

VERIZON TELEPHONE COMPANIES FCC TARIFF NO. 14
INVESTMENT AND COST DATA
SUMMARY

ICB #: FL0303231 MCI/FAA
Rate Element: Spec Const
State: Florida-G

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I. Cost and Salvage Value of Equipment			
1. Circuit Equipment Material	\$11,526.62		
2. Outside Plant Material	\$6,715.82		
3. Central Office Equipment Material	\$0.00		
4. Total Material Cost (1)+(2)+(3)	\$18,242.44		
5. Circuit Equipment Net Salvage (Incl. Cost of Removal)	\$0.00		
6. Outside Plant Net Salvage (Incl. Cost of Removal)	\$0.00		
7. Central Office Equipment Net Salvage (Incl. Cost of Removal)	\$0.00		
8. Net Material Cost (4)-(5)-(6)-(7)	\$18,242.44		
		<u>LABOR HOURS</u>	<u>LABOR RATE</u>
II. Installation Cost			
9. Circuit Equipment Engineering Labor	\$3,554.40	48.00	\$74.05
10. Outside Plant Engineering Labor	\$7,594.95	55.00	\$138.09
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$74.05
12. Total Engineering Labor (9)+(10)+(11)	\$11,149.35		
13. Circuit Equipment Installation Labor	\$6,702.40	160.00	\$41.89
14. Outside Plant Installation Labor	\$11,150.64	204.00	\$54.66
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$41.89
16. Total Installation Labor (13)+(14)+(15)	\$17,853.04		
17. Total Installed Cost (4)+(12)+(16)	\$47,244.83		
III. Non-Reusable Cost			
18. Engineering/Installation Labor Cost (12)+(16)	\$29,002.39		
19. Cost of Removal Net of Salvage	\$0.00		
20. Total Non-Reusable Cost (18)+(19)	\$29,002.39		
IV. Net Investment			
21. Total Net Investment (17)-(5)-(6)-(7)	\$47,244.83	% of Total Investment	
V. Total Annual Costs			
22. Circuit Equipment Depreciation	\$20,512.09	94.16%	
23. Outside Plant Depreciation	\$23,975.42	94.16%	
24. Central Office Equipment Depreciation	\$0.00	0.00%	
25. Return	\$2,757.33	5.84%	
26. Federal and State Income Tax	\$1,018.35	2.16%	
27. Plant Specific - Maintenance/Repair	\$309.01	0.65%	
28. Direct Administration	\$1,336.63	2.83%	
29. Non-Capitalized Expenses	\$0.00	0.00%	
30. GRT on Incremental Cost	\$1,279.71	2.71%	
31. Total Incremental Cost (22)..(30)	\$51,188.53		
Indirect Administration:			
32. Plant Specific - Support	\$708.65	1.50%	
33. Plant Non-Specific	\$1,098.17	2.32%	
34. Corporate Operations	\$604.18	1.28%	
35. Miscellaneous Loadings	\$699.21	1.48%	
36. Other Taxes	\$34.79	0.07%	
37. GRT on Indirect Admin.	\$80.64	0.17%	
38. Total Fully Allocated Cost (31)+(32)..(37)	\$54,414.18		
VI. Amounts to be Tariffed			
39. Proposed Non-Recurring Charge	\$54,733.00		

RETURN AND INCOME TAX CALCULATIONS (11.25% RATE OF RETURN)

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Return

Components	Investment	Monthly Present Value Cost
Circuit Equipment Material	\$11,526.62	\$1,020.09
Circuit Equipment Engineering	\$3,554.40	\$314.56
Circuit Equipment Installation	\$6,702.40	\$593.15
Total Circuit Equipment	\$21,783.42	\$1,927.80
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Circuit Equipment Capital Recovery x 12 Months		\$1,927.80 12
Annual Circuit Equipment Capital Recovery		\$23,133.55
Less:		
Annual Circuit Equipment Depreciation		\$21,783.42
Annual Circuit Equipment Return		\$1,350.13

Components	Investment	Monthly Present Value Cost
Outside Plant Material	\$6,715.82	\$594.34
Outside Plant Engineering	\$7,594.95	\$672.14
Outside Plant Installation	\$11,150.64	\$986.81
Total Outside Plant	\$25,461.41	\$2,253.29
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$2,253.29 12
Annual Outside Plant Capital Recovery		\$27,039.50
Less:		
Annual Outside Plant Depreciation		\$25,461.41
Annual Outside Plant Return		\$1,578.09

RETURN AND INCOME TAX CALCULATIONS (11.25% RATE OF RETURN)

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Return (contd.)

Components	Investment	Monthly Present Value Cost
Central Office Equip. Material	\$0.00	\$0.00
Central Office Equip. Engineering	\$0.00	\$0.00
Central Office Equip. Installation	\$0.00	\$0.00
Total Central Office Equip.	\$0.00	\$0.00
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Central Office Equip. Capital Recovery x 12 Months		\$0.00 12
Annual Central Office Equip. Capital Recovery		\$0.00
Less:		
Annual Central Office Equip. Depreciation		\$0.00
Annual Central Office Equip. Return		\$0.00
Circuit Equipment Return		\$1,350.13
Outside Plant Return		\$1,578.09
Central Office Equipment Return		\$0.00
Total Return		<u>\$2,928.22</u>

Federal and State Income Tax

Components	Investment	Factor	Monthly Present Value Cost
Total Circuit Equipment	\$21,783.42	0.0017	\$37.31
Total Outside Plant	\$25,461.41	0.0021	\$52.81
Total Central Office Equipment	\$0.00	0.0000	\$0.00
Total Monthly Federal and State Income Tax X 12 Months			\$84.86 12
Total Annual Federal and State Income Tax			<u>\$1,018.35</u>