

LOCAL EXCHANGE TELEPHONE COMPANIES

ANNUAL REPORT

For the provision of (check all that apply):

INCUMBENT LOCAL EXCHANGE CARRIER (ILEC)

Class A

Class B

Kalida Telephone Company, Inc.

90-5024

(Exact legal name of respondent)

If name was changed during year, show also the
previous name and date of change.

121 E. Main Street, P.O. Box 267, Kalida, OH 45853

(Address of principal business office at end of year)

**TO THE
PUBLIC UTILITIES COMMISSION OF OHIO**



FOR THE
YEAR ENDED
12/31/2006

PUCO

RECEIVED-DOCKETING DIV
2007 APR 30 PM 4:03

Identity of Respondent

1. Give the location (including street and number) of (a) the main Ohio business office of respondent at the close of the year, and (b) if respondent is a foreign corporation, the main business office if not in this state.

121 E. Main Street, P.O. Box 267, Kalida, OH 45853

2. State whether respondent is a corporation, a joint stock association, a firm or partnership, or an individual. Indicate date of incorporation or date of formation of partnership.

Corporation, 1930

3. If a consolidated or merged company, name all constituent and all merged companies absorbed during the year.

4. Date and authority for each consolidation and for each merger effected during the year.

5. If a reorganized company, give name of original corporation. State the occasion for any reorganization effected during the year.

6. For new entrant carrier (NEC); give PUCO Certification approval date and Case No.

7. For NEC's only describe current serving area.

Corporate Control Over Respondents

1. Did any corporation or corporations, telephone or other, hold control over the respondent at the close of
No

If control was so held, state:

(a) The name and address of the controlling corporation or corporations:

(b) The form of control, whether sole or joint:

(c) The manner in which control was established:

(d) The extent of control:

(e) Whether control was direct or indirect:

(f) If indirect, the name and address of the intermediary through which control was est

2. Did any individual, association, or corporation hold control, as trustee over the respondent at the close of

No

If control was so held, state:

(a) The name and address of the trustee:

(b) The name and address of the beneficiary or beneficiaries for whom the trust was maintained, if available:

RESPONDENTS' CONTROL OVER OTHER CORPORATIONS

3. Did the respondent hold control over other corporations at the close of the year?

No

If so, state:

(a) The name and address of corporation or corporations controlled:

(b) The form of control, whether sole or joint:

(c) Other parties, if any, to joint agreement for control:

(d) The manner in which control was established:

(e) The extent of control:

(f) Whether control is direct or indirect:

(g) If indirect, the name and address of the intermediary through which control was established:

Important Changes During the Year

Hereunder give particulars concerning the matters indicated below. Except as otherwise indicated data furnished should apply to the same period the report covers. Answers should be numbered in accordance with the inquiries and if "none" states the fact, it should be used. If information which answers an inquiry is given elsewhere in the report, identification of the other answer will be sufficient.

1. Purchase or sale of entire property, or of a part of property when service territory is included: Give brief description of each transaction, name of party, date, consideration, and Commission

None

2. Lease of property (to or from another) of the kind covered by the preceding inquiry: To the extent applicable give details corresponding to those required by the preceding inquiry.

None

3. Capital stock and debt issued during the year: Identify the securities, give purpose of issuance, date, consideration received and Commission authorization.

None

4. Changes in articles of incorporation: Give brief particulars of each change and date.

None

5. Other important changes: Give brief particulars of each other important change which is not disclosed elsewhere in this report.

None

Voting Powers and Elections

Name and Address of Stockholders	Number of Shares Held	Number of Voting Shares	Other Vote Empowered Securities
Alfred Wehri	20	20	0
Dorothy Miller	13	13	0
Ronald Nartker	6	6	0
Rosalia Hoffman	4	4	0
Chris Phillips	4	4	0
Alice Velandia	3	3	0
John Schimmoeller	3	3	0
Ron and Dorothy Kerner	3	3	0
Marietta Webken	2	2	0
John Phillips	2	2	0
Richard Unverferth	2	2	0
Robert Rambo	2	2	0
John Kahle	2	2	0
Thomas Erhart	2	2	0
Roger Dickman	2	2	0
Ron Edelbrock	2	2	0
Mary Dowler	2	2	0
David Kehres	2	2	0
Thomas L. Siebeneck	2	2	0
Total Listed Above	78	78	0

Board of Directors

1. Give the names of each person who was a member of the Board of Directors at any time during the year.
2. Columns (d) and (e) relate to Board meetings only.

Name Of Director	Address of Director	Served Continuously From	Term Expired or Current Term Will Expire	No. of Meetings Attended During Year
John Smith	Ft. Jennings, OH	4/1/2002	4/1/2007	12
Roger Dickman	Kalida, OH	4/1/1998	4/1/2008	12
Glen Rampe	Kalida, OH	4/1/1999	4/1/2009	12
Gery Wurth	Ft. Jennings, OH	4/1/2001	4/1/2006	3
Ralph Miller	Kalida, OH	4/1/2000	4/1/2010	11
Don Wehri	Ft. Jennings, OH	4/1/2006	4/1/2011	8

Name Of Chairman: John Smith
Name of Secretary: Roger Dickman
Number of Board Meetings: 12
Number of Directors by Charter: 5
Number of Directors Required: 5

PRINCIPAL GENERAL OFFICERS

Title of General Officer	Department Over Which Jurisdiction is Exercised	Name Of Person Holding The Office At End of Year	Office Address (City and State)
President	Director	John Smith	Kalida, Ohio
Vice President	Director	Ralph Miller	Kalida, Ohio
Secretary	Director	Roger Dickman	Kalida, Ohio
Director	Director	Glen Rampe	Kalida, Ohio
Director	Director	Don Wehri	Kalida, Ohio
Manager	All	Chris Phillip	Kalida, Ohio

Balance Sheet Report

Acct No.	Account Title	Beginning Balance	Ending Balance	Increase or Decrease
CURRENT ASSETS				
1120	Cash and Equivalents	\$0	\$0	\$0
1130	Cash	\$8,509	\$1,850	(\$6,659)
1140	Special Cash Deposits	\$2,387,927	\$2,688,692	\$300,765
1150	Working Cash Advances	\$0	\$0	\$0
1160	Temporary Investments	\$0	\$0	\$0
1180	Telecommunications Accounts Receivable	\$96,893	\$147,451	\$50,558
1181	Acts. Receivable Allowance-Telecom. (Cr.)	\$0	\$0	\$0
1190	Other Accounts Receivable	\$1,821	\$3,600	\$1,779
1191	Accounts Receivable Allowance-Other(Cr.)	\$0	\$0	\$0
1200	Notes Receivable	\$0	\$0	\$0
1201	Notes Receivable Allowance (Cr.)	\$0	\$0	\$0
1210	Interest and Dividends Receivable	\$0	\$0	\$0
1220	Material and Supplies	\$187,317	\$170,887	(\$16,430)
1280	Prepayments	\$0	\$0	\$0
1290	Prepaid Rents	\$0	\$0	\$0
1300	Prepaid Taxes	\$34,667	\$5,750	(\$28,917)
1310	Prepaid Insurance	\$6,682	\$7,710	\$1,028
1320	Prepaid Directory Expenses	\$0	\$0	\$0
1330	Other Prepayments	\$0	\$0	\$0
1350	Other Current Assets	\$0	\$0	\$0
TOTAL CURRENT ASSETS (1401-1500)		\$2,723,816	\$3,025,940	\$302,124
NONCURRENT ASSETS				
1401	Investments in Affiliated Cos.	\$0	\$0	\$0
1402	Investments in Nonaffiliated Cos.	\$497,145	\$503,561	\$6,416
1406	Nonregulated Investments	\$1,161,163	\$1,210,962	\$49,799
1407	Unamort. Debt Issuance Exp.	\$0	\$0	\$0
1408	Sinking Funds	\$0	\$0	\$0
1410	Other Noncurrent Assets	\$0	\$0	\$0
1437	Deferred Tax Regulatory Assets	\$0	\$0	\$0
1438	Deferred Maintenance and Retirements	\$0	\$0	\$0
1439	Deferred Charges	\$0	\$0	\$0
1500	Other Juris. Assets-Net	\$0	\$0	\$0
TOTAL NONCURRENT ASSETS (1401-1500)		\$1,658,308	\$1,714,523	\$56,215
TOTAL PROPERTY, PLANT AND EQUIPMENT				
2001	Telephone Plant in Service	\$3,814,652	\$3,963,595	\$148,943
2002	Prop. Held for Future Telecommunications Use	\$0	\$0	\$0

Balance Sheet Report

Acct No.	Account Title	Beginning Balance	Ending Balance	Increase or Decrease
2003	Tele. Plant Under Construction-Short Term	\$0	\$0	\$0
2004	Tele. Plant Under Construction-Long Term	\$0	\$0	\$0
2005	Tele. Plant Adjustment	\$0	\$0	\$0
2006	Nonoperating Plant	\$0	\$0	\$0
2007	Goodwill	\$0	\$0	\$0
TOTAL PROP., PLANT, EQUIP. (2001-2007)		\$3,814,652	\$3,963,595	\$148,943
TOTAL DEPRECIATION AND AMORTIZATION				
3100	Accum. Deprec.	(\$2,046,539)	(\$2,187,468)	(\$140,929)
3200	Accum. Deprec.-Held for Future Tele. Use	\$0	\$0	\$0
3300	Accum. Deprec.-Nonoper.	\$506,626	\$582,696	\$76,070
3400	Accum. Amort.-Tangible	\$0	\$0	\$0
3410	Accum. Amort.-Capit. Leases	\$0	\$0	\$0
3420	Accum. Amort.-Lshld. Imprv.	\$0	\$0	\$0
3500	Accum. Amort.-Intangible	\$0	\$0	\$0
3600	Accum. Amort.-Other	\$0	\$0	\$0
TOTAL DEPREC. AND AMORT. (3100-3600)		(\$1,539,913)	(\$1,604,772)	(\$64,859)
NET PLANT (2001-2007) Less (3100-3600)		\$5,354,565	\$5,568,367	\$213,802
TOTAL ASSETS (1120-2007) Less (3100-3600)		\$6,656,863	\$7,099,286	\$442,423
TOTAL CURRENT LIABILITIES				
4010	Accounts Payable	\$1,025	\$1,025	\$0
4020	Notes Payable	\$0	\$0	\$0
4030	Advance Billing and Pay.	\$0	\$0	\$0
4040	Customer Deposits	\$0	\$0	\$0
4050	Cur. Maturities-Long Term Debt	\$0	\$0	\$0
4060	Cur. Maturities-Cap. Leases	\$0	\$0	\$0
4070	Income Taxes-Accrued	\$239,796	\$260,998	\$21,202
4080	Other Taxes-Accrued	\$0	\$0	\$0
4100	Net Cur. Def. Oper. Income Taxes	\$0	\$0	\$0
4110	Net Cur. Def. Nonoper. Income Taxes	\$0	\$0	\$0
4120	Other Accrued Liabilities	\$144,544	\$144,544	\$0
4130	Other Current Liabilities	\$0	\$0	\$0
TOTAL CURRENT LIABILITIES (4010-4130)		\$385,365	\$406,567	\$21,202
TOTAL LONG-TERM DEBT				
4210	Funded Debt	\$0	\$0	\$0

Balance Sheet Report

Acct No.	Account Title	Beginning Balance	Ending Balance	Increase or Decrease
4220	Premium on Long-Term Debt	\$0	\$0	\$0
4230	Discount on Long-Term Debt	\$0	\$0	\$0
4240	Reacquired Debt	\$0	\$0	\$0
4250	Obligations Under Cap. Leases	\$0	\$0	\$0
4260	Advances from Affil. Cos.	\$0	\$0	\$0
4270	Other Long-Term Debt	\$0	\$0	\$0
TOTAL LONG TERM DEBT (4210-4270)		\$0	\$0	\$0
TOTAL OTHER LIABILITIE AND DEFFERED CREDITS				
4310	Other Long-Term Liabilities	\$0	\$0	\$0
4320	Unamort. Oper. ITC-Net	\$0	\$0	\$0
4330	Unamort. Nonoper. ITC-Net	\$0	\$0	\$0
4340	Net Noncur. Def. Oper. Income Taxes	\$0	\$0	\$0
4341	Net Deferred Tax Liability Adjustments	\$0	\$0	\$0
4350	Net Noncur. Def. Nonoper. Income Taxes	\$0	\$0	\$0
4360	Other Deferred Credits	\$0	\$0	\$0
4361	Deferred Tax Regulat. Liability	\$0	\$0	\$0
4370	Other Juris. Liab. & Def. Cr.-Net	\$0	\$0	\$0
TOTAL OTHER LIAB. & DEF. CREDIT (4310-4370)		\$0	\$0	\$0
TOTAL STOCKHOLDERS' EQUITY				
4510	Capital Stock	\$154,000	\$0	(\$154,000)
4520	Additional Paid-in Capital	\$0	\$0	\$0
4530	Treasury Stock	(\$300,000)	(\$500,000)	(\$200,000)
4540	Other Capital	\$0	\$0	\$0
4550	Retained Earnings	\$5,404,246	\$5,873,332	\$469,086
TOTAL STOCKHOLDERS EQUITY (4510-4550)		\$5,258,246	\$5,373,332	\$115,086
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$5,643,611	\$5,779,899	\$136,288

Period Ending

Notes to Balance Sheet

Notes to Balance Sheet

Income Statement Report

Acct No.	Account Title	Amount
Local Network Services Revenue		
5001	Basic Area Revenue	\$285,864
5002	Optional Extended Area Revenue	\$0
5003	Cellular Mobile Revenue	\$0
5004	Other Mobile Services Revenue	\$0
5010	Public Telephone Revenue	\$0
5040	Local Private Line Revenue	\$0
5050	Customer Premises Revenue	\$0
5060	Other Local Exchange Revenue	\$0
5069	Other Local Exchange Revenue Settlements	\$0
LOCAL NETWORK SERVICES REVENUES		\$285,864
Network Access Services Revenue		
5081	End User Revenue	\$132,248
5082	Switched Access Revenue	\$623,887
5083	Special Access Revenue	\$248,290
5084	State Access Revenue	\$0
NETWORK ACCESS REVENUE		\$1,004,425
Long Distance Network Services Revenue		
5100	Long Distance Message Revenue	\$122,044
5110	Undirectional LD	\$0
5111	Long Distance Inward-Only Revenue	\$0
5112	Long Distance Outward-Only Revenue	\$0
5121	Subvoice Grade Long Distance Private Network Revenue	\$0
5122	Voice Grade Long Distance Private Network Revenue	\$0
5123	Audio Program Grade Long Distance Private Network Revenue	\$0
5124	Video Program Grade Long Distance Private Network Revenue	\$0
5125	Digital Transmission Long Distance Private Network Revenue	\$0
5126	Long Distance Private Network Switching Revenue	\$0
5128	Other Long Distance Private Network Revenue	\$0
5129	Other Long Distance Private Network Revenue Settlements	\$0
5160	Other Long Distance Revenue	\$0
5169	Other Long Distance Revenue Settlements	\$0
LONG DISTANCE NETWORK SERVICES REVENUE		\$122,044
Miscellaneous Revenue		
5230	Directory Revenue	\$84
5240	Rent Revenue	\$0

Income Statement Report

Acct No.	Account Title	Amount
5250	Corporate Operations Revenue	\$0
5261	Special Billing Arrangements Revenue	\$0
5262	Customer Operations Revenue	\$0
5263	Plant Operations Revenue	\$0
5264	Other Incidental Regulated Revenue	\$0
5269	Other Revenue Settlements	\$13,769
5270	Carrier Billing and Collection Revenue	\$9,877
MISCELLANEOUS REVENUES		\$23,730
Non Regulated Revenue		
5280	Non Regulated Operating Revenue	\$0
NON REGULATED REVENUE		\$0
Uncollectible Revenue		
5301	Uncollectible Revenue - Telecommunications	\$0
5302	Uncollectible Revenue - Other	\$0
UNCOLLECTIBLE REVENUES		\$0
TOTAL OPERATING REVENUE (5001 - 5302)		\$1,436,063

PLANT SPECIFIC OPERATIONS EXPENSE

6112	Motor Vehicle Expense	\$7,536
6113	Aircraft Expense	\$0
6114	Spec. Purpose Vehicles Expense	\$0
6115	Garage Work Equipment Expense	\$0
6116	Other Work Equipment Expense	\$4,762
NETWORK SUPPORT EXPENSE		\$12,298
6121	Land and Building Expense	\$6,849
6122	Furniture and Artworks Expense	\$0
6123	Office Equipment Expense	\$2,795
6124	General Purpose Computers Expense	\$0
GENERAL SUPPORT EXPENSE		\$9,444
6211	Analog Electronic Expense	\$0
6212	Digital Electronic Expense	\$28,281

Income Statement Report

Acct No.	Account Title	Amount
6215	Electro-Mechanical Expense	\$0
CENTRAL OFFICE SWITCH EXPENSE		\$28,281
6220	Operator Systems Expense	\$0
6231	Radio Facilities Expense	\$0
6232	Circuit Equipment Expense	\$23,801
CENTRAL OFFICE TRANSM. EXPENSE		\$23,801
6311	Station Apparatus Expense	\$0
6341	Large Private Branch Exchange Expense	\$0
6351	Public Telephone Terminal Equipment Expense	\$0
6362	Other Terminal Equipment Expense	\$0
INFO. ORIG./TERM EXPENSE		\$0
6411	Poles Expense	\$0
6421	Aerial Cable Expense	\$1,454
6422	Underground Cable Expense	\$35,573
6423	Buried Cable Expense	\$18,441
6424	Submarine Cable Expense	\$0
6425	Deep Sea Cable Expense	\$0
6426	Intrabuilding Network Cable Expense	\$0
6431	Aerial Wire Expense	\$91
6441	Conduit Systems Expense	\$3,396
CABLE AND WIRE FACIL. EXPENSE		\$58,955
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE (6110-6410)		\$132,779
 <u>PLANT NONSPECIFIC OPERATIONS EXPENSE:</u>		
6511	Property Held for Future Telecommunications Use Ex	\$0
6512	Provisioning Expense	\$0
OTHER PROP., PLANT & EQUIP. EXPENSE		\$0
6531	Power Expense	\$0
6532	Network Administration Expense	\$0
6533	Testing Expense	\$0
6534	Plant Oper. Admin. Expense	\$143,152
6535	Engineering Expense	\$0

Income Statement Report

Acct No.	Account Title	Amount
NETWORK OPERATIONS EXPENSE		\$143,152
6540	Access Expense	\$19,202
6561	Depreciation Expense-Telecommunications Plant In Service	\$170,389
6562	Depreciation Expense-Property Held for Future Tele	\$0
6563	Amortization Expense-Tangible	\$0
6564	Amortization Expense-Intangible	\$0
6565	Amortization Expense-Other	\$0
DEPRECIATION & AMORT. EXPENSE		\$189,591
TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE (6510-6560)		\$332,743
 <u>CUSTOMER OPERATIONS EXPENSE:</u>		
6611	Product Management	\$19,974
6612	Sales	\$0
6613	Product Advertising	\$2,722
MARKETING EXPENSE		\$22,696
6621	Call Completion Services	\$0
6622	Number Services	\$0
6623	Customer Services	\$0
SERVICES EXPENSE		\$0
TOTAL CUSTOMER OPERATIONS EXPENSE (6610-6620)		\$22,696
 <u>CORPORATE OPERATIONS EXPENSE:</u>		
6711	Executive	\$29,313
6712	Planning	\$0
EXECUTIVE AND PLANNING EXPENSE		\$29,313
6721	Accounting and Finance	\$0
6722	External Relations	\$0
6723	Human Resources	\$0
6724	Information Management	\$0
6725	Legal	\$0
6726	Procurement	\$0
6727	Research and Development	\$0

Income Statement Report

Acct No.	Account Title	Amount	
6728	Other General and Administrative	\$288,364	
	GENERAL AND ADMINISTRATIVE EXPENSE	\$288,364	
6790	Provision for Uncollectible Notes Receivable	\$0	
	PROVISION FOR UNCOLLECTIBLE NOTES REC. EXPEN	\$0	
	TOTAL CORPORATE OPERATIONS EXPENSE (6721-6728)		\$317,677
	<u>OPERATING TAXES:</u>		
7210	Operating Investment Tax Credits-Net	\$0	
7220	Operating Federal Income Taxes		
7230	Operating State and Local Income Taxes		
7240	Operating Other Taxes	\$285,751	
7250	Provision for Deferred Operating Income Taxes-Net	\$0	
	OPERATING TAXES EXPENSE	\$285,751	
	TOTAL OPERATING TAX EXPENSE		\$285,751
	NET OPERATING INCOME = (5001-5302) LESS (6110-7200)		\$344,417
	<u>OTHER OPERATING INCOME AND EXPENSE:</u>		
7110	Income from Custom Work	\$0	\$0
7130	Return from Nonreg. Use of Regulated Facilities	\$0	\$0
7140	Gains and Losses from Foreign Exchange	\$0	\$0
7150	Gains or Losses from Disposition of Land & Artwork	\$0	\$0
7160	Other Operating Gains & Losses	\$0	\$0
	TOTAL OTHER OPERATING INCOME AND EXPENSE	\$0	\$0
7310	Dividend Income	\$51	\$0
7320	Interest Income	\$72,733	\$0
7330	Income from Sinking and Other Funds	\$0	\$0
7340	Allowance for Funds Used During Construction	\$0	\$0
7350	Gains or Losses from Disposition of Certain Prop.	\$6,061	\$0
7360	Other Nonoperating Income	\$4,423	\$0
7370	Special Charges	\$0	\$0
	TOTAL NONOPERATING INCOME AND EXPENSE	\$83,268	\$0
7410	Nonoperating Investment Tax Credits-Net		\$0

Income Statement Report

Acct No.	Account Title	Amount	
7420	Nonoperating Federal Income Taxes		\$0
7430	Nonoperating State & Local Income Taxes		\$0
7440	Nonoperating Other Taxes		\$0
7450	Provision for Deferred Nonoperating Income Taxes-N		\$0
TOTAL NONOPERATING TAXES			\$0
7510	Interest on Funded Debt		\$0
7520	Interest Expense-Capital Leases		\$0
7530	Amortization of Debt Issuance Expense		\$0
7540	Other Interest Deductions		\$0
TOTAL INTEREST AND RELATED ITEMS			\$0
7610	Extraordinary Income Credits	\$0	\$0
7620	Extraordinary Income Charges	\$0	\$0
7630	Current Income Tax Effect of Extraord. Items-Net	\$0	\$0
7640	Prov. for Def. Inc. Tax Effect of Extraord. Items-	\$0	\$0
TOTAL EXTRAORDINARY ITEMS EXPENSE			\$0
7910	Income Effect of Juris. Ratemaking Dif.-Net	\$0	\$0
7990	Nonregulated Net Income	\$72,001	\$0
JURISDICTIONAL DIFFERENCES AND NONREGULATED INCOME ITEMS:			\$72,001
NET INCOME			\$499,686

Notes to Income Statement

NonRegulated Income	\$ 591,511
Interest Income	18,717
Dividend Income	29
Pass through LLC	522
TOTAL	\$ 610,779

NonRegulated Expense

Vehicle Expense	\$ 1,435
Depreciation	84,900
Insurance	15,395
Taxes	11,243
Network Operations	347,959
Salaries - Office	13,479
Repairs & Maintenance	25,319
Cost of Merchandise Sold	11,240
Pension	2,925
Provision for IncomeTax	19,300
Executive	5,583
TOTAL	\$ 538,778

NET PROFIT \$ 72,001

Statement of Retained Earnings-Acct 4550

Description	Amount
Balance First of Year	\$5,404,246
Balance Transferred from Income	\$499,686
Dividends Declared	\$30,600
Miscellaneous Debits to Retained Earnings	\$0
Miscellaneous Credits to Retained Earnings	\$0
Balance - End Of Year	\$5,873,332

*Notes:

Partnership Capital Statement - Acct 4540

AccountNo **4540**

<u>Description</u>	<u>Amount</u>
Partnership Capital (Beginning of Year)	\$0
Net Income (Loss) for Year	\$0
Partners' Capital Contributions	\$0
Miscellaneous Credits	\$0
Partners' Drawing	\$0
Prior Period Adjustment(s)	\$0
Miscellaneous Debits	\$0
TOTAL PARTNERSHIP CAPITAL (END OF YEAR)	\$0

Note:

Analysis of Plant In Service (in dollars)

Account No 2001

Sub Acct No	Sub Account Title	Balance First Of Year	Additions During Year	Retirements During Year	Adjustments Debit Or Credit	Balance End of Year
2002	Property Held For Future Telecommunications	\$0	\$0	\$0	\$0	\$0
2110	Land and Support Assets	\$0	\$0	\$0	\$0	\$0
2111	Land	\$48,447	\$0	\$0	\$0	\$48,447
2112	Motor Vehicles	\$113,492	\$0	\$0	\$0	\$113,492
2113	Aircraft	\$0	\$0	\$0	\$0	\$0
2114	Special Purpose Vehicles	\$0	\$0	\$0	\$0	\$0
2115	Garage Work Equipment	\$0	\$0	\$0	\$0	\$0
2116	Other Work Equipment	\$275,717	\$4,989	\$709	\$0	\$279,997
2121	Buildings	\$336,322	\$0	\$0	\$0	\$336,322
2122	Furniture	\$20,322	\$0	\$0	\$0	\$20,322
2123.	Office Support Equip.	\$3,707	\$0	\$0	\$0	\$3,707
2123.	Co. Comm. Equip.	\$0	\$0	\$0	\$0	\$0
2124	General Purpose Computers	\$130,912	\$0	\$0	\$0	\$130,912
2211	Analog Electronic Switching	\$0	\$0	\$0	\$0	\$0
2212	Digital Electronic Switching	\$786,817	\$22,656	\$0	\$0	\$809,473
2215	Electro-Mechanical Switching	\$0	\$0	\$0	\$0	\$0
2215.	Step-by-step Switching	\$0	\$0	\$0	\$0	\$0
2215.	Crossbar Switching	\$0	\$0	\$0	\$0	\$0
2215.	Other Elec.-Mech. Switching	\$0	\$0	\$0	\$0	\$0
2220	Operator Systems	\$0	\$0	\$0	\$0	\$0

Analysis of Plant In Service (in dollars)

Account No 2001

Sub Acct No	Sub Account Title	Balance First Of Year	Additions During Year	Retirements During Year	Adjustments Debit Or Credit	Balance End of Year
2231	Radio Systems	\$0	\$0	\$0	\$0	\$0
2232	Circuit Equipment	\$329,250	\$143,016	\$50,289	\$0	\$421,977
2311	Station Apparatus	\$50,297	\$0	\$0	\$0	\$50,297
2321	Customer Premises Wiring	\$0	\$0	\$0	\$0	\$0
2341	Large Private Branch Exchanges	\$0	\$0	\$0	\$0	\$0
2351	Public Tele. Terminal Equipment	\$0	\$0	\$0	\$0	\$0
2362	Other Terminal Equipment	\$0	\$0	\$0	\$0	\$0
2411	Poles	\$1,970	\$0	\$0	\$0	\$1,970
2421	Aerial Cable	\$1,391	\$0	\$0	\$0	\$1,391
2422	Underground Cable	\$5,660	\$0	\$3,731	\$0	\$1,929
2423	Buried Cable	\$900,813	\$13,524	\$540	\$0	\$913,797
2424	Submarine Cable	\$0	\$0	\$0	\$0	\$0
2425	Deep Sea Cable	\$0	\$0	\$0	\$0	\$0
2426	Intrabuilding Network Cable	\$0	\$0	\$0	\$0	\$0
2431	Aerial Wire	\$384,907	\$904	\$0	\$0	\$385,811
2441	Conduit Systems	\$424,628	\$19,123	\$0	\$0	\$443,751
2680	AMORTIZABLE TANGIBLE ASSET	\$0	\$0	\$0	\$0	\$0
2681	Capital Leases	\$0	\$0	\$0	\$0	\$0
2682	Leasehold Improvements	\$0	\$0	\$0	\$0	\$0
2690	Intangibles	\$0	\$0	\$0	\$0	\$0

Analysis of Plant In Service (in dollars)

Totals	\$3,814,652	\$204,212	\$55,269	\$0	\$3,963,595
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Accumulated Provision For Depreciation

Account No 3100

Sub Acct No	Account Sub Title (a)	Accumulated Depreciation Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Original Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Other Additions or Deductions (h)	(i)	Balance End of Year (j)=(b)+(d)-(f)+(g)+(h)-(i)
2111	Land	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2112	Motor Vehicles	\$51,080	11.88%	\$13,483	\$0	\$0	\$0	\$0	\$0	\$64,563
2113	Aircraft	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2114	Special Purpose Vehicles	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2115	Garage Work Equip.	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2116	Other Work Equip.	\$185,347	9.50%	\$18,771	\$709	\$0	\$0	\$0	\$0	\$203,409
2121	Buildings	\$117,522	2.85%	\$9,028	\$0	\$0	\$0	\$0	\$0	\$126,550
2122	Furniture	\$10,626	7.69%	\$931	\$0	\$0	\$0	\$0	\$0	\$11,557
2123.1	Office Support Equip.	\$2,842	16.67%	\$157	\$0	\$0	\$0	\$0	\$0	\$2,999
2123.2	Co. Comm. Equip.	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2124	Gen. Purpose Computers	\$64,128	20.00%	\$18,309	\$0	\$0	\$0	\$0	\$0	\$82,437
2211	Analog Electronic Switching	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2212	Digital Electronic Switching	\$692,616	8.00%	\$19,343	\$0	\$0	\$0	\$0	\$0	\$711,959
2212.1	Digital Switch. - Hardware	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2212.2	Digital Switch. - Software	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2215	Electro-Mechanical Switching	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2215.1	Step-by-Step Switch.	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2215.2	Crossbar Switch.	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2215.3	Oth. Ele. Mech. Switch.	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Operator Systems	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Central Office-Transmission	\$137,981	8.00%	\$52,060	\$50,289	\$0	\$0	\$0	\$0	\$139,752
2231	Radio Systems	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2232	Circuit Equip.	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2215	Electro-Mechanical Switching	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2311	Station Apparatus	\$49,379	13.90%	\$736	\$0	\$0	\$0	\$0	\$0	\$50,115

Accumulated Provision For Depreciation

Account No 3100

Sub Acct No	Account Sub Title (a)	Accumulated Depreciation Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Original Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Other Additions or Deductions (h)	Balance End of Year (j)=(b)+(d)-(c)-(f)+(g)+(h)-(i)
2321	Cust. Premises Wiring	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2341	Large Priv. Branch Exch.	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2351	Pub. Tele. Terminal Equip.	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2362	Other Term. Equipment	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2411	Poles	\$1,971	8.06%	\$0	\$0	\$0	\$0	\$0	\$1,971
2421	Aerial Cable	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2421.1	Aerial Cable - Metallic	\$3,983	6.32%	\$605	\$3,731	\$0	\$0	\$0	\$857
2421.2	Aerial Cable - Nonmetallic	\$666	4.57%	\$63	\$0	\$0	\$0	\$0	\$729
2421.3	Aerial Cable - Drop	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2422	Underground Cable	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2422.1	Underground Cable - Metallic	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2422.2	Underground Cable - Nonmetallic	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2423	Buried Cable	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2423.1	Buried Cable - Metallic	\$509,950	5.00%	\$33,157	\$540	\$0	\$0	\$0	\$542,567
2423.2	Buried Cable - Nonmetallic	\$133,304	4.57%	\$17,599	\$0	\$0	\$0	\$0	\$150,903
2423.3	Buried Cable - Drop	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2424	Submarine Cable	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2425	Deep Sea Cable	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2426	Intrabldg. Net. Cable	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2426.1	Intrabldg. Net. Cable - Metallic	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2426.2	Intrabldg. Net. Cable - Nonmetallic	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2431	Aerial Wire	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
2441	Conduit Systems	\$85,144	2.75%	\$11,956	\$0	\$0	\$0	\$0	\$97,100
SubTotal		\$2,046,539		\$196,198	\$55,269	\$0	\$0	\$0	\$2,187,468

Uncollectible Account 1181

1. Balance at Beginning of the Year	\$0
2. Accruals Charged	\$0
3. Collection of Amounts Previously Written O	\$0
4. Other Credits	\$0
5. TOTAL CREDITS	\$0
6. Uncollectibles Written Off During the Yea	\$0
7. Other Debits (Explain in a Note):	\$0
8. TOTAL DEBITS	\$0
9. Balance at End of the Year	\$0
10. Net Write Offs During the Year	\$0
11. TOTAL OPERATING REVENUE FOR THE YEAR	\$1,436,063

Ratio of Net Write Off During the Year to Total Operating Revenue for the Year 0

Ratio of Accruals Charged To Line Total Operating Revenue for the Yea 0

Note: Other Debit represents amount transferred to CBTS (1.2MM) and removing allowance related to late payment fee receivables (2.3MM).

Uncollectible Account 1191

1. Balance at Beginning of the Year	\$0
2. Accruals Charged	\$0
3. Collection of Amounts Previously Written O	\$0
4. Other Credits	\$0
5. TOTAL CREDITS	\$0
6. Uncollectibles Written Off During the Yea	\$0
7. Other Debits (Explain in a Note):	\$0
8. TOTAL DEBITS	\$0
9. Balance at End of the Year	\$0
10. Net Write Offs During the Year	\$0
11. TOTAL OPERATING REVENUE FOR THE YEAR	\$1,436,063

Ratio of Net Write Off During the Year to Total Operating Revenue for the Year 0

Ratio of Accruals Charged To Line Total Operating Revenue for the Yea 0

Note: Other Debit represents amount transferred to CBTS (1.2MM) and removing allowance related to late payment fee receivables (2.3MM).

Account 1160 Temporary Investments

Account No 1160

Name of Affiliate (a)	Amount (b)
N/A	\$0
Total Affiliated:	\$0
Total Nonaffiliated:	\$0
Total Balance	\$0

Account 1180 Telecom. Accounts Receivable

Account No 1180

Name of Affiliate (a)	Amount (b)
UnRegulated Subscribers	\$147,451
Total Affiliated:	\$147,451
Total Nonaffiliated:	\$0
Total Balance	\$147,451

Accounts Receivable Telecom Allowance Account 1181

Account No 1181

Name of Affiliate (a)	Amount (b)
N/A	\$0
Total Affiliated:	\$0
Total Nonaffiliated:	\$0
Total Balance	\$0

Account 1190 Other Accounts Receivable

Account No 1190

Name of Affiliate (a)	Amount (b)
Unregulated Subscribers	\$3,600
Total Affiliated:	<hr/> \$3,600
Total Nonaffiliated:	\$0
Total Balance	\$3,600

Account 1191 Accounts Receivable Allowance - Other

Account No 1191

Name of Affiliate (a)	Amount (b)
N/A	\$0
Total Affiliated:	\$0
Total Nonaffiliated:	\$0
Total Balance	\$0

Account 1200 Notes Receivable

Account No 1200

Name of Affiliate (a)	Amount (b)
N/A	\$0
Total Affiliated:	\$0
Total Nonaffiliated:	\$0
Total Balance	\$0

Account 1201 Notes Receivable Allowance

Account No 1201

Name of Affiliate (a)	Amount (b)
N/A	\$0
Total Affiliated:	\$0
Total Nonaffiliated:	\$0
Total Balance	\$0

Account 1210 Interest and Dividends Receivable

Account No 1210

Name of Affiliate (a)	Amount (b)
N/A	\$0
Total Affiliated:	\$0
Total Nonaffiliated:	\$0
Total Balance	\$0

Account 1401 Investments in Affiliated Companies

Account No 1401

Name of Affiliate (a)	Amount (b)
N/A	\$0
Total Affiliated:	\$0
Total Nonaffiliated:	\$0
Total Balance	\$0

Account 1402 Investments in Affiliated Companies

Account No 1402

Name of Affiliate (a)	Amount (b)
Communications Venture Corp.	\$122,500
Kalida Natural Gas	\$7,200
Com Net, Inc.	\$18,000
North West Net, Inc.	\$48,000
Bright Long Distance, LTD	\$2,441
Venture Leasing	\$65,007
Fiber Solutions of Ohio,LLC	\$31,490
Bright CLEC, LLC	\$2,749
Note Receivable	\$175,000
Broadband Network Group	\$6,174
Video Project	\$25,000
Total Affiliated:	\$503,561
Total Nonaffiliated:	\$0
Total Balance	\$503,561

Account 1438 Deferred Charges

(Include data for each item in excess of \$1,000,000)

Account No 1438

Description of Item (a)	Amount (b)
N/A	\$0
Total	\$0

Account 1439 Deferred Charges**(Include data for each item in excess of \$1,000,000)**

Account No 1439

Description of Item (a)	Amount (b)
N/A	\$0
Total	\$0

Other Jurisdictional Asset Net - Account 1500

Account No 1500

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
N/A	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0

Net Current Deferred Operating Income Tax - Account 4100

Account No 4100

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
N/A	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0

Net Noncur. Def. Operating Income Taxes - Account 4340

Account No 4340

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
N/A	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0

Net Deferred Tax Liability Adjustments - Account 4341

Account No 4341

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
N/A	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0

Other Juris. Liability And Def. Cr. - Net - Account 4370

Account No 4370

Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e) = (b) - (c) + (d)
N/A	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0

Long Term Debt - Acct 4210

Account No 4210

Description of Obligation (a)	Beginning Balance	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short- Term Portion (h)	Long- Term Portion (i)
N/A	\$0.00			\$0.00	\$0.00	0	0	\$0.00	\$0.00
Total	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00

Long Term Debt - Acct 4220

Account No 4220

Description of Obligation (a)	Beginning Balance	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short- Term Portion (h)	Long- Term Portion (i)
N/A	\$0.00			\$0.00	\$0.00	0	0	\$0.00	\$0.00
Total	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00

Kalida Telephone Company, Inc.

Period Ending:

12/31/2006

Long Term Debt - Acct 4230

Account No 4230

Description of Obligation (a)	Beginning Balance	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short- Term Portion (h)	Long- Term Portion (i)
N/A	\$0.00			\$0.00	\$0.00	0	0	\$0.00	\$0.00
Total	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00

Long Term Debt - Acct 4250

Account No 4250

Description of Obligation (a)	Beginning Balance	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short- Term Portion (h)	Long- Term Portion (i)
N/A	\$0.00			\$0.00	\$0.00	0	0	\$0.00	\$0.00
Total	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00

Long Term Debt - Acct 4260

Account No 4260

Description of Obligation (a)	Beginning Balance	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short- Term Portion (h)	Long- Term Portion (i)
N/A	\$0.00			\$0.00	\$0.00	0	0	\$0.00	\$0.00
Total	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00

Long Term Debt - Acct 4270

Account No 4270

Description of Obligation (a)	Beginning Balance (b)	Nominal Date of Issue (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short- Term Portion (h)	Long- Term Portion (i)
N/A	\$0.00		\$0.00	\$0.00	0	0	\$0.00	\$0.00
Total	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00

Other Deferred Credits (Acct 4360)

Account No 4360

Description Of Obligation	Amount
N/A	\$0
Total	\$0

Deferred Tax Regulatory Liability (Acct 4361)

Account No 4361

Description Of Obligation	Amount
N/A	\$0
Total	\$0

Capital Stock - Account 4510

Account No 4510

Class/Description Of Capital Stock (a)	Par Or Stated Value Amount (b)	Number of Shares Authorized (c)	Number of Stock Issued (d)	Acct 4510 (e) = (b) x (d) \$ Amount of Stock Issued And Outstanding (e)	Acct 4520 Additional Paid in Capital (f)	Total (Col. (d + e)) (g)	Number of Shares of Treasury Stock (h)	Acct 4530 Amount In Treasury Stock Account (i)	Total Declared Dividends (j)
	\$0.00	204	204	\$0	\$0	\$0	55	\$500,000	\$30,600
Totals	\$0.00	204	204	\$0	\$0	\$0	55	\$500,000	\$30,600

General Services and Licenses

Name(s) of Affiliate (a)	Service Provided (b)	Amount (in dollars) (c)
NONE		\$0
Total		\$0

Taxes Other Than Income Taxes - Operating Account 7240

Account No 7240

Type of Tax (Specify)	Amount
Ohio Property Tax	\$29,952
Ohio Commercial Activities Tax	\$1,187
PUCO/OCC Assessment	\$1,586
Other Taxes Specify	\$0
Municipal Taxes	\$4,750
Franchise Taxes	\$10,931
Payroll Taxes	\$17,345
Provision for Income Tax	\$220,000
Total Account 7240	\$285,751

Analysis of Extraordinary Items (Accounts 7610)
(in dollars)

1. In column (a) provide the particulars with respect to Accounts 7610, with totals for each account.

Account No. 7610

Particulars (a)	Debits (b)	Credits (c)	Tax Effect Included in Account 7630 (d)	Tax Effect Included in Account 7640 (e)
N/A	\$0	\$0	\$0	\$0
TOTALS	\$0	\$0	\$0	\$0
Total For Acct 7610	\$0			

Analysis of Extraordinary Items (Accounts 7620)
(in dollars)

1. In column (a) provide the particulars with respect to Accounts 7620, with totals for each account.

Account No 7620

Particulars (a)	Debits (b)	Credits (c)	Tax Effect Included in Account 7630 (d)	Tax Effect Included in Account 7640 (e)
N/A	\$0	\$0	\$0	\$0
TOTALS	\$0	\$0	\$0	\$0
Total For Acct 7620	\$0			

Employee Compensation

	Male	Female	Total	Operation and Maint.	Construction Wages	Other Wages	Total Compensation for Year Ending December 31
Full-time	3	3		\$221,732	\$17,473	\$0	\$239,205
Part-time	2	0		\$0	\$0	\$0	\$0
Totals	5	3	8	\$221,732	\$17,473	\$0	\$239,205

Other Employee Compensation

Description:	Amount
N/A	\$0
Totals	\$0

Outside Plant Statistics (Wire)

1. Report the mileage at the end of the year for all solely owned plant and the respondent's share of any jointly owned plant.

State or Territory (p)	AERIAL CABLE		UNDERGROUND CABLE		BURIED CABLE		SUBMARINE CABLE		DEEP SEA CABLE		INTRA BUILDING NETWORK CABLE			TOTAL CABLE		
	Miles of Aerial Wire (c)	Miles of Cable (d)	Miles of Cable (f)	Miles of Wire in Cable (g)	Miles of Cable (h)	Miles of Wire in Cable (i)	Miles of Cable (j)	Miles of Wire in Cable (k)	Miles of Cable (l)	Miles of Wire in Cable (m)	Miles of Cable (n)	Miles of Wire in Cable (o)	Miles of Cable (p)	Miles of Wire in Cable (q)		
OH	0	10	111	0	0	166	5421	0	0	0	0	0	0	0	175	5632

Outside Plant Statistics (Poles)

1. Report the mileage at the end of the year for all solely owned plant and the respondent's share of any jointly owned plant.

2. In column (r), provide the number of poles that company owns, and shares & joints use with other company.

3. Column (p) and (q) are not included in column (c) Miles of Aerial Wire.

State or Territory (b)	Number of Poles (r)		Miles of Tube In Coaxial Cable (s)		CONDUIT SYSTEM	
	Company Owned Poles	Company shares & Joint use with other company	(In Ground)	(Aerial)	Trench Miles (t)	Duct Miles (u)
N/A	0	0	0	0	0	0

Detail Of Ohio Exchange Access Lines In Service By Customer Class

(For Company with less than 15,000 access lines)

Name of Exchange (a)	<u>Business Access Lines</u>				Special Access Lines (Non-Switched) (g)	Total Access Lines (h)
	Single Line (b)	Multi Line (c)	Public Access Lines (d)	Residential Access Lines (e)		
Kalida	50	314	9	1127	42	1542

List all of the access line data by exchange.

Detail Of Billable Access Lines In Service By Exchange In Ohio

Name of Exchange (a)	No. of CO (s) In Exchange (b)	Type & Model(s) of CO(s) In Exchange (c)	Business Access Lines		No. of Company Pay Stations (f)	No. of Residential Access Lines		No. of Total Access Lines (i)
			Single Line (d)	Multi Line Trunks (e)		1-Party (g)	Multi-Party (h)	
Kalida	1	DCO	370	0	3	1127		

List all of the access line data by exchange.

For exchanges with multiple central offices, list the number of each type of central office, e.g., 12-SESS, 1-61E, 2-DMS10, etc. The total should equal the total number of COs listed in Column (b).

Unusual switch types should be characterized as Electromechanical, Analog or Digital.

Use the following symbols to show in the above columns:

*Includes Key System, PBS and Centrox.

**Includes all Single Line Business Access Lines.

***Denotes SESS switch but not located in the exchange, or service provided over UNE.

N/A Columns (d) and (e) not determined for out of territory Exchanges, all business lines reported as multiline

Ohio Central Offices Scheduled To Be Upgraded

Date Expected to be Placed In Service	Manufacturer & Type of Equipment	Capable of Independeant Operation? (Yes) or (No)
N/A		

Note: This form is only applicable to local exchange companies with less than 15,000 access lines.
Date: Date new switch was placed or will be placed in service.
Manufacturer Type of Equipment: List the type of switch and its manufacturer.
(Yes) or (No): Is the switch a HOST or REMOTE, i.e. does it have stand-alone capability.

Projection of New or Changed Ohio Central Office Prefixes (NXX) To Be Placed In Service

<u>Prefixes (NXX) Number (s)</u>	<u>Date Expected to be Operational</u>
----------------------------------	--

N/A

Note: This form is only applicable to local exchange companies with less than 15,000 access lines.
Prefixes (NXX) Number(s): Where any new NXXs placed in service or will any be placed in service in the upcoming year.
Date: Give date new NXX was or will be operational.

SCHEDULE: 31 NO LONGER USED

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SCHEDULE: 31 NO LONGER REQUIRED

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Service Connection Assistance (SCA)

Class Of Service and/or Measured)	Number of Program Participants- End of Period (A)	Number of Program Participants- During Period (B)	HEAP (C)	EHEAP (D)	OECF (E)	SSI (F)	Medicaid (G)	Touchtone (H)	Wire Care (I)	Non-Pub (J)	Custom Calling (K)	Participants Disconnected for Non-Payment (L)
N/A	0	0	0	0	0	0	0	0	0	0	0	0

Service Connection Assistance (SCA)

Class Of Service (Flat, Message, and/or Measured)	Average Monthly Local Bill (M)	Average Monthly Toll Bill (N)	Average Service Connection Charge Waived (O)	Average of Waived Deposits (P)	Amount of Monthly Subscriber Line Charge (Q)	Number of Months for SLC Waiver (R)
N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0

Note: This form is applicable to local exchange companies with less than 15,000 access lines, that are exempted from offering

VERIFICATION

The foregoing report must be verified by the President or Chief Officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

State of Ohio
County of Putnam

Chris J. Phillips makes oath and says that
(Insert here the name of the affiant.)

he is General Manager
(Insert here the official title of deponent)

of Kalida, Telephone Company, Inc.
(Insert here the exact legal title or name of the respondent.)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including 1/1, 2006, to and including 12/31 2006.

Chris J. Phillips
(Signature of affiant.)

Contact Persons

Name, Title, Address, and Phone Number of the Company's Contact Persons to Receive Entries and Orders from the Docketing Division

Name:

Title:

Address:

Phone:

Name, Title, Address, and Phone Number of Person to whom Invoice should be Directed

Name:

Title:

Address:

Phone:

Name and Address of the President

President Name:

President Address:

Statement of Intrastate Gross Earnings

TOTAL	\$1,591,332	\$586,418	\$1,004,914
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Statement of Intrastate Gross Earnings

7350	Gains or Losses from Disposition of Certain Prop.	\$6,061	\$0	\$6,061
7360	Other Nonoperating Income	\$4,423	\$0	\$4,423
7370	Special Charges	\$0	\$0	\$0
7410	Nonoperating Investment Tax Credits-Net	\$0	\$0	\$0
7420	Nonoperating Federal Income Taxes	\$0	\$0	\$0
7430	Nonoperating State & Local Income Taxes	\$0	\$0	\$0
7440	Nonoperating Other Taxes	\$0	\$0	\$0
7450	Provision for Deferred Nonoperating Income Taxes-N	\$0	\$0	\$0
7510	Interest on Funded Debt	\$0	\$0	\$0
7520	Interest Expense-Capital Leases	\$0	\$0	\$0
7530	Amortization of Debt Issuance Expense	\$0	\$0	\$0
7540	Other Interest Deductions	\$0	\$0	\$0
7610	Extraordinary Income Credits	\$0	\$0	\$0
7620	Extraordinary Income Charges	\$0	\$0	\$0
7630	Current Income Tax Effect of Extraord. Items-Net	\$0	\$0	\$0
7640	Prov. for Def. Inc. Tax Effect of Extraord. Items-	\$0	\$0	\$0
7910	Income Effect of Juris. Ratemaking Dif.-Net	\$0	\$0	\$0
7990	Nonregulated Net Income	\$72,001	\$0	\$72,001
9999	Sales To Public	\$0	\$0	\$0

Statement of Intrastate Gross Earnings

6535	Engineering Expense	\$0	\$0	\$0
6540	Access Expense	\$0	\$0	\$0
6561	Depreciation Expense-Telecommunications Plant In Service	\$0	\$0	\$0
6562	Depreciation Expense-Property Held for Future Tele	\$0	\$0	\$0
6563	Amortization Expense-Tangible	\$0	\$0	\$0
6564	Amortization Expense-Intangible	\$0	\$0	\$0
6565	Amortization Expense-Other	\$0	\$0	\$0
6611	Product Management	\$0	\$0	\$0
6612	Sales	\$0	\$0	\$0
6613	Product Advertising	\$0	\$0	\$0
6621	Call Completion Services	\$0	\$0	\$0
6622	Number Services	\$0	\$0	\$0
6623	Customer Services	\$0	\$0	\$0
6711	Executive	\$0	\$0	\$0
6712	Planning	\$0	\$0	\$0
6721	Accounting and Finance	\$0	\$0	\$0
6722	External Relations	\$0	\$0	\$0
6723	Human Resources	\$0	\$0	\$0
6724	Information Management	\$0	\$0	\$0
6725	Legal	\$0	\$0	\$0
6726	Procurement	\$0	\$0	\$0
6727	Research and Development	\$0	\$0	\$0
6728	Other General and Administrative	\$0	\$0	\$0
6790	Provision for Uncollectible Notes Receivable	\$0	\$0	\$0
7110	Income from Custom Work	\$0	\$0	\$0
7130	Return from Nonreg. Use of Regulated Facilities	\$0	\$0	\$0
7140	Gains and Losses from Foreign Exchange	\$0	\$0	\$0
7150	Gains or Losses from Disposition of Land & Artwork	\$0	\$0	\$0
7160	Other Operating Gains & Losses	\$0	\$0	\$0
7210	Operating Investment Tax Credits-Net	\$0	\$0	\$0
7220	Operating Federal Income Taxes	\$0	\$0	\$0
7230	Operating State and Local Income Taxes	\$0	\$0	\$0
7240	Operating Other Taxes	\$0	\$0	\$0
7250	Provision for Deferred Operating Income Taxes-Net	\$0	\$0	\$0
7310	Dividend Income	\$51	\$0	\$51
7320	Interest Income	\$72,733	\$0	\$72,733
7330	Income from Sinking and Other Funds	\$0	\$0	\$0
7340	Allowance for Funds Used During Construction	\$0	\$0	\$0

Statement of Intrastate Gross Earnings

5264	Other Incidental Regulated Revenue	\$0	\$0	\$0
5269	Other Revenue Settlements	\$13,769	\$159	\$13,610
5270	Carrier Billing and Collection Revenue	\$9,877	\$985	\$8,892
5280	Non Regulated Operating Revenue	\$0	\$0	\$0
5301	Uncollectible Revenue - Telecommunications	\$0	\$0	\$0
5302	Uncollectible Revenue - Other	\$0	\$0	\$0
6112	Motor Vehicle Expense	\$0	\$0	\$0
6113	Aircraft Expense	\$0	\$0	\$0
6114	Spec. Purpose Vehicles Expense	\$0	\$0	\$0
6115	Garage Work Equipment Expense	\$0	\$0	\$0
6116	Other Work Equipment Expense	\$0	\$0	\$0
6121	Land and Building Expense	\$0	\$0	\$0
6122	Furniture and Artworks Expense	\$0	\$0	\$0
6123	Office Equipment Expense	\$0	\$0	\$0
6124	General Purpose Computers Expense	\$0	\$0	\$0
6211	Analog Electronic Expense	\$0	\$0	\$0
6212	Digital Electronic Expense	\$0	\$0	\$0
6215	Electro-Mechanical Expense	\$0	\$0	\$0
6220	Operator Systems Expense	\$0	\$0	\$0
6231	Radio Facilities Expense	\$0	\$0	\$0
6232	Circuit Equipment Expense	\$0	\$0	\$0
6311	Station Apparatus Expense	\$0	\$0	\$0
6341	Large Private Branch Exchange Expense	\$0	\$0	\$0
6351	Public Telephone Terminal Equipment Expense	\$0	\$0	\$0
6362	Other Terminal Equipment Expense	\$0	\$0	\$0
6411	Poles Expense	\$0	\$0	\$0
6421	Aerial Cable Expense	\$0	\$0	\$0
6422	Underground Cable Expense	\$0	\$0	\$0
6423	Buried Cable Expense	\$0	\$0	\$0
6424	Submarine Cable Expense	\$0	\$0	\$0
6425	Deep Sea Cable Expense	\$0	\$0	\$0
6426	Intrabuilding Network Cable Expense	\$0	\$0	\$0
6431	Aerial Wire Expense	\$0	\$0	\$0
6441	Conduit Systems Expense	\$0	\$0	\$0
6511	Property Held for Future Telecommunications Use Ex	\$0	\$0	\$0
6512	Provisioning Expense	\$0	\$0	\$0
6531	Power Expense	\$0	\$0	\$0
6532	Network Administration Expense	\$0	\$0	\$0
6533	Testing Expense	\$0	\$0	\$0
6534	Plant Oper. Admin. Expense	\$0	\$0	\$0

Statement of Intrastate Gross Earnings

Account No	Account Title	Total Dollars (1)	Interstate Dollars (2)	Intrastate Dollars (3) = (1) - (2)
5001	Basic Area Revenue	\$285,864	\$0	\$285,864
5002	Optional Extended Area Revenue	\$0	\$0	\$0
5003	Cellular Mobile Revenue	\$0	\$0	\$0
5004	Other Mobile Services Revenue	\$0	\$0	\$0
5010	Public Telephone Revenue	\$0	\$0	\$0
5040	Local Private Line Revenue	\$0	\$0	\$0
5050	Customer Premises Revenue	\$0	\$0	\$0
5060	Other Local Exchange Revenue	\$0	\$0	\$0
5069	Other Local Exchange Revenue Settlements	\$0	\$0	\$0
5081	End User Revenue	\$132,248	\$132,248	\$0
5082	Switched Access Revenue	\$623,887	\$354,576	\$269,311
5083	Special Access Revenue	\$248,290	\$73,553	\$174,737
5084	State Access Revenue	\$0	\$0	\$0
5100	Long Distance Message Revenue	\$122,044	\$24,897	\$97,147
5110	Unidirectional LD	\$0	\$0	\$0
5111	Long Distance Inward-Only Revenue	\$0	\$0	\$0
5112	Long Distance Outward-Only Revenue	\$0	\$0	\$0
5121	Subvoice Grade Long Distance Private Network Revenue	\$0	\$0	\$0
5122	Voice Grade Long Distance Private Network Revenue	\$0	\$0	\$0
5123	Audio Program Grade Long Distance Private Network Revenue	\$0	\$0	\$0
5124	Video Program Grade Long Distance Private Network Revenue	\$0	\$0	\$0
5125	Digital Transmission Long Distance Private Network Revenue	\$0	\$0	\$0
5126	Long Distance Private Network Switching Revenue	\$0	\$0	\$0
5128	Other Long Distance Private Network Revenue	\$0	\$0	\$0
5129	Other Long Distance Private Network Revenue Settlements	\$0	\$0	\$0
5160	Other Long Distance Revenue	\$0	\$0	\$0
5169	Other Long Distance Revenue Settlements	\$0	\$0	\$0
5230	Directory Revenue	\$84	\$0	\$84
5240	Rent Revenue	\$0	\$0	\$0
5250	Corporate Operations Revenue	\$0	\$0	\$0
5261	Special Billing Arrangements Revenue	\$0	\$0	\$0
5262	Customer Operations Revenue	\$0	\$0	\$0
5263	Plant Operations Revenue	\$0	\$0	\$0

**AFUDC Rate Used During Year
and Calculation of Rate**

AFUDC Rate(s) Used During Year: N/A

Calculation AFUDC Rate Used: