Case No. IR-2004-0061

Steelville Telephone Exchange, Inc.

Staff Accounting Schedule

ATTACHMENT A

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Revenue Requirement

Line			9.25% Return
	(A)		(B)
1	Net Orig Cost Rate Base (Sch 2)	$	10,534,731
2	Rate of Return		9.25%
3	Net Operating Income Requirement	$	974,463
4	Net Income Available (Sch 8)	$	1,422,008
5	Additional NOIBT Needed	$	(447,545)
6	Income Tax Requirement (Sch 10)		
7	Required Current Income Tax	$	432,240
8	Test Year Current Income Tax	$	700,316
9	Additional Current Tax Required	$	(268,076)
10	Required Deferred ITC	$	0
11	Test Year Deferred ITC	$	0
12	Additional Deferred ITC Required	$	0
13	Total Additional Tax Required	$	(268,076)
14	Gross Revenue Requirement	$	(715,621)

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Rate Base

Line	Description	Amount
	(A)	(B)
1	Total Plant in Service (Sch 3)	$ 16,183,698
	Subtract from Total Plant	
2	Depreciation Reserve (Sch 6)	$ 6,144,533
3	Net Plant in Service	$ 10,039,165
	Add to Net Plant in Service	
4	Cash Working Capital (Sch)	$ 0
5	Materials and Supplies-Exempt	301,768
6	Prepayments	949,096
7	RTB Stock	162,932
	Subtract from Net Plant	
8	Federal Tax Offset 0.0000 %	$ 0
9	State Tax Offset 0.0000 %	0
10	City Tax Offset 0.0000 %	0
11	Interest Expense Offset 0.0000 %	0
12	Customer Advances for Construction	0
13	Contribution in aid of Construction	0
14	Deferred Income Taxes-	884,035
15	Customer Deposits	34,195
16	Total Rate Base	$ 10,534,731

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
		Detail Accounts					
1	2110.000	Land & Support Assets	$ 0	$ 0	100.0000	$ 0	$ 0
2	2111.000	Land	278,998	0	72.0300	0	200,962
3	2112.000	Motor Vehicles	304,086	0	72.0300	0	219,033
4	2113.000	Aircraft	0	0	100.0000	0	0
5	2114.000	Special Purpose Vehicles	0	0	100.0000	0	0
6	2115.000	Garage Work Equipment	0	0	100.0000	0	0
7	2116.000	Other Work Equipment	260,034	0	72.0300	0	187,302
8	2121.000	Buildings	1,452,788	0	72.0300	0	1,046,443
9	2122.000	Furniture	175,545	0	72.0300	0	126,445
10	2123.000	Office Equipment	48,766	0	72.0300	0	35,126
11	2124.000	General Purpose Computers	508,971	0	72.0300	0	366,612
12		Total	$ 3,029,188	$ 0		$ 0	$ 2,181,923

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment		Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)		(F)
		Operating Plant Accounts						
13	2210.000	Central Office - Switching	$ 0	$ 0	100.0000	$ 0		$ 0
14	2211.000	Analog Electronic Switching	0	0	100.0000	0		0
15	2212.000	Digital Electronic Switching	1,562,554	0	72.0300	0		1,125,508
16	2215.000	Electro - Mechanical Switching	0	0	100.0000	0		0
17	2220.000	Operator Systems	0	0	100.0000	0		0
18	2230.000	Central Office - Transmission	0	0	100.0000	0		0
19	2231.000	Radio Systems	33,133	0	72.0300	0		23,866
20	2232.000	Circuit Equipment	4,984,870	(407,374)	72.0300	0	P-1	3,297,170
21	2310.000	Information Origination/Termination	0	0	100.0000	0		0
22	2311.000	Station Apparatus	16,615	0	72.0300	0		11,968
23	2321.000	Customer Premises Wiring	0	0	100.0000	0		0
24	2341.000	Large Private Branch Exchanges	0	0	100.0000	0		0
25	2351.000	Public Telephone Terminal Equipment	0	0	100.0000	0		0
26	2362.000	Other Terminal Equipment	0	0	100.0000	0		0
27	2410.000	Cable & Wire Facilities	0	0	100.0000	0		0
28	2411.000	Poles	33,591	0	72.0300	0		24,196
29	2421.000	Aerial Cable	243,468	0	72.0300	0		175,370
30	2422.100	Underground Cable-Nonmetallic	658,232	0	72.0300	0		474,125
31	2422.200	Undergound Cable-Metallic	445,983	0	72.0300	0		321,242
32	2423.000	Buried Cable	10,496,675	0	72.0300	0		7,560,755
33	2424.000	Submarine Cable	0	0	100.0000	0		0
34	2425.000	Deep Sea Cable	0	0	100.0000	0		0
35	2426.000	Intrabuilding Network Cable	49,014	0	72.0300	0		35,305
36	2431.000	Aerial Wire	10,647	0	72.0300	0		7,669
37	2441.000	Conduit Systems	1,311,400	0	72.0300	0		944,601
38		Total	$ 19,846,182	$ (407,374)		$ 0		$ 14,001,775
		Amortizable Assets						
39	2680.000	Amortizable Tangible Assets	$ 0	$ 0	100.0000	$ 0		$ 0
40	2681.000	Capital Leases	0	0	100.0000	0		0
41	2682.000	Leasehold Improvements	0	0	100.0000	0		0
42	2690.000	Intangibles	0	0	0.0000	0		0
43		Total	$ 0	$ 0		$ 0		$ 0
44		Total Plant In Service	$ 22,875,370	$ (407,374)		$ 0		$ 16,183,698

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Adjustments to Total Plant

Adj No	Description		Total Co Adjustment	Mo Juris Adjustment
	Circuit Equipment	P-1	$ (407,374)	
1.	To eliminate DSL equipment accounts. (Winter)		$ (407,374)	

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
		Detail Accounts			
1	2110.000	Land & Support Assets	$ 0	0.0000	$ 0
2	2111.000	Land	200,962	0.0000	0
3	2112.000	Motor Vehicles	219,033	11.6300	25,474
4	2113.000	Aircraft	0	0.0000	0
5	2114.000	Special Purpose Vehicles	0	0.0000	0
6	2115.000	Garage Work Equipment	0	0.0000	0
7	2116.000	Other Work Equipment	187,302	7.1400	13,373
8	2121.000	Buildings	1,046,443	2.8600	29,928
9	2122.000	Furniture	126,445	7.1400	9,028
10	2123.000	Office Equipment	35,126	10.0000	3,513
11	2124.000	General Purpose Computers	366,612	15.6300	57,301
12		Total	$ 2,181,923		$ 138,617

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
		Operating Plant Accounts			
13	2210.000	Central Office - Switching	$ 0	0.0000	$ 0
14	2211.000	Analog Electronic Switching	0	0.0000	0
15	2212.000	Digital Electronic Switching	1,125,508	6.6700	75,071
16	2215.000	Electro - Mechanical Switching	0	0.0000	0
17	2220.000	Operator Systems	0	0.0000	0
18	2230.000	Central Office - Transmission	0	0.0000	0
19	2231.000	Radio Systems	23,866	8.8500	2,112
20	2232.000	Circuit Equipment	3,297,170	10.0000	329,717
21	2310.000	Information Origination/Termination	0	0.0000	0
22	2311.000	Station Apparatus	11,968	0.0000	0
23	2321.000	Customer Premises Wiring	0	0.0000	0
24	2341.000	Large Private Branch Exchanges	0	0.0000	0
25	2351.000	Public Telephone Terminal Equipment	0	0.0000	0
26	2362.000	Other Terminal Equipment	0	0.0000	0
27	2410.000	Cable & Wire Facilities	0	0.0000	0
28	2411.000	Poles	24,196	4.7600	1,152
29	2421.000	Aerial Cable	175,370	4.7600	8,348
30	2422.100	Underground Cable-Nonmetallic	474,125	3.5700	16,926
31	2422.200	Undergound Cable-Metallic	321,242	3.8500	12,368
32	2423.000	Buried Cable	7,560,755	3.5700	269,919
33	2424.000	Submarine Cable	0	0.0000	0
34	2425.000	Deep Sea Cable	0	0.0000	0
35	2426.000	Intrabuilding Network Cable	35,305	3.5700	1,260
36	2431.000	Aerial Wire	7,669	0.0000	0
37	2441.000	Conduit Systems	944,601	2.0000	18,892
38		Total	$ 14,001,775		$ 735,765
		Amortizable Assets			
39	2680.000	Amortizable Tangible Assets	$ 0	0.0000	$ 0
40	2681.000	Capital Leases	0	0.0000	0
41	2682.000	Leasehold Improvements	0	0.0000	0
42	2690.000	Intangibles	0	0.0000	0
43		Total	$ 0		$ 0
44		Total Depreciation Expense	$ 16,183,698		$ 874,382

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
		Detail Accounts					
1	2110.000	Land & Support Assets	$ 0	$ 0	100.0000	$ 0	$ 0
2	2111.000	Land	0	0	100.0000	0	0
3	2112.000	Motor Vehicles	108,135	0	71.1800	0	76,970
4	2113.000	Aircraft	0	0	100.0000	0	0
5	2114.000	Special Purpose Vehicles	0	0	100.0000	0	0
6	2115.000	Garage Work Equipment	0	0	100.0000	0	0
7	2116.000	Other Work Equipment	227,642	0	71.1800	0	162,036
8	2121.000	Buildings	331,973	0	71.1800	0	236,298
9	2122.000	Furniture	109,259	0	71.1800	0	77,771
10	2123.000	Office Equipment	25,035	0	71.1800	0	17,820
11	2124.000	General Purpose Computers	341,778	0	71.1800	0	243,278
12		Total	$ 1,143,822	$ 0		$ 0	$ 814,173

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
		Operating Plant Accounts					
13	2210.000	Central Office - Switching	$ 0	$ 0	100.0000	$ 0	$ 0
14	2211.000	Analog Electronic Switching	0	0	100.0000	0	0
15	2212.000	Digital Electronic Switching	160,021	0	71.1800	0	113,903
16	2215.000	Electro - Mechanical Switching	0	0	100.0000	0	0
17	2220.000	Operator Systems	0	0	100.0000	0	0
18	2230.000	Central Office - Transmission	0	0	100.0000	0	0
19	2231.000	Radio Systems	52,491	0	71.1800	0	37,363
20	2232.000	Circuit Equipment	3,205,211	0	71.1800	0	2,281,469
21	2310.000	Information Origination/Termination	0	0	100.0000	0	0
22	2311.000	Station Apparatus	16,615	0	71.1800	0	11,827
23	2321.000	Customer Premises Wiring	0	0	100.0000	0	0
24	2341.000	Large Private Branch Exchanges	0	0	100.0000	0	0
25	2351.000	Public Telephone Terminal Equipment	0	0	100.0000	0	0
26	2362.000	Other Terminal Equipment	0	0	100.0000	0	0
27	2410.000	Cable & Wire Facilities	0	0	100.0000	0	0
28	2411.000	Poles	32,400	0	71.1800	0	23,062
29	2421.000	Aerial Cable	168,539	0	71.1800	0	119,966
30	2422.100	Underground Cable-Nonmetallic	82,356	0	71.1800	0	58,621
31	2422.200	Underground Cable-Metallic	41,700	0	71.1800	0	29,682
32	2423.000	Buried Cable	3,591,739	0	71.1800	0	2,556,600
33	2424.000	Submarine Cable	0	0	100.0000	0	0
34	2425.000	Deep Sea Cable	0	0	100.0000	0	0
35	2426.000	Intrabuilding Network Cable	9,486	0	71.1800	0	6,752
36	2431.000	Aerial Wire	10,647	0	71.1800	0	7,579
37	2441.000	Conduit Systems	117,359	0	71.1800	0	83,536
38		Total	$ 7,488,564	$ 0		$ 0	$ 5,330,360
		Amortizable Assets					
39	2680.000	Amortizable Tangible Assets	$ 0	$ 0	100.0000	$ 0	$ 0
40	2681.000	Capital Leases	0	0	100.0000	0	0
41	2682.000	Leasehold Improvements	0	0	100.0000	0	0
42	2690.000	Intangibles	0	0	0.0000	0	0
43		Total	$ 0	$ 0		$ 0	$ 0
44		Total Plant In Service	$ 8,632,386	$ 0		$ 0	$ 6,144,533

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment		Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)		(F)
		Operating Revenues						
1	5001.000	Local Service	$ 736,623	$ 0	100.0000	$ 0		$ 736,623
2	5001.010	Local Revenue	0	0	100.0000	0		0
3	5040.100	Local Private Line	0	0	100.0000	0		0
4	5060.100	CABS & Misc Rev	0	0	100.0000	0		0
5	5060.120	USAC SP Local Revenue	0	0	100.0000	0		0
6	5060.130	Bernie USAC Local Revenue	0	0	100.0000	0		0
7	5081.000	End User Revenue-inter LATA	234,165	(234,165)	0.0000	0	S-5	0
8	5082.000	Switched Access Revenue-interLATA	2,855,262	(948,746)	100.0000	0	S-3	1,906,516
9	5083.000	Special Access Revenue-interLATA	124,730	(124,730)	0.0000	0	S-6	0
10	5084.000	End User Revenue-intraLATA	1,629,405	96,839	100.0000	0	S-4	1,726,244
11	5086.000	Special Access/Change Rev-Intralata	0	0	100.0000	0		0
12	5100.400	L/D Message Revenue	3,337	0	100.0000	0	S-7	3,337
13	5160.000	Other Long Distance Revenues	898	0	0.0000	0		0
14	5230.000	Directory Advertising	85,915	0	100.0000	0		85,915
15	5240.100	Rent Revenueent Rent Revenue	0	0	100.0000	0		0
16	5261.000	Special Billing Arrangements Rev	0	0	100.0000	0		0
17	5262.000	Oper Sercs, LIDB, Database 800	0	0	100.0000	0		0
18	5264.000	Other Incindental Revenue	22,577	0	100.0000	0		22,577
19	5270.000	Carrier Billing & Coll. InterLATA	133,531	0	100.0000	0		133,531
20	5271.000	Billing & Collection	0	(41,313)	100.0000	0	S-8	(41,313)
21	5280.000	Non-regulated Operating Revenue	0	0	0.0000	0		0
22	5300.000	Uncollectibles	0	(14,280)	100.0000	0	S-9	(14,280)
23	5301.000	Uncollectibles Telecom	(6,034)	0	100.0000	0		(6,034)
24		Total	$ 5,820,409	$ (1,266,395)		$ 0		$ 4,553,116
		Operation & Maintenance Expense						
25	6100.000	Plant Specific Operating Expense	$ 615,375	$ 0	71.6400	$ 0		$ 440,855
26	6200.000	Plant Nonspecific Operating Exp	250,904	0	69.7600	0		175,031
27	6600.000	Customer Operations Expense	363,534	(38,822)	64.4000	0	S-12	209,115
28	6700.000	Corporations Expense	782,424	(27,577)	68.9800	0	S-11	520,693
29		Total	$ 2,012,237	$ (66,399)		$ 0		$ 1,345,694
		Depreciation Expense						
30		Depreciation Expense	$ 1,218,184	$ 0	69.9700	$ 22,019	S-2	$ 874,382
31		Net Cost of Removal/Storage	20,872	0	100.0000	0		20,872
32		Total	$ 1,239,056	$ 0		$ 22,019		$ 895,254

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment		Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)		(F)
		Other Operating Expenses						
33		Property Taxes	$ 0	$ 0	100.0000	$ 0		$ 0
34		Other Oper. Taxes	219,351	29,918	71.9400	0	S-13	179,324
35		FCC Req.	0	0	100.0000	0		0
36		FCC TRS Fund	0	0	100.0000	0		0
37		Amortization Expense	0	0	0.0000	0		0
38		Total	$ 219,351	$ 29,918		$ 0		$ 179,324
39		Total Operating Expenses	$ 3,470,644	$ (36,481)		$ 22,019		$ 2,420,272
40		Net Income Before Taxes	$ 2,349,765	$ (1,229,914)		$ (22,019)		$ 2,132,644
		Current Income Taxes						
41		Current Income Taxes	$ 793,503	$ 0	62.5337	$ 204,109	S-1	$ 700,316
42		Total	$ 793,503	$ 0		$ 204,109		$ 700,316
		Deferred Income Taxes						
43		Deferred Income Taxes	$ (10,520)	$ 0	100.0000	$ 21,040		$ 10,520
44		Total	$ (10,520)	$ 0		$ 21,040		$ 10,520
45		Total Income Taxes	$ 782,983	$ 0		$ 225,149		$ 710,836
46		Net Operating Income	$ 1,566,782	$ (1,229,914)		$ (247,168)		$ 1,422,008

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Adjustments to Income Statement

Adj No	Description		Total Co Adjustment	Mo Juris Adjustment
	Switched Access Revenue-interLATA	S-3	$ (948,746)	
1.	To delete interstate revenue. (Winter)		$ (2,855,262)	
2.	To adjust USF for year 2002 due to known and measurable decrease in USF monies. (Winter)		$ 1,906,516	
	End User Revenue-intraLATA	S-4	$ 96,839	
1.	To adjust InterLata End User Revenue for growth. (McMellen)		$ 96,839	
	End User Revenue-inter LATA	S-5	$ (234,165)	
1.	To delete interstate revenue. (Winter)		$ (234,165)	
	Special Access Revenue-interLATA	S-6	$ (124,730)	
1.	To delete interstate revenue. (Winter)		$ (124,730)	
	Billing & Collection	S-8	$ (41,313)	
1.	To adjust for interstate billing and collection. (Winter)		$ (41,313)	

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Adjustments to Income Statement

Adj No	Description		Total Co Adjustment	Mo Juris Adjustment
	Uncollectibles	S-9	$ (14,280)	
1.	To adjust for interstate uncollectibles. (Winter)		$ (14,280)	
	Corporations Expense	S-11	$ (27,577)	
1.	To annualize PSC assessment. (McMellen)		$ 1,251	
2.	To annualize Payroll. (McMellen)		$ 47,558	
3.	To annualize Payroll Benefits. (McMellen)		$ 2,778	
4.	To eliminate disallowed Miscellaneous costs. (McMellen)		$ (71,410)	
5.	To eliminate disallowed Professional fees. (Winter)		$ (9,977)	
6.	Interest on Customer Deposits. (McMellen)		$ 2,223	
	Customer Operations Expense	S-12	$ (38,822)	
1.	To eliminate disallowed Advertising costs. (McMellen)		$ (38,822)	
	Other Oper. Taxes	S-13	$ 29,918	
1.	To annualize Property Taxes. (McMellen)		$ 29,918	

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Income Tax

Line	(A)	Test Year (B)	9.25% Return
1	Net Income Before Taxes (Sch 8)	$ 2,132,844	$ 1,417,223
	Add to Net Income Before Taxes		
2	Book Depreciation Expense	$ 895,254	$ 895,254
3	Total	$ 895,254	$ 895,254
	Subtr from Net Income Before Taxes		
4	Interest Expense 2.5000 %	$ 263,368	$ 263,368
5	Book Depreciation Expense	895,254	895,254
6	Total	$ 1,158,622	$ 1,158,622
7	Net Taxable Income	$ 1,869,476	$ 1,153,855
	Provision for Federal Income Tax		
8	Net Taxable Income	$ 1,869,476	$ 1,153,855
9	Deduct Missouri Income Tax 100.0 %	$ 98,021	$ 60,499
10	Deduct City Income Tax	0	0
11	Federal Taxable Income	1,771,455	1,093,356
12	Total Federal Tax	$ 602,295	$ 371,741
	Provision for Missouri Income Tax		
13	Net Taxable Income	$ 1,869,476	$ 1,153,855
14	Deduct Federal Income Tax 50.0 %	$ 301,148	$ 185,871
15	Deduct City Income Tax	0	0
16	Missouri Taxable Income	1,568,329	967,985
17	Total Missouri Tax	$ 98,021	$ 60,499

Steelville Telephone Exchange, Inc.
Case: TC-20-03D
Test year ending 12/31/01

Income Tax

Line	(A)	Test Year (B)	9.25% Return
	Provision for City Income Tax		
18	Net Taxable Income	$ 1,869,476	$ 1,153,855
19	Deduct Federal Income Tax	$ 602,295	$ 371,741
20	Deduct Missouri Income Tax	98,021	60,499
21	City Taxable Income	1,169,160	721,615
22	Total City Tax	$ 0	$ 0
	Summary of Provision for Income Tax		
23	Federal Income Tax	$ 602,295	$ 371,741
24	Missouri Income Tax	98,021	60,499
25	City Income Tax	0	0
26	Total	$ 700,316	$ 432,240
	Deferred Income Taxes		
27	Deferred Investment Tax Credit	$ 0	$ 0
28	Deferred Repair Allowance	0	0
29	Deferred Tax Depreciation	0	0
30	Amort of Deferred Tax Depreciation	0	0
31	Amort of Repair Allowance	0	0
32	Amort of Deferred ITC	10,520	10,520
33	Deferred Unbilled	0	0
34	Total	$ 10,520	$ 10,520
35	Total Income Tax	$ 710,836	$ 442,760