

INL-T

ANNUAL REPORT

OF

LUANN K. STINE
INLAND TELEPHONE CO
PO BOX 171
ROSLYN WA 98941

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED

2013

IDAHO PUBLIC
UTILITIES COMMISSION

2014 APR 14 PM 3:23

RECEIVED

**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: Inland Telephone Company

Address of principal office: 103 South Second Street, Roslyn, Washington 98941

Telephone Number (509) 649-2211

Cities or towns served: Colton, Dewatto, Prescott, Roslyn, Ronald, & Uniontown, Washington & Gifford, Leon & Lenore, Idaho

Name and title of officer having custody of the general corporate books of account:
James K. Brooks, Treasurer

Address of office where corporate books are kept and phone number: Same as principal office

Organized under the laws of the State of: Washington

Date of organization: 07/02/63

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

If a Subchapter S Corporation, please specify: N/A

Name and address of controlling company, if any: Western Elite Incorporated Services, P.O. Box 687, Roslyn, Washington 98941

Names of affiliated companies. Give address and description of business: (1) Inland Cellular Telephone Co. P.O. Box 688, Roslyn, WA 98941-cellular telephone company, (2) R & R Cable Co., P.O. Box 610, Roslyn, WA 98941-cable television company, (3) Inland Long Distance Telephone Company, P.O. Box 904, Roslyn, WA 98941-long distance resale, (4) Newport Hills Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (5) Easton Ridge Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (6) R & R Heights Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (7) Moses Lake Views Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (8) Central Cascade Land Co., Inc. P.O. Box 687, Roslyn, WA 98941-land company

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	Douglas W. Weis	P.O. Box 171, Roslyn, Washington 98941
Vice President	Nathan R. Weis	P.O. Box 171, Roslyn, Washington 98941
Secretary	Gregory A. Maras	P.O. Box 171, Roslyn, Washington 98941
Treasurer	James K. Brooks	P.O. Box 171, Roslyn, Washington 98941

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	Meetings Attended This year	Fees Paid
Douglas W. Weis	Continuous	1	None
Nathan R. Weis	Continuous	1	None
Gregory A. Maras	Continuous	1	None
James K. Brooks	Continuous	1	None

Name of Chairman of the Board: N/A

Name of Secretary (or Clerk) of Board: Gregory A. Maras

Number of Meetings of the Board during the year: 1

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
Douglas W. Weis	President	
Nathan R. Weis	Vice President	
Gregory A. Maras	Secretary	
James K. Brooks	Treasurer	

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	481,419	686,445	205,026
1130 Cash	481,419	686,445	205,026
1140 Special Cash Deposits			
1150 Working Cash Advances	2,750	2,450	(300)
1160 Temporary Investments	90,628	5,334	(85,294)
1180 Telecommunications Accts. Receivable	92,426	94,486	2,060
1181 Accts. Rec. Allow. -Telecommunications	(10,000)	(10,000)	0
1190 Other Accounts Receivable	954,847	961,736	6,889
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	259,636	269,547	9,911
1280 Prepayments	2,490	38,205	35,715
1290 Prepaid Rents			
1300 Prepaid Taxes			
1310 Prepaid Insurance			
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
Noncurrent Assets			
1401 Investment in Affiliated Companies			
1402 Investment in Nonaffiliated Companies	40,443	45,718	5,275
1406 Nonregulated Investments	831,590	1,821,312	989,722
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	137,930	144,638	6,708
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	22,584,411	22,848,876	264,465
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	323,657	2,578,522	2,254,865
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill			
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	15,534,034	16,816,407	1,282,373
3200 Accum. Depre. - Held for Future Use			0
3300 Accumulated Depreciation - Nonoperating			
3400 Accumulated Amortization - Tangible			
3410 Accum. Amort. - Capitalized Leases			
3420 Accum. Amort. - Leasehold Improvements	543	678	135
3500 Accumulated Amortization - Intangible	123,334	123,380	46
3600 Accumulated Amortization - Other			
TOTAL ASSETS	10,134,316	12,546,804	2,412,488

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	192,641	234,125	41,484
4020 Notes Payable	0	0	0
4030 Advance Billings and Payments			
4040 Customer Deposits	2,090	2,539	449
4050 Current Maturities - Long -Term Debt	673,300	411,023	(262,277)
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued			
4080 Other Taxes - Accrued	78,559	142,939	64,380
4100 Net Current Defer. Oper. Income Taxes	20	60,011	59,991
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	772,311	801,672	29,361
4130 Other Current Liabilities	4,458	13,899	9,441
Long-Term Debt			
4210 Funded Debt	1,096,322	3,990,483	2,894,161
4220 Premium on Long-Term Debt			
4230 Discount on Long-Term Debt			
4240 Recquired Debt			
4250 Obligations Under Capital Leases			
4260 Advances from Affiliated Companies	210,795	273,587	62,792
4270 Other Long-Term Debt			
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			
4320 Unamort. Oper. Invest. Tax Credits - Net			
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	716,612	528,126	(188,486)
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
Stockholders' Equity			
4510 Capital Stock	93,150	93,150	0
4520 Additional Paid-In Capital	7,175	7,175	0
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	6,286,883	5,988,075	(298,808)
TOTAL LIAB. & OTHER CREDITS	10,134,316	12,546,804	2,412,488

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE
TOTAL Company Basis

Analysis of Telecommunications Plant in Service		Balance	Additions	Plant	Transfers	Balance
		Beginning	During year	Retired	and	End
		of Year		or Sold	Adjustments	of Year
2111	Land	687,644	0			687,644
2112	Motor Vehicles	1,186,425	17,864	20,922		1,183,367
2113	Aircraft	0				0
2114	Special Purpose Vehicles	0				0
2115	Garage Work Equipment	25,295				25,295
2116	Other Work Equipment	925,931	43,954			969,885
2121	Buildings	2,419,045	42,760	16,581		2,445,224
2122	Furniture	184,430	256			184,686
2123	Office Equipment	287,356				287,356
2124	General Purpose Computers	429,866				429,866
2211	Analog Electronic Switching	0				0
2212	Digital Electronic Switching	2,937,185	133,847			3,071,032
2215	Electro-Mechanical Switching	0				0
2220	Operator Systems	0				0
2231	Radio Systems	36,842				36,842
2232	Circuit Equipment	2,816,937	25,108			2,842,045
2311	Station Apparatus	0				0
2321	Customer Premises Wiring	0				0
2341	Large Private Branch Exchanges	0				0
2351	Public Telephone Terminal Equipment	0				0
2362	Other Terminal Equipment	0				0
2411	Poles	38,563				38,563
2421	Aerial Cable	454,098	1,152			455,250
2422	Underground Cable	0				0
2423	Buried Cable	10,013,183	37,026			10,050,209
2424	Submarine Cable	0				0
2426	Intrabuilding Network Cable	0				0
2431	Aerial Wire	6,695				6,695
2441	Conduit Systems	0				0
2681	Capital Leases	0				0
2682	Leasehold Improvements	8,609				8,609
2690	Intangibles	126,308				126,308
	TOTAL PLANT ACCOUNTS	22,584,412	301,967	37,503	0	22,848,876

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
Analysis of Telecommunications Plant in Service					
2111 Land	124,380			104 *	124,484
2112 Motor Vehicles	126,655			1,873 *	128,528
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	1,845			4 *	1,849
2116 Other Work Equipment	109,357			194 *	109,551
2121 Buildings	590,328			(5,529) *	584,799
2122 Furniture	26,072			(45) *	26,027
2123 Office Equipment	55,552			(120) *	55,432
2124 General Purpose Computers	58,164			(344) *	57,820
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	439,489			24,714 *	464,203
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	1,793			21 *	1,814
2232 Circuit Equipment	295,723			9,374 *	305,097
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	1,577				1,577
2421 Aerial Cable	29,530				29,530
2422 Underground Cable	0				0
2423 Buried Cable	2,039,569			6,684 *	2,046,253
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	4,821				4,821
2441 Conduit Systems	0				0
2681 Capital Leases	0				0
2682 Leasehold Improvements	0				0
2690 Intangibles	4,764				4,764
TOTAL PLANT ACCOUNTS	3,909,619	0	0	36,930	3,946,549

*Represents adjustments to the allocation of Washington plant to Idaho based upon jurisdictional procedures.

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	979,431	12.50		37,975 **	1,017,406
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295	12.50			25,295
2116 Other Work Equipment	713,349	12.50		53,894 **	767,243
2121 Buildings	1,423,948	2.50		77,688 **	1,501,636
2122 Furniture	177,823	15.00		1,449 **	179,272
2123 Office Equipment	260,645	5.00		9,605 **	270,250
2124 General Purpose Computers	138,250	25.00		87,023 **	225,273
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	1,741,140	9.00		270,369 **	2,011,509
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	36,842	13.00			36,842
2232 Circuit Equipment	2,043,994	11.19		280,984 **	2,324,978
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	35,191	5.00		2,831 **	38,022
2421 Aerial Cable	214,750	4.00		14,003 **	228,753
2422 Underground Cable	0				0
2423 Buried Cable	7,736,680	4.00		446,553 **	8,183,233
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	6,696	8.00		(1)	6,695
2441 Conduit Systems	0				0
TOTAL	15,534,034		0	1,282,373	16,816,407

*Please list individual depreciation rate for each account.

**Represents Adjustments to the allocation of Washington plant to Idaho based upon jurisdictional separation procedures.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION

Account 3100

IDAHO Operations Only

Analysis of Entries in Accumulated Depreciation

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
2112 Motor Vehicles	115,981	12.50		3,670 **	119,651
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	1,845	12.50		4 **	1,849
2116 Other Work Equipment	107,270	12.50		717 **	107,987
2121 Buildings	310,669	2.50		16,081 **	326,750
2122 Furniture	25,276	15.00		43 **	25,319
2123 Office Equipment	52,334	5.00		1,052 **	53,386
2124 General Purpose Computers	22,338	25.00		10,518 **	32,856
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	304,681	9.00		40,839 **	345,520
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	1,793	13.00		21 **	1,814
2232 Circuit Equipment	250,528	11.19		29,415 **	279,943
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	1,528	5.00		49 **	1,577
2421 Aerial Cable	15,009	4.00		1,181 **	16,190
2422 Underground Cable	0				0
2423 Buried Cable	1,496,429	4.00		80,911 **	1,577,340
2424 Submarine Cable	0				0
2426 IntraBuilding Network Cable	0				0
2431 Aerial Wire	4,821	8.00			4,821
2441 Conduit Systems	0				0
TOTAL	2,710,502		0	184,501 **	2,895,003

* Please list individual depreciation rate for each account.

**Represents adjustments to the allocation of Washington plant to Idaho based upon jurisdictional separation procedures.

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>
1402-MCI	2005		42,015
1406-CPE/Bldgs/Vehicles/ Internet Equipment	Various		1,821,312
Rural Telephone Finance Cooperative Capital Certificates			3,703
Totals		<u>0</u>	<u>1,867,030</u>

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>
1180-Due From Customers		94,486
1190-Other A/R-Interexchange Carriers & Exchange Carrier Association		600,778
1190-Other A/R-Affiliated Companies		325,295
1190-Other A/R		35,663
Totals		<u>1,056,222</u>

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				<u><u>0</u></u>

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Trade Payables	234,125
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Totals	<u><u>234,125</u></u>

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 Year</u>		<u>Interest for year</u>	
					<u>Total</u>	<u>Amortized</u>	<u>Rate</u>	<u>Amount</u>
RUS 12070	May 1983	May 2018	1,129,000	205,175	1		2%	4,588
RUS 12140	Oct. 1979	Oct. 2014	581,000	99,130	1		5%	5,909
RUS 12150	Apr. 1995	Apr. 2014	947,000	22,535	1		7%	5,020
RUS 12151	Apr. 1995	Apr. 2014	270,000	6,584	1		6.91%	1,605
RUS 12152	Apr. 1995	Apr. 2014	329,000	7,463	1		6.26%	1,500
RTB S010	Oct. 1979	Oct. 2014	345,450	28,581	1		8%	7,593
RTB S022	Dec. 1986	Jan. 2018	261,467	85,266	1		8%	1,346
RTB S030	Apr. 1995	Jan. 2018	324,952	7,424	1		5.54%	4,962
RUS 12153	Apr. 1995	Apr. 2014	451,478	10,172	1		4.86%	1,566
RUS 12154	Apr. 1995	Apr. 2014	289,522	6,619	1		5.71%	1,256
RTB S031	Apr. 1995	Jan. 2018	729,611	28,517	1		5.49%	7,066
RTB S032	Apr. 1995	Jan. 2018	875,447	41,852	1		5.10%	628
RTB S033	Apr. 1995	Jan. 2018	74,858	4,141	1		5.13%	3,615
FTB F0010	Oct. 2011	Dec. 2029	541,768	534,534	1		1.702%	9,812
FTB H0015	Jul. 2013	Dec. 2029	1,353,507	1,336,585	1		2.468%	17,500
FTB H0020	Nov. 2013	Dec. 2029	394,618	388,552	1		2.681%	1,486
FTB H0025	Dec. 2013	Dec. 2029	687,773	687,773	1		2.894%	0
Amounts due to vendors to be borrowed from FFB			900,603	900,603				
			<u>10,487,054</u>	<u>4,401,506</u>				<u>75,452</u>

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 & 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	10,000	10	9,315	93,150

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	<u>4,983,176</u>	<u>862,363</u>
Total Operating Expenses (from page 17)	<u>5,213,398</u>	<u>786,676</u>
7100 Other Operating Income and Expense	<u> </u>	<u> </u>
7210 Operating Investment Tax Credits-Net	<u> </u>	<u> </u>
7220 Operating Federal Income Taxes	<u>65,529</u>	<u>65,529</u>
7230 Operating State and Local Income Taxes	<u>20</u>	<u>0</u>
7240 Operating Other Taxes	<u>126,725</u>	<u>25,028</u>
7250 Provision for Deferred Operating Income Taxes-Net	<u>(225,518)</u>	<u>(29,187)</u>
7200 Operating Taxes (Total)	<u>(33,244)</u>	<u>61,390</u>
7310 Dividend Income	<u>2,409</u>	<u>288</u>
7320 Interest Income	<u>101</u>	<u>0</u>
7330 Income from Sinking and Other Funds	<u> </u>	<u> </u>
7340 Allowance for Funds Used During Construction	<u> </u>	<u> </u>
7350 Gains/Losses from the Disposition of Certain Property	<u>0</u>	<u>0</u>
7360 Other Nonoperating Income	<u>132</u>	<u>16</u>
7370 Special Charges	<u>(15,564)</u>	<u>(186)</u>
7300 Nonoperating Income and Expense	<u>(12,922)</u>	<u>(1,557)</u>
7410 Nonoperating Investment Tax Credits-Net	<u> </u>	<u> </u>
7420 Nonoperating Federal Income Taxes	<u>(5,518)</u>	<u>(5,518)</u>
7430 Nonoperating State and Local Income Taxes	<u> </u>	<u> </u>
7440 Nonoperating Other Taxes	<u>0</u>	<u>0</u>
7450 Provision for Deferred Nonoperating Income Taxes-Net	<u> </u>	<u> </u>
7400 Nonoperating Taxes	<u>(5,518)</u>	<u>(5,518)</u>
7510 Interest on Funded Debt	<u>75,452</u>	<u>13,047</u>
7520 Interest Expense-Capital Leases	<u> </u>	<u> </u>
7530 Amortization of Debt Issuance Expense	<u> </u>	<u> </u>
7540 Other Interest Deductions	<u>19,260</u>	<u>3,337</u>
7500 Interest and Related Items	<u>94,712</u>	<u>16,384</u>
7610 Extraordinary Income Credits	<u> </u>	<u> </u>
7620 Extraordinary Income Charges	<u> </u>	<u> </u>
7630 Current Income Tax Effect of Extraordinary Items-Net	<u> </u>	<u> </u>
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net	<u> </u>	<u> </u>
7600 Extraordinary Items	<u>0</u>	<u>0</u>
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	<u> </u>	<u> </u>
7990 Nonregulated Net Income	<u>(3,308)</u>	<u>196,342</u>
AMOUNT TRANSFERRED TO RETAINED EARNINGS	<u>(302,402)</u>	<u>198,216</u>

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	577,075	94,509
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue	106	0
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	91,420	11,502
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	235,179	27,238
5082 Switched Access Revenue (Interstate)	2,219,948	581,401
5083 Special Access Revenue	1,215,733	108,276
5084 State Access Revenue (Intrastate)	542,254	44,303
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	(788)	62
Miscellaneous Revenues		
5230 Directory Revenue	8,364	1,055
5240 Rent Revenue	27,718	0
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue	15,721	(10,962)
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	760	0
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	55,958	5,408
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	6,272	429
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	4,983,176	862,363

Please identify the following revenues:

NECA USF \$405,725 To what account were they booked?
A/C 5082.13-Interstate Switched Access Revenue-USF (Idaho only)

State USF \$27,604 To what account were they booked?
A/C 5084.12-Intrastate Switched Access Revenue-USF (Idaho only)

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	2,021	224
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense	65,507	7,251
6116 Other Work Equipment Expense	746	82
6120 General Support Expenses		
6121 Land and Building Expenses	391,333	85,123
6122 Furniture and Artworks Expense	1,231	269
6123 Office Equipment Expense	26,975	5,883
6124 General Purpose Computers Expense	233,626	50,952
6210 Central Office Switching Expenses	267,821	40,283
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	286,787	7,138
6231 Radio Systems Expense		
6232 Circuit Equipment Expense		
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	2,711	111
6421 Aerial Cable Expense	47,541	6,712
6422 Underground Cable Expense		
6423 Buried Cable Expense	675,308	137,474
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense	50	36
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	2,001,657	341,538

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	65	11
6530 Network Operations Expense		
6531 Power Expense	35,594	3,743
6532 Network Administration Expense	15,855	2,739
6533 Testing Expense	35,720	6,170
6534 Plant Operations Administration Expense	113,515	19,606
6535 Engineering Expense	6,832	1,180
6540 Access Expense	125,737	11,993
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,316,876	189,509
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible	182	0
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	1,650,376	234,951
Customer Operations Expense		
6610 Marketing	12,429	1,486
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	9,475	1,133
6623 Customer Services	527,695	63,099
Total Customer Operations Expense	549,599	65,718
Corporate Operations Expense		
6710 Executive and Planning	163,062	23,284
6711 Executive		
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	431,705	61,643
6722 External Relations	27,610	3,942
6723 Human Resources	91,136	13,013
6724 Information Management		
6725 Legal	36,405	5,198
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	261,848	37,389
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	1,011,766	144,469
TOTAL OPERATING EXPENSES	5,213,398	786,676

CENTRAL OFFICE DATA
as of December 31, 2013 (unless otherwise indicated)

Name of Central Office: Leon, Idaho (shares Uniontown, Washington switch)
Prefix (es) (208)224

Central Office Switch Metaswitch

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

Access Line Capacity
Design: 10,000 **Access Lines in Use**
Customer Lines: _____ (Include Centrex, PAL, Semi-Pub.) 26

Installed/Equipped: 764
Public Telephone Lines _____
Company Official Lines 1
Company Test Lines 2

	Residence			Business			Total Residence & Business		
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Centrex N.A.R.	Multi- Line 1-Party	Single Line Multi- Party		Subtotal Business	
Beginning of Year	0	25	0	25	0	1	0	1	26
New Connects	0	3	0	3	0	1	0	1	4
Disconnects	0	3	0	3	0	1	0	1	4
End of Year	0	25	0	25	0	1	0	1	26

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: 0

Custom Calling:
Number of customers with at least one feature: 11
Total number of features subscribed to: 4

CENTRAL OFFICE DATA
as of December 31, 2013 (unless otherwise indicated)

Name of Central Office: Lenore, Idaho
Prefix (es) (208)836

Central Office Switch Type: Metaswitch

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

Access Line Capacity
Design: 10,000
Installed/Equipped: 375

Access Lines in Use
Customer Lines: 270
(Include Centrex, PAL, Semi-Pub.)
Public Telephone Lines 0
Company Official Lines 9
Company Test Lines 9

	Residence				Business				Total Residence & Business	
	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Subtotal Residence	Centrex N.A.R.	Multi-Line 1-Party	Single Line 1-Party	Multi-Party		Subtotal Business
Beginning of Year	0	254	0	254	0	11	9	0	20	274
New Connects	0	31	0	31	0	8	2	0	10	41
Disconnects	0	37	0	37	0	5	3	0	8	45
End of Year	0	248	0	248	0	14	8	0	22	270

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: 24

Custom Calling:
Number of customers with at least one feature: 151
Total number of features subscribed to: 13

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2013

FOR THE YEAR ENDING DECEMBER	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	Leon, Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	Lenore, Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3								
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, 2013

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 <u> X </u>
Included in directory	Yes <u> X </u>	No _____
Date of notification	<u>December, 2012 through December, 2013</u>	
Alternate method of notification	<u>None</u>	

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 1

Category of complaints (if known):

Deposit Disputes	<u> 0 </u>
Charges on Bill	<u> 0 </u>
Denial/Termination	<u> 0 </u>
Quality or Availability of Service	<u> 0 </u>
Carrier Selection/Assignment	<u> 0 </u>
Miscellaneous	<u> 1 </u>

Rev 3/02

CERTIFICATE

FOR THE YEAR ENDING DECEMBER 31, 2013)
County of Kittitas) ss
)

WE, the undersigned Gregory A. Maras, Secretary

and James K. Brooks, Treasurer

of the Inland Telephone Company 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.

Gregory A. Maras

Secretary
Gregory A. Maras

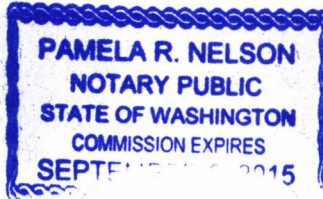
James K. Brooks

Treasurer
James K. Brooks

Subscribed and Sworn to Before Me this 10 day of April, 2014

Pamela R. Nelson

Notary Public
Pamela R. Nelson



My Commission expires Sept 9, 2015