

State: SD

OMB Control #: 3060-0986 (High Cost) &

Sac: 391689

3060-0819 (Low Income), December 2020

498 ID: 143002255

Program Year: 2025

## Filing Type and Contact Info

### Filing Type

This information has been preselected based on High Cost and Lifeline program support paid out in the previous calendar year. If you think the filing type is incorrect, [please contact USAC](#).



High Cost (Section 54.313)



Lifeline (Section 54.422)

### Contact Information

Include contact information for the person best able to answer questions about this form.

#### Contact Name (030)

Eric Kahler

#### Phone # (035)

(605)244-5213

(xxx) xxx-xxxx

#### Ext. (optional)

#### Contact Email Address (039)

ekahler@wrctc.coop

## Functionality in Emergency Situations (600)

### Certify

#### Functionality in Emergency Situations Certification (600)

Is the carrier able to function in emergency situations?



Yes



No

#### Descriptive Document for Functionality in Emergency Situations (610)



391689sd610.pdf (696 KB)




PDF only

## Operating Companies (800)

### Carrier Names

Reporting Carrier (810)

West River Cooperative Telephone Company

Holding Company (811) 

West River Cooperative Telephone Company

Validate the information listed above (811) by selecting one of the following:

- Holding Company/Affiliate name listed above is correct. (811A)
- Holding Company/Affiliate name listed above is NOT correct. (811B)
- This study area does not have a Holding Company/Affiliate name. (811D)

### Operating Company

Operating Company (812)

West River Cooperative Telephone Company

Upload Operating Company Data (813A, 813B, 813C) (Optional)

[Operating Company Data Template](#) 

CSV only

## Tribal Lands Reporting (900)

### Tribal Land Services

Does the filing entity offer Tribal land services? (900)



Yes



No

Tribal Land(s) on which ETC Serves (910)

Cheyenne River and Standing Rock Sioux Tribe

Tribal Government Engagement Obligation

(920)



391689sd920.pdf (187 KB)

PDF only

### Confirm Statuses

Select Yes, No, or NA for each of the below to confirm the status described on the attached PDF (920)

demonstrates coordination with the Tribal government pursuant to Section 54.313(a)(5) includes:

Needs assessment and deployment planning with a focus on Tribal community anchor institutions (921)



Yes



No



NA

Feasibility and sustainability planning (922)



Yes



No



NA

Marketing services in a culturally sensitive manner (923)



Yes



No



NA

Compliance with Rights of way processes (924)



Yes



No



NA

Compliance with Land Use permitting requirements (925)

Yes  No  NA

Compliance with Facilities Siting rules (926)

Yes  No  NA

Compliance with Environmental Review processes (927)

Yes  No  NA

Compliance with Cultural Preservation review processes (928)

Yes  No  NA

Compliance with Tribal Business and Licensing requirements (929)

Yes  No  NA

## Voice and Broadband Service Rate Comparability (1000)

### Certify Voice

#### Voice Services Rate Comparability Certification (1000)

Is the carrier's pricing of fixed voice services no more than two standard deviations above the applicable national average urban rate for voice service? If you answer No to line 1000, please provide an explanation for non-compliance.



Yes



No



Not Applicable

#### Attach Detailed Description for Voice Services Rate Comparability Compliance (1010)



391689sd1010.pdf (53 KB)

PDF, XLS, XLSX only

### Certify Broadband

#### Broadband Comparability Certification (1020)

Does the carrier's broadband services pricing meet one of the following criteria? If you answer No to line 1020, please provide an explanation for non-compliance.



Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau.



Yes - Pricing is no more than the non-promotional price charged for a comparable fixed wireline service in urban areas in the states or U.S. Territories where the eligible telecommunications carrier receives support.



No - Unable to certify broadband rate comparability



Not Applicable.

State: SD

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Sac: 391689

3060-0819 (Low Income), December 2020

498 ID: 143002255

Program Year: 2025

Attach Detailed Description for Broadband Rate Comparability Compliance (1030)

 391689sd1030.pdf (82 KB) 

PDF, XLS, XLSX only

State: SD

OMB Control #: 3060-0986 (High Cost) &

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3060-0819 (Low Income), December 2020

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## Terrestrial Backhaul Reporting (1100)

### Certify

#### Terrestrial Backhaul Certification (1100)

Do terrestrial backhaul options exist?



Yes



No



## Lifeline Terms and Conditions (1200)

### Upload Document or Link Website

Upload a descriptive document(s) AND/OR reference a specific link to your company's website.

#### Terms & Conditions of Voice Telephony Lifeline Plans (1210)

PDF only

AND/OR

#### Link to Public Website(1220)

<https://sdplains.com/phone/lifeline-and-link-up/>

### Confirm Information

Check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to Section 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:



Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers (1221)



Details on the number of minutes provided as part of the plan (1222)



Additional charges for toll calls, and rates for each such plan (1223)

State: SD

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3060-0819 (Low Income), December 2020

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## Rate of Return Data (3005)

### Certify

Select from the drop down menus or check the boxes below to note compliance with 54.313(f)(1). Privately held carriers must ensure compliance with the financial reporting requirements set forth in 47 CFR 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

**Does this filing retain a Cost Consultant and/or Firm, or other Third Party to prepare financial and operations data disclosures submitted to the National Exchange Carrier Association (NECA), USAC, or the Administrator? (3007)**

Yes  No

Name of Consultant (3007A)

Name of Consultant Firm/Third Party (3007B)

Paul Nesenson

John Staurulakis, LLC (JSI)

[+Another Consultant](#)

### Certification of Public Interest Obligations (3010A)

Does the carrier certify compliance with the requirements in 47 CFR Sections 54.313(f)(1)(i)?

Yes - Attach Explanation  No - Attach Explanation  
 Not Applicable - No Attachment Required

### Please Provide Attachment (3010B)

 391689sd3010.pdf (118 KB) 

PDF, XLS, XLSX, DOC, DOCX only

Rate-of-Return Community Anchor Institutions (3012A)

Indicate if the carrier newly deployed broadband service to community anchor institution(s) in the previous calendar year.

- Yes - Attach New Community Anchors
- No - No New Community Anchors
- Not Applicable - No Attachment Required

As defined in 47 CFR Section 54.313(f)(2), is your company a Privately Held ROR Carrier? (3013)

- Yes
- No

Does your company file the RUS annual report? (3014)

- Yes
- No

Is your company audited? (3018)

- Yes
- No

If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:

- Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers (3019)
- Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows (3020)
- Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit (3021)

Worksheet Listing (3026)

 391689sd3026.pdf (391 KB) 

PDF, XLS, XLSX, DOC, DOCX only

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OMB Control #: 3060-0986 (High Cost) &

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Enter the specified financial data below which is located on your RUS Report (attached on Line 3017) or your reviewed/audited financial statements (attached on Line 3026).

Revenue (3027)

Operating Expenses (3028)

Net Income (3029)

Telephone Plant In Service (TPIS) (3030)

Total Assets (3031)

Total Debt (3032)

Total Equity (3033)

Dividends (3034)

## Certifications

### Supply Chain Certifications

#### Section 54.9: Prohibition on the Use of Funds

I certify under penalty of perjury that no universal service support has been or will be used to purchase, obtain, maintain, improve, or otherwise support any equipment or services produced or provided by any company designated by the Federal Communications Commission as posing a national security threat to the integrity of communications networks or the communications supply chain since the effective date of the designations.

If **No** is selected, a waiver is required for each SAC which is not certified.

Yes  No

#### Section 54.10: Prohibition on the Use of Certain Federal Subsidies

I certify that no federal subsidy made available through a program administered by the Commission that provides funds to be used for the capital expenditures necessary for the provision of advanced communications services has been or will be used to purchase, rent, lease, or otherwise obtain, any covered communications equipment or service, or maintain any covered communications equipment or service previously purchased, rented, leased, otherwise obtained, as required by 47 C.F.R. Section 54.10.

If **No** is selected, a waiver is required for each SAC which is not certified.

Yes  No

#### Section 54.11: Requirements to Remove and Replace

WEST RIVER COOPERATIVE TEL. CO.

FCC Form 481

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Prior to answering, review section 54.11 of the Commission’s rules (47 CFR Section 54.11). Answer Yes if either (1) you comply with section 54.11(a), meaning you do not use covered communications equipment or services, or (2) section 54.11(d) applies to you, meaning you are not yet subject to section 54.11(a) because you are a Reimbursement Program recipient with an unexpired removal, replacement, and disposal term per section 1.50004(h) of the Commission’s rules (47 CFR Section 1.50004(h)). Answer No if you do not comply with section 54.11(a), meaning you do use covered communications equipment or services.



Yes



No

### Accuracy Certifications

#### Certify



I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.



I understand that making willful false statements in any part of this report and/or in these certifications is punishable by fine or imprisonment pursuant to 47 U.S.C. Sections 416(c), 503(b)(1)(B), and 18 U.S.C. Section 1001.

#### Signature

Officer Name

Eric Kahler

Title

General Manager



I understand this is a digital signature, and is the same as if I signed my name with a pen.

**West River Cooperative Telephone Company's Demonstration of Ability to  
Function in Emergency Situations**

West River Cooperative Telephone Company ("Company") hereby certifies that it is able to function in emergency situations as set forth in §54.202(a)(2)<sup>1</sup>, South Dakota Administrative Rule 20:10:32:54.07 and North Dakota Administrative Code 69-09-05-12. The Company's voice and broadband network is designed to remain functional in emergency situations without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations as required by Section 54.202(a)(2). The Company can change call routing translations as needed to reroute traffic around damaged facilities. Changing call routing translations will also allow the Company to manage traffic spikes throughout its network, as emergency situations require. The Company maintains a contingency plan to prevent or minimize service interruptions due to the catastrophic loss of a central office switch, toll switching office, or tandem switching office, pursuant to South Dakota Administrative Rule 20:10:33:18. The plan is available for review upon request.

Specifically, each central office building is supplied with standby generators and battery back-up that enable the central office to keep running until power is restored so long as fuel is available, or until system changes are made to reroute traffic. As required by South Dakota Administrative Rule 20:10:33:19, the Company's central office can maintain 8 hours, plus or minus 15 percent, of battery reserve rated for peak traffic load requirements, and a permanent auxiliary or mobile power unit is installed which can be delivered and connected within four hours. The Company has battery backup at all office locations and in its electronic equipment sites capable of running for a minimum of 8 hours, plus or minus 15 percent, in compliance with the State rules. Length of run time is determined by the equipment serving the area and the number of customers working out of the equipment. Generators are installed at all Central Office locations. They will continue to run as long as the Company has access to fuel. The Company tests the batteries at least once per year. The Company complies with the FCC's backup power requirements, effective October 16, 2015.

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<sup>1</sup> Section 54.202(a)(2) requires ETCs that are designated by the Commission to "demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations."



West River Cooperative Telephone Company  
801 Coleman Avenue  
PO Box 39  
Bison, SD 57620

605.244.5213  
westriver@sdplains.com  
www.wrctc.coop  
www.facebook.com/WRCTC

December 15, 2023

Mr. Ryman LeBeau, Tribal Chairman  
Cheyenne River Sioux Tribal Government  
PO Box 590  
Eagle Butte, SD 57625

Dear Mr. LeBeau:

The Federal Communications Commission (FCC), as part of its 2012 Order reforming the federal universal service mechanisms related to telecommunications and information services, adopted new “Trial Engagement” provisions that are intended to improve communications and foster a greater understanding between service providers and Tribal entities of the factors necessary to deploy and sustain telecommunication services on Tribal lands. *See* FCC Public Notice, Office of Native Affairs and Policy, Wireless Telecommunications Bureau, and Wireline Competition Bureau Issue Further Guidance on Tribal Engagement Obligation Provisions of the Connect America Fund, DA 12-1165, released July 19, 2012.

Pursuant to the FCC’s rules related to Tribal Engagement, West River Cooperative Telephone Company would, as soon as possible, like to begin discussions with the Cheyenne River Sioux Tribe in a manner consistent with the FCC rules. Accordingly, we would request a meeting with the Tribe. The purpose of this meeting will, generally, be to exchange information related to the deployment and provisioning of communications services on Tribal lands. While West River Cooperative Telephone Company leaves to your discretion attendees from the tribe at this requested meeting, it is important that at least some of the tribal representative attendees at the meeting are “decision-makers,” as this can change the perspectives of the discussions. West River Cooperative Telephone Company asks that the Cheyenne River Sioux Tribe provide a name and contact information for a Tribal representative who can assist in scheduling and arranging a meeting with the appropriate Tribal government staff and leaders to discuss deployment and sustainability of telecommunications services on Tribal lands. This information may be provided to the undersigned by calling (605) 244-5213, or through an email directed to ekahler@wrctc.coop. Please respond by December 31, 2023.

Thank you for your cooperation in this matter. We look forward to discussing these important matters with you.

Sincerely,

Eric Kahler, General Manager  
EK:tkk





West River Cooperative Telephone Company  
801 Coleman Avenue  
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December 15, 2023

Janet Alkire, Chairwoman  
Standing Rock Sioux Tribe  
PO Box D  
Fort Yates, ND 58539

Dear Ms. Alkire:

The Federal Communications Commission (FCC), as part of its 2012 Order reforming the federal universal service mechanisms related to telecommunications and information services, adopted new “Trial Engagement” provisions that are intended to improve communications and foster a greater understanding between service providers and Tribal entities of the factors necessary to deploy and sustain telecommunication services on Tribal lands. *See* FCC Public Notice, Office of Native Affairs and Policy, Wireless Telecommunications Bureau, and Wireline Competition Bureau Issue Further Guidance on Tribal Engagement Obligation Provisions of the Connect America Fund, DA 12-1165, released July 19, 2012.

Pursuant to the FCC’s rules related to Tribal Engagement, West River Cooperative Telephone Company would, as soon as possible, like to begin discussions with the Standing Rock Sioux Tribe in a manner consistent with the FCC rules. Accordingly, we would request a meeting with the Tribe. The purpose of this meeting will, generally, be to exchange information related to the deployment and provisioning of communications services on Tribal lands. While West River Cooperative Telephone Company leaves to your discretion attendees from the tribe at this requested meeting, it is important that at least some of the tribal representative attendees at the meeting are “decision-makers,” as this can change the perspectives of the discussions. West River Cooperative Telephone Company asks that the Standing Rock Sioux Tribe provide a name and contact information for a Tribal representative who can assist in scheduling and arranging a meeting with the appropriate Tribal government staff and leaders to discuss deployment and sustainability of telecommunications services on Tribal lands. This information may be provided to the undersigned by calling (605) 244-5213, or through an email directed to ekahler@wrctc.coop. Please respond by December 31, 2023.

Thank you for your cooperation in this matter. We look forward to discussing these important matters with you.

Sincerely,

Eric Kahler, General Manager  
EK/tkk



Line 1010 – Description of Voice Services Rate Comparability

The pricing of basic residential voice services for West River Cooperative Telephone Company customers is \$36.95 which is no more than the benchmark rate of \$59.62 as published annually by the Wireline Competition Bureau, as required in 47 C.F.R. § 54.313(a)(2).



**Line 1030 – Description of Broadband Services Rate Comparability**

West River Cooperative Telephone Company has at least one broadband service that is offered at no more than the applicable benchmark for a comparable fixed wireline service in urban areas as required in 47 C.F.R. § 54.313(a)(3).

West River Cooperative Telephone Company's broadband service rate that meets this requirement is shown below:

Download Speed - 150 (Mbps)

Upload Speed - \_\_150 (Mbps)

Usage Allowance (GB) - Unlimited

Company Rate - \_\_\_\_\_\$71.00

US Benchmark Rate - \_\_\$114.97

**West River Cooperative Telephone Company (SAC 391689)**

**Response to Line 3010 – Milestone Certification (47 CFR §54.313(f)(1)(i))**

**ACAM**

West River Cooperative Telephone Company (the “Company”) is a rate-of-return carrier that is a recipient of Connect America Fund-Alternative Connect America Cost Model (CAFACAM) support and is subject to the specific build-out obligations set forth in 47 CFR §54.308 (a)(1). This rule requires the Company to offer broadband service to a defined number of “fully funded” and “capped” locations in funded census blocks at specified minimum speeds, over a ten-year period and includes interim build-out obligations. The “capped” locations are divided into two groups – locations that offer broadband service at actual speeds of at least 4 Mbps downstream / 1 Mbps upstream and locations that are subject to the reasonable request standard.<sup>1</sup>

Additionally, 47 CFR §54.313 (f)(1)(i) requires the Company, as a CAF-ACAM carrier, to annually certify that the Company is meeting the relevant reasonable request standard in the capped locations that are subject to this standard and all census blocks within Company’s service area outside of the funded census blocks that are considered “low cost.”<sup>2</sup> Further, 47 CFR §54.308(a) requires rate-of-return recipients of high-cost support to offer broadband service, at speeds described below, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, at rates that are reasonably comparable to rates for comparable offerings in urban areas.

In fulfillment of the Company’s interim and final milestone build-out requirements and pursuant to 47 CFR §54.313 (f)(1)(i) and 47 CFR §54.308(a), the Company hereby certifies that throughout 2023, it diligently sought to satisfy its buildout requirements for the relevant funded locations and, for capped locations subject to the reasonable request standard and low-cost locations, the Company took reasonable steps to provide upon reasonable request broadband service at the highest speed available with latency suitable for real-time applications, including Voice over Internet Protocol, and usage

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<sup>1</sup> 1 47 CFR §54.308 (a)(1)(ii)(C) - Carriers shall provide to all other capped locations, upon reasonable request, broadband at actual speeds of at least 4 Mbps downstream / 1 Mbps upstream.

<sup>2</sup> See Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order, Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, 31 FCC Rcd 3087 (2016), fn. 59 – “Low-cost locations are subject to the reasonable request standard because the model calculates carriers will be able to recover the cost of serving those locations through end-user revenues alone.”



capacity that is reasonably comparable to comparable offerings in urban areas and that requests for such service are met within a reasonable amount of time.

In addition to the certification made above, further proof that the Company is progressing towards meeting its required buildout obligations can be found in USAC's HUBB portal. Pursuant to 47 CFR §54.316 (a)(2), the Company reports any newly served locations in USAC's HUBB portal by March 1 each year for the previous calendar year.



Consolidated Financial Statements

December 31, 2023 and 2022

**West River Cooperative Telephone  
Company and Subsidiary**



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

!

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

!

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## Independent Auditor's Report

To the Board of Directors  
West River Cooperative Telephone Company and Subsidiary  
Bison, South Dakota

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of West River Cooperative Telephone Company and Subsidiary, which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations, equities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of West River Cooperative Telephone Company and Subsidiary as of December 31, 2023 and 2022, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

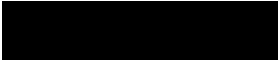
#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West River Cooperative Telephone Company and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about West River Cooperative Telephone Company and Subsidiary's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.



***Auditor’s Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of West River Cooperative Telephone Company and Subsidiary’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about West River Cooperative Telephone Company and Subsidiary’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.



**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information as of and for the years ended December 31, 2023 and 2022 is presented for purposes of additional analysis of the consolidated financial statements and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Sioux Falls, South Dakota  
April 12, 2024

West River Cooperative Telephone Company and Subsidiary

Consolidated Balance Sheets

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Current Assets		
Cash and cash equivalents		
Temporary cash investments		
Accounts receivable, net		
Prepaid income taxes		
Prepaid expenses		
Materials and supplies		
Total current assets		
Investments and Noncurrent Assets		
Other investments		
Investments in equity investees		
Total investments and noncurrent assets		
Telecommunications and Other Plant		
In service		
Under construction		
Total investment in plant		
Less accumulated depreciation and amortization		
Net telecommunications and other plant		

[REDACTED]

West River Cooperative Telephone Company and Subsidiary

Consolidated Balance Sheets

December 31, 2023 and 2022

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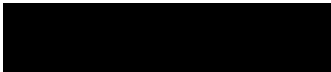
	2023	2022
Liabilities and Equities		
Current Liabilities		
Current maturities of long-term debt		
Accounts payable		
Accounts payable - related		
Advanced billing and customer deposits		
Accrued taxes		
Total current liabilities		
Long-Term Liabilities		
Long-term debt, less current maturities		
Deferred taxes		
Deferred revenue		
Total long-term liabilities		
Equities		
Patronage capital		
Other equities		
Total equities		

[REDACTED]

West River Cooperative Telephone Company and Subsidiary  
Consolidated Statements of Operations  
Years Ended December 31, 2023 and 2022

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	<u>2023</u>	<u>2022</u>
Operating Revenues		
Local network services		
Network access services		
Internet revenues		
Cable television revenues		
Facility lease revenues		
Miscellaneous revenues		
Total operating revenues		
Operating Expenses		
Plant specific operations		
Plant nonspecific operations		
Cable television programming		
Depreciation and amortization		
Customer operations		
Corporate operations		
Operating taxes, other		
Total operating expenses		
Operating Margin		
Other Income		
Interest income		
Allowance for funds used during construction		
Earnings from equity investments		
Other		
Total other income		
Net Margin Before Interest Expense and Income Taxes		
Interest Expense		
Net Margin Before Income Taxes		
Income Tax Expense		
Net Margin		



West River Cooperative Telephone Company and Subsidiary  
Consolidated Statements of Equities  
Years Ended December 31, 2023 and 2022

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	<u>Patronage Capital</u>	<u>Other Equities</u>	<u>Total</u>
Balance, January 1, 2022			
2021 margin allocation			
2022 net margin			
Retirement of capital credits			
Balance, December 31, 2022			
2022 margin allocation			
2023 net margin			
Retirement of capital credits			
Balance, December 31, 2023			

[REDACTED]

West River Cooperative Telephone Company and Subsidiary

Consolidated Statements of Cash Flows  
Years Ended December 31, 2023 and 2022

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	<u>2023</u>	<u>2022</u>
Operating Activities		
Net margin		
Adjustments to reconcile net margin to net cash from operating activities		
Depreciation and amortization		
Earnings from equity investments		
Distribution of earnings - equity investments		
Reinvestment of earnings on temporary cash investments		
Deferred taxes		
Change in current assets and liabilities		
Accounts receivable		
Prepaid income taxes		
Prepaid expenses		
Accounts payable		
Advance billings and customer deposits		
Deferred revenue		
Accrued taxes		
Net Cash from Operating Activities		
Investing Activities		
Telecommunications and other plant additions, net		
Change in materials and supplies		
Contributions to equity investees		
Purchase of temporary cash investments		
Change in other investments		
Net Cash used for Investing Activities		
Financing Activities		
Principal payments on long-term debt		
Retirement of capital credits		
Net Cash used for Financing Activities		
Change in Cash and Cash Equivalents		
Cash and Cash Equivalents - Beginning of Year		
Cash and Cash Equivalents - End of Year		
Supplemental Disclosures of Cash Flow Information		
Cash payments for interest		
Cash payments for income taxes, net of refunds received		
Supplemental Disclosures of Non-Cash Financing Activities		
Refinancing of long-term debt		



## **Note 1 - Summary of Significant Accounting Policies**

### **Nature of Operations**

West River Cooperative Telephone Company and Subsidiary's (collectively "the Cooperative") principal business is providing local telephone service, internet service, cable television services and access to long distance telephone service through its local exchange network.

### **General**

The Cooperative follows the Federal Communications Commission's (FCC) Uniform System of Accounts for Class A and B Telephone Utilities.

Rates charged to customers for local services are established by the Board of Directors. Toll and access rates are subject to state and FCC regulations.

### **Principles of Consolidation**

The consolidated financial statements include the accounts of West River Cooperative Telephone Company and its wholly owned subsidiary, West River Cable Television, Inc. All significant intercompany transactions and balances have been eliminated in consolidation.

### **Telecommunications and Other Plant**

Additions to plant are stated at cost. The cost of additions to plant includes contracted work, direct labor and materials, and allocable overheads. When units of property are retired, sold, or otherwise disposed of in the ordinary course of business, their average book cost less net salvage is charged to accumulated depreciation. Repairs and replacements and renewal of items determined to be less than units of property are charged to maintenance.

### **Recoverability of Long-Lived Assets**

The Cooperative reviews its long-lived assets whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable. If a review indicates that the carrying value of such asset is not recoverable as determined based on projected undiscounted cash flows related to the asset over its remaining life, the Cooperative would determine whether an impairment loss should be recognized. No impairment losses have been recorded in the consolidated financial statements.

### **Depreciation**

The Cooperative utilizes composite depreciation methods for each property, plant and equipment account. Depreciation rates for each account are determined based on management's estimate of the average useful life of the assets along with future cost of removal and salvage factor estimates.

[REDACTED]

West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

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**Temporary Cash Investments**

Temporary cash investments consist of short-term certificates of deposit, with maturity dates greater than three months but less than one year. These investments are recorded at amortized cost, net of any allowances for credit losses, which approximates fair value. Temporary cash investments will mature during 2024 with interest rates ranging from 0.25% - 5.50%. The allowance for credit losses is influenced by a variety of factors, including credit quality and general economic conditions. At December 31, 2023 and 2022, the allowance for credit losses was \$-0-.

**Cash and Cash Equivalents**

For purposes of reporting cash flows, the Cooperative considers all cash deposits with an original maturity of three months or less to be cash equivalents.

**Accounts Receivable and Credit Losses**

The Cooperative's revenue contracts provide it with the unconditional right to consideration upon delivery of services to its customers; therefore, a receivable is recognized in the period the Cooperative provides various services to its customers. The unconditional right to consideration is represented by contract receivables which are presented on the balance sheet as accounts receivable.

Accounts receivable are uncollateralized customer obligations due under terms established by the Board of Directors. Past due balances are subject to disconnection of service. The allowance for credit losses is estimated based on historical bad debts and the financial stability of customers with outstanding receivables. Management considers the following factors when determining the collectability of specific customer accounts: customer creditworthiness, past transaction history with the customer, current economic industry trends, and changes in customer payment term. Additionally, management has determined that the current and reasonable and supportable forecasted economic conditions are consistent with the economic conditions included in the historical information. As a result, the historical loss rates have not been adjusted for differences in current conditions or forecasted changes. Accordingly, the allowance for credit losses at December 31, 2023 and 2022 totaled approximately [REDACTED] respectively.

The beginning and ending balances for customer accounts receivable and unbilled revenues, net of allowances for credit losses, and contract liabilities were as follows for the years ended December 31, 2023 and 2022:

	<u>December 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>	<u>January 1,</u> <u>2022</u>
Customer accounts receivable	[REDACTED]		
Billed			
Unbilled			
Total customer accounts receivable			
Advanced billing and customer deposits - contract liability			



## West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

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### **Materials and Supplies**

Inventories used for construction of telecommunications plant are stated at average cost.

### **Investments**

Investments in equity securities that are not accounted for under the equity method of accounting are included in other investments. Investments in equity securities with readily determinable fair values are measured at fair value in the consolidated balance sheets. Investment income or loss is included in net income. Investments in equity securities without readily determinable fair values are measured at cost minus impairment (if any) and adjusted for any observable price changes in orderly transactions of identical securities or similar securities of the same issuer. Investments in equity securities without readily determinable fair values are considered annually for indicators of impairment. There were no impairment indicators for the years ended December 31, 2023 and 2022.

Investments in limited liability companies are accounted for using the equity method. Under the equity method, the Cooperative records its proportionate share of earnings and losses of this entity. Distributions from these investments reduce their carrying value.

### **Patronage Capital**

Amounts received from the furnishing of telephone and related services in excess of operating costs and expenses are assigned to patrons on a patronage basis. Nonpatronage earnings received by the Cooperative, including subsidiary earnings, are not allocated to the Cooperative's patrons and are included in other equities.

### **Revenue Recognition**

The Cooperative accounts for customer revenues under Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*. The Cooperative earns revenues from multiple sources. The Cooperative's contracts with customers do not include a significant financing component.

[REDACTED]

West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

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The following summarizes the revenue generated from contracts with customers and revenues outside the scope of ASC 606 for the years ended December 31, 2023 and 2022:

	2023	2022
End user revenues		
Carrier access and special access revenues		
Facilities contract revenues		
Other contracted revenues		
Revenue from contracts with customers		
Other revenues		
Lease and other revenues (outside the scope of ASC 606)		
Federal support revenues (outside the scope of ASC 606)		
Total revenues		

End User Revenues

End user revenues include revenues from residential and business customers for local telephone, internet, and television services. End user revenues also includes subscriber line charges billed to customers. The Cooperative's performance obligation for these services is the promise to provide goods and services to customers. The Cooperative bills customers in advance and recognizes revenues over the period of time in which the customer simultaneously receives and consumes the services. The Cooperative bills on the first day of the month; therefore, no advanced billings for end user services. End user goods and services are considered to be distinct as the customer can benefit from the goods and services either on their own or together with other resources that are readily available to the customer. The Cooperative's promise to provide a good or service to the customer is separately identifiable from other promises in the contract. End user services are billed to customers based on the published rates and are often bundled together at a discounted rate. If goods and services are bundled together, the transaction price is allocated to the respective goods and services based on the rates at which each good or service is sold under standalone service rates. Discounts are not allocated to revenues established by federal or state tariffed rates.

Long-distance revenues are billed in arrears as they are based on usage during the month. The customer simultaneously receives and consumes the benefits of service during the month, thus revenue is recognized over time. As such, each month the Cooperative estimates usage and recognizes the related revenue for any usage during the month which has not been billed.

Carrier Access and Special Access Billing Revenues

Carrier access billing revenues are received from charges established to compensate the Cooperative for the origination, transport and termination of calls of long distance, wireless and other interexchange carriers. Carrier access revenues are billed at tariffed access rates for both interstate and intrastate calls and are recognized into revenue monthly based on the period the access was provided.



## West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

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Special access billing relates to billings for dedicated voice and data service connections to customers. Special access revenues are billed to customers in advance of the month of service and are recognized over the period of time in which the customer simultaneously receives and consumes the services.

### Facilities Contract Revenues

Facilities contract revenues result from the Cooperative sharing facilities for use in a fiber ring in the State of South Dakota. The Cooperative's performance obligation under the contracts is to provide access to its fiber network which is connected to the fiber ring. The Cooperative recognizes revenue monthly, as the ring users simultaneously receive and consume the benefits of the fiber ring network each month. The Cooperative also receives revenue from a related party for use of their networks through an agreed upon revenue sharing model. The Cooperative recognizes revenue monthly, as the customers simultaneously receive and consume the benefits each month.

### Other Contracted Revenue

Other contracted revenue includes directory and other miscellaneous revenues contracted monthly or annually and recognized over the term of the individual contracts.

### Lease and Other Revenues

Lease revenues include operating lease revenues related to providing access to the Cooperative's assets. Lease and other revenues are not included within the scope of ASC 606 and accounted for under the accounting standards applicable to them. Generally, lease revenues are recognized on a month-to-month basis over the term of the lease.

### Federal Support Revenues

The Cooperative's network access revenues include settlements based on its participation in federal revenue pooling arrangements which are designed to promote widely available, quality telephone service at affordable prices in rural areas. Federal pooling revenues are not included within the scope of ASC 606. The revenue pools are administered by the National Exchange Carriers Association (NECA).

In 2011, the FCC approved an Order on Intercarrier Compensation and Universal Service Fund (USF) reform and announced the issuance of a Further Notice of Proposed Rulemaking on long-term USF reform and transition toward a National Broadband Plan. In March 2016, the FCC released an Order and Further Notice of Proposed Rulemaking (FNPRM) that reforms the High Cost USF Program supporting rate-of-return carriers. The Cooperative was not eligible for the initial A-CAM model and continued to receive support payments through modified legacy rate-of-return support mechanisms for USF, High Cost Loop and Interstate Common Line Support.

During 2019, an alternative A-CAM II support option was offered to companies receiving legacy rate-of-return support. The Cooperative accepted the FCC offer to begin receiving A-CAM II support in place of the legacy rate-of-return support, effective retroactively to January 1, 2019. The Cooperative will receive equal annual payments over 10 years as a replacement of the legacy-based support. The Cooperative is required to meet certain broadband deployment targets and will incur penalties and repayment of support if the required commitments are not met.



## West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

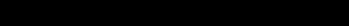
December 31, 2023 and 2022

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### **Concentrations of Business and Credit Risk**

The Cooperative provides telephone and other communication services on account to its customers located in South Dakota. The Cooperative also provides access services on account to various long-distance companies, which provides toll service to the Cooperative's customers.

The Cooperative receives a significant portion of revenues from pools administered by the National Exchange Carriers Association (NECA). Revenues from Alternative Connect America Cost Model funding and other support received through the NECA amounted to 40.9% and 42.4% of the Cooperative's total revenues for the year ended December 31, 2023 and 2022, respectively.

The Cooperative maintains its cash in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At December 31, 2023 and 2022, the Cooperative had approximately  respectively, in excess of FDIC-insured limits.

### **Allowance for Funds Used During Construction (AFUDC)**

The allowance for funds used during construction represents a rate of return on general funds, a noncash item, used to finance construction of telephone plant. AFUDC is classified in other income.

### **Accounting Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Income Taxes**

The Cooperative is exempt from income taxes under Section 501(c)(12) of the Internal Revenue Code; however, based upon IRS guidance, the Cooperative does not meet the 85-percent-member income requirement of Section 501(c)(12) for the years ended after December 31, 1991. The Cooperative files federal and state income tax returns as a taxable cooperative and pays tax on "nonpatronage" sourced income.

The Cooperative files a consolidated income tax return with its subsidiary. The subsidiary is subject to income taxes as a fully taxable "C" corporation. Deferred income taxes are established for all temporary differences resulting from the use of different accounting methods reported for financial accounting and income tax purposes, principally equity investments. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

[REDACTED]

West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

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The Cooperative evaluates its tax positions that have been taken or are expected to be taken on tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31, 2023 and 2022, the unrecognized tax benefit accrual was zero. The Cooperative would recognize future accrued interest and penalties related to unrecognized tax benefits in income tax, if incurred.

**Sales Taxes**

The Cooperative has customers in South Dakota and its municipalities in which those governmental units impose a sales tax on certain sales. The Cooperative collects those sales taxes from its customers and remits the entire amount to the various governmental units. The Cooperative's accounting policy is to exclude the tax collected and remitted from revenue and cost of revenue.

**Advertising Costs**

Advertising and promotional costs are expensed as incurred.

**Subsequent Events**

The Cooperative has evaluated subsequent events through April 12, 2024, the date on which the consolidated financial statements were available to be issued.

**Note 2 - Telecommunications and Other Plant and Depreciation**

	Depreciation Rates	2023	2022
Land and support assets			
Central office switching			
Central office transmission			
Information origination and termination			
Cable and wire facilities			
Cable television plant			
Nonregulated telecom and internet equipment			
Plant in service			
Plant under construction			

West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

**Note 3 - Investments in Equity Investees**

	2023	2022
SDN Communications, LLC (4.21% ownership) Northern Hills Transport, LLC (33.33% ownership) Tradewinds Wireless Holdings, LLC (8.56% ownership) DHE, LLC (3.46% ownership)		

The Cooperative's share of net earnings from equity investments is presented below. The earnings are reflected in the consolidated statement of operations as other income.

	2023	2022
SDN Communications, LLC Northern Hills Transport, LLC Other		

Summarized financial information of the significant equity method investees as of and for the years ended December 31, 2023 and 2022, is as follows:

	SDN Communications, LLC		Northern Hills Transport, LLC	
	2023	2022	2023	2022
Revenue Expenses Net income  Assets Liabilities Equity				

The Cooperative received distributions of from Northern Hills Transport, LLC during the years ended December 31, 2023 and 2022, respectively.

The Cooperative received distributions from SDN Communications, LLC of during the years ended December 31, 2023 and 2022. The Cooperative also uses capacity of certain telecommunications plant on a short-term basis to customers through SDN Communications, LLC. SDN Communications, LLC paid the Cooperative for the use of the Cooperative's network during December 31, 2023 and 2022, respectively.



**Note 4 - Other Investments**

	<u>2023</u>	<u>2022</u>
Patronage capital credits from nonprofit service organizations		
Rural Telephone Finance Corporation (RTFC)		
Patronage capital allocations		
Spectrum licenses		
Other		

**Note 5 - Patronage Capital**

Assigned to date  
Retired to date

**Note 6 - Other Equities**

Assignable margins  
Unallocated margins  
Other capital  
Gain on retirement of capital credits

[REDACTED]

West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

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**Note 7 - Long -Term Debt**

During 2022, the Cooperative paid off all outstanding notes held by RUS, FFB, and RTB with funds received from new loans with Dacotah Bank. The amount of the refinancing was \$ [REDACTED]. Substantially all assets of the Cooperative are pledged as security on the notes.

	<u>2023</u>	<u>2022</u>
Dacotah Bank mortgage notes		
2.85% note due in monthly installments of \$157,945, maturing January 2027		
2.25% note due in monthly installments of \$119,782, matured January 2023		
Long-term debt		
Less current maturities		
Long-term debt, less current maturities		

It is estimated that principal repayments on the above debt for the next five years will be as follows:

<u>Years Ending December 31,</u>	
2024	
2025	
2026	
2027	

**Note 8 - Operation and Maintenance Agreement**

The Cooperative has an operation and maintenance agreement with Grand Electric Cooperative, Inc. (Grand Electric), Bison, South Dakota, which provides that the operations of the organizations are, insofar as possible, to be carried on jointly, and that Grand Electric shall operate and manage the West River systems. Costs incurred in the performance of services under the agreement which relate to the joint operations of the organizations shall be apportioned and West River shall reimburse Grand Electric at amounts specified in the agreement. The parties may terminate the agreement by giving six months' notice in writing to the other party. Charges per operation and maintenance agreements were approximately [REDACTED] for the years ended December 31, 2023 and 2022, respectively. The Cooperative had accounts payable to Grand Electric of approximately [REDACTED] as of December 31, 2023 and 2022, respectively.

[REDACTED]

West River Cooperative Telephone Company and Subsidiary

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

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**Note 9 - Income Taxes**

Income tax expense is reflected in the consolidated statements of operations as follows:

	<u>2023</u>	<u>2022</u>
Federal and state income tax at statutory tax rates	[REDACTED]	[REDACTED]
Deferred income tax - net operating loss	[REDACTED]	[REDACTED]
Deferred income tax - depreciation	[REDACTED]	[REDACTED]
Deferred income tax - other	[REDACTED]	[REDACTED]
Total income tax expense	[REDACTED]	[REDACTED]

Income taxes are provided for tax effects of transactions reported in the financial statements and consist of taxes due plus deferred taxes. Differences between the federal and state statutory rates and the effective rate reflected in the income tax provision is primarily the result of patronage sourced income allocated or to be allocated to members.

Deferred income tax (liabilities) assets consist of the following:

	<u>2023</u>	<u>2022</u>
Partnership investments	[REDACTED]	[REDACTED]
CATV depreciation and amortization	[REDACTED]	[REDACTED]
Net operating loss	[REDACTED]	[REDACTED]
Other	[REDACTED]	[REDACTED]
Allowance	[REDACTED]	[REDACTED]
Net deferred tax liability	[REDACTED]	[REDACTED]

**Note 10 - Economic Development Grants**

During 2021, the Cooperative was awarded an additional stimulus grant from the State of South Dakota through the Connect South Dakota grant program with the Governor's Office of Economic Development for up to [REDACTED] of the estimated project costs to build out broadband infrastructure in the subsidiary. The project was completed during 2021 and was funded through the grant and operating cash from the Cooperative. The Cooperative's subsidiary recorded \$[REDACTED] in accounts receivable in the consolidated balance sheets for work completed at December 31, 2021. The funds were received in April 2022. The grant was recognized as deferred revenue on the consolidated balance sheets and will be amortized over ten years which approximates the average useful life of the assets constructed.



Consolidating Information  
December 31, 2023 and 2022


# West River Cooperative Telephone Company and Subsidiary

West River Cooperative Telephone Company and Subsidiary  
 Consolidated Balance Sheets with Supplementary Consolidating Information  
 December 31, 2023

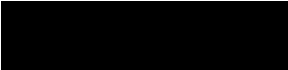
	West River Cooperative Telephone Company	West River Cable TV	Eliminations	Total
<b>Current Assets</b>				
Cash and cash equivalents				
Temporary cash investments				
Accounts receivable, net				
Accounts receivable - affiliates				
Prepaid income taxes				
Prepaid expenses				
Materials and supplies				
Total current assets				
<b>Investments and Noncurrent Assets</b>				
Other investments				
Investments in equity investees				
Investment in subsidiary				
Total investments and noncurrent assets				
<b>Telecommunications and Other Plant</b>				
In service				
Under construction				
Total investment in plant				
Less accumulated depreciation and amortization				
Net telecommunications and other plant				
<b>Current Liabilities</b>				
Current maturities of long-term debt				
Accounts payable				
Accounts payable - affiliates				
Accounts payable - related				
Advanced billing and customer deposits				
Accrued taxes				
Total current liabilities				
<b>Long-Term Liabilities</b>				
Long-term debt, less current maturities				
Deferred taxes				
Deferred revenue				
Total long-term liabilities				
<b>Equities</b>				
Patronage capital				
Common stock				
Other equities				
Total equities				

**West River Cooperative Telephone Company and Subsidiary**  
 Consolidated Balance Sheets with Supplementary Consolidating Information  
 December 31, 2022

	West River Cooperative Telephone Company	West River Cable TV	Eliminations	Total
<b>Current Assets</b>				
Cash and cash equivalents				
Temporary cash investments				
Accounts receivable, net				
Accounts receivable - affiliates				
Prepaid income taxes				
Prepaid expenses				
Materials and supplies				
Total current assets				
<b>Investments and Noncurrent Assets</b>				
Other investments				
Investments in equity investees				
Investment in subsidiary				
Total investments and noncurrent assets				
<b>Telecommunications and Other Plant</b>				
In service				
Under construction				
Total investment in plant				
Less accumulated depreciation and amortization				
Net telecommunications and other plant				
<b>Current Liabilities</b>				
Current maturities of long-term debt				
Accounts payable				
Accounts payable - affiliates				
Accounts payable - related				
Advanced billing and customer deposits				
Accrued taxes				
Total current liabilities				
<b>Long-Term Liabilities</b>				
Long-term debt, less current maturities				
Deferred revenue				
Total long-term liabilities				
<b>Equities</b>				
Patronage capital				
Common stock				
Other equities				
Total equities				

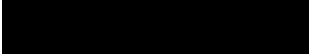
  
**West River Cooperative Telephone Company and Subsidiary**  
 Consolidated Statements of Operations with Supplementary Consolidating Information  
 Year Ended December 31, 2023

	West River Cooperative Telephone Company	Nonregulated Reclassification	West River Cable TV	Eliminations	Consolidated
Operating Revenues	<div style="display: flex; flex-direction: column; justify-content: space-between; padding: 5px;"> <span>Local network services</span> <span>Network access services</span> <span>Internet revenues</span> <span>Cable television revenues</span> <span>Facility lease revenues</span> <span>Miscellaneous revenues</span> <span>Total operating revenues</span>   <span>Operating Expenses</span> <span>Plant specific operations</span> <span>Plant nonspecific operations</span> <span>Cable television programming</span> <span>Depreciation and amortization</span> <span>Customer operations</span> <span>Corporate operations</span> <span>Operating taxes, other</span> <span>Total operating expenses</span>   <span>Net Operating Margin</span>   <span>Other Income (Expense)</span> <span>Interest income</span> <span>Subsidiary earnings</span> <span>Earnings from equity investments</span> <span>Nonregulated net margin</span> <span>Other</span> <span>Total other income (expense)</span>   <span>Net Margin Before Interest Expense and Income Taxes</span>   <span>Interest Expense</span>   <span>Net Margin Before Income Taxes</span>   <span>Income Tax Expense (Benefit)</span>   <span>Net Margin</span> </div>				
Local network services					
Network access services					
Internet revenues					
Cable television revenues					
Facility lease revenues					
Miscellaneous revenues					
Total operating revenues					
Operating Expenses					
Plant specific operations					
Plant nonspecific operations					
Cable television programming					
Depreciation and amortization					
Customer operations					
Corporate operations					
Operating taxes, other					
Total operating expenses					
Net Operating Margin					
Other Income (Expense)					
Interest income					
Subsidiary earnings					
Earnings from equity investments					
Nonregulated net margin					
Other					
Total other income (expense)					
Net Margin Before Interest Expense and Income Taxes					
Interest Expense					
Net Margin Before Income Taxes					
Income Tax Expense (Benefit)					
Net Margin					

  
**West River Cooperative Telephone Company and Subsidiary**  
 Consolidated Statements of Operations with Supplementary Consolidating Information  
 Year Ended December 31, 2022

	West River Cooperative Telephone Company	Nonregulated Reclassification	West River Cable TV	Eliminations	Consolidated
Operating Revenues	<div style="display: flex; flex-direction: column; justify-content: space-between; padding: 5px;"> <div> <p>Local network services</p> <p>Network access services</p> <p>Internet revenues</p> <p>Cable television revenues</p> <p>Facility lease revenues</p> <p>Miscellaneous revenues</p> <p style="text-align: right;">Total operating revenues</p> </div> <div> <p>Operating Expenses</p> <p>Plant specific operations</p> <p>Plant nonspecific operations</p> <p>Cable television programming</p> <p>Depreciation and amortization</p> <p>Customer operations</p> <p>Corporate operations</p> <p>Operating taxes, other</p> <p style="text-align: right;">Total operating expenses</p> </div> <p>Net Operating Margin (Loss)</p> <p>Other Income (Expense)</p> <p>Interest income</p> <p>AFUDC</p> <p>Subsidiary losses</p> <p>Earnings from equity investments</p> <p>Nonregulated net margin</p> <p>Other</p> <p style="text-align: right;">Total other income (expense)</p> <p>Net Margin (Loss) Before Interest Expense and Income Taxes</p> <p>Interest Expense</p> <p>Net Margin (Loss) Before Income Taxes</p> <p>Income Tax Expense</p> <p>Net Margin (Loss)</p> </div>				
Local network services					
Network access services					
Internet revenues					
Cable television revenues					
Facility lease revenues					
Miscellaneous revenues					
Total operating revenues					
Operating Expenses					
Plant specific operations					
Plant nonspecific operations					
Cable television programming					
Depreciation and amortization					
Customer operations					
Corporate operations					
Operating taxes, other					
Total operating expenses					
Net Operating Margin (Loss)					
Other Income (Expense)					
Interest income					
AFUDC					
Subsidiary losses					
Earnings from equity investments					
Nonregulated net margin					
Other					
Total other income (expense)					
Net Margin (Loss) Before Interest Expense and Income Taxes					
Interest Expense					
Net Margin (Loss) Before Income Taxes					
Income Tax Expense					
Net Margin (Loss)					



  
**West River Cooperative Telephone Company and Subsidiary**  
 Consolidated Statements of Cash Flows with Supplementary Consolidating Information  
 Year Ended December 31, 2023

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	West River Cooperative Telephone Company	West River Cable TV	Eliminations	Consolidated
<b>Operating Activities</b>				
Net margin				
Adjustments to reconcile net margin to net cash from operating activities				
Depreciation and amortization				
Subsidiary earnings				
Earnings from equity investments				
Distribution of earnings - equity investments				
Reinvestment of earnings of temporary cash investments				
Deferred taxes				
Change in current assets and liabilities				
<b>Net Cash from Operating Activities</b>				
<b>Investing Activities</b>				
Telecommunications and other plant additions				
Change in materials and supplies				
Contributions to equity investees				
Purchase of temporary cash investments				
Change in other investments				
<b>Net Cash used for Investing Activities</b>				
<b>Financing Activities</b>				
Principal payments on long-term debt				
Retirement of capital credits				
<b>Net Cash used for Financing Activities</b>				
<b>Change in Cash and Cash Equivalents</b>				
<b>Cash and Cash Equivalents</b>				
Beginning of year				
End of year				

West River Cooperative Telephone Company and Subsidiary  
 Consolidated Statements of Cash Flows with Supplementary Consolidating Information  
 Year Ended December 31, 2022

	West River Cooperative Telephone Company	West River Cable TV	Eliminations	Consolidated
Operating Activities				
Net margin (loss)				
Adjustments to reconcile net margin (loss) to net cash from operating activities				
Depreciation and amortization				
Subsidiary losses				
Earnings from equity investments				
Distribution of earnings - equity investments				
Reinvestment of earnings of temporary cash investments				
Change in current assets and liabilities				
Net Cash from Operating Activities				
Investing Activities				
Telecommunications and other plant additions				
Change in materials and supplies				
Contributions to equity investees				
Purchase of temporary cash investments				
Change in other investments				
Net Cash (used for) from Investing Activities				
Financing Activities				
Principal payments on long-term debt				
Retirement of capital credits				
Net Cash used for Financing Activities				
Change in Cash and Cash Equivalents				
Cash and Cash Equivalents				
Beginning of year				
End of year				