

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	532396
<015>	Study Area Name	ST PAUL COOP ASSN
<020>	Program Year	2019
<030>	Contact Name: Person USAC should contact with questions about this data	NICK SCHNEIDER
<035>	Contact Telephone Number: Number of the person identified in data line <030>	5036332111 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	nick@stpaultel.com
Form Type		54.313 and 54.422

<010>	Study Area Code	532396
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<039>	Contact Email Address - Email Address of person identified in data line <030>	nick@stpaultel.com

<210> For the prior calendar year, were there any reportable voice service outages?

[illegible]

(400) Number of Complaints per 1,000 customers
Data Collection Form

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<039>	Contact Email Address - Email Address of person identified in data line <030>	nick8stpaultel.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	
<410>	Complaints per 1000 customers for fixed voice	
<420>	Complaints per 1000 customers for mobile voice	

**(500) Compliance With Service Quality Standards and Consumer Protection Rules
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<515>	Certify compliance with applicable minimum service standards	

(600) Functionality in Emergency Situations
Data Collection Form

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<039>	Contact Email Address - Email Address of person identified in data line <030>	nick@stpaultel.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	StPaulTel532396OR610.pdf

(900) Tribal Lands Reporting
Data Collection Form

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<039>	Contact Email Address - Email Address of person identified in data line <030>	nick@stpaultel.com

<900> Does the filing entity offer tribal land services? (Y/N)

No

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

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(5) includes:

Select Yes or No or Not Applicable

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

**(1000) Voice and Broadband Service Rate Comparability
Data Collection Form**

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<1000> Voice services rate comparability certification

Yes

<1010> Attach detailed description for voice services rate comparability compliance

Name of Attached Document

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

<1020> Broadband comparability certification

<1030> Attach detailed description for broadband comparability compliance

Name of Attached Document

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

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<039>	Contact Email Address - Email Address of person identified in data line <030>	nick@stpaultel.com

<1100> Certify whether terrestrial backhaul options exist (Y/N)

Yes

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

<1140> Alaska Plan rate-of-return certification (yes, no, or not applicable) of compliance with approved performance plan.

No

(1200) Terms and Condition for Lifeline Customers**Lifeline****Data Collection Form**

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<020> Program Year

2019

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NICK SCHNEIDER

<035> Contact Telephone Number - Number of person identified in data line <030>

5036332111 ext.

<039> Contact Email Address - Email Address of person identified in data line <030>

nick@stpaultel.com

StPaulTel5323960R1210.pdf

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP

www.oregon.gov/puc

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

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒

<1222> Details on the number of minutes provided as part of the plan, ☒

<1223> Additional charges for toll calls, and rates for each such plan. ☒

(2005) Price Cap Carrier Additional Documentation		FCC Form 481	
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers		July 2018	
<010>	Study Area Code	532396	
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Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR 54.313(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

<2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

<2017C> Total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2017.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(1)(ii)(A)

Name of Attached Document Listing
Required Information

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(1)(ii)(C)

(3005) Rate Of Return Carrier Additional Documentation
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CAF BLS Reporting

(3008A)	Please indicate whether new locations were deployed during the prior calendar year.	(Yes/No)	No
(3008B)	Please enter the number of new locations deployed in the prior calendar year associated with each of the following speed tiers.		
(3008B1)	Number of newly built locations with access to broadband speeds of at least 10/1 Mbps but less than 25/3 Mbps.		
(3008B2)	Number of newly built locations with access to broadband speeds of 25/3 Mbps or higher.		
(3008C)	Please provide the percentage of deployment across the entire study area.		

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Select from the drop down menu 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.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)	
(3010A)	Certification of Public Interest Obligations {47 CFR § 54.313(f)(1)(i)}	Yes - Attach Certification
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information StPaulTel1532396OR3010A.pdf
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	No - No New Community Anchors
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	<input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report (Yes/No)	<input type="radio"/> <input checked="" type="radio"/>
(3015)	Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires: Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)	<input type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information
(3018)	If the response is no on line 3014, is your company audited? 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:	(Yes/No) <input checked="" type="radio"/> <input type="radio"/>
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input checked="" type="checkbox"/>
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input checked="" type="checkbox"/>
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit. If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:	<input checked="" type="checkbox"/>
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant	<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.	<input type="checkbox"/>
(3025)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information StPaulTel1532396OR3020.pdf, StPaulTel1532396OR3021.pdf

(3005) Rate Of Return Carrier Additional Documentation (Continued)

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<039>	Contact Email Address - Email Address of person identified in data line <030>	nicksdpaultel.com

Financial Data Summary	
(3027) Revenue	738705
(3028) Operating Expenses	720738
(3029) Net Income	155010
(3030) Telephone Plant In Service(TPIS)	1926380
(3031) Total Assets	3035100
(3032) Total Debt	0
(3033) Total Equity	3035100
(3034) Dividends	0

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4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations and provide a list of newly served community anchor institutions.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

4001. Recipient certifies that it is offering broadband meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas.

Community Anchor Institutions – FCC 14-98 (paragraph 79)

4003a. RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

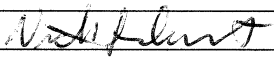
If yes to 4003A, please provide a response for 4003B.

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year. Name of Attached Document Listing Required Information

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
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TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
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.	
Name of Reporting Carrier:	ST PAUL COOP ASSN
Signature of Authorized Officer:	 Date 7/9/18
Printed name of Authorized Officer:	NICK SCHNEIDER
Title or position of Authorized Officer:	Sec/Tres
Telephone number of Authorized Officer:	5036332111 ext.
Study Area Code of Reporting Carrier:	532396
Filing Due Date for this form:	07/02/2018
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018
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<039> Contact Email Address - Email Address of person identified in data line <030>	nick@stpaultel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent Firm: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Name of Authorized Agent Employee: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

Attachments

Lifeline for St Paul Cooperative Telephone Association Customers

Oregon Lifeline is a federal and state program, managed by the Oregon Public Utility Commission, that provides a discount of up to \$12.75 on phone service or up to \$9.25 on broadband service (landline or wireless) for qualifying low-income households with participating companies. The program limits the Lifeline discount to one per household for either phone or broadband service. You may qualify if you receive benefits from one of the following programs or if your total household income is at or below 135% of Federal Poverty Guidelines:

- Supplemental Nutrition Assistance Program (SNAP)
- Supplemental Security Income (SSI)
- Medicaid
- Federal Public Housing Assistance (Section 8)
- Veterans or Survivors Pension

Being a Lifeline customer does not protect you from being disconnected if you fail to pay your telephone bill.

Apply at www.rspf.org or call 1-800-848-4442 to request an application.

Oregon Lifeline es un programa estatal y federal administrado por la Comisión de Servicios Públicos de Oregon, que proporciona un descuento de hasta \$12.75 dólares por servicios telefónicos o de hasta \$9.25 dólares por servicios de banda ancha (por cableado fijo o inalámbrico) para hogares calificados con bajos ingresos a través de las compañías participantes. El programa limita el descuento de Lifeline a uno por hogar ya sea por servicios telefónicos o de banda ancha. Usted puede calificar si recibe los beneficios de uno de los siguientes programas o si el ingreso total del hogar es de o menor al 135 % del nivel federal de pobreza:

- Programa de Asistencia de Nutrición Suplementaria (SNAP, por sus siglas en inglés)
- Seguridad de Ingreso Suplementario (SSI, por sus siglas en inglés)
- Medicaid
- Asistencia Federal de Viviendas Públicas (Sección 8)
- Pensión para veteranos o sobrevivientes

Ser miembro de Lifeline no le protegerá de estar desconectado de servicio si usted no paga su cuenta mensual.

Solicite el servicio en www.lifeline.oregon.gov o llame al 1-800-848-4442 para pedir una solicitud.



May 2, 2018

532396OR3010A

Ms Marlene H Dortch
Secretary
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, MD 20743

Re: WC Docket No. 14-58, 2015 Annual Report, Form 481 for High- Cost
Recipient 54.313(f)(1) "Public Interest Obligation"

Dear Ms. Dortch

In compliance with the filing requirements associated with, and attached to
Form 481, we wish to advise the Commission that St Paul Cooperative
Telephone Association provides High Speed Internet service to customers and:

- Has taken reasonable steps to provide upon reasonable request
broadband service at actual speeds of 10 Mbps downstream / 1 Mbps
upstream:
- Provides latency suitable for real-time applications including VoIP
and usage capacity which is reasonable comparable to those in urban
areas and:
- That reasonable requests for service are met within a reasonable
timeframe.

If there are questions, I may be contacted at 503-633-2111.

Sincerely,

A handwritten signature in dark ink, appearing to read "Nick Schneider", is written over a horizontal line.

Nick Schneider
Manager

St. Paul Cooperative Telephone Association

20238 Christie St. / P.O. Box 37 / St. Paul, Oregon 97137 / 503 633-2111 / 503 633-2112 fax

ST. PAUL COOPERATIVE TELEPHONE ASSOCIATION

Statements of Cash Flows

Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities:		
Net margin	\$ 155,010	\$ 175,240
Adjustments to reconcile net margin to net cash provided by operating activities:		
Realized gain on marketable securities	(1,714)	(3,145)
Depreciation	175,408	169,801
Depreciation on nonregulated equipment	20,435	17,929
Changes in operating assets and liabilities:		
Accounts receivable	79	(7,371)
Prepaid expenses	11,208	(3,939)
Prepaid pension cost	(17,003)	(160,201)
Accounts payable	659	(105,698)
Accrued expenses	375	(878)
Customer deposits	(200)	(2,100)
Net Cash Provided by Operating Activities	<u>344,257</u>	<u>79,638</u>
Cash Flows from Investing Activities:		
Purchases of plant and equipment	(258,125)	(258,579)
Purchases of nonregulated equipment	(11,729)	(11,733)
Proceeds from sales and maturities of marketable securities	31,469	152,496
Purchases of marketable securities	(38,718)	(306,680)
Net Cash Used by Investing Activities	<u>(277,103)</u>	<u>(424,496)</u>
Cash Flows from Financing Activities:		
Decrease in memberships	(1,203)	(84)
Retirement of patronage capital	(77,864)	(98,114)
Net Cash Used by Financing Activities	<u>(79,067)</u>	<u>(98,198)</u>
Net Decrease in Cash and Cash Equivalents	(11,913)	(443,056)
Cash and Cash Equivalents, beginning	<u>162,021</u>	<u>605,077</u>
Cash and Cash Equivalents, ending	\$ <u><u>150,108</u></u>	\$ <u><u>162,021</u></u>
Supplemental Disclosures of Noncash Investing and Financing Activities:		
Noncash additions of property and equipment	\$ <u><u>14,312</u></u>	\$ <u><u>3,433</u></u>

See accompanying notes to financial statements.

ST. PAUL COOPERATIVE TELEPHONE ASSOCIATION**Statements of Operations**

Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating Revenues:		
Local network	\$ 105,439	\$ 105,500
Network access	541,800	588,569
Long distance	29,122	33,389
Miscellaneous	<u>62,344</u>	<u>63,132</u>
Total Operating Revenues	<u>738,705</u>	<u>790,590</u>
Operating Expenses:		
Plant specific operations	154,961	143,132
Plant nonspecific operations	28,314	34,928
Depreciation	175,408	169,801
Long distance	20,635	24,426
Customer operations	71,381	70,675
Corporate operations	239,772	240,700
Operating taxes	<u>30,267</u>	<u>28,734</u>
Total Operating Expenses	<u>720,738</u>	<u>712,396</u>
Operating Margin	<u>17,967</u>	<u>78,194</u>
Other Income:		
Investment and other income	54,592	31,404
Net nonregulated activities	68,186	45,864
Ticketing services, net	<u>14,265</u>	<u>19,778</u>
Total Other Income	<u>137,043</u>	<u>97,046</u>
Net Margin	<u>\$ 155,010</u>	<u>\$ 175,240</u>

A complete copy of the Financial Statements audited by Aldrich CPAs + Advisors LLP may be seen during regular office hours at: St. Paul Cooperative Telephone Association, St. Paul, OR.

ST. PAUL COOPERATIVE TELEPHONE ASSOCIATION**Balance Sheets**

December 31, 2017 and 2016

ASSETS	<u>2017</u>	<u>2016</u>
Current Assets:		
Cash	\$ 150,108	\$ 162,021
Marketable securities	660,649	624,294
Accounts receivable, net of allowance for doubtful accounts of zero	80,542	80,621
Prepaid expenses	<u>18,570</u>	<u>29,778</u>
Total Current Assets	<u>909,869</u>	<u>896,714</u>
Other Assets:		
Other investments	21,647	21,647
Prepaid pension costs	<u>177,204</u>	<u>160,201</u>
Total Other Assets	<u>198,851</u>	<u>181,848</u>
Property, Plant, and Equipment:		
In service	4,060,340	3,866,325
Construction in process	<u>168,662</u>	<u>98,945</u>
	4,229,002	3,965,270
Less accumulated depreciation	<u>2,302,622</u>	<u>2,127,213</u>
Property, Plant, and Equipment, net	<u>1,926,380</u>	<u>1,838,057</u>
	<u><u>\$ 3,035,100</u></u>	<u><u>\$ 2,916,619</u></u>
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 32,633	\$ 17,662
Accrued expenses	8,997	8,622
Customer deposits	<u>1,000</u>	<u>1,200</u>
Total Current Liabilities	<u>42,630</u>	<u>27,484</u>
Unclaimed Patronage Capital Distributions Payable	<u>19,650</u>	<u>15,050</u>
Members' Equity:		
Memberships - fully paid	106,500	106,500
Memberships - partly paid	13,935	15,138
Other equity	755,482	744,308
Accumulated other comprehensive income	32,296	4,904
Patronage capital	<u>2,064,607</u>	<u>2,003,235</u>
Total Members' Equity	<u>2,972,820</u>	<u>2,874,085</u>
	<u><u>\$ 3,035,100</u></u>	<u><u>\$ 2,916,619</u></u>



INDEPENDENT AUDITORS' REPORT

The Board of Directors
St. Paul Cooperative Telephone Association
St. Paul, Oregon

We have audited the accompanying financial statements of St. Paul Cooperative Telephone Association (an Oregon cooperative corporation), which comprise the balance sheets as of December 31, 2017 and 2016, and the related statements of operations, comprehensive income, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Paul Cooperative Telephone Association, as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Aldrich CPAs + Advisors LLP

Salem, Oregon
March 14, 2018