

COL-T

ANNUAL REPORT

OF

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IDAHO PUBLIC
UTILITIES COMMISSION

NAME

ALLEN HOOPES
COLUMBINE TELEPHONE DBA
TETON TELECOM COMM
PO BOX 226
FREEDOM WY 83120

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED December 31, 2010

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2010**

COMPANY INFORMATION

Exact name of utility: Columbine Telephone Company, Inc.

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.

Title	Name	Address
President	Allen R. Hoopes	P.O. Box 226, Freedom, WY 83120
Chief Operation Officer	Ron B. McCue	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
Allen R. Hoopes	Indefinite	5	\$ 532
Jack Bentley	Indefinite	5	\$ 532
Bob Foster	Indefinite	5	\$ 532
Rod R. Jensen	Indefinite	5	\$ 532
Peggy Zimmer	Indefinite	5	\$ 532

Name of Chairman of the Board: Allen R. Hoopes
 Name of Secretary (or Clerk) of Board: Michelle Motzkus
 Number of Meetings of the Board during the year: 5

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 / President	Confidential
Ron B. McCue	Chief Operation Officer	Confidential
Chad H. Turner	VP Finance	Confidential
George Scherer	Director of Human Resource	Confidential
Brad Madison	Director of Operations	Confidential
Karen Ricks	Engineering Manager	Confidential
Heath Jensen	Operations Supervisor	Confidential
Caryl Wilkerson	Customer Service Manager	Confidential
Jennifer Brannen	Marketing Manager	Confidential

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)
Current Assets			
1120 Cash and Equivalents			
1130 Cash	433,794	527,301	93,507
1140 Special Cash Deposits			-
1150 Working Cash Advances	200	200	-
1160 Temporary Investments	23,587	26,460	2,873
1180 Telecommunications Accts. Receivable	234,878	(221)	(235,100)
1181 Accts. Rec. Allow. - Telecommunications	(30,000)	(30,000)	-
1190 Other Accounts Receivable	2,639,888	1,512,705	(1,127,183)
1191 Accounts Receivable Allow. - Other	14,000	14,000	-
1200 Notes Receivable	-	-	-
1201 Notes Receivable Allowance			-
1210 Interest & Dividends Receivable			-
1220 Material and Supplies	127,814	136,594	8,780
1280 Prepayments			-
1290 Prepaid Rents	3,350	3,350	-
1300 Prepaid Taxes			-
1310 Prepaid Insurance	51,453	67,827	16,374
1320 Prepaid Directory Expenses			-
1330 Other Prepayments			-
1350 Other Current Assets			-
Noncurrent Assets			
1401 Investment in Affiliated Companies			-
1402 Investment in Nonaffiliated Companies	2,579,484	2,771,821	192,337
1406 Nonregulated Investments	241,854	63,720	(178,134)
1407 Unamortized Debt Issuance Expense			-
1408 Sinking Funds			-
1410 Other Noncurrent Assets	86,027	89,780	3,754
1438 Deferred Maintenance & Retirements			-
1439 Deferred Charges	3,754	-	(3,754)
1500 Other Jurisdiction Assets - Net			-
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	33,944,467	34,238,390	293,924
2002 Prop. Held for Future Telecom. Use	30,000	30,000	-
2003 Telecom. Plant under Constr. - Short Term	208,640	527,553	318,913
2004 Telecom. Plant under Constr. - Long Term			-
2005 Telecom. Plant Adjustment	2,637,771	2,637,771	-
2006 Nonoperating Plant			-
2007 Goodwill			-
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	(21,517,328)	(24,151,099)	(2,633,771)
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	(2,220,081)	(2,395,929)	(175,848)
3600 Accumulated Amortization - Other	(86,749)	(89,780)	(3,031)
TOTAL ASSETS	19,406,803	15,980,444	(3,426,359)

BALANCE SHEET
Liabilities & Stockholders' Equity

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Liabilities			
4010 Accounts Payable	1,009,883	1,054,662	44,779
4020 Notes Payable	-	300,000	300,000
4030 Advance Billings and Payments	-	-	-
4040 Customer Deposits	58,130	12,162	(45,968)
4050 Current Maturities - Long -Term Debt	-	1,119,691	1,119,691
4060 Current Maturities - Capital leases	-	-	-
4070 Income Taxes - Accrued	-	-	-
4080 Other Taxes - Accrued	491	25,936	25,445
4100 Net Current Defer. Oper. Income Taxes	(39,303)	(37,269)	2,034
4110 Net Current Defer. Nonoper. Income Taxes	-	-	-
4120 Other Accrued Liabilities	256,342	259,177	2,834
4130 Other Current Liabilities	-	-	-
Long-Term Debt			
4210 Funded Debt	2,918,460	817,038	(2,101,422)
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	-	-	-
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities	-	-	-
4320 Unamort. Oper. Invest. Tax Credits - Net	126,295	106,295	(20,000)
4330 Unamort. Nonoper. Invest. Tax Credits - Net	-	-	-
4340 Net Noncurrent Defer. Oper. Income Taxes	108,615	(280,033)	(388,648)
4350 Net Noncur. Defer. Nonoper. Income Taxes	(3,839)	(3,428)	411
4360 Other Deferred Credits	2,827,072	2,508,803	(318,269)
4370 Other Juris. Liab. & Def. Credits - Net	-	-	-
Stockholders' Equity			
4510 Capital Stock	11,483	11,483	-
4520 Additional Paid-In Capital	8,486,310	8,486,310	-
4530 Treasury Stock	-	-	-
4540 Other Capital	(7,453)	(6,656)	797
4550 Retained Earnings	3,654,317	1,606,273	(2,048,043)
	-	-	-
TOTAL LIAB. & OTHER CREDITS	19,406,803	15,980,444	(3,426,359)

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
1410 Internet Equipment	86,027	(0)	-	3,754	89,780
2111 Land	718,557	-	-		718,557
2112 Motor Vehicles	550,448	65,526.09	-		615,974
2113 Aircraft		-	-		
2114 Special Purpose Vehicles		-	-		
2115 Garage Work Equipment		-	-		
2116 Other Work Equipment	637,921	-	-		637,921
2121 Buildings	4,484,738	594.00	-		4,485,332
2122 Furniture	246,478	-	-		246,478
2123 Office Equipment	153,188	-	-		153,188
2124 General Purpose Computers	281,961	1,825.64	-		283,786
2211 Analog Electronic Switching		-	-		
2212 Digital Electronic Switching	882,964	16,980.00	-		899,944
2215 Electro-Mechanical Switching		-	-		
2220 Operator Systems		-	-		
2231 Radio Systems	250,080	-	-		250,080
2232 Circuit Equipment	5,399,934	306,943.53	(5,974)	(5,328)	5,695,576
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	126,340	-	-		126,340
2422 Underground Cable	196,868	-	-		196,868
2423 Buried Cable	19,441,273	(91,315.44)	-		19,349,957
2424 Submarine Cable		-	-		
2426 Intrabuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	21,608	-	-		21,608
2441 Conduit Systems	416,150	4,671.62	-		420,822
2681 Capital Leases		-	-		
2682 Leasehold Improvements	21,640	-	-		21,640
2690 Intangibles		-	-		
TOTAL PLANT ACCOUNTS	34,030,493	305,225	(5,974)	(1,574)	34,328,171

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
1410 Internet Equipment	86,027	(0)	-	3,754	89,780
2111 Land	718,557	-	-		718,557
2112 Motor Vehicles	550,448	65,526	-		615,974
2113 Aircraft		-	-		
2114 Special Purpose Vehicles		-	-		
2115 Garage Work Equipment		-	-		
2116 Other Work Equipment	637,921	-	-		637,921
2121 Buildings	4,340,562	17,343	-		4,357,905
2122 Furniture	246,478	-	-		246,478
2123 Office Equipment	153,188	-	-		153,188
2124 General Purpose Computers	281,961	1,826	-		283,786
2211 Analog Electronic Switching		-	-		
2212 Digital Electronic Switching	882,964	16,980	-		899,944
2215 Electro-Mechanical Switching		-	-		
2220 Operator Systems		-	-		
2231 Radio Systems	176,794	-	-		176,794
2232 Circuit Equipment	5,274,710	268,954	-	(3,678)	5,539,986
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	125,881	-	-		125,881
2422 Underground Cable	196,868	-	-		196,868
2423 Buried Cable	18,671,235	(71,414)	-		18,599,821
2424 Submarine Cable		-	-		
2426 Intrabuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	21,608	-	-		21,608
2441 Conduit Systems	416,150	4,672	-		420,822
2681 Capital Leases		-	-		
2682 Leasehold Improvements	21,640	-	-		21,640
2690 Intangibles		-	-		
TOTAL PLANT ACCOUNTS	32,917,310	303,886	-	76	33,221,272

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	
Analysis of Entries in Accumulated Depreciation						
1410	Internet	33.33%	3,031		89,780	
2112	Motor Vehicles	25.00%	113,355		543,537	
2113	Aircraft					
2114	Special Purpose Vehicles					
2115	Garage Work Equipment					
2116	Other Work Equipment	20.00%			637,921	
2121	Buildings	5.00%	224,245		1,244,023	
2122	Furniture	14.00%	34,507		172,956	
2123	Office Equipment	20.00%	29,402		130,720	
2124	General Purpose Computers	33.33%	4,168		283,786	
2211	Analog Electronic Switching					
2212	Digital Electronic Switching	12.00%	105,956		447,844	
2215	Electro-Mechanical Switching					
2220	Operator Systems					
2231	Radio Systems	20.00%	(7,127)		250,080	
2232	Circuit Equipment	12.50%	685,563	(5,974)	5,143,152	
2311	Station Apparatus					
2321	Customer Premises Wiring					
2341	Large Private Branch Exchanges					
2351	Public Telephone Terminal Equipment					
2362	Other Terminal Equipment					
2411	Poles	7.50%			103,273	
2421	Aerial Cable	8.60%			126,340	
2422	Underground Cable	10.00%			196,868	
2423	Buried Cable	6.50%	1,428,850		14,607,386	
2682	Amortize Leasehold Improvemnts	Amortize 18 Months			21,640	
2426	Intrabuilding Network Cable	6.50%			11,044	
2431	Aerial Wire				21,608	
2441	Conduit Systems	5.00%	20,827		208,920	
	TOTAL		2,642,776	(5,974)	24,240,879	

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

		IDAHO Operations Only					
		Balance	Depreciation	Credits	Retirements	Balance	
		Beginning	Rate*	During	and	End	
		of Year		Year	Adjustments	of Year	
Analysis of Entries in Accumulated Depreciation							
1410	Internet	86,749	33.33%	3,031	-	89,780	
2112	Motor Vehicles	430,182	25.00%	113,355	-	543,537	
2113	Aircraft			-	-		
2114	Special Purpose Vehicles			-	-		
2115	Garage Work Equipment			-	-		
2116	Other Work Equipment	637,921	20.00%	-	-	637,921	
2121	Buildings	947,837	5.00%	217,029	-	1,164,865	
2122	Furniture	138,449	14.00%	34,507	-	172,956	
2123	Office Equipment	101,319	20.00%	29,402	-	130,720	
2124	General Purpose Computers	279,619	33.33%	4,168	-	283,786	
2211	Analog Electronic Switching			-	-		
2212	Digital Electronic Switching	341,888	12.00%	105,956	-	447,844	
2215	Electro-Mechanical Switching			-	-		
2220	Operator Systems			-	-		
2231	Radio Systems	183,920	20.00%	(7,127)	-	176,794	
2232	Circuit Equipment	4,386,069	12.50%	666,195	-	5,052,264	
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	125,881	8.60%	-	-	125,881	
2422	Underground Cable	196,868	10.00%	-	-	196,868	
2423	Buried Cable	12,424,626	6.50%	1,432,623	-	13,857,250	
2682	Amortize Leasehold Improvements	21,640	Amortize 18 Month:	-	-	21,640	
2426	Intrabuilding Network Cable	11,044	6.50%	-	-	11,044	
2431	Aerial Wire	21,608		-	-	21,608	
2441	Conduit Systems	188,093	5.00%	20,827	-	208,920	
	TOTAL	20,626,988		2,619,965	-	23,246,953	

*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		123,011
RTFC Certificates	2003		221,868
Syringa	2000		1,817,561
Valley Wireless	2003		576,430
Wells Fargo-New Century	2003		63,720
Totals			2,802,590

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)		(221)
Bad Debt (1181)		(30,000)
Neca (1190)		729,672
Sprint (1190)		104
ATT (1190)		-
Other Interexchange Carriers)		113,301
Other (1190)		8,700
Schools & Libraries (1190)		7,495
Affiliates (1190)		681,434
Prepaid Income Taxes (1190)		-
Bad Debt (1191)		(14,000)
Shareholders (1210)		
Totals	-	1,496,484

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>
RURAL TELEPHONE FINANCE COOP				300,000
Totals				300,000

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Affiliates	907,921
Neca	43,475
Taxes	18,076
U.S. West	(1,618)
Other Carriers	(3,913)
Employee Payroll / Benefits	100,947
Totals	1,064,889

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 & 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/ Total</u>	<u>Discount Year Amortized</u>	<u>Interest for year Rate</u>	<u>Amount</u>
ALLY	10/31/2010	10/31/2015	62,081	59,565			4%	345
RTFC Note	5/7/1997	2012	10,000,000	1,411,224			5.50%	97,414
Four Star	2003	2010	435,902	465,940			1.68%	7,835
Less Current Portion				(1,119,691)				
Total Long Term Debt (Page 5)				817,038				

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	9,723,938	9,218,293
Total Operating Expenses (from page 18)	(7,901,033)	(7,490,179)
7100 Other Operating Income and Expense		
7210 Operating Investment Tax Credits-Net	(20,000)	(18,960)
7220 Operating Federal Income Taxes	1,119,791	1,061,562
7230 Operating State and Local Income Taxes	37,374	35,431
7240 Operating Other Taxes	69,874	66,241
7250 Provision for Deferred Operating Income Taxes-Net	(460,939)	(436,970)
7200 Operating Taxes (Total)	746,100	707,303
7310 Dividend Income	(13,383)	(12,687)
7320 Interest Income	(2,313)	(2,193)
7330 Income from Sinking and Other Funds		-
7340 Allowance for Funds Used During Construction	-	-
7350 Gains/Losses from the Disposition of Certain Property		-
7360 Other Nonoperating Income	213,432	202,333
7370 Special Charges	12,363	11,720
7300 Nonoperating Income and Expense	210,098	199,173
7410 Nonoperating Investment Tax Credits-Net		-
7420 Nonoperating Federal Income Taxes	62,123	58,893
7430 Nonoperating State and Local Income Taxes	5,482	5,197
7440 Nonoperating Other Taxes		-
7450 Provision for Deferred Nonoperating Income Taxes-Net	(67,605)	(64,090)
7400 Nonoperating Taxes	-	-
7510 Interest on Funded Debt	111,853	106,036
7520 Interest Expense-Capital Leases		-
7530 Amortization of Debt Issuance Expense		-
7540 Other Interest Deductions	7,835	7,428
7500 Interest and Related Items	119,688	113,464
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	288,772	273,756
AMOUNT TRANSFERRED TO RETAINED EARNINGS	1,035,790	981,929

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	1,248,896	1,183,953
5002 Optional Extended Area Revenue		-
5003 Cellular Mobile Revenue		-
5004 Other Mobile Services Revenue		-
5010 Public Telephone Revenue	-	-
5040 Local Private Line Revenue	152,777	144,833
5050 Customer Premises Revenue		-
5060 Other Local Exchange Revenue	224,575	212,897
5069 Other Local Exchange Settlements	3,129,740	2,966,994
Network Access Services Revenues		
5081 End User Revenue (SLC)	428,325	406,052
5082 Switched Access Revenue (Interstate)	3,121,577	2,959,255
5083 Special Access Revenue	1,175,421	1,114,299
5084 State Access Revenue (Intrastate)	98,150	93,046
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	15	14
Miscellaneous Revenues		
5230 Directory Revenue	55,568	52,678
5240 Rent Revenue	61,471	58,275
5250 Corporate Operations Revenue		-
5261 Special Billing Arrangements Revenue		-
5262 Customer Operations Revenue		-
5263 Plant Operations Revenue		-
5264 Other Incidental Regulated Revenue	47,673	45,194
5269 Other Revenue Settlements		-
5270 Carrier Billing & Collection Revenue	57,731	54,729
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(77,477)	(73,448)
5302 Uncollectible Revenue - Other	(504)	(478)
TOTAL OPERATING REVENUES	9,723,938	9,218,293

Please identify the following revenues:

NECA USF	\$ <u>3,128,515</u>	To what account were they booked?	5069.10
State USF	\$ <u>-</u>	To what account were they booked?	5069.22

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses	-	-
6112 Motor Vehicle Expense	361	342
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	216,885	205,607
6122 Furniture and Artworks Expense	8,189	7,763
6123 Office Equipment Expense	27,921	26,469
6124 General Purpose Computers Expense	333,526	316,182
6210 Central Office Switching Expenses	-	-
6211 Analog Electronic Expense	-	-
6212 Digital Electronic Expense	200,543	190,114
6215 Electro-Mechanical Expense	-	-
6220 Operators System Expense	-	-
6230 Central Office Transmission Expenses	-	-
6231 Radio Systems Expense	-	-
6232 Circuit Equipment Expense	281,617	266,973
6310 Information Origination/Termination Expense	-	-
6311 Station Apparatus Expense	-	-
6341 Large Private Branch Exchange Expense	-	-
6351 Public Telephone Terminal Equipment Expense	985	934
6362 Other Terminal Equipment Expense	-	-
6410 Cable and Wire Facilities Expenses	-	-
6411 Pole Expense	-	-
6421 Aerial Cable Expense	3,750	3,555
6422 Underground Cable Expense	-	-
6423 Buried Cable Expense	1,696,297	1,608,089
6424 Submarine Cable Expense	-	-
6425 Deep Sea Cable Expense	-	-
6426 Intrabuilding Network Cable Expense	-	-
6431 Aerial Wire Expense	-	-
6441 Conduit Systems Expense	-	-
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	2,770,072	2,626,029

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
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	8,555	8,110
6533 Testing Expense	-	-
6534 Plant Operations Administration Expense	137,108	129,978
6535 Engineering Expense	109,849	104,137
6540 Access Expense	118,952	112,767
6560 Depreciation and Amortization Expenses	-	-
6561 Depreciation Expense-Telecom. Plant in Service	2,641,947	2,504,566
6562 Depreciation Expense-Property Held for Future Use	-	-
6563 Amortization Expense - Tangible	-	-
6564 Amortization Expense - Intangible	-	-
6565 Amortization Expense - Other	-	-
Total Plant Nonspecific Operations Expenses	3,016,411	2,859,558
Customer Operations Expense		
6610 Marketing	-	-
6611 Product Management	-	-
6612 Sales	146,213	138,610
6613 Product Advertising	22,937	21,744
6620 Services	-	-
6621 Call Completion Services	-	-
6622 Number Services	40,761	38,642
6623 Customer Services	587,251	556,714
Total Customer Operations Expense	797,162	755,710
Corporate Operations Expense		
6710 Executive and Planning	-	-
6711 Executive	288,536	273,532
6712 Planning	20,514	19,448
6720 General and Administrative	-	-
6721 Accounting and Finance	361,185	342,403
6722 External Relations	97,559	92,486
6723 Human Resources	170,781	161,901
6724 Information Management	-	-
6725 Legal	30,729	29,131
6726 Procurement	19,602	18,583
6727 Research and Development	-	-
6728 Other General and Administrative	328,481	311,400
6790 Provision for Uncollectible Notes Receivable	-	-
Total Corporate Operations Expense	1,317,387	1,248,883
TOTAL OPERATING EXPENSES	7,901,033	7,490,179

CENTRAL OFFICE DATA
as of December 31, 2010 (unless otherwise indicated)

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

Central Office Switch Type: _____ CS 1500 _____

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

Access Line Capacity
Design: _____
Customer Lines: 3248
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: _____
Public Telephone Lines 0
Company Official Lines 77
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	_____	2322	2322	759	275	1034	3356
New Connects	_____	10	10	27	18	45	55
Disconnects	_____	46	46	116	1	117	163
End of Year	_____	2286	2286	670	292	962	3248

Foreign Exchange:
Dial Tone from this C.O.: _____
Dial Tone from another C.O.: _____

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 138

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) 2010

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		208/354				-	
6		208/787				-	
7		208/456				-	
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

Converted to a new billing and accounting software in 2010
Data is unavailable for 2010.

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2010.

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 _____

Included in directory Yes X No _____

Date of notification _____

Alternate method of notification _____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 1

Category of complaints (if known):

Deposit Disputes _____

Charges on Bill _____

Denial/Termination _____

Quality or Availability
of Service 1

Carrier Selection/Assignment _____

Miscellaneous _____

Rev 3/02

CERTIFICATE

State of Idaho)
) ss
County of)

WE, the undersigned _____

and _____

of the _____ utility,

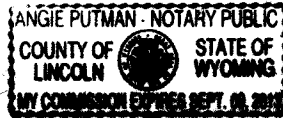
on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered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

[Signature]
(Chief Officer)

[Signature]
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 20th day of May, (Year) 2011.

[Signature]
Notary Public



My Commission expires Sept 09, (Year) 2013.