**Section 755.500 Annual Filings**

a) On or before April 1 of each year, ITAC shall file with the Commission a verified petition requesting that the Commission establish the annual line charge and assessment, and shall file with the petition the following information, and shall serve the filing as provided in Section 755.515(b):

1) ITAC's audited financial statements as of December 31 of the prior calendar year;

2) A projected balance sheet, projected statement of revenues and expenses, projected statement of cash flows, and a summary of significant projection assumptions and accounting policies for the projection period;

3) A pro forma adjustment to annualize December levels of revenues and expenses for the projection period shall be added to the projected revenues and expenses;

4) A statement from an independent certified public accountant that the projected balance sheet and statements of revenues and expenses and cash flows comply with the guidelines for presentation of a projection established in the "Prospective Financial Information Guide", April 1, 2017, by the American Institute of Certified Public Accountants (1211 Avenue of the Americas, New York NY 10036), and that the underlying assumptions provide a reasonable basis for management's projections. No later amendment or edition of the "Prospective Financial Information Guide" is included by this incorporation; and

5) Schedules for the projection period presenting the following information in the format of Exhibit A through Exhibit M:

A) A calculation of the proposed monthly line charge and assessment (Exhibit A);

B) A comparison of present and proposed line charges and assessments, as adjusted (Exhibit B);

C) A statement of revenues and expenses at present line charge and assessments, as adjusted (Exhibit C);

D) A statement of prior calendar year actual revenues over/(under) expenses (Exhibit D);

E) A schedule of adjustment to projected cash balance (Exhibit E);

F) A supporting schedule of planned capital expenditures during projection period (Exhibit F);

G) A schedule of projected increase to cash under proposed line charge and assessment before cash adjustment (Exhibit G);

H) A schedule of projected and historical TRS call volumes and projected and historical subscriber lines, wireless lines, subscriptions, and prepaid wireless telecommunications services retail transactions (Exhibit H);

I) A depreciation schedule (Exhibit I); and

J) Comparative actual and projected balance sheets, at proposed line charge and assessment, as adjusted (Exhibit L).

b) For purposes of projecting subscriber lines, wireless lines, and subscriptions for the projection period as required by subsection (a), it shall be assumed, with the exception of the 2016 calendar year period, that subscriber lines, wireless lines, and subscriptions will increase or decrease annually from the number of subscriber lines, wireless lines, and subscriptions on December 31 of the prior calendar year reported by ITAC pursuant to subsection (a)(5)(H), at a weighted average growth rate. This growth rate shall be based on historical Illinois rates of increase or decrease in subscriber lines, wireless lines, and subscriptions.

c) For purposes of projecting TRS call volumes for the projection period as required by subsection (a), forecasts of call volumes shall be based on historical Illinois TRS call volumes.

d) For purposes of projecting expenses for the projection period as required by subsection (a), an annual inflation factor equal to the consensus Gross National Product implicit price deflator for the projection period, as reported in the publication "Blue Chip Economic Indicators" for January of the year in which the filing is made, shall be applied to all costs, excluding depreciation and costs fixed by contract between ITAC and another party, and other reasonably estimated costs.

e) For purposes of establishing the proposed line charge and assessment for the projection period, ITAC shall make calculations so that the following amounts are reflected in the proposed line charge and assessment over a 12 month period:

1) projection period revenues (over)/under expenses at present line charge and assessment, as adjusted;

2) the total difference, if any, between ITAC's actual revenues and ITAC's actual expenses for the prior calendar year; and

3) any adjustment necessary so that ITAC's cash balance, under the proposed line charge and assessment, at the end of the projection period will be no less than one-eighth and no greater than one-fourth of ITAC's projected expenses, as adjusted, for the projection period, excluding depreciation, plus an allowance for planned capital expenditures during the projection period.

f) ITAC shall make available to the Commission Staff all workpapers, documentation, and calculations supporting its annual filing.

(Source: Amended at 43 Ill. Reg. 7869, effective July 2, 2019)