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IDAHO PUBLIC UTILITIES COMMISSION

# ANNUAL REPORT

OF

COLT

Columbine Telephone Company, Inc. dba Teton Telecom  
NAME

P.O. Box 226, 104101 Hwy 89, Freedom, WY 83120  
ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2005

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING 2005**

**COMPANY INFORMATION**

Exact name of utility: Columbine Telephone Company, Inc. dba Teton Telecom  
 Address of principal office: PO Box 226 104101 Hwy 89 Freedom, WY 83120  
 Telephone Number Area Code (\_307\_) 883-2411 E-mail address: \_\_\_\_\_  
 Cities or towns served: Idaho: Driggs, Victor, Tetonia; Wyoming: Alta, Leigh Canyon

Name and title of officer having custody of the general corporate books of account: \_\_\_\_\_  
Allen R. Hoopes

Address of office where corporate books are kept and phone number: \_\_\_\_\_  
PO Box 226 104101 Hwy 89 Freedom, WY 83120

Organized under the laws of the State of: Wyoming

Date of organization: Domesticated 12/23/04

Form of organization (proprietorship, association, corporation): Corporation

If a Subchapter S Corporation, please specify: \_\_\_\_\_

Name and address of controlling company, if any: \_\_\_\_\_

Names of affiliated companies. Give address and description of business: Telecommunication Services  
Silver Star Telephone Company, Inc.  
PO Box 226 104101 Hwy 89 Freedom, WY 83120

**OFFICERS**

Report below the title, name and office address of each general officer of the utility at the end of the year. If there were any changes during the year, show the name, title, and address of the previous officer and the date of change.

<b>Title</b>	<b>Name</b>	<b>Address</b>
President	Allen R. Hoopes	P.O. Box 226, Freedom, WY 83120
VP Operations	Ron B. McCue	P.O. Box 226, Freedom, WY 83120
Sec/Treasurer	Bonnie E. Hoopes	P.O. Box 226, Freedom, WY 83120
VP Finance	Chad Turner	P.O. Box 226, Freedom, WY 83120

### DIRECTORS

List the name of each person who was a member of the Board of Directors at any given time during the year: (Fees related to meetings only.)

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Melvin R. Hoopes	Indefinite	6	\$ 750
Allen R. Hoopes	Indefinite	6	\$ 750
Bonnie E. Hoopes	Indefinite	6	\$ 750
			\$ -
Bradford E. Hoopes	Indefinite	2	\$ 250
Rod R. Jensen	Indefinite	6	\$ 750
W. Tom Davis	Indefinite	6	\$ 750
Vince Zimmer	Indefinite	4	\$ 500
Name of Chairman of the Board:		Melvin R. Hoopes	
Name of Secretary (or Clerk) of Board:		Bonnie E. Hoopes	
Number of Meetings of the Board during the year:		6	

### MANAGERS

List the name of each person who performed management duties for the Company during the year, and the total wages and bonuses paid to those persons: (Do not include Director fees in these amounts.)

Name	Title	Wages and Bonuses Paid
Allen R. Hoopes	General Manager	\$ 138,190
Ron B. McCue	VP Operations	\$ 127,021
Sharon Urbanik	Customer Service Manager	\$ 67,151
Chad H. Turner	VP Finance	\$ 106,914
Robert S. Tanguay	Network Manager	\$ 74,324
Aaron Jenkins	Engineering/Plant Manager	\$ 81,912
Drew Izatt	Marketing Manager	\$ 62,157

Note: These wages include all dollars paid to managers performing work for Silver Star Telephone as well as those dollars allocated to Columbine Telephone Company, dba Teton Telecom.



**BALANCE SHEET**  
Assets and Other Debits

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Assets</b>			
1120 Cash and Equivalents			
1130 Cash	729,951	714,705	(15,246)
1140 Special Cash Deposits			-
1150 Working Cash Advances	100	200	100
1160 Temporary Investments	191,323	213,132	21,808
1180 Telecommunications Accts. Receivable	79,056	113,837	34,781
1181 Accts. Rec. Allow. -Telecommunications			-
1190 Other Accounts Receivable	991,542	785,394	(206,149)
1191 Accounts Receivable Allow. - Other	14,000	14,000	-
1200 Notes Receivable	2,740,770	2,740,770	-
1201 Notes Receivable Allowance			-
1210 Interest & Dividends Receivable			-
1220 Material and Supplies	202,410	272,275	69,866
1280 Prepayments			-
1290 Prepaid Rents	3,350	3,350	-
1300 Prepaid Taxes			-
1310 Prepaid Insurance	-	16,755	16,755
1320 Prepaid Directory Expenses			-
1330 Other Prepayments			-
1350 Other Current Assets			-
<b>Noncurrent Assets</b>			
1401 Investment in Affiliated Companies			-
1402 Investment in Nonaffiliated Companies	2,430,792	2,613,152	182,359
1406 Nonregulated Investments	4,048,450	4,122,776	74,326
1407 Unamortized Debt Issuance Expense			-
1408 Sinking Funds			-
1410 Other Noncurrent Assets	47,743	65,794	18,051
1438 Deferred Maintenance & Retirements			-
1439 Deferred Charges			-
1500 Other Jurisdiction Assets - Net			-
<b>Property, Plant and Equipment</b>			
2001 Telecommunications Plants in Service	21,876,845	23,425,926	1,549,081
2002 Prop. Held for Future Telecom. Use	30,000	30,000	-
2003 Telecom. Plant under Constr. - Short Term	649,026	1,728,081	1,079,055
2004 Telecom. Plant under Constr. - Long Term			-
2005 Telecom. Plant Adjustment	2,637,771	2,637,771	-
2006 Nonoperating Plant			-
2007 Goodwill			-
<b>Depreciation and Amortization Accounts</b>			
3100 Accumulated Depreciated	(12,049,744)	(13,545,338)	(1,495,594)
3200 Accum. Depre. - Held for Future Use			-
3300 Accumulated Depreciation - Nonoperating			-
3400 Accumulated Amortization - Tangible			-
3410 Accum. Amort. - Capitalized Leases			-
3420 Accum. Amort. - Leasehold Improvements			-
3500 Accumulated Amortization - Intangible	(1,340,841)	(1,516,689)	(175,848)
3600 Accumulated Amortization - Other	(24,608)	(42,025)	(17,417)
<b>TOTAL ASSETS</b>	<b>23,257,937</b>	<b>24,393,867</b>	<b>1,135,929</b>
	-	-	

**BALANCE SHEET**  
**Liabilities & Stockholders' Equity**

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Liabilities</b>			
4010 Accounts Payable	60,991	671,099	610,109
4020 Notes Payable	-	-	-
4030 Advance Billings and Payments	-	-	-
4040 Customer Deposits	11,969	11,434	(535)
4050 Current Maturities - Long -Term Debt	403,058	1,007,811	604,753
4060 Current Maturities - Capital leases	-	-	-
4070 Income Taxes - Accrued	-	64,339	64,339
4080 Other Taxes - Accrued	7,471	7,801	330
4100 Net Current Defer. Oper. Income Taxes	(67,393)	(82,870)	(15,477)
4110 Net Current Defer. Nonoper. Income Taxes	-	-	-
4120 Other Accrued Liabilities	271,325	312,976	41,651
4130 Other Current Liabilities	-	-	-
<b>Long-Term Debt</b>			
4210 Funded Debt	11,396,161	11,569,454	173,293
4220 Premium on Long-Term Debt	-	-	-
4230 Discount on Long-Term Debt	-	-	-
4240 Reacquired Debt	-	-	-
4250 Obligations Under Capital Leases	-	-	-
4260 Advances from Affiliated Companies	-	-	-
4270 Other Long Term Debt	1,760,153	883,095	(877,057)
<b>Other Liabilities &amp; Deferred Credits</b>			
4310 Other Long-Term Liabilities	-	-	-
4320 Unamort. Oper. Invest. Tax Credits - Net	226,308	186,923	(39,385)
4330 Unamort. Nonoper. Invest. Tax Credits - Net	-	-	-
4340 Net Noncurrent Defer. Oper. Income Taxes	948,629	725,943	(222,686)
4350 Net Noncur. Defer. Nonoper. Income Taxes	119,479	155,663	36,184
4360 Other Deferred Credits	493,870	833,835	339,966
4370 Other Juris. Liab. & Def. Credits - Net	-	-	-
<b>Stockholders' Equity</b>			
4510 Capital Stock	11,483	11,483	-
4520 Additional Paid-In Capital	872,960	872,960	-
4530 Treasury Stock	-	-	-
4540 Other Capital	231,927	302,164	70,237
4550 Retained Earnings	6,509,547	6,859,755	350,208
	-	-	-
<b>TOTAL LIAB. &amp; OTHER CREDITS</b>	<b>23,257,937</b>	<b>24,393,867</b>	<b>1,135,929</b>

**ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE**

**TOTAL Company Basis**

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
<b>Analysis of Telecommunications Plant in Service</b>					
1410 Internet Equipment	47,743	18,051	-		65,794
2111 Land	408,020	-	-		408,020
2112 Motor Vehicles	397,530	88,219	(23,100)		462,650
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	460,260	33,405	-		493,665
2121 Buildings	683,593	-	(6,705)		676,888
2122 Furniture	29,177	-	-		29,177
2123 Office Equipment	30,997	-	-		30,997
2124 General Purpose Computers	183,510	21,366	-		204,876
2211 Analog Electronic Switching					
2212 Digital Electronic Switching	955,602	49,269	(66,026)		938,845
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	594,415	376	-		594,791
2232 Circuit Equipment	3,858,148	517,864	(140,639)	-	4,235,373
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles	103,273	-	-		103,273
2421 Aerial Cable	126,096	-	(627)		125,469
2422 Underground Cable	196,868	-	-		196,868
2423 Buried Cable	13,379,529	1,115,822	(40,143)		14,455,208
2424 Submarine Cable					
2426 Intrabuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	20,991	-	-		20,991
2441 Conduit Systems	416,150	-	-		416,150
2681 Capital Leases					
2682 Leasehold Improvements	21,640	-	-		21,640
2690 Intangibles					
<b>TOTAL PLANT ACCOUNTS</b>	<b>21,924,588</b>	<b>1,844,373</b>	<b>(277,240)</b>	<b>-</b>	<b>23,491,721</b>

**ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS**  
**IDAHO Operations Only**

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
<b>Analysis of Telecommunications Plant in Service</b>					
1410 Internet Equipment	47,743	18,051	-		65,794
2111 Land	408,020	-	-		408,020
2112 Motor Vehicles	397,530	88,219	(23,100)		462,650
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	460,260	33,405	-		493,665
2121 Buildings	509,232	1,461	-		510,692
2122 Furniture	29,177	-	-		29,177
2123 Office Equipment	30,997	-	-		30,997
2124 General Purpose Computers	183,510	21,366	-		204,876
2211 Analog Electronic Switching					
2212 Digital Electronic Switching	955,602	49,269	(66,026)		938,845
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	537,334	-	-		537,334
2232 Circuit Equipment	3,783,387	462,951	(123,690)		4,122,648
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles	103,273	-	-		103,273
2421 Aerial Cable	125,638	-	(627)		125,011
2422 Underground Cable	196,868	-	-		196,868
2423 Buried Cable	12,698,144	1,099,637	(39,371)		13,758,411
2424 Submarine Cable					
2426 Intrabuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	20,991	-	-		20,991
2441 Conduit Systems	416,150	-	-		416,150
2681 Capital Leases					
2682 Leasehold Improvements	21,640	-	-		21,640
2690 Intangibles					
<b>TOTAL PLANT ACCOUNTS</b>	<b>20,936,541</b>	<b>1,774,358</b>	<b>(252,814)</b>	<b>-</b>	<b>22,458,086</b>



**ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION**  
Account 3100

**TOTAL Company Basis**

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
<b>Analysis of Entries in Accumulated Depreciation</b>					
1410 Internet	24,608	33.33%	17,417		42,025
2112 Motor Vehicles	287,133	25.00%	31,757	(23,100)	295,790
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment	460,079	20.00%	32,775		492,854
2116 Other Work Equipment	266,734	5.00%	40,885	(6,705)	300,914
2121 Buildings	29,177	14.00%			29,177
2122 Furniture	30,433	20.00%	564		30,997
2123 Office Equipment	166,802	33.33%	34,312		201,114
2124 General Purpose Computers					
2211 Analog Electronic Switching	309,388	12.00%	108,625	(66,026)	351,987
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	594,316	20.00%	376		594,692
2232 Circuit Equipment	2,188,561	12.50%	496,509	(140,639)	2,544,430
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles	103,273	7.50%			103,273
2421 Aerial Cable	98,869	8.60%	10,822	(627)	109,064
2422 Underground Cable	121,386	10.00%	19,687		141,073
2423 Buried Cable	7,256,903	6.50%	974,997	(40,143)	8,191,756
2682 Amortize Leasehold Improvemnts	21,640	Amortize 18 Months			21,640
2426 Intrauilding Network Cable	9,808	6.50%	718		10,526
2431 Aerial Wire	21,188				21,188
2441 Conduit Systems	84,054	5.00%	20,808		104,862
<b>TOTAL</b>	<b>12,074,352</b>		<b>1,790,251</b>	<b>(277,240)</b>	<b>13,587,363</b>

\*Please list individual depreciation rate for each account.

**ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION**  
Account 3100

IDAHO Operations Only

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
<b>Analysis of Entries in Accumulated Depreciation</b>					
1410 Internet	24,608	33.33%	17,417		42,025
2112 Motor Vehicles	287,133	25.00%	31,757	(23,100)	295,790
2113 Aircraft			-	-	
2114 Special Purpose Vehicles			-	-	
2115 Garage Work Equipment	460,079	20.00%	32,775	-	492,854
2116 Other Work Equipment	232,002	5.00%	25,462	-	257,464
2121 Buildings	29,177	14.00%	-	-	29,177
2122 Furniture	30,433	20.00%	564	-	30,997
2123 Office Equipment	166,802	33.33%	34,312	-	201,114
2124 General Purpose Computers			-	-	
2211 Analog Electronic Switching	309,388	12.00%	108,625	(66,026)	351,987
2212 Digital Electronic Switching			-	-	
2215 Electro-Mechanical Switching			-	-	
2220 Operator Systems			-	-	
2231 Radio Systems	537,235	20.00%	-	-	537,235
2232 Circuit Equipment	2,144,873	12.50%	470,340	(123,690)	2,491,523
2311 Station Apparatus			-	-	
2321 Customer Premises Wiring			-	-	
2341 Large Private Branch Exchanges			-	-	
2351 Public Telephone Terminal Equipment			-	-	
2362 Other Terminal Equipment			-	-	
2411 Poles	103,273	7.50%	-	-	103,273
2421 Aerial Cable	99,638	8.60%	10,782	(627)	109,793
2422 Underground Cable	121,386	10.00%	19,687	-	141,073
2423 Buried Cable	6,725,112	6.50%	925,674	(39,371)	7,611,415
2682 Amortize Leasehold Improvemnts	21,640	Amortize 18 Month:	-	-	21,640
2426 Intrabuilding Network Cable	9,808	6.50%	718	-	10,526
2431 Aerial Wire	21,188		-	-	21,188
2441 Conduit Systems	84,054	5.00%	20,808	-	104,862
<b>TOTAL</b>	<b>11,407,830</b>		<b>1,698,920</b>	<b>(252,814)</b>	<b>12,853,936</b>

\*Please list individual depreciation rate for each account.

## INVESTMENTS

Report below the investments in Accounts 1401, 1402 and 1406. Identify each investment as to the account in which included. Minor amounts in Account 1406 may be grouped by classes.

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
RTFC Certificates	1997	_____	339,579
RTFC Certificates	2003	_____	529,141
Syringa	2000	_____	771,000
Valley Wireless	2003	_____	627,959
Wells Fargo-New Century	2003	_____	4,122,776
Goldstar	2005	_____	181,084
_____	_____	_____	_____
_____	_____	_____	_____
<b>Totals</b>	_____	_____	_____

## RECEIVABLES

Itemize amounts show in Accounts 1180, 1190 and 1200. For notes receivable list each note separately and include the maturity date and interest rate. Minor amounts in Account 1210 may be combined.

<u>Name of Company</u>	<u>Amount at End of Year</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
Due From Customers (1180)	_____	113,837
Neca (1190)	_____	431,317
Sprint (1190)	_____	581
ATT (1190)	_____	62,036
Other Interexchange Carriers)	_____	193,764
Other (1190)	_____	51,631
Schools & Libraries (1190)	_____	10,819
Affiliates (1190)	_____	28,237
Prepaid Income Taxes (1190)	_____	35,009
Bad Debt (1191)	_____	(14,000)
Shareholders (1210)	2,740,770	_____
_____	_____	_____
_____	_____	_____
<b>Totals</b>	2,740,770	913,231

**NOTES PAYABLE**

For Notes Payable, list each note separately and include the maturity date and interest rate.

<u>Name of Creditor</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Face Amount</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Totals</b>	_____	_____	_____	_____

**ACCOUNTS PAYABLE**

Report below all Accounts Payable amounting to more than \$100.00

<u>Name of Creditor</u>	<u>Amount</u>
Affiliates	366,081
Neca	305,168
Taxes	8,777
U.S. West	565
Other Carriers	(2,243)
Employee Payroll / Benefits	85,650
_____	_____
_____	_____
<b>Totals</b>	<b>763,998</b>

**LONG - TERM DEBT**

**Accounts 4210, 4240, 4250, 4260, 4270 and 4310**

List the required data for each obligation included in these accounts, grouping them by account number and showing totals for each account. If any obligations mature serially or otherwise at various dates, give particulars in a note.

<u>Class &amp; Series of Obligation</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Fact Amount Authorized</u>	<u>Outstanding Year-End</u>	<u>Premium/ Discount</u>		<u>Interest for year</u>	
					<u>Total</u>	<u>Year Amortized</u>	<u>Rate</u>	<u>Amount</u>
RTFC Note	5/7/1997	2012	10,000,000	6,034,447			5.50%	377,603
RTFC LOC	2003	2004	2,000,000	1,799,500			4.70%	62,336
RTFC HTC	2003	2018	4,116,126	3,691,263			6.50%	225,857
Bauchman	2003	2005	379,773	208,595			6.50%	24,320
Curtis Note	12/3/1996	2006	240,000	30,785			8.00%	(34,799)
Ford Motor	10/1/2001	2004	24,908	-				
Silver Star Telephone	2003	2006	1,274,040	1,274,040			1.68%	21,050
Four Star	2003	2006	421,730	421,730			1.68%	6,970
Less Current Portion				(1,007,811)				
<b>Total Long Term Debt (Page 5)</b>				<b>12,452,550</b>				

## CAPITAL STOCK

Report below the particulars called for concerning common and preferred stock at end of year, designating separate series of any general class. Show totals separately for common and preferred.

For each class of preferred stock, show the dividend rate and whether dividends are cumulative or noncumulative.

Show details in a footnote of capital stock sold during the year. Include number of shares, consideration received, premium or discount, and expenses incurred.

<u>Class &amp; Series of Stock</u>	<u>Number of Shares Authorized</u>	<u>Par Value per Share</u>	<u>Outstanding per Balance Sheet</u>	
			<u>Shares</u>	<u>Amount</u>
Common Stock Voting	25,000	1	2500	2500
Common Stock Non-voting	75,000	1	8983	8983

**INCOME & RETAINED EARNINGS STATEMENT**

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	7,470,764	7,022,518
Total Operating Expenses (from page 18)	(5,856,759)	(5,505,353)
7100 Other Operating Income and Expense	-	-
7210 Operating Investment Tax Credits-Net	(39,385)	(37,022)
7220 Operating Federal Income Taxes	564,941	531,045
7230 Operating State and Local Income Taxes	128,829	121,099
7240 Operating Other Taxes	87,966	82,688
7250 Provision for Deferred Operating Income Taxes-Net	(272,168)	(255,838)
7200 Operating Taxes (Total)	<b>470,183</b>	<b>441,972</b>
7310 Dividend Income	(75,848)	(71,297)
7320 Interest Income	(7,872)	(7,400)
7330 Income from Sinking and Other Funds	-	-
7340 Allowance for Funds Used During Construction	(31,246)	(29,371)
7350 Gains/Losses from the Disposition of Certain Property	-	-
7360 Other Nonoperating Income	612,411	575,666
7370 Special Charges	15,506	14,576
7300 Nonoperating Income and Expense	<b>512,951</b>	<b>482,174</b>
7410 Nonoperating Investment Tax Credits-Net	-	-
7420 Nonoperating Federal Income Taxes	(242,847)	(228,276)
7430 Nonoperating State and Local Income Taxes	(86,821)	(81,612)
7440 Nonoperating Other Taxes	-	-
7450 Provision for Deferred Nonoperating Income Taxes-Net	8,466	7,958
7400 Nonoperating Taxes	<b>(321,202)</b>	<b>(301,930)</b>
7510 Interest on Funded Debt	665,796	625,849
7520 Interest Expense-Capital Leases	-	-
7530 Amortization of Debt Issuance Expense	-	-
7540 Other Interest Deductions	17,541	16,489
7500 Interest and Related Items	<b>683,337</b>	<b>642,337</b>
7610 Extraordinary Income Credits	-	-
7620 Extraordinary Income Charges	-	-
7630 Current Income Tax Effect of Extraordinary Items-Net	-	-
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net	-	-
7600 Extraordinary Items	-	-
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	-	-
7990 Nonregulated Net Income	-	-
<b>AMOUNT TRANSFERRED TO RETAINED EARNINGS</b>	<b>1,041,478</b>	<b>978,989</b>

**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Local Network Services Revenues</b>		
5001 Basic Area Revenue	1,534,841	1,442,750
5002 Optional Extended Area Revenue	-	-
5003 Cellular Mobile Revenue	-	-
5004 Other Mobile Services Revenue	-	-
5010 Public Telephone Revenue	960	903
5040 Local Private Line Revenue	70,662	66,422
5050 Customer Premises Revenue	-	-
5060 Other Local Exchange Revenue	280,358	263,537
5069 Other Local Exchange Settlements	2,754,046	2,588,803
<b>Network Access Services Revenues</b>		
5081 End User Revenue (SLC)	412,515	387,764
5082 Switched Access Revenue (Interstate)	1,611,324	1,514,645
5083 Special Access Revenue	505,946	475,589
5084 State Access Revenue (Intrastate)	145,347	136,626
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	-	-
<b>Miscellaneous Revenues</b>		
5230 Directory Revenue	45,036	42,334
5240 Rent Revenue	-	-
5250 Corporate Operations Revenue	-	-
5261 Special Billing Arrangements Revenue	-	-
5262 Customer Operations Revenue	-	-
5263 Plant Operations Revenue	-	-
5264 Other Incidental Regulated Revenue	34,566	32,492
5269 Other Revenue Settlements	-	-
5270 Carrier Billing & Collection Revenue	87,246	82,011
<b>Uncollectible Revenues</b>		
5301 Uncollectible Revenue - Telecommunications	(6,490)	(6,101)
5302 Uncollectible Revenue - Other	(5,593)	(5,258)
	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>7,470,764</b>	<b>7,022,518</b>

Please identify the following revenues:

NECA USF	\$ <u>2,750,631</u>	To what account were they booked?	5069.1
State USF	\$ <u>-</u>	To what account were they booked?	5069.22



**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Plant Specific Operations Expense</b>		
6110 Network Support Expenses	-	-
6112 Motor Vehicle Expense	1,479	1,391
6113 Aircraft Expense	-	-
6114 Special Purpose Vehicles Expense	-	-
6115 Garage Work Equipment Expense	-	-
6116 Other Work Equipment Expense	-	-
6120 General Support Expenses	-	-
6121 Land and Building Expenses	210,431	197,806
6122 Furniture and Artworks Expense	7,167	6,737
6123 Office Equipment Expense	31,621	29,724
6124 General Purpose Computers Expense	202,127	189,999
6210 Central Office Switching Expenses	-	-
6211 Analog Electronic Expense	-	-
6212 Digital Electronic Expense	298,888	280,954
6215 Electro-Mechanical Expense	-	-
6220 Operators System Expense	-	-
6230 Central Office Transmission Expenses	-	-
6231 Radio Systems Expense	5,258	4,943
6232 Circuit Equipment Expense	110,554	103,921
6310 Information Origination/Termination Expense	-	-
6311 Station Apparatus Expense	-	-
6341 Large Private Branch Exchange Expense	-	-
6351 Public Telephone Terminal Equipment Expense	6,425	6,040
6362 Other Terminal Equipment Expense	-	-
6410 Cable and Wire Facilities Expenses	-	-
6411 Pole Expense	-	-
6421 Aerial Cable Expense	2,153	2,024
6422 Underground Cable Expense	-	-
6423 Buried Cable Expense	1,346,386	1,265,603
6424 Submarine Cable Expense	-	-
6425 Deep Sea Cable Expense	-	-
6426 Intrabuilding Network Cable Expense	-	-
6431 Aerial Wire Expense	-	-
6441 Conduit Systems Expense	-	-
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>2,222,490</b>	<b>2,089,140</b>

**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Plant Nonspecific Operations Expense</b>		
6510 Other Property/Plant/Equipment Expenses	-	-
6511 Property Held for Future Telecomm. Use Expenses	-	-
6512 Provisioning Expense	-	-
6530 Network Operations Expense	-	-
6531 Power Expense	-	-
6532 Network Administration Expense	11,347	10,666
6533 Testing Expense	19,935	18,739
6534 Plant Operations Administration Expense	66,069	62,105
6535 Engineering Expense	155,091	145,785
6540 Access Expense	38,420	36,114
6560 Depreciation and Amortization Expenses	-	-
6561 Depreciation Expense-Telecom. Plant in Service	1,784,889	1,677,796
6562 Depreciation Expense-Property Held for Future Use	-	-
6563 Amortization Expense - Tangible	-	-
6564 Amortization Expense - Intangible	-	-
6565 Amortization Expense - Other	-	-
<b>Total Plant Nonspecific Operations Expenses</b>	<b>2,075,751</b>	<b>1,951,206</b>
<b>Customer Operations Expense</b>		
6610 Marketing	-	-
6611 Product Management	-	-
6612 Sales	98,316	92,417
6613 Product Advertising	27,316	25,677
6620 Services	-	-
6621 Call Completion Services	-	-
6622 Number Services	51,888	48,775
6623 Customer Services	405,609	381,272
<b>Total Customer Operations Expense</b>	<b>583,129</b>	<b>548,141</b>
<b>Corporate Operations Expense</b>		
6710 Executive and Planning	-	-
6711 Executive	253,867	238,635
6712 Planning	72,310	67,972
6720 General and Administrative	-	-
6721 Accounting and Finance	272,920	256,544
6722 External Relations	75,639	71,101
6723 Human Resources	93,000	87,420
6724 Information Management	-	-
6725 Legal	4,814	4,525
6726 Procurement	9,868	9,276
6727 Research and Development	-	-
6728 Other General and Administrative	192,971	181,393
6790 Provision for Uncollectible Notes Receivable	-	-
<b>Total Corporate Operations Expense</b>	<b>975,389</b>	<b>916,866</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>5,856,759</b>	<b>5,505,353</b>

**CENTRAL OFFICE DATA**  
as of December 31, 2005\_ (unless otherwise indicated)

Name of Central Office: Driggs, Idaho  
Prefix (es): 354, 787\*, 456\* \*Served Via Concentrators

Central Office Switch Type: DMS 10

**Check all that apply:**  
Stand Alone X **Check one:** Electronic           
Host          Analog          Electro-Mechanical           
Remote          Other:         

**Access Line Capacity**  
Design:          **Access Lines in Use**  
Customer Lines: 4162  
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped:          Public Telephone Lines 9  
Company Official Lines 52  
Company Test Lines 0

**Classification of Customer Access**

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Business	
Beginning of Year		3122	3122	671	339	1010	4132
New Connects		15	15	30	24	54	69
Disconnects		20	20	38	42	80	100
End of Year		3117	3117	757	288	1045	4162

**Foreign Exchange:** 3117 **Directory Listings:** 132  
Dial Tone from this C.O.:          Number of Customers with Nonpublished or Nonlisted:  
Dial Tone from another C.O.:         

**Custom Calling:**  
Number of customers with at least one feature: N/A  
Total number of features subscribed to: N/A

**NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2005**

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1							
2							
3							
4							
5		1,032,499		76,600	1,315,514	1,392,114	
6		549,878		40,770	970,998	1,011,768	
7		276,170		22,874	320,874	343,748	
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES  
YEAR ENDED DECEMBER 31, 2005.

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603  
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes \_\_\_\_\_ No X

Included in directory Yes X No \_\_\_\_\_

Date of notification \_\_\_\_\_ July 2005 \_\_\_\_\_

Alternate method of notification \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Rule IDAPA 31.41.01.403.02

Record of Complaints: Silver Star Telecom

Number received by Company \_\_\_\_\_ 0 \_\_\_\_\_

Category of complaints (if known):

Deposit Disputes \_\_\_\_\_ 0 \_\_\_\_\_

Charges on Bill \_\_\_\_\_

Denial/Termination \_\_\_\_\_

Quality or Availability  
of Service \_\_\_\_\_

Carrier Selection/Assignment \_\_\_\_\_

Miscellaneous \_\_\_\_\_

Rev 3/02

CERTIFICATE

State of Idaho )  
County of Teton ) ss  
)

WE, the undersigned Allen R. Hoopes

and Chad Turner

of the Columbine Telephone Company, Inc. dba Teton Telecom utility,

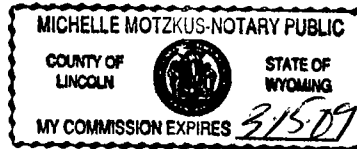
on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered by the return in respect to each and every matter and thing therein set forth, to the best of our knowledge, information and belief.

Allen R. Hoopes  
(Chief Officer)

Chad Turner  
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 24<sup>th</sup> day of April, (Year) 2006.

Michelle Motzkus  
Notary Public



My Commission expires \_\_\_\_\_, (Year) \_\_\_\_\_.