



April 12, 2003

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APR 14 2003

*Records
Public Service Commission*

Missouri Public Service Commission
200 Madison Street, Suite 100
Jefferson City, Missouri 65101

Dear Mr. Roberts:

GTE Midwest Incorporated d/ba Verizon Midwest Incorporated sold it's Missouri operations to Century Tel August 31, 2002. Enclosed is the Annual Report for the 8 months ended August 31, 2002.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Nancy Heuring
Assistant Controller

FILED³

APR 17 2003

Missouri Public
Service Commission

NWH:mr
Enclosure

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*Records
Public Service Commission*

GTE Midwest Incorporated-Missouri Operations

(Full Company Name)

**INCUMBENT
LOCAL EXCHANGE CARRIER
ANNUAL REPORT
TO THE
MISSOURI PUBLIC SERVICE COMMISSION**

For Eight Months Ended August 31, 2002

Missouri Public Service Commission

Incumbent Local Exchange Carriers

Annual Report Form

TABLE OF CONTENTS

	Schedule Number
Miscellaneous Data/Questions	1
Balance Sheet Accounts	2
Plant in Service	3
Accumulated Depreciation	4
Salvage and/or Cost of Removal Costs	5
Long-Term and Short-Term Debt	6
Income Statement Accounts	7
Important Changes During the Year	8
Pension Costs	9
Access Lines in Service by Customer Class/Exchange	10

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002

- 1) State in full the exact '**certificated**' name of the telephone company:
GTE Midwest Incorporated
- 2) State in full the mailing and street addresses of the telephone company:
GTE Midwest Inc., dba Verizon Midwest Inc. sold its Missouri Operations to
Century Tel August 31, 2002.
- 3) State in full the name, street address, and telephone number of the individual to contact concerning the company's telephone operations:
GTE Midwest Inc., dba Verizon Midwest Inc. sold its Missouri Operations to
Century Tel August 31, 2002.
- 4) Under the laws of which state is the telephone company organized:
Delaware
- 5) Was the original telephone company certification in Missouri under any other names? If yes, please provide all names and time periods involved since the original certification:
No
- 6) Date of incorporation or other original organization (e.g. MM/DD/YYYY):
06/26/1992
- 7) State the names, addresses and shareholdings of persons owning five (5) percent or more of outstanding voting securities:
GTE Corporation
1095 Avenue of the Americas
New York, NY 10036
shareholdings 100%

- n/a

- The company is not involved in a settlement process for interstate toll revenues.

Interstate access charge revenues compensate the company for interstate traffic.

- GTE Midwest Incorporated is under price cap regulation in Missouri. Effective June, 2001

SEC depreciation rates are used.

- Date Office**

Assumed

see Note 1

Title

Name

	Item	Amount	FCC Account	
12)	Please identify what amount of Universal Service Fund (USF) payments were received from the National Exchange Carrier Association (NECA) for the reporting year.	\$3,921,409	5082.19	Note 1,2
13)	Please identify the "Unseparated NTS Revenue Requirement" as reported to NECA related to the above payment.	\$147,800,010	5082.19	Note 2
14)	Please identify the "Number of USF Loops" as reported by NECA related specifically to the above payment.	353,779		
15)	Please identify what amount of USF payments were received by the company from NECA for the previous reporting year.	\$2,795,074	5082.19	
16)	Please identify the amount of USF payments expected to be received by the company for the following reporting year.	N/A	5082.19	Note 2
17)	Please identify the amount of Local Switching Support payments received by the company for the current reporting year.	\$130,750	5082.19	Note 2
18)	Please identify the amount of Local Switching Support received by the company for the previous reporting year.	\$112,636	5082.19	
19)	Please identify the amount of Long Term Support (LTS) payments received, or paid, by the company for the current reporting year.	\$138,744	6540.70	Note 2
20)	Please identify the amount of Long Term Support (LTS) payments received, or paid, by the company for the previous reporting year.	\$190,596	6540.70	
21)	Type of tax return filed (i.e. 1120C, 1120S, etc.):	1120		
22)	Taxpayer ID:	43-1623440		

Note 1: Verizon North - fGTE Missouri 2002 USF support is suspended pending further FCC investigation resulting from the sale of exchanges in year 2000.

Note 2: Verizon Midwest, Inc., which includes all Missouri study areas, was sold to Century Tel on August 31, 2002.

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**BALANCE SHEET ACCOUNTS**

FCC #	Account Description	Amount
<u>Current Assets</u>		
1130	Cash	\$0
1140	Special Cash Deposits	\$0
1150	Working Cash Advance	\$0
1160	Temporary Investments	\$0
1180	Telecommunications Accounts Receivable	\$0
1190	Other Accounts Receivable	\$0
1191	Accounts Receivable Allowance - Other	\$0
1200	Notes Receivable	\$0
1201	Notes Receivable Allowance	\$0
1210	Interest and Dividende Receivable	\$0
1220	Material and Supplies	\$0
1290	Prepaid Rents	\$0
1300	Prepaid Taxes	\$0
1310	Prepaid Insurance	\$0
1320	Prepaid Directory Expenses	\$0
1330	Other Prepayments	\$0
1350	Other Current Assets	\$0
Total Current Assets		\$0
<u>Noncurrent Assets</u>		
1401	Investments in Affiliated Companies	\$0
1402	Investments in Nonaffiliated Companies	\$0
1406	Nonregulated Investments	\$0
1407	Unamortized Debt Issuance Expenses	\$0
1408	Sinking Funds	\$0
1410	Other Noncurrent Assets	\$0
1438	Deferred Maintenance & Retirements	\$0
1439	Deferred Charges	\$0
1500	Other Jurisdictional Assets-Net	\$0
Total Noncurrent Assets		\$0

*

BALANCE SHEET ACCOUNTS

FCC #	Account Description	Amount
Regulated Plant		
2001	Telecommunications Plant in Service	\$0
2002	Property Held For Future Telecommunications Use	0
2003	Telecommunications Plant Under Construction - Short Term	0
2004	Telecommunications Plant Under Construction - Long Term	0
2005	Telecommunications Plant Adjustment	0
2006	Nonoperating Plant	0
2007	Goodwill	0
Total Regulated Plant		
Depreciation and Amortization		
3100	Accumulated Depreciation	\$0
3200	Accumulated Depreciation - Held For Future Use	0
3300	Accumulated Depreciation - Nonoperating	0
3410	Accumulated Depreciation - Capitalized Leases	0
3420	Accumulated Depreciation - Leasehold Improvements	0
3500	Accumulated Depreciation - Intangible	0
3600	Accumulated Depreciation - Other	0
Total Depreciation and Amortization		\$0
Net Plant		\$0
Total Assets		\$0

BALANCE SHEET ACCOUNTS

FCC #	Account Description	Amount
<u>Current Liabilities</u>		
4010	Accounts Payable	\$0
4020	Notes Payable	\$0
4030	Advanced Billing and Payments	\$0
4040	Customers' Deposits	\$0
4050	Current Maturities - Long Term	\$0
4060	Current Maturities - Capital Leases	\$0
4070	Income Taxes Accrued	\$0
4080	Other Taxes Accrued	\$0
4100	Net Current Deferred Operating Income Taxes	\$0
4110	Net Current Deferred Non-operating Income Taxes	\$0
4120	Other Accrued Liabilities	\$0
4130	Other Current Liabilities	\$0
Total Current Liabilities		\$0
<u>Long-Term Debt</u>		
4210	Funded Debt	\$0
4220	Premium on Long-Term Debt	\$0
4230	Discount on Long-Term Debt	\$0
4240	Reacquired Debt	\$0
4250	Obligations Under Capital Leases	\$0
4260	Advances From Affiliated Companies	\$0
4270	Other Long-Term Debt	\$0
Total Long-Term Debt		\$0

BALANCE SHEET ACCOUNTS

FCC #	Account Description	Amount
<u>Other Liabilities and Deferred Credits</u>		
4310	Other Long-Term Liabilities	\$0
4320	Unamortized Operating Investment Tax Credits - Net	\$0
4330	Unamortized Nonoperating Investment tax Credits - Net	\$0
4340	Net Non-current Deferred Operating Income Taxes	\$0
4350	Net Noncurrent Deferred Nonoperating Income Taxes	\$0
4360	Other Deferred Credits	\$0
4370	Other Jurisdictional Liabilities and Deferred Credits - Net	\$0
Total Other Liabilities and Deferred Credits		\$0
<u>Stockholders' Equity</u>		
4510	Capital stock	\$0
4520	Additional Paid -In Capital	\$0
4530	Treasury Stock	\$0
4540	Other Capital	\$0
4550	Retained Earnings	\$0
Total Stockholders' Equity		\$0
Total Liabilities and Shareholders' Equity		\$0

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**PLANT IN SERVICE**

FCC #	Account Description	Authorized Depreciation Rate (A)	Amount
<u>General Support Assets</u>			
2111	Land		
2112	Motor Vehicles	5.90%	\$0
2113	Aircraft	0.00%	0
2114	Tools and Other Work Equipment	9.00%	0
2115	Garage Work Equipment	9.00%	0
2116	Other Work Equipment	9.00%	0
2121	Buildings	2.40%	0
2122	Furniture	0.00%	0
2123.1	Office Equipment - Office Support	7.60%	0
2123.2	Office Equipment - Co. Communications	9.00%	0
2124	General Purpose Equipment	0.00%	0
<u>Total General Support Assets</u>			
<u>Central Office Assets</u>			
2211	Analog Electronic Switching	0.00%	\$0
2212	Digital Electronic Switching	5.70%	0
2215	Electromechanical Switching	0.00%	0
2220	Operator Systems	12.10%	0
2231.1	Satellite and Earth Station Equipment	3.40%	0
2231.2	Other Radio Facilities	3.40%	0
2232.1	Circuit Equipment - Digital	6.30%	0
2232.2	Circuit Equipment - Analog	6.30%	0
<u>Total Central Office Assets</u>			\$0

(A) See Schedule 1, question 10.

PLANT IN SERVICE

FCC #	Account Description	Authorized Depreciation Rate (A)	Amount
<u>Information Origination/Termination Assets</u>			
2311	Station Apparatus	0.00%	\$0
2321	Customer Premises Wiring	0.00%	0
2341	Large Private Branch Exchange	0.00%	0
2351	Public Telephone Terminal Equipment	0.00%	0
2362	Other Terminal Equipment	7.80%	0
<u>Total Info. Origination/Termination Assets</u>			
<u>Cable and Wire Facilities Assets</u>			
2411	Poles	20.00%	\$0
2421.1	Aerial cable - Nonmetallic	3.50%	0
2421.2	Aerial cable - Metallic	6.10%	0
2422.1	Underground cable - Nonmetallic	4.00%	0
2422.2	Underground cable - Metallic	6.20%	0
2423.1	Buried cable - Nonmetallic	3.40%	0
2423.2	Buried cable - Metallic	5.70%	0
2424.1	Submarine cable - Nonmetallic	8.30%	0
2424.2	Submarine cable - Metallic	8.30%	0
2425	Deep Sea Cable	0.00%	0
2426	Intrabuilding Network Cable	0.00%	0
2431	Aerial Wire	0.00%	0
2441	Conduit Systems	2.30%	0
<u>Total Cable and Wire Facilities Assets</u>			

(A) See Schedule 1, question 10.

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**PLANT IN SERVICE**

FCC #	Account Description	Authorized Depreciation Rate (A)	Amount
<u>Amortizable Assets</u>			
2681	Capital Leases		\$0
2682	Leasehold Improvements		\$0
2690	Intangibles		\$0
<u>Total Amortizable Assets</u>			\$0
<u>Total Telecommunications Plant In Service</u>			\$0

(A) See Schedule 1, question 10.

DEPRECIATION RESERVE

FCC #	Account Description	Depreciation Expense Recorded	Accumulated Balance
<u>General Support Assets</u>			
3111	Land		
3112	Motor Vehicles	\$0	\$0
3113	Aircraft	0	0
3114	Tools and Other Work Equipment	0	0
3115	Garage Work Equipment	0	0
3116	Other Work Equipment	0	0
3121	Buildings	0	0
3122	Furniture	0	0
3123.1	Office Equipment - Office Support	0	0
3123.2	Office Equipment - Co. Communications	0	0
3124	General Purpose Equipment	0	0
Total General Support Assets		\$0	\$0
<u>Central Office Assets</u>			
3211	Analog Electronic Switching	\$0	\$0
3212	Digital Electronic Switching	0	0
3215	Electromechanical Switching	0	0
3220	Operator Systems	0	0
3231.1	Satellite and Earth Station Equipment	0	0
3231.2	Other Radio Facilities	0	0
3232.1	Circuit Equipment - Digital	0	0
3232.2	Circuit Equipment - Analog	0	0
Total Central Office Assets		\$0	\$0

DEPRECIATION RESERVE

FCC #	Account Description	Depreciation Expense Recorded	Accumulated Balance
<u>Information Origination/Termination Assets</u>			
3311	Station Apparatus	\$0	\$0
3321	Customer Premises Wiring	0	0
3341	Large Private Branch Exchange	0	0
3351	Public Telephone Terminal Equipment	0	0
3362	Other Terminal Equipment	0	0
Total Info. Origination/Termination Assets		\$0	\$0
<u>Cable and Wire Facilities Assets</u>			
3411	Poles	\$0	\$0
3421.1	Aerial cable - Nonmetallic	0	0
3421.2	Aerial cable - Metallic	0	0
3422.1	Underground cable - Nonmetallic	0	0
3422.2	Underground cable - Metallic	0	0
3423.1	Buried cable - Nonmetallic	0	0
3423.2	Buried cable - Metallic	0	0
3424.1	Submarine cable - Nonmetallic	0	0
3424.2	Submarine cable - Metallic	0	0
3425	Deep Sea Cable	0	0
3426	Intra-building Network Cable	0	0
3431	Aerial Wire	0	0
3441	Conduit Systems	0	0
Total Cable and Wire Facilities Assets		\$0	\$0

DEPRECIATION RESERVE

FCC #	Account Description	Amortization Expense Recorded	Accumulated Balance
Amortizable Assets			
3681	Capital Leases	\$0	\$0
3682	Leasehold Improvements	0	0
3690	Intangibles	0	0
Total Amortizable Assets		\$0	\$0
Total Depreciation & Amortization Reserve		\$0	\$0

SALVAGE and/or COST OF REMOVAL COSTS**Amount Recorded To:**

FCC #	Account Description	Depreciation Reserve	Income Statement
<u>General Support Assets</u>			
2111	Land	\$0	\$0
2112	Motor Vehicles	0	0
2113	Aircraft	0	0
2114	Tools and Other Work Equipment	0	0
2115	Garage Work Equipment	0	0
2116	Other Work Equipment	0	0
2121	Buildings	0	0
2122	Furniture	0	0
2123.1	Office Equipment - Office Support	0	0
2123.2	Office Equipment - Co. Communications	0	0
2124	General Purpose Equipment	0	0
Total General Support Assets		\$0	\$0
<u>Central Office Assets</u>			
2211	Analog Electronic Switching	\$0	\$0
2212	Digital Electronic Switching	0	0
2215	Electromechanical Switching	0	0
2220	Operator Systems	0	0
2231.1	Satellite and Earth Station Equipment	0	0
2231.2	Other Radio Facilities	0	0
2232.1	Circuit Equipment - Digital	0	0
2232.2	Circuit Equipment - Analog	0	0
Total Central Office Assets		\$0	\$0

SALVAGE and/or COST OF REMOVAL COSTS**Amount Recorded To:**

FCC #	Account Description	Depreciation Reserve	Income Statement
Information Origination/Termination Assets			
2311	Station Apparatus	\$0	\$0
2321	Customer Premises Wiring	0	0
2341	Large Private Branch Exchange	0	0
2351	Public Telephone Terminal Equipment	0	0
2362	Other Terminal Equipment	0	0
Total Info. Origination/Termination Assets		\$0	\$0
Cable and Wire Facilities Assets			
2411	Poles	\$0	\$0
2421.1	Aerial cable - Nonmetallic	0	0
2421.2	Aerial cable - Metallic	0	0
2422.1	Underground cable - Nonmetallic	0	0
2422.2	Underground cable - Metallic	0	0
2423.1	Buried cable - Nonmetallic	0	0
2423.2	Buried cable - Metallic	0	0
2424.1	Submarine cable - Nonmetallic	0	0
2424.2	Submarine cable - Metallic	0	0
2425	Deep Sea Cable	0	0
2426	Intrabuilding Network Cable	0	0
2431	Aerial Wire	0	0
2441	Conduit Systems	0	0
Total Cable and Wire Facilities Assets		\$0	\$0

SALVAGE and/or COST OF REMOVAL COSTS**Amount Recorded To:**

FCC #	Account Description	Depreciation Reserve	Income Statement
	Amortizable Assets		
2681	Capital Leases	\$0	\$0
2682	Leasehold Improvements	0	0
2690	Intangibles	0	0
Total Amortizable Assets		\$0	\$0
Total Salvage and/or Cost of Removal Costs		\$0	\$0

LONG-TERM AND SHORT-TERM DEBT

[illegible]

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
Local Network Services Revenues			
5001	Basic Area Revenue	\$40,823,178	\$40,823,178
5002	Optional Extended Area Revenue	12,699,513	12,699,513
5003	Cellular Mobile Revenue	0	0
5004	Other Mobile Services Revenue	1	1
5040	Local Private Line Revenue	378,200	378,200
5050	Customer Premises Revenue	0	0
5060	Other Local Exchange Revenue	20,711,064	20,711,064
5069	Other Local Exchange Revenue Settlements	0	0
Total Local Network Services Revenues		74,611,956	74,611,956
Network Access Services Revenues			
5081	End User Revenue	19,163,441	19,163,441
5082	Switched Access Revenue	11,367,321	11,367,321
5083	Special Access Revenue	14,940,277	14,940,277
5084	State Access Revenue	50,161,293	50,161,293
Total Network Access Services Revenues		95,632,332	95,632,332
Long Distance Network Services Revenues			
5100	Long Distance Message Revenue	9,176,236	9,176,236
5111	Long Distance Inward-only Revenue	10,802	10,802
5112	Long Distance Outward-only Revenue	341	341
5121	Subvoice Grade L.D. Private Network Revenue	62,860	62,860
5122	Voice Grade L.D. Private Network Revenue	167,446	167,446
5123	Audio Program Grade L.D. Private Network Revenue	0	0
5124	Video Program Grade L.D. Private Network Revenue	0	0
5125	Digital Transmission L.D. Private Network Revenue	228,763	228,763
5126	Long Distance Private Network Switching Revenue	0	0
5128	Other Long Distance Private Network Revenue	8,282	8,282
5129	Other L.D. Private Network Revenue Settlements	288,062	288,062
5160	Other Long Distance Revenues	72,345	72,345
5169	Other Long Distance Revenue Settlements	0	0
Total Long Distance Network Services Revenue		10,015,137	10,015,137

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**INCOME STATEMENT**

FCC #	Account Description	Missouri Jurisdiction	Total Company
Miscellaneous Revenues			
5230	Directory Revenue	\$809,957	\$809,957
5240	Rent Revenue	5,504,056	5,504,056
5250	Corporate Operations Revenue	0	0
5261	Special Billing Arrangements Revenue	831	831
5262	Customer Operations Revenue	0	0
5263	Plant Operations Revenue	1,109,610	1,109,610
5264	Other Incidental Regulated Revenue	1,326,104	1,326,104
5269	Other Revenue Settlements	0	0
5270	Carrier Billing & Collection Revenue	3,258,388	3,258,388
Total Miscellaneous Revenues		12,008,946	12,008,946
5280	Non-Regulated Operating Revenue	0	0
Uncollectible Revenues			
5301	Uncollectible Revenue - Telecommunications	(2,806,784)	(2,806,784)
5302	Uncollectible Revenue - Other	0	0
Total Uncollectible Revenues		(2,806,784)	(2,806,784)
Total Operating Revenues		189,461,587	189,461,587

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
	<u>Plant Specific Operations Expense</u>		
6110	Network Support Expense		\$0
6112	Motor Vehicle Expense		206,041
6113	Aircraft Expense		1,545
6114	Tools and Other Work Equipment Expense		57,424
6120	General Support Expenses		0
6121	Land and Building Expenses		4,072,338
6122	Furniture and Artworks Expense		25,247
6123	Office Equipment Expense		280,104
6124	General Purpose Computers Expense		3,321,944
6210	Central Office Switching Expense		0
6211	Analog Electronic Expense		5,138
6212	Digital Electronic Expense		5,946,163
6215	Electro-mechanical Expense		(18)
6220	Operator System Expense		3,199
6230	Central Office Transmission Expense		0
6231	Radio Systems Expense		11,995
6232	Circuit Equipment Expense		7,963,079
6310	Information Origination/termination Expense		0
6311	Station Apparatus Expense		0
6341	Large Private Branch Exchange Expense		0
6351	Public Telephone Terminal Equipment Expense		0
6362	Other Terminal Equipment Expense		245,115
6410	Cable and Wire Facilities Expense		0
6411	Poles Expense		908,380
6421	Aerial Cable Expense		4,097,781
6422	Underground Cable Expense		1,062,433
6423	Buried Cable Expense		3,798,386
6424	Submarine Cable Expense		993
6425	Deep Sea Cable Expense		0
6426	Intrabuilding Network Cable Expense		404
6431	Aerial Wire Expense		10,335
6441	Conduit Systems Expense		563
Total Plant Specific Operations Expense			32,018,589

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**INCOME STATEMENT**

FCC #	Account Description	Missouri Jurisdiction	Total Company
	<u>Plant Non-specific Operations Expense</u>		
6510	Other Property Plant and Equipment Expense		\$0
6511	Telecommunications Use Expense		22
6512	Provisioning Expense		85,156
6530	Network Operations Expense		0
6531	Power Expense		1,217,932
6532	Network Administration Expense		714,443
6533	Testing Expense		1,016,352
6534	Plant Operations Administration Expense		1,681,051
6535	Engineering Expense		652,307
6540	Access Expense		8,256,958
Total Plant Non-specific Operations Expense			13,624,221
	<u>Depreciation and Amortization Expense</u>		
6561	Depreciation Expense - Plant in Service		41,902,331
6562	Depreciation Expense - Plant Held for Future Use		0
6563	Amortization Expense - Tangible		68,909
6564	Amortization Expense - Intangible		2,662,592
6565	Amortization Expense - Other		0
Total Depreciation and Amortization Expense			44,633,832
	<u>Customer Operations Expense</u>		
6610	Marketing		0
6611	Product Management		933,449
6612	Sales		1,748,752
6613	Product Advertising		(112,238)
6620	Services		0
6621	Call Completion Services		273,168
6622	Number Services		235,474
6623	Customer Services		13,754,015
Total Customer Operations Expenses			16,832,620

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**INCOME STATEMENT**

FCC #	Account Description	Missouri Jurisdiction	Total Company
	<u>Corporate Operations Expense</u>		
6710	Executive and Planning		\$0
6711	Executive		(243,740)
6712	Planning		334,287
6720	General and Administrative		0
6721	Accounting and Finance		576,323
6722	External Relations		814,101
6723	Human Resources		1,175,188
6724	Information Management		3,263,440
6725	Legal		367,964
6726	Procurement		191,309
6727	Research and Development		55,566
6728	Other General and Administrative		8,737,745
6790	Provision for Uncollectible Notes Receivable		5,185
	Total Corporate Operations Expense		15,277,368
	Total Operating Expense		122,386,630
	Net Operating Income		67,074,957
	<u>Other Operating Income and Expense</u>		
7110	Income from Custom Work		(1)
7130	Return from Nonregulated Use of Regulated Facilities		0
7140	Gains and Losses from Foreign Exchange		0
7150	Gains or (Losses) from Disposition of Land and Artwork		(309)
7160	Other Operating Gains and (Losses)		1,258
	Total Other Operating Income and (Expense)		948

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**INCOME STATEMENT**

FCC #	Account Description	Missouri Jurisdiction	Total Company
	<u>Operating Taxes</u>		
7210	Operating Investment Tax Credits - Net		\$507,590
7220	Operating Federal Income Taxes		(1,175,229,202)
7230	Operating State and Local Income Taxes		(156,957,196)
7240	Operating Other Taxes		(2,706,913)
7250	Provision for Deferred Operating Income Taxes - Net		855,783,634
	<u>Total Operating Taxes</u>		<u>(478,602,087)</u>
	<u>Nonoperating Income and Expense</u>		
7300	Nonoperating Income and Expense		0
7310	Dividend Income		124
7320	Interest Income		48,641
7330	Income from Sinking & Other Funds		0
7340	Allowance for Funds Used During Construction		20,137
7350	Gains or (Losses) from the Disposition of Certain Property		683,340,465
7360	Other Nonoperating Income		54,424,854
7370	Special Charges		(207,412)
	<u>Total Nonoperating Income and (Expense)</u>		<u>737,626,809</u>
	<u>Nonoperating Taxes</u>		
7410	Nonoperating Investment Tax Credits - Net		0
7420	Nonoperating Federal Income Taxes		0
7430	Nonoperating State & Local Income Taxes		0
7440	Nonoperating Other Taxes		0
7450	Provision for Deferred Nonoperating Income Taxes - Net		0
	<u>Total Non-Operating Taxes</u>		<u>0</u>

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
Interest & Related Items			
7510	Interest on Funded Debt		\$94,814
7520	Interest Expense - Capital Leases		(670)
7530	Amortization of Debt Issuance Expense		(43,122)
7540	Other Interest Deductions		(2,767,204)
Total Interest & Related Items			(2,716,182)
Extraordinary Items			
7610	Extraordinary Income Credits		0
7620	Extraordinary Income Charges		1,428,317
7630	Current Income Tax Effect of Extraordinary Items - Net		(557,937)
7640	Provision for Deferred Income Tax Effect of Extraordinary Items - Net		0
Total Extraordinary Items			870,380
Jurisdictional Differences & Nonregulated Items			
7910	Income Effect of Jurisdictional Ratemaking Difference - Net		(82,937,615)
7990	Nonregulated Net Income		0
Total Jurisdictional Differences & Nonregulated Items			(82,937,615)
NET INCOME			\$1,202,212,988

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**IMPORTANT CHANGES DURING THE YEAR**

Please give particulars concerning the matters indicated below. Make the statements explicit and number them in accordance with the inquiries. Each inquiry must be answered. However, if the word "none" states the fact, it may be used in answering any inquiry, or if information is given elsewhere in the report which answers any inquiry, reference to such other schedule will be sufficient. Use additional sheets if necessary.

1 GTE Midwest Inc., dba Verizon Midwest Inc. sold its Missouri Operations to Century Tel 8/31/02.

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Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**PENSION COST - DEFINED BENEFIT PLANS**

Report **each individual Plan** covering one or more groups of Company employees on a separate schedule. (i.e. ESOP, Defined Contribution, Other (describe), etc.)

Plan Name: GTE Service Corporation Plan for Employees' Pension-Management Plan

Trustee Name: Mellon Bank

Item	Current Year	Previous Year
Date of Actuarial Report:	August, 2002	December, 2001
Accumulated Benefit Obligation	\$0	\$49,733
Projected Benefit Obligation	\$0	\$54,290
Fair Value of Plan Assets	\$0	\$97,738
Discount Rate % for Settlement of Liabilities	0.00%	7.25%
Expected Long-Term Return On Assets Rate %	0.00%	9.25%
Service Cost	\$0	\$1,234
Interest Cost	\$0	\$4,209
Return On Plan Assets	\$0	\$6,790
Amortization of Transition Amount	\$0	(\$130)
Amortization of Gains or Losses	\$0	(\$16,485)
Total Pension Cost		(\$4,382)
Minimum Required Contribution	\$0	\$0
Actual Contribution	\$0	\$0
Maximum Tax Deductible Contribution	\$0	\$0
Benefit Payments	\$0	\$16,974
Pension Cost Expensed	\$0	(\$10,704)
Pension Cost Capitalized	\$0	(\$2,079)
Pension Asset/Liability at Close of Year	\$0	\$80,794

NOTES:

1. Accumulated Pension Asset at end of year includes asset for management as well as hourly plans

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**PENSION COST - DEFINED BENEFIT PLANS**Report **each individual Plan** covering one or more groups of Company employees on a separate schedule. (i.e. ESOP, Defined Contribution, Other (describe), etc.)Plan Name: GTE Midwest Incorporated Plan for Hourly-Paid Employees' PensionsTrustee Name: Mellon Bank

Item	Current Year	Previous Year
Date of Actuarial Report:	August, 2002	December, 2001
Accumulated Benefit Obligation	\$0	\$65,848
Projected Benefit Obligation	\$0	\$75,830
Fair Value of Plan Assets	\$0	\$141,298
Discount Rate % for Settlement of Liabilities	0.00%	7.25%
Expected Long-Term Return On Assets Rate %	0.00%	9.25%
Service Cost	\$0	\$2,100
Interest Cost	\$0	\$5,594
Return On Plan Assets	\$0	\$9,679
Amortization of Transition Amount	\$0	(\$419)
Amortization of Gains or Losses	\$0	(\$23,676)
Total Pension Cost		(\$6,722)
Minimum Required Contribution	\$0	\$0
Actual Contribution	\$0	\$0
Maximum Tax Deductible Contribution	\$0	\$0
Benefit Payments	\$0	\$16,974
Pension Cost Expensed	\$0	(\$10,704)
Pension Cost Capitalized	\$0	(\$2,079)
Pension Asset/Liability at Close of Year	\$0	\$80,794

NOTES:

1. Accumulated Pension Asset at end of year includes asset for management as well as hourly plans

Annual Report of GTE Midwest Incorporated-Missouri Operations for eight months ended August 31, 2002**PENSION COST - OTHER THAN DEFINED BENEFIT PLANS**

Report **each individual Plan** covering one or more groups of Company employees on a separate schedule. (i.e. ESOP, Defined Contribution, Other (describe), etc.

Plan Name: _____

Trustee Name: _____

Plan Description: GTE Midwest Inc., dba Verizon Midwest Inc. sold its Missouri Operations to Century Tel 8/31/02.

1. _____

2. _____

3. _____

[illegible]

VERIFICATION

The foregoing report must be verified by the oath of the President or chief officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

State Of Texas
County Of Dallas } ss:

Nancy W. Heuring makes oath and says that
(Insert here the name of the affiant)

he is Assistant Controller
(Insert here the official title of the affiant)

of GTE Midwest Incorporated
(Insert here the exact legal title or name of the respondent)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent.

January 1, 2002, to and including August 31, 2002

Nancy W. Heuring
(Signature of affiant)

Subscribed and sworn before me, a Public Notary in and for the
State and county above named, this 9th day of April, 2003
My Commission expires May 21, 2006



Marilyn S. Romans
(Signature of officer authorized to administer oaths)