

**Exhibit A**  
*Hills Telephone Company*

**Estimated Year 2006 Federal Universal Service Receipts**

High cost loop support	\$ 37,768
Local switching support	\$ 61,661
Safety Net Additive support	\$ 0
Safety Valve Loop Cost Adjustment	\$ <u>0</u>
<b>TOTAL</b>	<b>\$ 99,429</b>

**Estimated Year 2006 Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding**

**Estimated Plant Specific Operations Expenses**

Network support (Accts. 6110-16)	\$ 0
General support (Accts. 6120-24)	\$ 20,272
Central office (Accts. 6210-6232)	\$ 22,655
Cable and wire facilities (Accts. 6410-6441)	\$ 34,432
Network operations (Accts. 6530-35)	\$ 12,821
Depreciation and amortization (Accts. 6560-65)	\$ 114,922

**Customer operations expenses**

Customer services (Accts. 6620-23)	\$ 28,541
------------------------------------	-----------

**Corporate operations expenses**

Executive and planning (Accts. 6710-6712)	\$ 15,242
General and administrative (Accts. 6720-28)	\$ 46,655

**Estimated Total Recurring Year 2006**

**Supported Expenses, from above,**

**Before Return On Investment**

**\$ 295,540**

**Estimated Additions**

Switching (Acct. 2210)	\$ 10,000
Cable and wire (Acct. 2410)	\$ <u>40,000</u>
<b>TOTAL</b>	<b>\$ 50,000</b>

**Estimated Total Year 2006 Supported**

**Expenditures, Before Return On Investment**

**\$ 345,540**