

DCM-T

ANNUAL REPORT

OF

Direct Communications Rockland, Inc.

NAME

150 South Main
Rockland, ID 83271

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2014

IDAHO PUBLIC
UTILITIES COMMISSION

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**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING December 31, 2013**

COMPANY INFORMATION

Exact name of utility: DIRECT COMMUNICATIONS ROCKLAND, INC
 Address of principal office: 150 South Main Rockland, Idaho 83271
 Telephone Number (Area Code 208) 548 - 2345
 Cities or towns served: Rockland, Arbon, Paris, Bloomington, St. Charles, & Fish Haven

Name and title of officer having custody of the general corporate books of account: _____
Jeremy Smith, General Manager

Address of office where corporate books are kept and phone number: _____
150 South Main Rockland, Idaho 83271 (208) 548 - 2345

Organized under the laws of the State of: Idaho

Date of organization:: 1973

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: _____

Direct Communciations Cedar Valley, 150 South Main Rockland, Idaho 83271, ILEC

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 - Treasurer	Leonard May	P.O. Box 269 Rockland, Idaho 83271
Vice Pres. - Secretary	Marilyn May	P.O. Box 269 Rockland, Idaho 83271
General Manager	Jeremy Smith	P.O. Box 269 Rockland, Idaho 83271

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
Leonard May Rockland ID	May-15	3	
Marilyn May Rockland ID	May-15	3	
Garrin Bott Rockland ID	May-15	3	
Kip Wilson Rockland ID	May-15	3	
Jeremy Smith Rockland ID	May-15	3	
Scott Hendrickson Rockland ID	May-15	3	

Name of Chairman of the Board: Leonard May

Name of Secretary (or Clerk) of Board: Marilyn May

Number of Meetings of the Board during the year: 3

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
Leonard May	President - Treasurer	Information is Confidential
Marilyn May	Vice Pres. - Secretary	
Jeremy Smith	General Manager	

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	1,001,287	2,106,250	1,104,963
1130 Cash	400	400	0
1140 Special Cash Deposits	202,693	-	(202,693)
1150 Working Cash Advances	786,824	592,615	(194,209)
1160 Temporary Investments	(63,000)	(62,000)	1,000
1180 Telecommunications Accts. Receivable	379	-	(379)
1181 Accts. Rec. Allow. -Telecommunications	-	-	0
1190 Other Accounts Receivable	189,560	189,560	0
1191 Accounts Receivable Allow. - Other	-	-	0
1200 Notes Receivable	-	-	0
1201 Notes Receivable Allowance	-	-	0
1210 Interest & Dividends Receivable	92,941	90,236	(2,705)
1220 Material and Supplies	-	-	0
1280 Prepayments	-	-	0
1290 Prepaid Rents	-	157,261	157,261
1300 Prepaid Taxes	17,087	22,437	5,350
1310 Prepaid Insurance	-	-	0
1320 Prepaid Directory Expenses	-	-	0
1330 Other Prepayments	-	-	0
1350 Other Current Assets	-	-	0
Noncurrent Assets			
1401 Investment in Affiliated Companies	3,779,088	3,937,962	158,874
1402 Investment in Nonaffiliated Companies	-	-	0
1406 Nonregulated Investments	-	-	0
1407 Unamortized Debt Issuance Expense	-	-	0
1408 Sinking Funds	-	-	0
1410 Other Noncurrent Assets	1,386	-	(1,386)
1438 Deferred Maintenance & Retirements	-	-	0
1439 Deferred Charges	-	-	0
1500 Other Jurisdiction Assets - Net	-	-	0
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	27,043,034	27,950,126	907,092
2002 Prop. Held for Future Telecom. Use	-	-	0
2003 Telecom. Plant under Constr. - Short Term	29,935	3,100	(26,835)
2004 Telecom. Plant under Constr. - Long Term	-	-	0
2005 Telecom. Plant Adjustment	-	-	0
2006 Nonoperating Plant	4,757,516	5,105,648	348,132
2007 Goodwill	-	-	0
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	17,846,439	19,045,087	1,198,648
3200 Accum. Depre. - Held for Future Use	-	-	0
3300 Accumulated Depreciation - Nonoperating	2,449,515	2,936,348	486,833
3400 Accumulated Amortization - Tangible	-	-	0
3410 Accum. Amort. - Capitalized Leases	-	-	0
3420 Accum. Amort. - Leasehold Improvements	-	-	0
3500 Accumulated Amortization - Intangible	-	-	0
3600 Accumulated Amortization - Other	-	-	0
TOTAL ASSETS	17,543,177	18,112,158	568,982

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	84,180	60,144	(24,036)
4020 Notes Payable	0	0	0
4030 Advance Billings and Payments	30,277	90,777	60,500
4040 Customer Deposits	0	0	0
4050 Current Maturities - Long -Term Debt	1,640,530	1,727,864	87,334
4060 Current Maturities - Capital leases	0	0	0
4070 Income Taxes - Accrued	0	0	0
4080 Other Taxes - Accrued	0	0	0
4100 Net Current Defer. Oper. Income Taxes	373,069	0	(373,069)
4110 Net Current Defer. Nonoper. Income Taxes	0	0	0
4120 Other Accrued Liabilities	123,188	118,116	(5,072)
4130 Other Current Liabilities	11,750	0	(11,750)
Long-Term Debt			
4210 Funded Debt	5,816,481	4,151,732	(1,664,749)
4220 Premium on Long-Term Debt	0	0	0
4230 Discount on Long-Term Debt	0	0	0
4240 Reacquired Debt	0	0	0
4250 Obligations Under Capital Leases	0	0	0
4260 Advances from Affiliated Companies	310,647	0	(310,647)
4270 Other Long-Term Debt	0	0	0
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities	0	0	0
4320 Unamort. Oper. Invest. Tax Credits - Net	0	0	0
4330 Unamort. Nonoper. Invest. Tax Credits - Net	0	0	0
4340 Net Noncurrent Defer. Oper. Income Taxes	1,970,865	2,468,168	497,303
4350 Net Noncur. Defer. Nonoper. Income Taxes	0	0	0
4360 Other Deferred Credits	0	0	0
4370 Other Juris. Liab. & Def. Credits - Net	0	0	0
Stockholders' Equity			
4510 Capital Stock	439,555	439,555	0
4520 Additional Paid-In Capital	0	0	0
4530 Treasury Stock	0	0	0
4540 Other Capital	0	0	0
4550 Retained Earnings	6,742,635	9,055,802	2,313,167
	0	0	0
TOTAL LIAB. & OTHER CREDITS	17,543,177	18,112,158	568,981

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
Analysis of Telecommunications Plant in Service					
2111 Land	192,320				192,320
2112 Motor Vehicles	651,162	63,815	43,477		671,500
2113 Aircraft					
2114 Special Purpose Vehicles	127,635				127,635
2115 Garage Work Equipment	11,676				11,676
2116 Other Work Equipment	1,238,143	4,135			1,242,278
2121 Buildings	2,254,014				2,254,014
2122 Furniture	70,493				70,493
2123 Office Equipment	18,780				18,780
2124 General Purpose Computers	211,330	17,916			229,246
2211 Analog Electronic Switching					
2212 Digital Electronic Switching	1,331,829				1,331,829
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	13,886				13,886
2232 Circuit Equipment	2,408,320	355,907			2,764,227
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable	17,307,241	511,895			17,819,136
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles	1,170,090				1,170,090
Non-regulated Telephone Plant	36,114				36,114
TOTAL PLANT ACCOUNTS	26,079,012	953,669	43,477	0	27,953,224

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
2111 Land					
2112 Motor Vehicles					
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
TOTAL PLANT ACCOUNTS					

**SAME AS TOTAL
COMPANY**

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					
2112 Motor Vehicles	411,624	25.0%	83,502	43,477	451,649
2113 Aircraft					0
2114 Special Purpose Vehicles	120,400	10.0%	950		121,350
2115 Garage Work Equipment	11,677	11.0%			11,677
2116 Other Work Equipment	1,154,791	12.5%	17,591		1,172,382
2121 Buildings	933,945	3.0%	67,620		1,001,565
2122 Furniture	70,493	12.5%			70,493
2123 Office Equipment	18,780	12.5%			18,780
2124 General Purpose Computers	151,588	20.0%	24,806		176,394
2211 Analog Electronic Switching					0
2212 Digital Electronic Switching	656,621	12.0%	125,761		782,382
2215 Electro-Mechanical Switching					0
2220 Operator Systems					0
2231 Radio Systems	13,886				13,886
2232 Circuit Equipment	1,728,737	10.0%	184,434		1,913,171
2311 Station Apparatus					0
2321 Customer Premises Wiring					0
2341 Large Private Branch Exchanges					0
2351 Public Telephone Terminal Equipment					0
2362 Other Terminal Equipment					0
2411 Poles					0
2421 Aerial Cable					0
2422 Underground Cable					0
2423 Buried Cable	11,405,954	6.5%	737,462		12,143,416
2424 Submarine Cable					0
2426 Intra-building Network Cable					0
2431 Aerial Wire					0
2441 Conduit Systems					0
Non-regulated Telephone Plant	1,167,942	varies			1,167,942
TOTAL	17,846,438		1,242,126	43,477	19,045,087

*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
Analysis of Entries in Accumulated Depreciation					
2112 Motor Vehicles					
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
TOTAL					

SAME AS TOTAL
COMPANY

*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 & FREC	1993-94		274,116
INDEPENDENT CABLE SYSTEM	2003		111,160
CEDAR VALLEY	2004		999,366
SYRINGA NETWORK	2000		2,505,732
ANPI & SOLEX & OTHER	2002		27,588
NEWSTREETS, INC.	2002		20,000
Totals			3,937,962

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>
Customers		448,129
Interexcahnge Carriers & Others		144,065
Affiliates	189,560	421
Totals	189,560	592,615

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>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Totals	_____	_____	_____	_____

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Amerifiber	1,672.15
D & B Oil	148.06
Bear Lake County Clerk	881.90
City of Aberdeen	790.53
City of Montpelier	5,294.26
City of McCammon	250.00
City of Downey	500.00
City of Bancroft	500.00
City of Preston	1,064.15
City of Grace	359.44
City of Paris	678.94
City of Rockland	262.00
City of Soda Springs	289.07
City of Lava Hot Springs	706.32
Codale Electric	615.51
Computer Technology, Inc	113.26
Digline	156.18
ESPN3.com	573.76
Evolution Digital	204.35
Experian	377.00
Idaho Department of Labor	1,246.54
Idaho State Tax Commission	2,080.00
Idaho Universal Service Fund	160.34
Intermountain Power Source	820.79
Moss Adams	1,631.00
Neustar	182.11
Power County Clerk	391.40
Millenium	862.79
Syringa Wireless	12,051.90
System Tech	15,574.00
USAC	3,982.68
Wiggins & Co	430.00

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/ Discount</u>		<u>Interest for year</u>	
					<u>Total</u>	<u>Year Amortized</u>	<u>Rate</u>	<u>Amount</u>
RTFC	1995	2019	4,805,901	654,099			6.35%	29,012
RUS	1979	Varies	6,689,004	4,466,073			Varies	167,474
RTB	2002	2017	3,143,699	1,391,715			Varies	67,457
Ally	2014	2015	32,167	32,167			2.39%	0
MAPCOM	2011	2015	137,374	33,560			4.79%	2,349
GMAC	2011	2015	70,729	7,140			0.00%	0
ZIONS BANK	2006	varies	1,380,772	416,266			VARIES	22,895
FARM CREDIT LEASING	2009	2017	945,324	270,293			VARIES	

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	5,003,005	_____
Total Operating Expenses (from page 17)	3,328,136	_____
7100 Other Operating Income and Expense	_____	SAME AS TOTAL
7210 Operating Investment Tax Credits-Net	_____	
7220 Operating Federal Income Taxes	22,769	
7230 Operating State and Local Income Taxes	1,448	
7240 Operating Other Taxes	59,260	
7250 Provision for Deferred Operating Income Taxes-Net	413,237	
7200 Operating Taxes (Total)	496,714	
7310 Dividend Income	22,194	
7320 Interest Income	1	
7330 Income from Sinking and Other Funds	_____	
7340 Allowance for Funds Used During Construction	_____	
7350 Gains/Losses from the Disposition of Certain Property	8,924	
7360 Other Nonoperating Income	(221)	
7370 Special Charges	33,255	
7300 Nonoperating Income and Expense	(2,357)	
7410 Nonoperating Investment Tax Credits-Net	_____	
7420 Nonoperating Federal Income Taxes	657,277	
7430 Nonoperating State and Local Income Taxes	_____	
7440 Nonoperating Other Taxes	_____	
7450 Provision for Deferred Nonoperating Income Taxes-Net	_____	
7400 Nonoperating Taxes	657,277	
7510 Interest on Funded Debt	263,942	
7520 Interest Expense-Capital Leases	_____	
7530 Amortization of Debt Issuance Expense	_____	
7540 Other Interest Deductions	25,243	
7500 Interest and Related Items	289,186	
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	84,066	
7600 Extraordinary Items	84,066	
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	_____	
7990 Nonregulated Net Income	236,294	
AMOUNT TRANSFERRED TO RETAINED EARNINGS	2,313,167	_____

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	289,450	SAME AS TOTAL
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue		
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	46,169	
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	74,016	
5082 Switched Access Revenue (Interstate)	3,844,330	
5083 Special Access Revenue	333,672	
5084 State Access Revenue (Intrastate)	355,401	
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All		
Miscellaneous Revenues		
5230 Directory Revenue		
5240 Rent Revenue	58,610	
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue		
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	16,123	
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	2,642	
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(17,408)	
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	5,003,005	

Please identify the following revenues:

NECA USF \$__668,667.00_____. To what account were they booked? 5082.22

State USF \$__202,401.00_____. To what account were they booked? 5084.60

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense		SAME AS TOTAL
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense	1,540	
6120 General Support Expenses		
6121 Land and Building Expenses	79,412	
6122 Furniture and Artworks Expense	6,384	
6123 Office Equipment Expense		
6124 General Purpose Computers Expense	56,254	
6210 Central Office Switching Expenses	23,719	
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses		
6231 Radio Systems Expense	226	
6232 Circuit Equipment Expense	386,573	
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense		
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense		
6362 Other Terminal Equipment Expense		
6410 Cable and Wire Facilities Expenses		
6411 Pole Expense		
6421 Aerial Cable Expense		
6422 Underground Cable Expense		
6423 Buried Cable Expense	261,386	
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	815,493	

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	_____	SAME
6512 Provisioning Expense	_____	AS
6530 Network Operations Expense	_____	TOTAL
6531 Power Expense	38,988	_____
6532 Network Administration Expense	140,199	_____
6533 Testing Expense	_____	_____
6534 Plant Operations Administration Expense	_____	_____
6535 Engineering Expense	31,160	_____
6540 Access Expense	60,741	_____
6560 Depreciation and Amortization Expenses	_____	_____
6561 Depreciation Expense-Telecom. Plant in Service	1,235,076	_____
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	1,506,164	_____
Customer Operations Expense		
6610 Marketing	_____	_____
6611 Product Management	85,553	_____
6612 Sales	_____	_____
6613 Product Advertising	_____	_____
6620 Services	_____	_____
6621 Call Completion Services	_____	_____
6622 Number Services	339	_____
6623 Customer Services	186,300	_____
Total Customer Operations Expense	272,193	_____
Corporate Operations Expense		
6710 Executive and Planning	_____	_____
6711 Executive	317,136	_____
6712 Planning	_____	_____
6720 General and Administrative	_____	_____
6721 Accounting and Finance	268,878	_____
6722 External Relations	_____	_____
6723 Human Resources	567	_____
6724 Information Management	587	_____
6725 Legal	2,006	_____
6726 Procurement	_____	_____
6727 Research and Development	_____	_____
6728 Other General and Administrative	145,112	_____
6790 Provision for Uncollectible Notes Receivable	_____	_____
Total Corporate Operations Expense	734,286	_____
TOTAL OPERATING EXPENSES	3,328,136	_____

CENTRAL OFFICE DATA
as of December 31, 2012 (unless otherwise indicated)

Name of Central Office: ARBON
Prefix (es): 335

Central Office Switch Type: AZTEK

Check all that apply:
Stand Alone X **Check one:**
Host Digital X
Remote X Analog
Other:

Access Line Capacity
Design: 300 **Access Lines in Use**
Customer Lines: 88
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 100 Public Telephone Lines 0
Company Official Lines 1
Company Test Lines 0

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	
Beginning of Year	81	81	0	4	3	7	88
New Connects	0	0	0	0	0	0	0
Disconnects	81	81	0	4	3	7	88
End of Year	81	81	0	4	3	7	88

Foreign Exchange:
Dial Tone from this C.O.: 0
Dial Tone from another C.O.: 0

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 5

Custom Calling:
Number of customers with at least one feature: 63
Total number of features subscribed to: 34

CENTRAL OFFICE DATA
as of December 31, 2012 (unless otherwise indicated)

Name of Central Office: PARIS
Prefix (es): 945

Central Office Switch Type: METASWITCH

Check all that apply:
Stand Alone X **Check one:**
Host Digital X
Remote X Analog
Other: Softswitch

Access Line Capacity
Design: 2000 **Access Lines in Use**
Customer Lines: 666
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 1000
Public Telephone Lines 0
Company Official Lines 4
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	590	0	590	65	19	84	674
New Connects	8	0	8	3	3	3	3
Disconnects	582	8	582	62	22	84	11
End of Year							666

Foreign Exchange:
Dial Tone from this C.O.: 1
Dial Tone from another C.O.: 0

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 32

Custom Calling:
Number of customers with at least one feature: 300
Total number of features subscribed to: 34

CENTRAL OFFICE DATA
as of December 31, 2014 (unless otherwise indicated)

Name of Central Office: ROCKLAND
Prefix (es): 548

Central Office Switch Type: Metaswitch - Host

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

Access Line Capacity
Design: 400 **Access Lines in Use**
Customer Lines: 221
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 300
Public Telephone Lines 0
Company Official Lines 6
Company Test Lines 0

Classification of Customer Access

	Residence			Business			Total
	Multi-Line	Single Line	Subtotal	Multi-Line	Single Line	Subtotal	
	1-Party	1-Party	Residence	1-Party	1-Party	Business	
Beginning	161	161	161	44	14	58	219
New Connects	5	5	5	1	2	3	5
Disconnects	166	166	0	43	12	55	3
End of Year			166				221

Foreign Exchange:

Dial Tone from this C.O.: 0
Dial Tone from another C.O.: 0
Directory Listings: Number of Customers with Nonpublished or Nonlisted: 9

Custom Calling:

Number of customers with at least one feature: 106
Total number of features subscribed to: 34

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2012.

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 ARBON	81			22,563	32,713	55,276	682
2 ROCKLAND	166			20,149	114,317	134,466	810
3 PARIS	582			54,675	310,202	364,877	627
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2012.

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 Jan-14 _____

Alternate method of notification Letter included w/January statements _____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 15 _____

Category of complaints (if known):

Deposit Disputes 0 _____

Charges on Bill 3 _____

Denial/Termination 0 _____

Quality or Availability
of Service 6 _____

Carrier Selection/Assignment 0 _____

Miscellaneous 6 _____

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CERTIFICATE

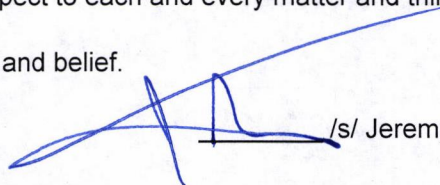
State of Idaho)
) ss
County of)

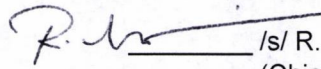
WE, the undersigned Jeremy Smith

and R. Michael Parrish

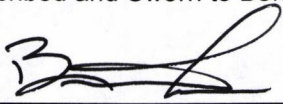
of the Direct Communications Rockland, Inc. utility,

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.

 /s/ Jeremy Smith
(General Manager)

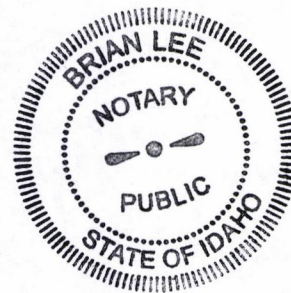
 /s/ R. Michael Parrish
(Chief Financial Officer)

Subscribed and Sworn to Before Me this 15 day of April, 2015



Notary Public

My Commission expires 3/6/16, (Year) 2016.



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