

**Molalla Communications Company
Financials**

Balance Sheet 2009

ASSETS	For Year Ending December 31, 2009
Cash and cash Equivalents	\$ 1,504,981
Telecommunications Accounts Receivable	438,468
Other Accounts Receivable	564,945
Inventory	138,859
Prepaid Expenses and Deposits	<u>291,615</u>
Total Current Assets	2,938,868
Non-current Assets	7,969,543
Property, Plant and Equipment	37,186,734
Accumulated Depreciation	(17,042,389)
Total Assets	<u><u>\$ 31,052,756</u></u>

LIABILITIES & EQUITY

Accounts Payable	\$ 1,098,759
Patronage Capital Payable	1,063,642
Current Maturities of Long-Term Debt	883,000
Advance Billing	306,772
Accrued Expenses	<u>100,096</u>
Total Current Liabilities	3,452,269
Long-term Debt	4,308,156
Deferred Income Taxes	-
Education & Economic Development Fund	-
Equity	23,292,332
Total Liabilities and Equity	<u><u>\$ 31,052,756</u></u>

STATEMENT OF OPERATIONS SUMMARY

OPERATING REVENUES	For Year Ending December 31, 2008
Local Network Services	\$ 4,568,168
Network Access Services	\$ 4,585,540
Billing and Collection	\$ 29,969
Miscellaneous	<u>\$ 402,090</u>
Total Operating Revenues	\$ 9,585,767
OPERATING EXPENSES	
Plant Specific Operations	\$ 2,029,458
Plant Non-Specific Operations	\$ 747,369
Depreciation and Amortization	\$ 2,259,339
Customer Operations	\$ 1,257,684
Corporate Operations	\$ 1,420,225
Property and Other Taxes	<u>\$ 348,388</u>
Total Operating Expenses	\$ 8,062,463
Operating Margin	<u>\$ 1,523,304</u>
Other Income	\$ (67,780)
Interest Expense	<u>\$ (324,596)</u>
Net Margin Allocated	<u><u>\$ 1,130,928</u></u>