDN) Lines-In Use (BRI);
  - ii. ISDN Lines-In Use (PRI);
  - iii. xDSL Lines-In Use;
  - iv. Switched 56 lines in use;
  - v. Digital Transmission Facilities: DS-1-In use;
  - vi. Digital Transmission Facilities: DS-3-In use;
  - vii. Video Information Service-In use (# lines); and
  - viii. Fiber Transmission Facilities: No. of fiber strands working (LIT) in C.O.

If additional provisional confidential treatment is desired, please contact the Commission concerning required manual filing procedures. In this situation, 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 annual report printout 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 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:

## RULES FOR REPORTING

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://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.**

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

If making revisions to the report subsequent to an electronic filing 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.

Revisions to an annual report previously filed on a manual basis also require a new complete manual filing.

**17. Municipalities authorized by the Commission as competitive local exchange carriers (CLECs) should report only the CLEC-related amounts in the OTH annual report.**

**SIGNATURE PAGE**

I JIM KING of  
(Person responsible for accounts)

CTC TELCOM, INC. , 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.

JIM KING 03/29/2002  
(Person responsible for accounts) (Date)

CONTROLLER  
(Title)

**TABLE OF CONTENTS**

<b>Schedule Name</b>	<b>Page</b>
Cover Page	1
Rules for Reporting	2
Signature Page	3
Table of Contents	4
Identification and Ownership	5
Income Statement - Total Company	6
Income Statement - Wisconsin Intrastate Operations	7
Total Company Balance Sheet - Assets	8
Total Company Balance Sheet - Liabilities and Capital	9
Total Company Balance Sheet - Notes	10
Retained Earnings - Total Company	11
Telecommunications Plant in Service & Accumulated Depreciation & Amortization - Wisconsin	12
Operating Revenues	14
Average Number of Subscribers	16
Access Expenses, Billing Expenses & Charges Imposed by Another Carrier	17
Central Office Data - End of Year	19
Assessable Revenues	20
Other Information	21
Schedule And Report Notes	22

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**IDENTIFICATION AND OWNERSHIP**

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**Exact Utility Name:** CTC TELCOM, INC.  
**Utility Location:** 110 NORTH SECOND AVENUE  
P.O. BOX 164  
DALLAS, WI 54733-0164

**Utility Web Site Address:** NONE  
**Date utility authorized to provide service in Wisconsin:** 07/31/1997  
**State in which utility was organized:** Wisconsin  
**Organization type (e.g., corporation, partnership):** Corporation  
**New Utility Name:**

**Effective Date:**

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**Officer in charge of correspondence concerning this report**

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**Name:** MR. RICK VERGIN  
**Title:** CHIEF EXECUTIVE OFFICIER  
**Firm/Company:** CHIBARDUN TELEPHONE COOPERATIVE  
**Office Address:** 110 NORTH SECOND AVENUE  
P.O. BOX 164  
DALLAS, WI 54733-0164  
**Fax Number:** (715) 837 - 1196  
**Telephone Number:** (715) 837 - 1011  
**Email Address:** rvergin@chibardun.net

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

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**Name:** MR. GARY L. MEIER  
**Title:** CERTIFIED PUBLIC ACCOUNTANT  
**Firm/Company:** SIEPERT & CO. LLP  
**Office Address:** 1920 WEST HART ROAD  
BELOIT, WI 53511  
**Fax Number:** (608) 364 - 8727  
**Telephone Number:** (608) 365 - 2266  
**Email Address:** gmeier@charter.net

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**Name and address of the office where the utility's books are kept**

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**Name:** MR. JIM KING  
**Title:** CONTROLLER  
**Firm/Company:**  
**Office Address:** 110 NORTH SECOND AVENUE  
P.O. BOX 164  
DALLAS, WI 54733  
**Fax Number:** (715) 837 - 1196  
**Telephone Number:** (715) 837 - 1011  
**Email Address:** jimking@chibardun.net

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### IDENTIFICATION AND OWNERSHIP

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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).

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**Name:** CHIBARDUN TELEPHONE COOPERATIVE, INC.  
**Address:** 110 NORTH SECOND AVENUE  
PO BOX 164  
DALLAS , WI 54733-0164  
**Number of Shares Held:** 2,000  
**Beneficial Owner:** NONE

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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

**INCOME STATEMENT - TOTAL COMPANY**

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues	4,920,314	4,994,796	1
<b>OPERATING EXPENSES</b>			
Access and Billing Expenses	241,628	0	2
Local Interconnection	706,501	0	3
Other Charges Imposed by Another Carrier	0	0	4
Communication System Operations	307,667	987,100	5
Sales and Marketing	0	0	6
Administrative and General	1,381,452	1,296,209	7
Depreciation and Amortization	1,181,603	843,466	8
Other	291,512	602,493	9
<b>Total Operating Expenses</b>	<b>4,110,363</b>	<b>3,729,268</b>	<b>10</b>
<b>Net Operating Income</b>	<b>809,951</b>	<b>1,265,528</b>	<b>11</b>
<b>OTHER INCOME</b>			
Nonoperating Income and Expense	213,474	1,889,856	12
Nonoperating Taxes	68,378	0	13
Interest and Related Items	1,034,587	851,852	14
Extraordinary Items	0	0	15
Nonregulated Net Income	277,308	41,862	16
<b>Total Nonoperating Income</b>	<b>(612,183)</b>	<b>1,079,866</b>	<b>17</b>
<b>Net Income</b>	<b>197,768</b>	<b>2,345,394</b>	<b>18</b>

Income Statement - Total Company Note:

Disclose additional material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable, including:

1. A summary of significant accounting policies, including, but not limited to, accounting policies related to pension cost, unbilled revenues, and income taxes.
2. The method of computing depreciation expense.

A. CTC Telcom is a wholly owned subsidiary of Chibardun Telephone Cooperative. B. The Parent company provides CTC Telcom with normal plant construction and maintenance, customer billing and collections, accounting and management services at its cost plus a return on allocated costs and capital assets used by the subsidiary. Charges in 2001 amounted to \$2,198,505, which \$221,324 was capitalized. C. Telephone and cable TV plant in service is recorded at original cost. Interest is also capitalized on major construction projects. Total capitalized interest amounted to \$39,797 for 2001. D. The company computes depreciation for telecommunications and cable TV plant using the straight-line method for book reporting. Tax depreciation has been computed using the Modified Accelerated Cost Recovery System. E. The Company is organized as a C corporation and is subject to federal and state income taxes. The Company is included in a consolidated federal income tax filing with the Parent. Net operating losses are available to used to reduce state taxable income in future years.

**INCOME STATEMENT - WISCONSIN INTRASTATE OPERATIONS**

Particulars (a)	Wisconsin Intrastate % This Year (b)	This Year (c)	Last Year (d)	
Operating Revenues	83.00%	4,073,000	3,869,307	1
<b>OPERATING EXPENSES</b>				
Access and Billing Expenses	74.00%	178,338	0	2
Local Interconnection	100.00%	706,501	0	3
Other Charges Imposed by Another Carrier	0%	0	0	4
Communication System Operations	83.00%	254,687	764,706	5
Sales and Marketing	0%	0	0	6
Administrative and General	83.00%	1,143,566	1,004,173	7
Depreciation and Amortization	83.00%	978,131	653,433	8
Other	83.00%	241,314	466,751	9
<b>Total Operating Expenses</b>	<b>83.00%</b>	<b>3,502,537</b>	<b>2,889,063</b>	<b>10</b>
<b>Net Operating Income</b>	<b>83.00%</b>	<b>570,463</b>	<b>980,244</b>	<b>11</b>
<b>OTHER INCOME</b>				
Nonoperating Income and Expense	100.00%	213,474	2,693,272	12
Nonoperating Taxes	100.00%	68,378	0	13
Interest and Related Items	100.00%	1,034,587	842,656	14
Extraordinary Items	0%	0	0	15
Nonregulated Net Income	100.00%	277,308	41,862	16
<b>Total Nonoperating Income</b>	<b>100.00%</b>	<b>(612,183)</b>	<b>1,892,478</b>	<b>17</b>
<b>Net Income</b>	<b>34.00%</b>	<b>(41,720)</b>	<b>2,872,722</b>	<b>18</b>

Income Statement - Wisconsin Intrastate Operations Note:

Please state the bases upon which the Wisconsin intrastate factors were developed and provide supporting calculations.

Operating revenues and expenses reported above are primarily from telecommunications activities. The intrastate operating revenue of 82.78% excludes interstate access charged to carriers. This percentage would also be applied to operating expenses.

Billing expenses for intrastate operation represents actual charges from Chibardun Telephone Cooperative.

**TOTAL COMPANY BALANCE SHEET - ASSETS**

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	0	0	1
Net Telecommunications Accounts Receivable	1,444,330	1,066,867	2
Net Other Accounts Receivable	60,837	50,950	3
Net Notes Receivable	0	0	4
Interest and Dividends Receivable	0	0	5
Materials and Supplies	0	0	6
Prepayments	34,741	22,543	7
Other Current Assets	0	0	8
<b>TOTAL CURRENT ASSETS</b>	<b>1,539,908</b>	<b>1,140,360</b>	
<b>NONCURRENT ASSETS</b>			
Investments in Affiliated Companies	0	0	9
Investments in Nonaffiliated Companies	1,112,019	984,882	10
Other Noncurrent Assets	418,000	401,655	11
Deferred Charges	0	0	12
<b>TOTAL NONCURRENT ASSETS</b>	<b>1,530,019</b>	<b>1,386,537</b>	
<b>PLANT</b>			
Telecommunications Plant in Service	16,861,382	16,132,541	13
Less: Accumulated Depreciation and Amortization	2,425,372	1,543,165	14
Net Property Held for Future Telecommunications Use	0	0	15
Net Nonoperating Plant	2,581,494	2,641,039	16
Telecommunications Plant Under Construction	0	575,711	17
Net Telecommunications Plant Adjustment	0	0	18
<b>TOTAL PLANT</b>	<b>17,017,504</b>	<b>17,806,126</b>	
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b><u>20,087,431</u></b>	<b><u>20,333,023</u></b>	

**TOTAL COMPANY BALANCE SHEET - LIABILITIES AND CAPITAL**

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>CURRENT LIABILITIES</b>			
Accounts and Notes Payable to Affiliated Companies	805,340	0	1
Other Accounts and Notes Payable	246,001	2,102,600	2
Advance Billing and Payments	0	0	3
Customer Deposits	0	0	4
Current Maturities - Long-Term Obligations	1,133,000	0	5
Taxes Accrued	0	0	6
Other Current and Accrued Liabilities	126,009	0	7
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,310,350</b>	<b>2,102,600</b>	
<b>LONG-TERM DEBT</b>			
Net Funded Debt	0	0	8
Obligations Under Capital Leases	0	0	9
Advances from Affiliated Companies	700,000	700,000	10
Other Long-Term Debt	9,164,422	10,340,617	11
<b>TOTAL LONG-TERM DEBT</b>	<b>9,864,422</b>	<b>11,040,617</b>	
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>			
Other Long-Term Liabilities	0	0	12
Unamortized Investment Tax Credits	0	0	13
Net Noncurrent Deferred Income Taxes	920,423	680,882	14
Other Deferred Credits	0	0	15
<b>TOTAL OTHER LIABILITIES AND DEFERRED CREDITS</b>	<b>920,423</b>	<b>680,882</b>	
<b>STOCKHOLDERS' EQUITY</b>			
Capital Stock and Paid-In Capital	4,770,000	3,970,000	16
Other Capital	0	0	17
Retained Earnings	2,222,234	2,538,920	18
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>6,992,234</b>	<b>6,508,920</b>	
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>	<b>20,087,429</b>	<b>20,333,019</b>	

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## TOTAL COMPANY BALANCE SHEET - NOTES

**Other information concerning the total company balance sheet.**

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**RETAINED EARNINGS - TOTAL COMPANY**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>
Balance - First of Year	2,538,920	5,315 1
<b>Changes:</b>		
Balance Transferred from Income	197,768	2,345,394 2
Dividends Declared	0	0 3
Miscellaneous Debits to Retained Earnings	514,454	0 4
Miscellaneous Credits to Retained Earnings	0	188,211 5
<b>Balance - End of Year</b>	<b><u>2,222,234</u></b>	<b><u>2,538,920</u> 6</b>

**TELECOMMUNICATIONS PLANT IN SERVICE & ACCUMULATED DEPRECIATION &  
AMORTIZATION - WISCONSIN**

Plant Function (a)	Plant in Service FOY (b)	Additions (c)	Retirements (d)	
<b>GENERAL SUPPORT</b>				
LAND/BUILDINGS	559,782	69,797	0	1
OFFICE EQUIPMENT	28,973			2
GENERAL PURPOSE COMPUTERS	4,172	924		3
<b>CENTRAL OFFICE</b>				
DIGITAL ELECTRONIC SWITCHING	2,192,208	141,707	0	4
SUBSCRIBER LINE CONCENTR.	2,693,235	539,166	408,983	5
<b>INFORMATION ORIG./TERM.</b>				
Enter Description Here	0	0	0	6
<b>CABLE WIRE FACILITIES</b>				
BURIED CABLE	9,888,284	103,085	14,595	7
BURIED FIBER	545,098	234,022	32,473	8
BURIED DROPS/CONDUIT	220,789	100,404		9
<b>AMORTIZABLE</b>				
Enter Description Here	0	0	0	10
<b>TOTAL PLANT IN SERVICE</b>	<b>16,132,541</b>	<b>1,189,105</b>	<b>456,051</b>	

**TELECOMMUNICATIONS PLANT IN SERVICE & ACCUMULATED DEPRECIATION &  
AMORTIZATION - WISCONSIN (cont.)**

Plant Function (e)	Transfers / Adjustments (f)	Plant in Service EOY (g)	Acc. Depr. & Amortization EOY (h)	Net Plant in Service EOY (i)	
<b>GENERAL SUPPORT</b>					
LAND/BUILDINGS	(14,645)	<b>614,934</b>	50,960	<b>563,974</b>	<b>1</b>
OFFICE EQUIPMENT	25,133	<b>54,106</b>	15,974	<b>38,132</b>	<b>2</b>
GENERAL PURPOSE COMPU		<b>5,096</b>	3,378	<b>1,718</b>	<b>3</b>
<b>CENTRAL OFFICE</b>					
DIGITAL ELECTRONIC SWITC	28,093	<b>2,362,008</b>	581,837	<b>1,780,171</b>	<b>4</b>
SUBSCRIBER LINE CONCEN	310,172	<b>3,133,590</b>	562,175	<b>2,571,415</b>	<b>5</b>
<b>INFORMATION ORIG./TERM.</b>					
Enter Description Here	0	<b>0</b>	0	<b>0</b>	<b>6</b>
<b>CABLE WIRE FACILITIES</b>					
BURIED CABLE	(2,059,367)	<b>7,917,407</b>	937,172	<b>6,980,235</b>	<b>7</b>
BURIED FIBER	1,826,691	<b>2,573,338</b>	260,266	<b>2,313,072</b>	<b>8</b>
BURIED DROPS/CONDUIT	(120,290)	<b>200,903</b>	13,610	<b>187,293</b>	<b>9</b>
<b>AMORTIZABLE</b>					
Enter Description Here	0	<b>0</b>	0	<b>0</b>	<b>10</b>
<b>TOTAL PLANT IN SERVICE</b>	<b>(4,213)</b>	<b>16,861,382</b>	<b>2,425,372</b>	<b>14,436,010</b>	

**OPERATING REVENUES**

Particulars (a)	Wisconsin- Based Intrastate (b)	Wisconsin- Based Interstate (c)	
<b>LOCAL NETWORK SERVICES REVENUES</b>			
End User Retail	2,316,435		1
Reciprocal Comp. & Interconnection			2
Private Line, Special Access & UNEs			3
Enter Other Description Here			4
<b>NETWORK INTERSTATE ACCESS SERVICE REVENUES</b>			
End User Line Charge			5
Switched		847,314	6
Special			7
<b>NETWORK INTRASTATE ACCESS SERVICE REVENUES</b>			
Switched	1,177,366		8
Special			9
Enter Other Description Here			10
<b>LONG DISTANCE NETWORK SERVICES MESSAGE REVENUES</b>			
LONG DISTANCE MESSAGE CHARGES	454,888		11
<b>LONG DISTANCE PRIVATE NETWORK REVENUES</b>			
			12
<b>MISCELLANEOUS REVENUES</b>			
Video Distance Learning			13
Directory	202,386		14
<b>BILLING &amp; COLLECTION REVENUE</b>			
			15
<b>GROSS OPERATING REVENUES</b>	<b>4,151,075</b>	<b>847,314</b>	
<b>UNCOLLECTIBLE REVENUES</b>			
UNCOLLECTIBLE REVENUES	78,075		16
<b>TOTAL UNCOLLECTIBLE REVENUES</b>	<b>78,075</b>	<b>0</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>4,073,000</b>	<b>847,314</b>	

**OPERATING REVENUES (cont.)**

Particulars (d)	Wisconsin- Based Total (e)	Total Company (f)	
<b>LOCAL NETWORK SERVICES REVENUES</b>			
End User Retail	2,316,435	2,316,435	1
Reciprocal Comp. & Interconnection	0		2
Private Line, Special Access & UNEs	0		3
Enter Other Description Here	0		4
<b>NETWORK INTERSTATE ACCESS SERVICE REVENUES</b>			
End User Line Charge	0		5
Switched	847,314	847,314	6
Special	0		7
<b>NETWORK INTRASTATE ACCESS SERVICE REVENUES</b>			
Switched	1,177,366	1,177,366	8
Special	0		9
Enter Other Description Here	0		10
<b>LONG DISTANCE NETWORK SERVICES MESSAGE REVENUES</b>			
LONG DISTANCE MESSAGE CHARGES	454,888	454,888	11
<b>LONG DISTANCE PRIVATE NETWORK REVENUES</b>			
	0		12
<b>MISCELLANEOUS REVENUES</b>			
Video Distance Learning	0		13
Directory	202,386	202,386	14
BILLING & COLLECTION REVENUE	0		15
<b>GROSS OPERATING REVENUES</b>	<b>4,998,389</b>	<b>4,998,389</b>	
<b>UNCOLLECTIBLE REVENUES</b>			
UNCOLLECTIBLE REVENUES	78,075	78,075	16
<b>TOTAL UNCOLLECTIBLE REVENUES</b>	<b>78,075</b>	<b>78,075</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>4,920,314</b>	<b>4,920,314</b>	

**AVERAGE NUMBER OF SUBSCRIBERS**

Average Number of Subscribers (a)	Wisconsin-Based Total (b)	Total Companyl (c)	
Residential	4,722	4,722	1
Business	2,443	2,443	2
<b>Total</b>	<b><u>7,165</u></b>	<b><u>7,165</u></b>	<b>3</b>

**NUMBER OF LIFELINE AND LINKUP CUSTOMERS**

Number of Lifeline and Linkup Customers (a)	Wisconsin (Actual No.)(b)	
Number of Lifeline Customers in Wisconsin at December 31, 2001		1
Number of Linkup Customers in Wisconsin Connected During 2001		2

**ACCESS EXPENSES, BILLING EXPENSES & CHARGES IMPOSED BY ANOTHER CARRIER**

Particulars (a)	Wisconsin- Based Intrastate (b)	Wisconsin- Based Interstate (c)	
<b>ACCESS AND BILLING EXPENSES</b>			
Carrier Common Line (Intrastate IntraLATA)			1
Carrier Common Line (Intrastate InterLATA)			2
Carrier Common Line (Interstate)			3
Switched Access			4
Special Access			5
Billing and Collection Expenses	178,338	63,290	6
<b>TOTAL ACCESS AND BILLING EXPENSES</b>	<b>178,338</b>	<b>63,290</b>	
<b>CHARGES IMPOSED BY ANOTHER CARRIER</b>			
Expenses Related to Interconnection with Another Local Exchange Carrier's Facilities	706,501		7
Expenses Related to the Wholesale Use of Another Carrier's Network (Resale & Unbundled Network Elements) and Tariffed General Service Offerings			8
<b>TOTAL CHARGES IMPOSED BY ANOTHER CARRIER</b>	<b>706,501</b>	<b>0</b>	
<b>TOTAL ACCESS EXPENSES, BILLING EXPENSES &amp; CHARGES IMPOSED BY ANOTHER CARRIER</b>	<b>884,839</b>	<b>63,290</b>	

**ACCESS EXPENSES, BILLING EXPENSES & CHARGES IMPOSED BY ANOTHER CARRIER  
(cont.)**

Particulars (d)	Wisconsin- Based Total (e)	Total Compnay (f)	
<b>ACCESS AND BILLING EXPENSES</b>			
Carrier Common Line (Intrastate IntraLATA)	0		1
Carrier Common Line (Intrastate InterLATA)	0		2
Carrier Common Line (Interstate)	0		3
Switched Access	0		4
Special Access	0		5
Billing and Collection Expenses	241,628	241,628	6
<b>TOTAL ACCESS AND BILLING EXPENSES</b>	<b>241,628</b>	<b>241,628</b>	
<b>CHARGES IMPOSED BY ANOTHER CARRIER</b>			
Expenses Related to Interconnection with Another Local Exchange Carrier`s Facilities	706,501	706,501	7
Expenses Related to the Wholesale Use of Another Carrier`s Network (Resale & Unbundled Network Elements) and Tariffed General Service Offerings	0		8
<b>TOTAL CHARGES IMPOSED BY ANOTHER CARRIER</b>	<b>706,501</b>	<b>706,501</b>	
<b>TOTAL ACCESS EXPENSES, BILLING EXPENSES &amp; CHARGES IMPOSED BY ANOTHER CARRIER</b>	<b>948,129</b>	<b>948,129</b>	

**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>	
Rate Center Name	BARRON	CHETEK	RICE LAKE		1
Central Office (Switch) CLLI Code	0	0	0		2
Switch Location	BARRON	CHETEK	RICE LAKE		3
Manufacturer of COE	SI	SI	SI		4
Year COE Installed	1997	2000	1998		5
Type of Equipment	EWSD	DLC	EWSD		6
(S)tandalone, (H)ost, (R)emote, (A)dv. Fiber Comm.	R	R	R		7
Remote Host Rate Center Name	1370	1370	1370		8
Remote Host Switch CLLI Code	DLLSWIXADSI	DLLSEIXADSI	DLLSWIXADSI		9
COE Generic Software Release No.	17	17	17		10
SS7?	No	No	No		11
9-1-1?	Yes	Yes	Yes		12
Access Lines - In Use	2,351	527	4,287		13
- Equipped	5,003	2,048	10,238		14
- Wired	5,003	2,048	10,238		15
Trunks - In Use	0	0	0		16
- Equipped	0	0	0		17
- Wired	0	0	0		18
ISDN Available?	Yes	Yes	Yes		19
ISDN Lines - In Use (BRI)	0	0	0		20
- In Use (PRI)	0	0	0		21
xDSL Available?	No	No	No		22
- In Use (# lines)					23
Switched 56 Service?	Yes	Yes	Yes		24
Switched 56 lines in use	0	0	0		25
Digital Transmission Facilities: DS-1 - In Use	25	10	38		26
DS-3 - In Use	0	0	0		27
Advanced Data Service Available:					
Packet Switching?	No	No	No		28
SMDS?	No	No	No		29
Frame Relay?	No	No	No		30
ATM (Asynchronous Trans. Mode)?	No	No	No		31
Video Information - Service Available?	No	No	No		32
- In Use (# lines) <sup>1</sup>					33
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	72	432	360		34
No. of fiber strands working (LIT) in C.O.	20	22	36		35
No. of fiber strands for interoffice use	8	48	8		36
Miles of fiber sheath in wire center	12	14	24		37
Access Tandem Serving this C.O.:					
- Central Office Name	DALLAS	DALLAS	DALLAS		38
- Central Office CLLI Code	DLLSWIXADSA	DLLSWIXADSA	DLLSWIXADSA		39
Does this C.O. do access tandem switching?	No	No	No		40

<sup>1</sup> Teleco provided end-to-end facility.

**ASSESSABLE REVENUES**

Description (a)	This Year (b)
<b>Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	
Gross Operating Revenues--Wisconsin (including outbound interstate revenues)	4,998,389 1
Less: Inbound Interstate Revenues (exclusive of uncollectible service revenues) Included in Line 1 (if any)	0 2
Less : Current Year Write-offs of Uncollectible Revenues	78,075 3
Plus: Current Year Collection of Operating Revenues Previously Written Off	0 4
Less : Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)	5
Plus: Nonregulated Net Write Off Amount (included on Lines 3 and 4)	6
<b>Total Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b>4,920,314 7</b>

**Assessable Revenues for Universal Service Fund Assessment Purposes**

Wisconsin Gross Intrastate Operating Telecommunications Service Revenue	<b>4,073,000 8</b>
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**Notes**

- "Gross Operating Revenues--Wisconsin" are revenues before consideration of uncollectible revenues. These revenues include revenues from inbound interstate 800 and collect calls billed to customers in Wisconsin.
- "Outbound interstate revenues" are service operations revenues received from communications originating at points within Wisconsin and terminating at points outside the state.
- "Inbound interstate revenues" are service operations revenues received from communications originating at points outside the State of Wisconsin and terminating at points within the state.  
(NOT TO BE EXCLUDED HERE ARE INBOUND INTERSTATE 800 AND COLLECT REVENUES BILLED TO CUSTOMERS IN WISCONSIN).
- "Gross" means revenue before consideration of uncollectible amounts. Access expenses may not be netted against assessable revenues.
- "Intrastate" means telecommunications service originating and terminating within the State of Wisconsin. Intrastate revenue does not include interstate access revenue.
- "Operating" means provision of telecommunications services.
- "Telecommunications service revenue" for the purpose of this assessment does not include cable television service, broadcast service, rents, directory revenue, carrier billing and collection revenue, nonregulated customer premises equipment revenue, or other miscellaneous or nonregulated revenue. However, it does include video distance learning revenue and payphone revenue (the latter which was deregulated in 1997).

## OTHER INFORMATION

### Additional or other information concerning this annual report.

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Page 11 - Miscellaneous Debits to Retained Earnings - Balance consists of: \$337,054 for 2001 prior period adjustment for cost allocation adjustments, net of income taxes; and \$177,400 for reclassification of PSC license sale in 2000 to Chibardun Telephone subsequent to filing the 2000 PSC report (\$255,000 sale less \$77,600 income tax).

Board of Directors  
CTC TELCOM, INC.  
Dallas, Wisconsin

The Balance Sheets of CTC Telcom, Inc. as of December 31, 2001 and 2000 and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed forms have been compiled by us. We have also compiled the financial and nonfinancial data included on page 5 through 20 of the prescribed forms.

Our compilations were limited to presenting in the form prescribed by the Public Service Commission of Wisconsin information that is the representation of management. We have not audited or reviewed the financial statements or accompanying data referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Service Commission of Wisconsin and do not include the statements of cash flows and all of the disclosures required by generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

SIEPERT & CO. LLP  
Certified Public Accountants

Beloit, Wisconsin

March 28, 2002

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**SCHEDULE AND REPORT NOTES**

**General Footnote**

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**Schedule Footnotes**

**Identification and Ownership Footnote. Page 5**

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