

In the Matter of the Application and Request of The Golden)
Belt Telephone Association, Inc. for an Increase in its Cost-) DOCKET NO. 19-GNBT-505-KSF
Based Kansas Universal Service Fund Support.)

SCHEDULES

PREPARED BY

STAFF

UTILITIES DIVISION

KANSAS CORPORATION COMMISSION

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF

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GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF REVENUE REQUIREMENT
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Description	A Staff Adjusted Total Company	B Total Staff Adjusted Interstate	C Total Staff Adjusted Intrastate
****	*****	*****	*****	*****
1	PROFORMA RATE BASE	\$17,448,952	\$5,369,404	\$12,079,531
2	STAFF RATE OF RETURN	<u>7.22%</u>	<u>7.22%</u>	<u>8.8261%</u>
3	OPERATING INCOME REQUIRED	1,453,827	387,671	1,066,156
4	PROFORMA OPERATING INCOME	<u>1,048,073</u>	<u>1,207,877</u>	<u>(159,803)</u>
5	NET PROFORMA REVENUE INCREASE / (DECREASE)	<u>\$405,753</u>	<u>(\$820,206)</u>	<u>\$1,225,959</u>

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF ADJUSTED AND PRO FORMA RATE BASE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Acct	Description	A Applicant Book Balance	B Applicant Cost Study Adjustments	C Applicant Cost Study Balance	D Applicant Proforma Adjustments	E Applicant Proforma Balance	F Staff Adjustments	G Staff Adjusted Balance	H Interstate Allocation	I Intrastate Allocation	J Staff Adjusted Interstate Rate Base	K Staff Adjusted Total State Rate Base
1	2111	Land	\$33,519	(\$6,214)	\$27,305		\$27,305	(\$25,195)	\$2,110	0.340407	0.659593	\$718	\$1,392
2	2112	Vehicles - Plant	108,432	(20,102)	88,330		88,330	(24,293)	64,037	0.340407	0.659593	21,799	42,238
3	2112.2	Vehicles - Non Plant	0		0		0	0	0	0.340407	0.659593	0	0
4	2115	Garage Work Equipment	0		0		0	0	0	0.340407	0.659593	0	0
5	2116	Other Work Equipment	977,311	(181,183)	796,128	87,770	883,898	(81,880)	802,018	0.340407	0.659593	273,013	529,005
6	2121	Buildings	2,876,742	(533,830)	2,342,912	45,703	2,388,615	(263,076)	2,125,539	0.340407	0.659593	723,548	1,401,991
7	2122	Furniture	61,651	(11,429)	50,222		50,222	(12,960)	37,262	0.340407	0.659593	12,684	24,578
8	2123	Office Support Equipment	146,425	(27,146)	119,279	123,207	242,486	(103,684)	138,802	0.340407	0.659593	47,249	91,553
9	2123.2	Other Communications Equipment	1,936	(359)	1,577		1,577	(434)	1,143	0.340407	0.659593	389	754
10	2123.3	Office Equipment Mailroom	4,925	(913)	4,012		4,012		4,012	0.340407	0.659593	1,366	2,646
11	2124.14	General Purpose Computers	1,188,270	(220,292)	967,978	17,409	985,387		985,387	0.340407	0.659593	335,433	649,954
12	2124.15	General Purpose Computers	331,979	(61,545)	270,434		270,434	(61,834)	208,600	0.340407	0.659593	71,009	137,591
13		Total General Support Facilities	5,731,190	(1,063,013)	4,668,177	274,089	4,942,266	(573,356)	4,368,910			1,487,208	2,881,702
14	2212	COE Digital	2,187,099	(1,413,335)	773,764	16,004	789,768	9,292	799,060	0.656552	0.343448	524,624	274,436
15	2212.1	COE Digital Test Equipment	113,794		113,794		113,794	0	113,794	0.656552	0.343448	74,712	39,082
16	2230	COE Transmission	22,021,494	1,412,026	23,433,520	143,146	23,576,666	(1,051,267)	22,525,399	0.442934	0.557066	9,977,265	12,548,134
17		Total Central Office Equipment	24,322,387	(1,309)	24,321,078	159,150	24,480,228	(1,041,975)	23,438,253			10,576,601	12,861,652
18	2690	Intangibles	0		0		0	0	0	0.340407	0.659593	0	0
19		Total Telephone Plant	0	0	0	0	0	0	0			0	0
20	2422.5	Underground Cable Toll	3,882		3,882		3,882	0	3,882	0.278002	0.721998	1,079	2,803
21	2422.6	Underground Cable HR	7,939		7,939		7,939	0	7,939	0.278002	0.721998	2,207	5,732
22	2423.1	Cable Toll	3,792,376		3,792,376		3,792,376	0	3,792,376	0.278002	0.721998	1,054,288	2,738,088
23	2423.3	Buried Cable CA-Fiber	26,011,882	(596,757)	25,415,125	3,232,384	28,647,509		28,647,509	0.278002	0.721998	7,964,065	20,683,444
24	2423.4	Buried Cable Metallic	6,132,124		6,132,124	(461,278)	5,670,846	(2,166,771)	3,504,075	0.278002	0.721998	974,140	2,529,935
25	2423.8	Buried Cable HR Metallic	39,543		39,543		39,543	461,278	500,821	0.278002	0.721998	139,229	361,592
26	2423.9	Buried Cable HR Fiber	7,116,209		7,116,209		7,116,209	(15,902)	7,100,307	0.278002	0.721998	1,973,900	5,126,407
27	2441	Conduit	489,378		489,378	88,236	577,614	(15,902)	561,712	0.278002	0.721998	156,157	405,555
28		Total Cable and Wire Facilities	43,593,333	(596,757)	42,996,576	2,859,342	45,855,918	(1,737,297)	44,118,621			12,265,065	31,853,556
29		Gross Telephone Plant	73,646,910	(1,661,079)	71,985,831	3,292,581	75,278,412	(3,352,628)	71,925,784			24,328,874	47,596,910
30	3100	Accumulated Depreciation	(55,590,495)	1,594,254	(53,996,241)	1,026,715	(52,969,526)	(2,053,682)	(55,023,208)	0.347622	0.652378	(19,127,278)	(35,895,930)
31	MISC	Misc Accum. Depr and Amort	0		0		0	0	0	1.000000	0.000000	0	0
32		Net Telephone Plant	18,056,415	(66,825)	17,989,590	4,319,296	22,308,886	(5,406,310)	16,902,576			5,201,596	11,700,980
33	1220	Materials and Supplies	395,077		395,077		395,077	0	395,077	0.278002	0.721998	109,832	285,245
34	1402	RTB Stock	0		0		0	0	0	0.340407	0.659593	0	0
35	1403	Goodwill	0		0		0	0	0	0.340407	0.659593	0	0
36	1410	Other Noncurrent Asset	1,359,020	(251,947)	1,107,073	(1,107,073)	0	0	0	0.340407	0.659593	0	0
37	2003	TPUC - Short Term	75,936		75,936	(75,936)	0	0	0	0.340407	0.659593	0	0
38	4361	Deferred Income Taxes	0		0		0	0	0	0.340407	0.659593	0	0
39	4040	Customer Deposits	(31,529)		(31,529)		(31,529)	0	(31,529)	0.340407	0.659593	(10,733)	(20,796)
40	MISC	Other Credit Accounts	0		0		0	0	0	0.340407	0.659593	0	0
41		Net Investment	19,854,919	(318,772)	19,536,147	3,136,287	22,672,434	(5,406,310)	17,266,124			5,300,696	11,965,428
42		Cash Working Capital	223,399		223,399	0	223,399	(40,571)	182,828	direct assign	direct assign	68,709	114,103
43		Total Rate Base	\$20,078,318	(\$318,772)	\$19,759,546	\$3,136,287	\$22,895,833	(\$5,446,881)	\$17,448,952			\$5,369,404	\$12,079,531

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF ADJUSTMENTS TO RATE BASE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Acct	Description	A Applicant Pro Forma Rate Base	B Staff Adjustment No. 1	C Staff Adjustment No. 2	D Staff Adjustment No. 3	E Staff Adjustment No. 4	F Total Staff Adjustments	G Staff Adjusted Rate Base
1	2111	Land	\$27,305	(\$2,900)	(\$22,295)			(\$25,195)	\$2,110
2	2112	Vehicles- Plant	88,330	(24,293)				(24,293)	64,037
3	2112.2	Vehicles - Non Plant	0					0	0
4	2115	Garage Work Equipment	0					0	0
5	2116	Other Work Equipment	883,898	(46,274)	(35,606)			(81,880)	802,018
6	2121	Buildings	2,388,615	(248,927)	(14,149)			(263,076)	2,125,539
7	2122	Furniture	50,222	(13,812)	852			(12,960)	37,262
8	2123	Office Support Equipment	242,486	(32,805)	(70,879)			(103,684)	138,802
9	2123.2	Other Communications Equipment	1,577	(434)				(434)	1,143
10	2123.3	Office Equipment Mailroom	4,012	(1,103)				(1,103)	2,909
11	2124.14	General Purpose Computers	985,387	(266,218)	(8,923)			(275,141)	710,246
12	2124.15	General Purpose Computers	270,434	(74,376)	12,542			(61,834)	208,600
13		Total General Support Facilities	4,942,266	(711,142)	(138,458)	0	0	(849,600)	4,092,666
14	2212	COE Digital	789,768		9,292			9,292	799,060
15	2212.1	COE Digital Test Equipment	113,794					0	113,794
16	2230	COE Transmission	23,576,666		(1,051,267)			(1,051,267)	22,525,399
17		Total Central Office Equipment	24,480,228	0	(1,041,975)	0	0	(1,041,975)	23,438,253
18	2690	Intangibles	0					0	0
19		Total Telephone Plant	0	0	0	0	0	0	0
20	2422.5	Underground Cable Toll	3,882					0	3,882
21	2422.6	Underground Cable HR	7,939					0	7,939
22	2423.1	Cable Toll	3,792,376					0	3,792,376
23	2423.3	Buried Cable CA-Fiber	28,647,509		(2,166,771)			(2,166,771)	26,480,738
24	2423.4	Buried Cable Metallic	5,670,846		461,278			461,278	6,132,124
25	2423.8	Buried Cable HR Metallic	39,543		(15,902)			(15,902)	23,641
26	2423.9	Buried Cable HR Fiber	7,116,209					0	7,116,209
27	2441.0	Conduit	577,614					0	577,614
28		Total Cable and Wire Facilities	45,855,918	0	(1,721,395)	0	0	(1,721,395)	44,134,523
29		Gross Telephone Plant	75,278,412	(711,142)	(2,901,828)	0	0	(3,612,970)	71,665,442
30	3100	Accumulated Depreciation	(52,969,526)	703,010		(2,756,692)		(2,053,682)	(55,023,208)
31	MISC	Misc Accum. Depr and Amort	0					0	0
32		Net Telephone Plant	22,308,886	(8,132)	(2,901,828)	(2,756,692)	0	(5,666,652)	16,642,234
33	1220	Materials and Supplies	395,077					0	395,077
34	1402	RTB Stock	0					0	0
35	1403	Goodwill	0					0	0
36	1410	Other Noncurrent Asset	0					0	0
37	2003	TPUC - Short Term	0					0	0
38	4361	Deferred Income Taxes	0					0	0
39	4040	Customer Deposits	(31,529)					0	(31,529)
40	MISC	Other Credit Accounts	0					0	0
41		Net Investment	22,672,434	(8,132)	(2,901,828)	(2,756,692)	0	(5,666,652)	17,005,782
42		Cash Working Capital	223,399				(40,571)	(40,571)	182,828
43		Total Rate Base	\$22,895,833	(\$8,132)	(\$2,901,828)	(\$2,756,692)	(\$40,571)	(\$5,707,223)	\$17,188,610

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF CASH WORKING CAPITAL AS ADJUSTED
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Description	A Applicant Proforma Balance	B Staff Adjustments	C Staff Adjusted Balance	D Total Staff Adjusted Interstate	E Total Staff Adjusted Intrastate
***	*****	*****	*****	*****	*****	*****
1	Total Operating Expenses	\$8,995,030	(\$1,269,388)	\$7,725,642	\$2,865,347	\$4,860,294
2	Less: Depreciation and Amortization Expenses	<u>3,686,205</u>	<u>(327,009)</u>	<u>3,359,196</u>	<u>1,218,595</u>	<u>2,140,601</u>
3	Net Cash Expense before taxes	5,308,825	(942,379)	4,366,446	1,646,752	2,719,694
4	Federal Income Taxes	0				
5	State Income Taxes	0				
6	Interest Expense (from Schedule B-4-1)	<u>126,809</u>	<u>(44,843)</u>	<u>81,966</u>	<u>25,164</u>	<u>56,803</u>
7	Total Cash Expenses	<u>5,435,634</u>	<u>(987,222)</u>	<u>4,448,412</u>	<u>1,671,916</u>	<u>2,776,496</u>
8	Staff Adjusted Cash Working Capital for O&M Operations (15 days) (total cash expense * .041096) (15 days / 365 days)	<u>\$223,399</u>	<u>(\$40,571)</u>	<u>\$182,811</u>	<u>\$68,709</u>	<u>\$114,103</u>

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO RATE BASE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

LINE NO.	DESCRIPTION	INCREASE / (DECREASE) TO RATE BASE
***	*****	*****
	<u>STAFF ADJUSTMENT NO. 1</u> (Diggs)	
1	Land	(\$2,900)
2	Vehicles - Plant	(24,293)
3	Other Work Equipment	(46,274)
4	Building	(248,927)
5	Furniture	(13,812)
6	Office Support Equipment	(32,805)
7	Other Communications Equipment	(434)
8	Office Equipment Mailroom	(1,103)
9	General Purpose Computers	(266,218)
10	General Purpose Computers	(74,376)
11	Accumulated Depreciation	703,010
12	To reflect Staff's adjustment to allocate general support facilities to non-regulated operations.	
	<u>STAFF ADJUSTMENT NO. 2</u> (Figgs)	
13	Land	(\$22,295)
14	Other Work Equipment	(35,606)
15	Building	(14,149)
16	Furniture	852
17	Office Support Equipment	(70,879)
18	General Purpose Computers	(8,923)
19	General Purpose Computers	12,542
20	COE Digital	9,292
21	COE Transmission	(1,051,267)
22	Buried Cable CA-Fiber	(2,166,771)
23	Buried Cable Metallic	461,278
24	Buried Cable HR Metallic	(15,902)
25	To reflect Staff's adjustment to update plant in service	
	<u>STAFF ADJUSTMENT NO. 3</u> (Figgs)	
26	Accumulated Depreciation	(\$2,756,692)
27	To reflect Staff's adjustment to update accumulated depreciation.	
	<u>STAFF ADJUSTMENT NO. 4</u> (Figgs)	
28	Cash Working Capital	(\$40,571)
29	To reflect Staff's adjustment to cash working capital as a result of all other Staff adjustments.	

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF ADJUSTED AND PRO FORMA OPERATING INCOME STATEMENT
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Acct. No.	Description	A Applicant Book Balance	B Applicant Cost Study Adjustments	C Applicant Cost Study Balance	D Applicant Proforma Adjustments	E Applicant Proforma Balance	F Staff Adjustments	G Staff Adjusted Balance	H -----Allocation-----/ Interstate	I Intrastate	J Staff Adjusted Interstate Balance	K Staff Adjusted Intrastate Balance	L Staff Pro Forma Adjustments	M Staff Pro Forma Adjusted Intrastate
Operating Revenues															
1	5001	Local Network Services Revenues	\$1,062,858		\$1,062,858		\$1,062,858	\$0	\$1,062,858			\$0	\$1,062,858		\$1,062,858
2		Federal High Cost Loop Support	2,887,226		2,887,226	(180,624)	2,706,602	0	2,706,602			0	2,706,602		2,706,602
3		Kansas Universal Service Support	609,984		609,984	(24,148)	585,836	23,063	608,899			0	608,899	1,225,959	1,834,858
4	5080	Network Access Revenue	4,237,927		4,237,927	(1,305)	4,236,622	2,389	4,239,011			4,071,404	167,607		167,607
5	5100	Long Distance Network Service Revenue	0		0		0	0	0			0	0		0
6	5270	Billing and Collection	24,737		24,737		24,737	0	24,737			1,820	22,917		22,917
7	5270	Misc Revenue	197,160		197,160		197,160	(33,521)	163,639			0	163,639		163,639
8	5280	Non-regulated Revenue	115	(115)	0		0	0	0			0	0		0
9	5300	Uncollectible Revenue	(32,031)		(32,031)		(32,031)	0	(32,031)			0	(32,031)		(32,031)
10		Total revenues	8,987,976	(115)	8,987,861	(206,077)	8,781,784	(8,069)	8,773,715			4,073,224	4,700,491	1,225,959	5,926,450
Plant Specific Operations Expenses															
11	6110	Network Support Expense	7,612		7,612		7,612	(2,001)	5,611	0.340407	0.659593	1,910	3,701		3,701
12	6120	General Support Expense	417,015	(77,354)	339,661		339,661	(93,176)	246,485	0.340407	0.659593	83,905	162,580		162,580
13	6210	Central Office Switching Expense	281,659		281,659		281,659	(29,270)	252,389	0.450729	0.549271	113,759	138,630		138,630
14	6230	Central Office Transmission Expense	358,539		358,539		358,539	(2,790)	355,749	0.450729	0.549271	160,346	195,402		195,402
15	6310	Information Orig/Term Expense	0		0		0	0	0	0.000000	0.000000	0	0		0
16	6410	Cable and Wire Facilities Expense	984,895	(11,674)	973,221		973,221	(100,879)	872,342	0.278002	0.721998	242,513	629,829		629,829
17		Total Plant Specific Operations Exp.	2,049,720	(89,028)	1,960,692	0	1,960,692	(228,117)	1,732,575			602,433	1,130,142	0	1,130,142
Plant Non-Specific Operations Expense															
18	6510	Other Plant Expense	0		0		0	0	0	0.340407	0.659593	0	0		0
19	6530	Network Operations Expense	818,312		818,312		818,312	(43,531)	774,781	0.340407	0.659593	263,741	511,040		511,040
20	6540	Access Expense	137,312	(46,947)	90,365		90,365	0	90,365	1.000000	0.000000	90,365	0		0
21	6560	Depreciation & Amortization	3,144,431	(40,983)	3,103,448	582,757	3,686,205	(327,009)	3,359,196	0.362764	0.637236	1,218,595	2,140,601		2,140,601
22	6565	Amort of Plant Acquisition Adjustment	0		0		0	0	0	0.340407	0.659593	0	0		0
23		Total Plant Non-Specific Operations Exp.	4,100,055	(87,930)	4,012,125	582,757	4,594,882	(370,540)	4,224,342			1,572,701	2,651,641	0	2,651,641
Customer Operations Expense															
24	6610	Marketing Expense	268,440	(40)	268,400		268,400	(70,157)	198,243	0.387850	0.612150	76,889	121,354		121,354
25	6620	Directory Expense	184,756	(29,978)	154,778		154,778	0	154,778	0.387850	0.612150	60,031	94,747		94,747
26	6620	Services Expense	227,450		227,450		227,450	(73,818)	153,632	0.387850	0.612150	59,586	94,046		94,046
27		Total Customer Operations Expense	680,646	(30,018)	650,628	0	650,628	(143,975)	506,653			196,505	310,148	0	310,148
Corporate Operations Expense															
28	6710	Executive and Planning Expense	451,006	(12,892)	438,114		438,114	(197,926)	240,188	0.353631	0.646369	84,938	155,250		155,250
29	6720	General and Administrative Expense	1,154,470	(51,742)	1,102,728		1,102,728	(258,367)	844,361	0.418109	0.581891	353,035	491,326		491,326
30	6720	G&A Rate Case Expense	0		0	30,000	30,000	(16,241)	13,759	0.000000	1.000000	0	13,759		13,759
31		Total Corporate Operations Expense	1,605,476	(64,634)	1,540,842	30,000	1,570,842	(472,534)	1,098,308			437,973	660,335	0	660,335
Operating Taxes & Other Operating Expenses															
32	7210	Amortization of ITC	0		0		0	0	0	0.000000	1.000000	0	0		0
33	7220	Operating Federal Income Taxes	0		0		0	0	0	0.000000	1.000000	0	0		0
34	7230	Operating State Income Taxes	0		0		0	0	0	0.000000	1.000000	0	0		0
35	7240	Other Operating Taxes	223,643	(1,569)	222,074		222,074	(42,336)	179,738	0.340407	0.659593	61,184	118,554		118,554
36	7250	Deferred Operating Income Taxes	0		0		0	0	0	0.000000	1.000000	0	0		0
37	7340	Allow. for Funds Used During Const.	(16,506)		(16,506)		(16,506)	0	(16,506)	0.340407	0.659593	(5,619)	(10,887)		(10,887)
38	7370	Contributions and Fees	2,500		2,500		2,500	(2,500)	0	0.399775	0.600225	0	0		0
39	5240	Rent Revenue	0		0		0	0	0	0.000000	1.000000	0	0		0
40	7500	Interest Expense	531		531		531	0	531	0.318748	0.681252	169	362		362
41		Total Oper. Taxes & Other Oper. Exp.	210,168	(1,569)	208,599	0	208,599	(44,836)	163,763			55,735	108,028	0	108,028
42		Total Operating Expenses	8,646,065	(273,179)	8,372,886	612,757	8,985,643	(1,260,001)	7,725,642			2,865,347	4,860,294	0	4,860,294
43		Net Operating Income	\$341,911	\$273,064	\$614,975	(\$818,834)	(\$203,859)	\$1,251,932	\$1,048,073			\$1,207,877	(\$159,803)	\$1,225,959	\$1,066,156

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF ADJUSTMENTS TO INCOME STATEMENT
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Acct. No.	Description	A Applicant Proforma Inc. Statement	B Staff Adjustment No. 1	C Staff Adjustment No. 2	D Staff Adjustment No. 3	E Staff Adjustment No. 4	F Staff Adjustment No. 5	G Staff Adjustment No. 6	H Staff Adjustment No. 7	I Staff Adjustment No. 8	J Staff Adjustment No. 9
***	****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****
		<u>Operating Revenues</u>										
1	5001	Local Network Services Revenues	\$1,062,858									
2		Federal High Cost Loop Support	2,706,602									
3		Kansas Universal Service Support	585,836						\$23,063			
4	5080	Network Access Revenue	4,236,622						1,084			
5	5100	Long Distance Network Service Revenue	0									
6	5270	Billing and Collection	24,737									
7	5270	Misc Revenue	197,160				(\$33,521)					
8	5280	Non-regulated Revenue	0									
9	5300	Uncollectible Revenue	(32,031)									
10		Total revenues	8,781,784	0	0	0	(33,521)	0	24,147	0	0	0
		<u>Plant Specific Operations Expenses</u>										
11	6110	Network Support Expense	7,612	(\$2,001)								
12	6120	General Support Expense	339,661	(93,427)	\$1,138	(\$2,569)		\$2,032				
13	6210	Central Office Switching Expense	281,659		(2,976)	(13,279)		(735)				
14	6230	Central Office Transmission Expense	358,539		5,596	(1,257)		(3,857)				
15	6310	Information Orig/Term Expense	0									
16	6410	Cable and Wire Facilities Expense	973,221		(16,221)	(71,095)		(8,841)				
17		Total Plant Specific Operations Exp.	1,960,692	(95,428)	(12,463)	(88,200)	0	(11,401)	0	0	0	0
		<u>Plant Non-Specific Operations Expense</u>										
18	6510	Other Plant Expense	0									
19	6530	Network Operations Expense	818,312	11,149	(31,276)	(12,038)		(9,269)				
20	6540	Access Expense	90,365									
21	6560	Depreciation & Amortization	3,686,205	16,749								
22	6565	Amort of Plant Acquisition Adjustment	0									
23		Total Plant Non-Specific Operations Exp.	4,594,882	27,898	(31,276)	(12,038)	0	(9,269)	0	0	0	0
		<u>Customer Operations Expense</u>										
24	6610	Marketing Expense	268,400		(16,880)	(3,342)		(2,161)				(\$35,865)
25	6620	Directory Expense	154,778									
26	6620	Services Expense	227,450		(12,902)	(31,901)	(25,207)	(2,596)				
27		Total Customer Operations Expense	650,628	0	(29,782)	(35,243)	(25,207)	(4,757)	0	0	0	(35,865)
		<u>Corporate Operations Expense</u>										
28	6710	Executive and Planning Expense	438,114	(11,056)	(160,529)	(281)		(861)				
29	6720	General and Administrative Expense	1,102,728	(128,092)	(91,618)	(31,536)		(3,397)				
30	6720	G&A Rate Case Expense	30,000							(\$16,241)		
31		Total Corporate Operations Expense	1,570,842	(139,148)	(252,147)	(31,817)	0	(4,258)	0	(16,241)	0	0
		<u>Operating Taxes & Other Operating Expenses</u>										
32	7210	Amortization of ITC	0									
33	7220	Operating Federal Income Taxes	0									
34	7230	Operating State Income Taxes	0									
35	7240	Other Operating Taxes	222,074	(29)							(\$42,307)	
36	7250	Deferred Operating Income Taxes	0									
37	7340	Allow. for Funds Used During Const.	(16,506)									
38	7370	Contributions and Fees	2,500									
39	5240	Rent Revenue	0									
40	7500	Interest Expense	531									
41		Total Oper. Taxes & Other Oper. Exp.	208,599	(29)	0	0	0	0	0	0	(42,307)	0
42		Total Operating Expenses	8,985,643	(206,707)	(325,668)	(167,298)	(25,207)	(29,685)	0	(16,241)	(42,307)	(35,865)
43		Net Operating Income	(\$203,859)	\$206,707	\$325,668	\$167,298	(\$8,314)	\$29,685	\$24,147	\$16,241	\$42,307	\$35,865

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF ADJUSTMENTS TO INCOME STATEMENT
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Acct. No.	Description	K Staff Adjustment No. 10	L Staff Adjustment No. 11	M Staff Adjustment No. 12	N Staff Adjustment No. 13	O Staff Adjustment No. 14	P Staff Adjustment No. 15	Q Staff Adjustment No. 16	R Staff Adjustment No. 17	S Total Staff Adjustments	T Staff Adj. Income Statement
***	****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****
		<u>Operating Revenues</u>										
1	5001	Local Network Services Revenues									\$0	\$1,062,858
2		Federal High Cost Loop Support									0	2,706,602
3		Kansas Universal Service Support									23,063	608,899
4	5080	Network Access Revenue						\$1,305			2,389	4,239,011
5	5100	Long Distance Network Service Revenue									0	0
6	5270	Billing and Collection									0	24,737
7	5270	Misc Revenue									(33,521)	163,639
8	5280	Non-regulated Revenue									0	0
9	5300	Uncollectible Revenue									0	(32,031)
10		Total revenues	0	0	0	0	0	1,305	0	0	(8,069)	8,773,715
		<u>Plant Specific Operations Expenses</u>										
11	6110	Network Support Expense									(2,001)	5,611
12	6120	General Support Expense				(\$291)			(\$59)		(93,176)	246,485
13	6210	Central Office Switching Expense			(\$132)	(1,122)			(11,026)		(29,270)	252,389
14	6230	Central Office Transmission Expense				(33)			(3,239)		(2,790)	355,749
15	6310	Information Orig/Term Expense									0	0
16	6410	Cable and Wire Facilities Expense			(318)	(4,404)					(100,879)	872,342
17		Total Plant Specific Operations Exp.	0	0	(450)	(5,850)	0	0	(14,325)	0	(228,117)	1,732,575
		<u>Plant Non-Specific Operations Expense</u>										
18	6510	Other Plant Expense									0	0
19	6530	Network Operations Expense				(597)			(1,500)		(43,531)	774,781
20	6540	Access Expense									0	90,365
21	6560	Depreciation & Amortization					(\$343,758)				(327,009)	3,359,196
22	6565	Amort of Plant Acquisition Adjustment									0	0
23		Total Plant Non-Specific Operations Exp.	0	0	0	(597)	(343,758)	0	(1,500)	0	(370,540)	4,224,342
		<u>Customer Operations Expense</u>										
24	6610	Marketing Expense	(\$3,191)		(1,843)	(548)			(6,327)		(70,157)	198,243
25	6620	Directory Expense									0	154,778
26	6620	Services Expense			(46)	(1,166)					(73,818)	153,632
27		Total Customer Operations Expense	(3,191)	0	(1,889)	(1,714)	0	0	(6,327)	0	(143,975)	506,653
		<u>Corporate Operations Expense</u>										
28	6710	Executive and Planning Expense	(29)	(\$259)	(125)	(513)			(6,732)	(\$17,541)	(197,926)	240,188
29	6720	General and Administrative Expense	(1,699)	(387)	(1,045)	(593)					(258,367)	844,361
30	6720	G&A Rate Case Expense									(16,241)	13,759
31		Total Corporate Operations Expense	(1,728)	(646)	(1,170)	(1,106)	0	0	(6,732)	(17,541)	(472,534)	1,098,308
		<u>Operating Taxes & Other Operating Expenses</u>										
32	7210	Amortization of ITC									0	0
33	7220	Operating Federal Income Taxes									0	0
34	7230	Operating State Income Taxes									0	0
35	7240	Other Operating Taxes									(42,336)	179,738
36	7250	Deferred Operating Income Taxes									0	0
37	7340	Allow. for Funds Used During Const.									0	(16,506)
38	7370	Contributions and Fees			(2,500)						(2,500)	0
39	5240	Rent Revenue									0	0
40	7500	Interest Expense									0	531
41		Total Oper. Taxes & Other Oper. Exp.	0	0	(2,500)	0	0	0	0	0	(44,836)	163,763
42		Total Operating Expenses	(4,919)	(646)	(6,009)	(9,267)	(343,758)	0	(28,884)	(17,541)	(1,260,001)	7,725,642
43		Net Operating Income	\$4,919	\$646	\$6,009	\$9,267	\$343,758	\$1,305	\$28,884	\$17,541	\$1,251,932	\$1,048,073

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO OPERATIONS
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

LINE NO.	DESCRIPTION	INCREASE / (DECREASE) TO OPERATING INCOME
*	*****	*****
	<u>STAFF ADJUSTMENT NO. 1</u> (Diggs)	
1	Network Support Expense	(\$2,001)
2	General Support Expense	(93,427)
3	Network Operations Expense	11,149
4	Depreciation & Amortization	16,749
5	Executive and Planning Exp	(11,056)
6	General and Administrative Exp	(128,092)
7	Other Operating Taxes	(29)
8	To reflect Staff's adjustment for non-regulated allocation factors applied to the test year GSF rate base balances.	
	<u>STAFF ADJUSTMENT NO. 2</u> (Diggs)	
9	General Support Expense	\$1,138
10	Central Office Switching Expense	(2,976)
11	Central Office Transmission Expense	5,596
12	Cable and Wire Facilities Expense	(16,221)
13	Network Operations Expense	(31,276)
14	Marketing Expense	(16,880)
15	Services Expense	(12,902)
16	Executive and Planning Exp	(160,529)
17	General and Administrative Exp	(91,618)
18	To reflect Staff's adjustment to normalize and update payroll expense.	
	<u>STAFF ADJUSTMENT NO. 3</u> (Diggs)	
19	General Support Expense	(\$2,569)
20	Central Office Switching Expense	(13,279)
21	Central Office Transmission Expense	(1,257)
22	Cable and Wire Facilities Expense	(71,095)
23	Network Operations Expense	(12,038)
24	Marketing Expense	(3,342)
25	Services Expense	(31,901)
26	Executive and Planning Exp	(281)
27	General and Administrative Exp	(31,536)
28	To reflect Staff's adjustment to employee benefits.	
	<u>STAFF ADJUSTMENT NO. 4</u> (Diggs)	
29	Misc Revenue	(\$33,521)
30	Services Expense	(25,207)
31	To reflect Staff's adjustment to Billing and Collections Expense.	
	<u>STAFF ADJUSTMENT NO. 5</u> (Diggs)	
32	General Support Expense	\$2,032
33	Central Office Switching Expense	(735)
34	Central Office Transmission Expense	(3,857)
35	Cable and Wire Facilities Expense	(8,841)
36	Network Operations Expense	(9,269)
37	Marketing Expense	(2,161)
38	Services Expense	(2,596)
39	Executive and Planning Exp	(861)
40	General and Administrative Exp	(3,397)
41	To reflect Staff's adjustment to remove Lease Expense.	

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO OPERATIONS
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

LINE NO.	DESCRIPTION	INCREASE / (DECREASE TO OPERATING INCOME

	<u>STAFF ADJUSTMENT NO. 6</u> (Jackson)	
42	Kansas Universal Service Support	\$23,063
43	Network Access Revenue	1,084
44	To reflect Staff's adjustment to reflect current level of local revenue, intrastate access revenue, and KUSF.	
	<u>STAFF ADJUSTMENT NO. 7</u> (Jackson)	
45	G&A Rate Case Expense	(\$16,241)
46	To reflect Staff's adjustment to update for actual audit expense.	
	<u>STAFF ADJUSTMENT NO. 8</u> (Jackson)	
47	Other Property Taxes	(\$42,307)
48	To reflect Staff's adjustment to update for actual property tax expense.	
	<u>STAFF ADJUSTMENT NO. 9</u> (Jackson)	
49	Marketing Expense	(\$35,865)
50	To reflect Staff's adjustment to remove corporate image advertising expense.	
	<u>STAFF ADJUSTMENT NO. 10</u> (Jackson)	
51	Marketing Expense	(\$3,191)
52	Executive and Planning Expense	(29)
53	General & Administrative Expense	(1,699)
54	To reflect Staff's adjustment to remove dues and donation expense.	
	<u>STAFF ADJUSTMENT NO. 11</u> (Jackson)	
55	Executive and Planning Expense	(\$259)
56	General & Administrative Expense	(387)
57	To reflect Staff's adjustment to remove lobbying expense.	
	<u>STAFF ADJUSTMENT NO. 12</u> (Jackson)	
58	Central Office Switching Expense	(\$132)
59	Cable and Wire Facilities Expense	(318)
60	Marketing Expense	(1,843)
61	Services Expense	(46)
62	Executive and Planning Expense	(125)
63	General and Administrative Expense	(1,045)
64	Contributions and Fees	(2,500)
65	To reflect Staff's adjustment to remove miscellaneous expense.	
	<u>STAFF ADJUSTMENT NO. 13</u> (Jackson)	
66	General Support Expense	(\$291)
67	Central Office Switching Expense	(1,122)
68	Central Office Transmission Expense	(33)
69	Cable and Wire Facilities Exp	(4,404)
70	Network Operations Expense	(597)
71	Marketing Expense	(548)
72	Services Expense	(1,166)
73	Executive and Planning Exp	(513)
74	General and Administrative Exp	(593)
75	To reflect Staff's adjustment to remove clothing allowance expense.	

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO OPERATIONS
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

LINE NO.	DESCRIPTION	INCREASE / (DECREASE) TO OPERATING INCOME

	<u>STAFF ADJUSTMENT NO. 14</u> (Figgs)	
76	Depreciation & Amortization	(\$343,758)
77	To reflect Staff's adjustment to depreciation expense to correspond with updating plant in service.	
	<u>STAFF ADJUSTMENT NO. 15</u> (Figgs)	
78	Network Access Revenue	\$1,305
79	To reverse Company's adjustment to Network Access Revenue.	
	<u>STAFF ADJUSTMENT NO. 16</u> (Figgs)	
80	General Support Expense	(\$59)
81	Central Office Switching Expense	(11,026)
82	Central Office Transmission Expense	(3,239)
83	Network Operations Expense	(1,500)
84	Marketing Expense	(6,327)
85	Executive and Planning Exp	(6,732)
86	To reflect Staff's adjustment to remove travel and training expense.	
	<u>STAFF ADJUSTMENT NO. 17</u> (Figgs)	
87	Executive and Planning Exp	(\$17,541)
88	To reflect Staff's adjustment to remove Board of Director salaries.	

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
INTEREST EXPENSE CALCULATION
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

LINE NO.	DESCRIPTION	A STAFF ADJUSTED	B TOTAL STAFF ADJUSTED INTERSTATE	C TOTAL STAFF ADJUSTED INTRASTATE
***	*****	*****	*****	*****
1	RATE BASE BEFORE CASH WORKING CAPITAL	\$17,266,124	\$5,300,696	\$11,965,428
2	WEIGHTED COST OF DEBT (Schedule C-1)	0.4747%	0.4747%	0.4747%
3	INTEREST EXPENSE	\$81,966	\$25,164	\$56,803

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF HYPOTHETICAL CAPITAL STRUCTURE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Description	A Applicant Per Filing Balance	B Staff Adjustments	C Staff Adjusted Book Balance	D Staff Hypothetical Capital Structure Ratios	E Cost of Capital	F Weighted Cost of Capital
***	*****	*****	*****	*****	*****	*****	*****
1	Total Long Term Debt	\$12,729,437	\$0	\$12,729,437	13.0061%	3.65%	0.4747%
2	Total Common Equity	85,143,244	0	85,143,244	86.9939%	9.60%	8.3514%
3	Total Capitalization	<u>\$97,872,681</u>	<u>\$0</u>	<u>\$97,872,681</u>	<u>100.0000%</u>		<u>8.8261%</u>
	<u>Total Weighted Cost of Debt:</u>						
4	Long Term Debt			<u>0.4747%</u>			
5	Total Cost of Debt			<u>0.4747%</u>			

GOLDEN BELT TELEPHONE ASSOCIATION, INC.
DOCKET NO. 19-GNBT-505-KSF
STAFF ADJUSTED TIER & DSC CALCULATIONS
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Description	Staff Adjusted Total Company	Staff Adjusted Interstate	Staff Pro Forma Adjusted Intrastate
*****	*****	*****	*****	*****
1	TIER	13.79	49.00	19.77

TIMES INTEREST EARNED RATIO

$$\text{TIER} = \frac{\text{Net margin} + \text{Interest on long term debt}}{\text{Interest on long term debt}}$$

	Total Company	Interstate	Pro-Forma Intrastate
	*****	*****	*****
Net Margin ⁽¹⁾	\$1,048,073	\$1,207,877	\$1,066,156
Interst on Long Term Debt ⁽³⁾	81,966	25,164	56,803

CERTIFICATE OF SERVICE

19-GNBT-505-KSF

I, the undersigned, certify that a true and correct copy of the above and foregoing Staff Schedules was served via electronic service this 11th day of October, 2019, to the following:

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