

COL-T

Annual Report

OF

Columbine Telephone Company, Inc.

NAME

PO Box 226, 104101 Hwy 89, Freedom, WY 83120

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED December 31, 2012

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2012**

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
COO	Ron B. McCue	P.O. Box 226, Freedom, WY 83120
Asst Sec	Michelle Motzkus	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	6	\$ 698
Jack Bentley	Indefinite	6	\$ 698
Bob Foster	Indefinite	2	\$ 233
Rod R. Jensen	Indefinite	5	\$ 582
Peggy Zimmer	Indefinite	6	\$ 698
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:		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 / Chairman of the Board	Confidential
Ron B. McCue	President / COO	Confidential
Jennifer Brannen	Director of Marketing / Retail Sales	Confidential
George Scherer	Director of Human Resource	Confidential
Barbra Sessions	Director of Technology	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	27,609	1,154,028	1,126,418
1140 Special Cash Deposits			-
1150 Working Cash Advances	200	-	(200)
1160 Temporary Investments	25,092	28,379	3,287
1180 Telecommunications Accts. Receivable	(685)	-	685
1181 Accts. Rec. Allow. -Telecommunications	(15,000)	(15,000)	-
1190 Other Accounts Receivable	1,263,110	1,417,748	154,637
1191 Accounts Receivable Allow. - Other	(14,000)	(14,000)	-
1200 Notes Receivable	-	-	-
1201 Notes Receivable Allowance			-
1210 Interest & Dividends Receivable			-
1220 Material and Supplies	249,142	259,141	9,999
1280 Prepayments			-
1290 Prepaid Rents	3,350	3,350	-
1300 Prepaid Taxes			-
1310 Prepaid Insurance	24,044	-	(24,044)
1320 Prepaid Directory Expenses			-
1330 Other Prepayments			-
1350 Other Current Assets			-
Noncurrent Assets			
1401 Investment in Affiliated Companies			-
1402 Investment in Nonaffiliated Companies	3,210,686	3,535,947	325,261
1406 Nonregulated Investments	-	2,820,606	2,820,606
1407 Unamortized Debt Issuance Expense			-
1408 Sinking Funds			-
1410 Other Noncurrent Assets	94,107	94,107	-
1438 Deferred Maintenance & Retirements			-
1439 Deferred Charges	-	-	-
1500 Other Jurisdiction Assets - Net			-
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	35,256,037	35,996,144	740,108
2002 Prop. Held for Future Telecom. Use	30,000	30,000	-
2003 Telecom. Plant under Constr. - Short Term	44,394	60,423	16,029
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	(26,833,923)	(29,168,406)	(2,334,483)
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	(2,571,777)	(2,637,771)	(65,994)
3600 Accumulated Amortization - Other	(92,394)	(94,107)	(1,713)
TOTAL ASSETS	13,337,764	16,108,358	2,770,594

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	311,217	(1,247,360)	(1,558,577)
4020 Notes Payable	300,000	300,000	-
4030 Advance Billings and Payments			-
4040 Customer Deposits	17,389	17,911	522
4050 Current Maturities - Long -Term Debt		291,542	291,542
4060 Current Maturities - Capital leases			-
4070 Income Taxes - Accrued	-	-	-
4080 Other Taxes - Accrued	4,994	7,399	2,405
4100 Net Current Defer. Oper. Income Taxes	(10,730)	(10,730)	-
4110 Net Current Defer. Nonoper. Income Taxes			-
4120 Other Accrued Liabilities	239,902	157,156	(82,746)
4130 Other Current Liabilities			-
Long-Term Debt			
4210 Funded Debt	812,447	225,332	(587,115)
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	86,295	154,380	68,085
4330 Unamort. Nonoper. Invest. Tax Credits - Net			-
4340 Net Noncurrent Defer. Oper. Income Taxes	(348,213)	(529,462)	(181,249)
4350 Net Noncur. Defer. Nonoper. Income Taxes	(4,459)	(4,459)	-
4360 Other Deferred Credits	1,911,799	1,905,554	(6,246)
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	(8,658)	(7,695)	963
4550 Retained Earnings	1,527,987	6,350,997	4,823,010
			-
TOTAL LIAB. & OTHER CREDITS	13,337,764	16,108,358	2,770,594

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					
1410 Internet Equipment	94,107	-	-		94,107
2111 Land	718,557	-	-		718,557
2112 Motor Vehicles	615,974	-	-		615,974
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	637,921	3,747.43	-		641,669
2121 Buildings	4,485,332	50,879.63	-		4,536,212
2122 Furniture	253,559	-	-		253,559
2123 Office Equipment	168,179	5,453.59	-		173,632
2124 General Purpose Computers	293,696	4,432.92	-		298,129
2211 Analog Electronic Switching	890,225	(0.00)	(22,698)		867,527
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	250,080	-	-		250,080
2232 Circuit Equipment	6,773,250	409,524.94	(133,708)		7,049,066
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	929.41	-		127,269
2422 Underground Cable	196,868	-	-		196,868
2423 Buried Cable	19,158,478	421,546.25	-		19,580,024
2424 Submarine Cable					
2426 Intrabuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	21,608	-	-		21,608
2441 Conduit Systems	501,973	-	-		501,973
2681 Capital Leases					
2682 Leasehold Improvements	49,678	-	-		49,678
2690 Intangibles					
TOTAL PLANT ACCOUNTS	35,350,144	896,514	(156,406)	-	36,090,251

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	94,107	-	-		94,107
2111 Land	718,557	-	-		718,557
2112 Motor Vehicles	615,974	-	-		615,974
2113 Aircraft		-	-		
2114 Special Purpose Vehicles		-	-		
2115 Garage Work Equipment		-	-		
2116 Other Work Equipment	637,921	3,747	-		641,669
2121 Buildings	4,357,905	50,880	-		4,408,785
2122 Furniture	253,559	-	-		253,559
2123 Office Equipment	168,179	5,454	-		173,632
2124 General Purpose Computers	293,696	4,433	-		298,129
2211 Analog Electronic Switching	890,225	(0)	(22,698)		867,527
2212 Digital Electronic Switching		-	-		
2215 Electro-Mechanical Switching		-	-		
2220 Operator Systems		-	-		
2231 Radio Systems	176,794	-	-		176,794
2232 Circuit Equipment	6,610,149	408,994	(133,708)		6,885,435
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	18,408,341	419,386	-		18,827,728
2424 Submarine Cable		-	-		
2426 Intrabuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	21,608	-	-		21,608
2441 Conduit Systems	501,973	-	-		501,973
2681 Capital Leases		-	-		
2682 Leasehold Improvements	49,678	-	-		49,678
2690 Intangibles		-	-		
TOTAL PLANT ACCOUNTS	34,235,734	892,894	(156,406)	-	34,972,222

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	92,394	33.33%	1,713		94,107
2112 Motor Vehicles	615,974	25.00%	-		615,974
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	637,921	20.00%	4,750		642,671
2121 Buildings	1,468,289	5.00%	225,134		1,693,423
2122 Furniture	207,546	14.00%	35,498		243,044
2123 Office Equipment	155,766	20.00%	12,503		168,269
2124 General Purpose Computers	293,671	33.33%	887		294,558
2211 Analog Electronic Switching					
2212 Digital Electronic Switching	540,301	12.00%	129,298	(22,698)	646,901
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	250,080	20.00%			250,080
2232 Circuit Equipment	5,920,256	12.50%	862,260	(133,708)	6,648,808
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	126,340	8.60%	7		126,347
2422 Underground Cable	196,868	10.00%			196,868
2423 Buried Cable	16,032,718	6.50%	1,192,970		17,225,688
2682 Amortize Leasehold Improvemnts	21,847	Amortize 18 Months	2,484		24,331
2426 Intrabuilding Network Cable	11,044	6.50%			11,044
2431 Aerial Wire	21,608				21,608
2441 Conduit Systems	230,419	5.00%	25,099		255,518
TOTAL	26,926,317		2,492,603	(156,406)	29,262,513

*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					
1410 Internet	92,394	33.33%	1,713.22	-	94,107
2112 Motor Vehicles	615,974	25.00%	-	-	615,974
2113 Aircraft			-	-	
2114 Special Purpose Vehicles			-	-	
2115 Garage Work Equipment			-	-	
2116 Other Work Equipment	637,921	20.00%	4,749.84	-	642,671
2121 Buildings	1,382,760	5.00%	218,762.72	-	1,601,523
2122 Furniture	207,546	14.00%	35,498.28	-	243,044
2123 Office Equipment	155,766	20.00%	12,502.98	-	168,269
2124 General Purpose Computers	293,671	33.33%	886.79	-	294,558
2211 Analog Electronic Switching			-	-	
2212 Digital Electronic Switching	540,301	12.00%	129,298.32	(22,698)	646,901
2215 Electro-Mechanical Switching			-	-	
2220 Operator Systems			-	-	
2231 Radio Systems	176,794	20.00%	-	-	176,794
2232 Circuit Equipment	5,809,290	12.50%	841,861.38	(133,708)	6,517,443
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	15,282,581	6.50%	1,192,928.75	-	16,475,510
2682 Amortize Leasehold Improvemnts	21,847	Amortize 18 Month:	2,483.88	-	24,331
2426 Intrabuilding Network Cable	11,044	6.50%	-	-	11,044
2431 Aerial Wire	21,608		-	-	21,608
2441 Conduit Systems	230,419	5.00%	25,098.72	-	255,518
TOTAL	25,905,941		2,465,784.88	(156,406)	28,215,319

*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		70,561
RTFC Certificates	2003		229,413
Syringa	2000		2,659,543
Valley Wireless	2003		576,430
New Century	2012		2,820,606
Totals			6,356,552

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)		-
Bad Debt (1181)		(15,000)
Neca (1190)		405,517
Sprint (1190)		-
ATT (1190)		-
Other Interexchange Carriers)		130,584
Other (1190)		50,366
Schools & Libraries (1190)		17,355
Affiliates (1190)		813,926
Prepaid Income Taxes (1190)		-
Bad Debt (1191)		(14,000)
Shareholders (1210)		
Totals	-	1,388,748

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	(1,424,153)
Neca	-
Taxes	7,651
U.S. West	201
Other Carriers	62,132
Employee Payroll / Benefits	112,232
Totals	(1,241,938)

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	35,145			4%	1251
Four Star	2003	2010	435,902	481,728			1.68%	7,961
Less Current Portion				(291,542)				
Total Long Term Debt (Page 5)				225,332				

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	8,470,908	8,021,950
Total Operating Expenses (from page 18)	<u>(6,817,145)</u>	<u>(6,455,837)</u>
7100 Other Operating Income and Expense	<u> </u>	<u> </u>
7210 Operating Investment Tax Credits-Net	<u>(20,000) *</u>	<u>(18,940)</u>
7220 Operating Federal Income Taxes	<u>1,111,574 *</u>	<u>1,052,660</u>
7230 Operating State and Local Income Taxes	<u>110,468 *</u>	<u>104,613</u>
7240 Operating Other Taxes	<u>54,475</u>	<u>51,588</u>
7250 Provision for Deferred Operating Income Taxes-Net	<u>(276,056) *</u>	<u>(261,425)</u>
7200 Operating Taxes (Total)	<u>980,461</u>	<u>928,497</u>
7310 Dividend Income	<u>(4,157)</u>	<u>(3,937)</u>
7320 Interest Income	<u>(2,191)</u>	<u>(2,075)</u>
7330 Income from Sinking and Other Funds	<u> </u>	<u>-</u>
7340 Allowance for Funds Used During Construction	<u>(1,353)</u>	<u>(1,281)</u>
7350 Gains/Losses from the Disposition of Certain Property	<u> </u>	<u>-</u>
7360 Other Nonoperating Income	<u>(4,512,858)</u>	<u>(4,273,676)</u>
7370 Special Charges	<u>(146,167)</u>	<u>(138,420)</u>
7300 Nonoperating Income and Expense	<u>(4,666,726)</u>	<u>(4,419,389)</u>
7410 Nonoperating Investment Tax Credits-Net	<u> </u>	<u>-</u>
7420 Nonoperating Federal Income Taxes	<u>90,493</u>	<u>85,697</u>
7430 Nonoperating State and Local Income Taxes	<u>(2,406)</u>	<u>(2,279)</u>
7440 Nonoperating Other Taxes	<u> </u>	<u>-</u>
7450 Provision for Deferred Nonoperating Income Taxes-Net	<u>(88,087)</u>	<u>(83,418)</u>
7400 Nonoperating Taxes	<u>-</u>	<u>-</u>
7510 Interest on Funded Debt	<u>2,340</u>	<u>2,216</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>19,908</u>	<u>18,853</u>
7500 Interest and Related Items	<u>22,249</u>	<u>21,070</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> </u>	<u>-</u>
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	<u> </u>	<u>-</u>
7990 Nonregulated Net Income	<u>586,929</u>	<u>555,821</u>
AMOUNT TRANSFERRED TO RETAINED EARNINGS	<u>5,904,707</u>	<u>5,591,757</u>

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	1,058,839.65	1,002,721
5002 Optional Extended Area Revenue	-	-
5003 Cellular Mobile Revenue	-	-
5004 Other Mobile Services Revenue	-	-
5010 Public Telephone Revenue	-	-
5040 Local Private Line Revenue	162,115.55	153,523
5050 Customer Premises Revenue	-	-
5060 Other Local Exchange Revenue	194,985.79	184,652
5069 Other Local Exchange Settlements	2,760,519.87	2,614,212
Network Access Services Revenues		
5081 End User Revenue (SLC)	415,144.15	393,142
5082 Switched Access Revenue (Interstate)	2,548,005.89	2,412,962
5083 Special Access Revenue	1,104,804.42	1,046,250
5084 State Access Revenue (Intrastate)	62,713.34	59,390
Long Distance Network Services Revenues	-	-
5100 Long Distance Message Revenue - All	-	-
Miscellaneous Revenues		
5230 Directory Revenue	36,445.22	34,514
5240 Rent Revenue	45,751.55	43,327
5250 Corporate Operations Revenue	-	-
5261 Special Billing Arrangements Revenue	-	-
5262 Customer Operations Revenue	-	-
5263 Plant Operations Revenue	-	-
5264 Other Incidental Regulated Revenue	54,655.95	51,759
5269 Other Revenue Settlements	-	-
5270 Carrier Billing & Collection Revenue	41,077.40	38,900
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(14,150.88)	(13,401)
5302 Uncollectible Revenue - Other	-	-
TOTAL OPERATING REVENUES	8,470,907.90	8,021,950

Please identify the following revenues:

NECA USF	\$ 2,758,578	To what account were they booked?	5069.10
State USF	\$ -	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	18	17
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	215,937	204,492
6122 Furniture and Artworks Expense	2,402	2,275
6123 Office Equipment Expense	30,776	29,145
6124 General Purpose Computers Expense	310,251	293,807
6210 Central Office Switching Expenses	-	-
6211 Analog Electronic Expense	-	-
6212 Digital Electronic Expense	171,596	162,501
6215 Electro-Mechanical Expense	-	-
6220 Operators System Expense	-	-
6230 Central Office Transmission Expenses	-	-
6231 Radio Systems Expense	375	355
6232 Circuit Equipment Expense	256,806	243,195
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	999,510	946,536
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	1,987,670	1,882,324

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	37,366	35,385
6533 Testing Expense	43,483	41,178
6534 Plant Operations Administration Expense	139,003	131,635
6535 Engineering Expense	113,042	107,051
6540 Access Expense	131,572	124,598
6560 Depreciation and Amortization Expenses		-
6561 Depreciation Expense-Telecom. Plant in Service	2,458,370	2,328,076
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	2,922,835	2,767,925
Customer Operations Expense		
6610 Marketing		-
6611 Product Management	-	-
6612 Sales	30,623	29,000
6613 Product Advertising	137,020	129,758
6620 Services		-
6621 Call Completion Services		-
6622 Number Services	33,682	31,897
6623 Customer Services	538,126	509,605
Total Customer Operations Expense	739,451	700,260
Corporate Operations Expense		
6710 Executive and Planning		-
6711 Executive	243,769	230,849
6712 Planning	657	622
6720 General and Administrative		-
6721 Accounting and Finance	409,019	387,341
6722 External Relations	120,835	114,431
6723 Human Resources	138,102	130,782
6724 Information Management		-
6725 Legal	4,389	4,156
6726 Procurement	10,942	10,362
6727 Research and Development		-
6728 Other General and Administrative	239,478	226,786
6790 Provision for Uncollectible Notes Receivable		-
Total Corporate Operations Expense	1,167,189	1,105,328
TOTAL OPERATING EXPENSES	6,817,145	6,455,837

CENTRAL OFFICE DATA
as of December 31, 2012 (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: _____ **Access Lines in Use**
Customer Lines: _____ 3036
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: _____
Public Telephone Lines _____ 0
Company Official Lines _____ 28
Company Test Lines _____ 0

Classification of Customer Access

	Residence		Business			Total Residence & Business
	Multi- Line 1-Party	Single Line Multi- Party	Multi- Line 1-Party	Centrex N.A.R.	Single Line Multi- Party	
Beginning of Year	_____	2209	615	_____	300	3124
New Connects	_____	82	68	_____	33	183
Disconnects	_____	119	77	_____	75	271
End of Year	_____	2172	606	_____	258	3036
		Subtotal Residence			Subtotal Business	
		2209			915	
		82			101	
		119			152	
		2172			864	

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

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: _____ 118

Custom Calling:
Number of customers with at least one feature: 142_
Total number of features subscribed to: 12_

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							
2							
3							
4							
5		208/354					
6		208/787					
7		208/456					
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 _____

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 Kurt Garrard

and _____

of the Columbine Telephone Company, 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.

(Chief Officer)

(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this _____ day of _____, (Year) _____.

Notary Public

My Commission expires _____, (Year) _____.

Rev 3/02

CERTIFICATE

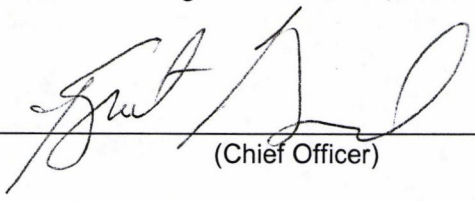
State of Idaho)
) ss
County of)

WE, the undersigned Kurt Garrard

and _____

of the Columbine Telephone Company, Inc. _____ utility,

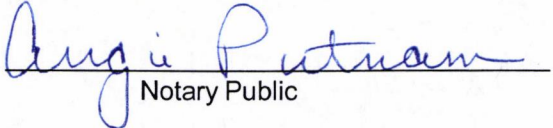
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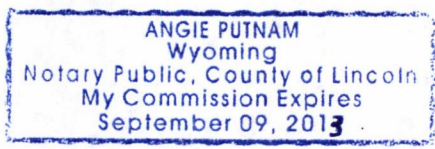
(Chief Officer)

(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 24th day of April, (Year) 2013.



Notary Public



My Commission expires September 9, (Year) 2013.