

ANNUAL REPORT

OF

Columbine Telephone Company, Inc. dba Teton Telecom

NAME

Box 226 104101 Hwy 89 Freedom, WY 83120

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2004

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UTILITIES COMMISSION

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2004**

COMPANY INFORMATION

Exact name of utility: Columbine Telephone Company, Inc. dba Teton Telecom

Address of principal office: PO Box 226 104101 Hwy 89 Freedom, WY 83120

Telephone Number Area Code (_307_) 883-2411 E-mail address: _____

Cities or towns served: Idaho: Driggs, Victor, Teton; 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
VP Operations	Ron B. McCue	P.O. Box 226, Freedom, WY 83120
Sec/Treasurer	Bonnie E. Hoopes	P.O. Box 226, Freedom, WY 83120
VP Finance	Chad Turner	P.O. Box 226, Freedom, WY 83120

DIRECTORS

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

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Melvin R. Hoopes	Indefinite	6	\$ 750
Allen R. Hoopes	Indefinite	6	\$ 750
Bonnie E. Hoopes	Indefinite	6	\$ 750
Stephen R. Hoopes	Deceased	0	\$ -
Bradford E. Hoopes	Indefinite	4	\$ 500
Rod R. Jensen	Indefinite	6	\$ 750
W. Tom Davis	Indefinite	6	\$ 750
Vince Zimmer	Indefinite	5	\$ 625
Name of Chairman of the Board:	Melvin R. Hoopes		
Name of Secretary (or Clerk) of Board:	Bonnie E. Hoopes		
Number of Meetings of the Board during the year:	6		

MANAGERS

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

Name	Title	Wages and Bonuses Paid
Allen R. Hoopes	General Manager	\$ 136,412
Ron B. McCue	VP Operations	\$ 123,897
Sharon Urbanik	Customer Service Manager	\$ 65,815
Chad H. Turner	VP Finance	\$ 101,958
Robert S. Tanguay	Network Manager	\$ 73,974
Aaron Jenkins	Engineering/Plant Manager	\$ 81,444
Drew Izatt	Marketing Manager	\$ 65,162

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	537,572	729,951	192,379
1140 Special Cash Deposits			-
1150 Working Cash Advances	100	100	-
1160 Temporary Investments	166,464	191,323	24,859
1180 Telecommunications Accts. Receivable	71,628	79,056	7,428
1181 Accts. Rec. Allow. -Telecommunications			-
1190 Other Accounts Receivable	899,783	1,082,542	182,760
1191 Accounts Receivable Allow. - Other	14,000	14,000	-
1200 Notes Receivable	2,700,000	2,740,770	40,770
1201 Notes Receivable Allowance			-
1210 Interest & Dividends Receivable			-
1220 Material and Supplies	220,426	202,410	(18,017)
1280 Prepayments			-
1290 Prepaid Rents	3,350	3,350	-
1300 Prepaid Taxes			-
1310 Prepaid Insurance	58,044	-	(58,044)
1320 Prepaid Directory Expenses			-
1330 Other Prepayments			-
1350 Other Current Assets			-
Noncurrent Assets			
1401 Investment in Affiliated Companies			-
1402 Investment in Nonaffiliated Companies	2,408,168	2,430,792	22,625
1406 Nonregulated Investments	3,875,648	4,048,450	172,802
1407 Unamortized Debt Issuance Expense			-
1408 Sinking Funds			-
1410 Other Noncurrent Assets	27,356	47,743	20,387
1438 Deferred Maintenance & Retirements			-
1439 Deferred Charges			-
1500 Other Jurisdiction Assets - Net			-
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	21,436,684	21,876,845	440,161
2002 Prop. Held for Future Telecom. Use	30,000	30,000	-
2003 Telecom. Plant under Constr. - Short Term	163,384	649,026	485,642
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	(1,093,104)	(12,049,744)	(10,956,640)
3200 Accum. Depre. - Held for Future Use	(3,340,779)		3,340,779
3300 Accumulated Depreciation - Nonoperating			-
3400 Accumulated Amortization - Tangible			-
3410 Accum. Amort. - Capitalized Leases	(102,456)		102,456
3420 Accum. Amort. - Leasehold Improvements	(6,675,400)		6,675,400
3500 Accumulated Amortization - Intangible	(1,164,993)	(1,340,841)	(175,848)
3600 Accumulated Amortization - Other		(24,608)	(24,608)
TOTAL ASSETS	22,873,646	23,348,937	475,292

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	494,956	60,991	(433,966)
4020 Notes Payable	-	-	-
4030 Advance Billings and Payments	-	-	-
4040 Customer Deposits	13,759	11,969	(1,790)
4050 Current Maturities - Long -Term Debt	900,000	403,058	(496,942)
4060 Current Maturities - Capital leases	-	-	-
4070 Income Taxes - Accrued	-	-	-
4080 Other Taxes - Accrued	8,248	7,471	(776)
4100 Net Current Defer. Oper. Income Taxes	(67,393)	(67,393)	-
4110 Net Current Defer. Nonoper. Income Taxes	-	-	-
4120 Other Accrued Liabilities	234,745	271,325	36,580
4130 Other Current Liabilities	-	-	-
Long-Term Debt			
4210 Funded Debt	12,096,326	11,396,161	(700,165)
4220 Premium on Long-Term Debt	-	-	-
4230 Discount on Long-Term Debt	-	-	-
4240 Reacquired Debt	-	-	-
4250 Obligations Under Capital Leases	-	-	-
4260 Advances from Affiliated Companies	-	-	-
4270 Other Long Term Debt	1,565,299	1,760,153	194,854
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities	-	-	-
4320 Unamort. Oper. Invest. Tax Credits - Net	186,517	226,308	39,791
4330 Unamort. Nonoper. Invest. Tax Credits - Net	-	-	-
4340 Net Noncurrent Defer. Oper. Income Taxes	719,989	948,629	228,640
4350 Net Noncur. Defer. Nonoper. Income Taxes	4,838	119,479	114,641
4360 Other Deferred Credits	120,654	493,870	373,216
4370 Other Juris. Liab. & Def. Credits - Net	-	-	-
Stockholders' Equity			
4510 Capital Stock	11,483	11,483	-
4520 Additional Paid-In Capital	872,960	872,960	-
4530 Treasury Stock	-	-	-
4540 Other Capital	161,724	231,927	70,203
4550 Retained Earnings	5,549,541	6,600,547	1,051,006
TOTAL LIAB. & OTHER CREDITS	22,873,646	23,348,937	475,292

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	47,743	-	-		47,743
2111 Land	408,020	-	-		408,020
2112 Motor Vehicles	356,346	41,184	-		397,530
2113 Aircraft		-	-		
2114 Special Purpose Vehicles		-	-		
2115 Garage Work Equipment		-	-		
2116 Other Work Equipment	472,041	-	(11,781)		460,260
2121 Buildings	579,596	103,998	-		683,593
2122 Furniture	29,177	-	-		29,177
2123 Office Equipment	30,997	-	-		30,997
2124 General Purpose Computers	140,666	42,844	-		183,510
2211 Analog Electronic Switching		-	-		
2212 Digital Electronic Switching	861,883	94,405	(686)		955,602
2215 Electro-Mechanical Switching		-	-		
2220 Operator Systems		-	-		
2231 Radio Systems	594,415	-	-		594,415
2232 Circuit Equipment	4,247,518	-	(382,948)	(6,422)	3,858,148
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	122,763	4,889	(1,556)		126,096
2422 Underground Cable	196,868	-	-		196,868
2423 Buried Cable	12,823,878	572,798	(17,147)		13,379,529
2424 Submarine Cable		-	-		
2426 IntraBuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	20,930	61	-		20,991
2441 Conduit Systems	415,629	521	-		416,150
2681 Capital Leases		-	-		
2682 Leasehold Improvements	21,640	-	-		21,640
2690 Intangibles		-	-		
TOTAL PLANT ACCOUNTS	21,484,427	860,700	(414,117)	(6,422)	21,924,588

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS

IDAHO Operations Only

	IDAHO Operations Only			Transfers and Adjustments	Balance End of Year
	Balance Beginning of Year	Additions During Year	Plant Retired or Sold		
Analysis of Telecommunications Plant in Service					
1410 Internet Equipment	47,743	-	-		47,743
2111 Land	408,020	-	-		408,020
2112 Motor Vehicles	356,346	41,184	-		397,530
2113 Aircraft		-	-		
2114 Special Purpose Vehicles		-	-		
2115 Garage Work Equipment		-	-		
2116 Other Work Equipment	472,041	-	(11,781)		460,260
2121 Buildings	405,234	103,998	-		509,232
2122 Furniture	29,177	-	-		29,177
2123 Office Equipment	30,997	-	-		30,997
2124 General Purpose Computers	140,666	42,844	-		183,510
2211 Analog Electronic Switching		-	-		
2212 Digital Electronic Switching	861,883	94,405	(686)		955,602
2215 Electro-Mechanical Switching		-	-		
2220 Operator Systems		-	-		
2231 Radio Systems	537,334	-	-		537,334
2232 Circuit Equipment	4,168,036	-	(378,227)	(6,422)	3,783,387
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	122,304	4,889	(1,556)		125,638
2422 Underground Cable	196,868	-	-		196,868
2423 Buried Cable	12,147,324	567,967	(17,147)		12,698,144
2424 Submarine Cable		-	-		
2426 IntraBuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	20,930	61	-		20,991
2441 Conduit Systems	415,629	521	-		416,150
2681 Capital Leases		-	-		
2682 Leasehold Improvements	21,640	-	-		21,640
2690 Intangibles		-	-		
TOTAL PLANT ACCOUNTS	20,496,491	855,868	(409,396)	(6,422)	20,936,541

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

Analysis of Entries in Accumulated Depreciation	TOTAL Company Basis			Credits During Year	Retirements and Adjustments	Balance End of Year
	Balance Beginning of Year	Depreciation Rate*				
1410 Internet	20,387	33.33%	4,221		24,608	
2112 Motor Vehicles	271,604	25.00%	15,528		287,133	
2113 Aircraft			-			
2114 Special Purpose Vehicles			-			
2115 Garage Work Equipment	389,831	20.00%	82,029	(11,781)	460,079	
2116 Other Work Equipment	236,402	5.00%	30,332		266,734	
2121 Buildings	25,133	14.00%	4,044		29,177	
2122 Furniture	29,467	20.00%	966		30,433	
2123 Office Equipment	140,666	33.33%	26,136		166,802	
2124 General Purpose Computers			-			
2211 Analog Electronic Switching	201,314	12.00%	108,760	(686)	309,388	
2212 Digital Electronic Switching			-			
2215 Electro-Mechanical Switching			-			
2220 Operator Systems	594,316	20.00%	-		594,316	
2231 Radio Systems	2,545,149	12.50%	32,781	(389,370)	2,188,561	
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	102,456	7.50%	817		103,273	
2421 Aerial Cable	89,829	8.60%	10,596	(1,556)	98,869	
2422 Underground Cable	101,699	10.00%	19,687		121,386	
2423 Buried Cable	6,368,681	6.50%	905,369	(17,147)	7,256,903	
2682 Amortize Leasehold Improvements	21,640	Amortize 18 Months	-		21,640	
2426 IntraBuilding Network Cable	9,090	6.50%	718		9,808	
2431 Aerial Wire	21,188		-		21,188	
2441 Conduit Systems	63,273	5.00%	20,782		84,054	
TOTAL	11,232,125		1,262,765	(420,539)	12,074,352	

*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	20,387	33.33%	4,221		24,608
2112 Motor Vehicles	271,604	25.00%	15,528		287,133
2113 Aircraft			-		
2114 Special Purpose Vehicles			-		
2115 Garage Work Equipment	389,831	20.00%	82,029	(11,781)	460,079
2116 Other Work Equipment	210,388	5.00%	21,614		232,002
2121 Buildings	25,133	14.00%	4,044		29,177
2122 Furniture	29,467	20.00%	966		30,433
2123 Office Equipment	140,666	33.33%	26,136		166,802
2124 General Purpose Computers			-		
2211 Analog Electronic Switching	201,314	12.00%	108,760	(686)	309,388
2212 Digital Electronic Switching			-		
2215 Electro-Mechanical Switching			-		
2220 Operator Systems	537,235	20.00%	-		537,235
2231 Radio Systems	2,506,528	12.50%	22,993	(384,649)	2,144,873
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	102,456	7.50%	817		103,273
2421 Aerial Cable	90,637	8.60%	10,556	(1,556)	99,638
2422 Underground Cable	101,699	10.00%	19,687		121,386
2423 Buried Cable	5,885,630	6.50%	856,628	(17,147)	6,725,112
2682 Amortize Leasehold Improvements	21,640	Amortize 18 Month:	-		21,640
2426 IntraBuilding Network Cable	9,090	6.50%	718		9,808
2431 Aerial Wire	21,188		-		21,188
2441 Conduit Systems	63,273	5.00%	20,782		84,054
TOTAL	10,628,168		1,195,480	(415,818)	11,407,830

*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	_____	375,046
RTFC Certificates	2003	_____	532,209
Syringa	2000	_____	706,959
Valley Wireless	2003	_____	660,938
Wells Fargo-New Century	2003	_____	4,048,450
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Totals	_____	_____	_____

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>
<u>Due From Customers (1180)</u>	_____	79,056
<u>Neca (1190)</u>	_____	533,385
<u>Sprint (1190)</u>	_____	427
<u>ATT (1190)</u>	_____	75,430
<u>Other Interexchange Carriers)</u>	_____	169,295
<u>Other (1190)</u>	_____	30,397
<u>Schools & Libraries (1190)</u>	_____	11,077
<u>Affiliates (1190)</u>	_____	146,427
<u>Prepaid Income Taxes (1190)</u>	_____	144,300
<u>Bad Debt (1191)</u>	_____	(14,000)
<u>Shareholders</u>	2,740,770	_____
_____	_____	_____
_____	_____	_____
Totals	2,740,770	1,175,795

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>
Affiliates	(115,985)
Neca	171,570
Teton County Idaho Tax's	4,518
U.S. West	1,684
Other Carriers	(796)
_____	_____
_____	_____
_____	_____
Totals	60,991

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 Rate</u>	<u>Amount</u>
RTFC Note	5/7/1997	2012	10,000,000	6,791,581		5.50%	383,531
RTFC LOC	2003	2004	2,000,000	799,500		4.70%	42,169
RTFC HTC	2003	2018	4,116,126	3,908,342		6.50%	219,566
Bauchman	2003	2005	379,773	299,796		6.50%	24,320
Curtis Note	12/3/1996	2006	240,000	64,383		8.00%	5,382
Ford Motor	10/1/2001	2004	24,908	-			
Silver Star Telephone	2003	2006	1,274,040	1,274,040		1.68%	21,050
Four Star	2003	2006	421,730	421,730		1.68%	6,970
Less Current Portion				(403,058)			
Total Long Term Debt (Page 5)				13,156,314			

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	7,789,442	7,376,602
Total Operating Expenses (from page 18)	(5,441,021)	(5,152,647)
7100 Other Operating Income and Expense	<u>-</u>	<u>-</u>
7210 Operating Investment Tax Credits-Net	<u>39,791</u>	<u>37,682</u>
7220 Operating Federal Income Taxes	<u>431,067</u>	<u>408,220</u>
7230 Operating State and Local Income Taxes	<u>-</u>	<u>-</u>
7240 Operating Other Taxes	<u>81,118</u>	<u>76,819</u>
7250 Provision for Deferred Operating Income Taxes-Net	<u>76,261</u>	<u>72,219</u>
7200 Operating Taxes (Total)	<u>628,237</u>	<u>594,941</u>
7310 Dividend Income	<u>(37,283)</u>	<u>(35,307)</u>
7320 Interest Income	<u>(46,138)</u>	<u>(43,692)</u>
7330 Income from Sinking and Other Funds	<u>-</u>	<u>-</u>
7340 Allowance for Funds Used During Construction	<u>(19,572)</u>	<u>(18,535)</u>
7350 Gains/Losses from the Disposition of Certain Property	<u>-</u>	<u>-</u>
7360 Other Nonoperating Income	<u>33,150</u>	<u>31,393</u>
7370 Special Charges	<u>27,661</u>	<u>26,195</u>
7300 Nonoperating Income and Expense	<u>(42,182)</u>	<u>(39,946)</u>
7410 Nonoperating Investment Tax Credits-Net	<u>-</u>	<u>-</u>
7420 Nonoperating Federal Income Taxes	<u>42,919</u>	<u>40,644</u>
7430 Nonoperating State and Local Income Taxes	<u>8,834</u>	<u>8,366</u>
7440 Nonoperating Other Taxes	<u>-</u>	<u>-</u>
7450 Provision for Deferred Nonoperating Income Taxes-Net	<u>(43,380)</u>	<u>(41,081)</u>
7400 Nonoperating Taxes	<u>8,373</u>	<u>7,929</u>
7510 Interest on Funded Debt	<u>645,265</u>	<u>611,066</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>57,722</u>	<u>54,663</u>
7500 Interest and Related Items	<u>702,987</u>	<u>665,729</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>-</u>	<u>-</u>
AMOUNT TRANSFERRED TO RETAINED EARNINGS	<u>2,158,294</u>	<u>2,043,905</u>

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	1,517,280	1,436,865
5002 Optional Extended Area Revenue		-
5003 Cellular Mobile Revenue		-
5004 Other Mobile Services Revenue		-
5010 Public Telephone Revenue	1,639	1,552
5040 Local Private Line Revenue	63,239	59,888
5050 Customer Premises Revenue		-
5060 Other Local Exchange Revenue	261,799	247,924
5069 Other Local Exchange Settlements	2,621,444	2,482,507
Network Access Services Revenues		
5081 End User Revenue (SLC)	398,797	377,661
5082 Switched Access Revenue (Interstate)	2,358,991	2,233,965
5083 Special Access Revenue	361,902	342,721
5084 State Access Revenue (Intrastate)	139,153	131,778
Long Distance Network Services Revenues		-
5100 Long Distance Message Revenue - All	-	-
Miscellaneous Revenues		
5230 Directory Revenue	42,157	39,923
5240 Rent Revenue	1,800	1,705
5250 Corporate Operations Revenue		-
5261 Special Billing Arrangements Revenue		-
5262 Customer Operations Revenue		-
5263 Plant Operations Revenue		-
5264 Other Incidental Regulated Revenue	51,466	48,738
5269 Other Revenue Settlements		-
5270 Carrier Billing & Collection Revenue	84,874	80,376
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(9,146)	(8,661)
5302 Uncollectible Revenue - Other	(105,954)	(100,338)
		-
TOTAL OPERATING REVENUES	7,789,442	7,376,602

Please identify the following revenues:

NECA USF	\$ 2,617,101	To what account were they booked?	5069.1
State USF	\$ 846	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	520	492
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	183,626	173,893
6122 Furniture and Artworks Expense	8,573	8,119
6123 Office Equipment Expense	19,761	18,714
6124 General Purpose Computers Expense	193,830	183,557
6210 Central Office Switching Expenses	-	-
6211 Analog Electronic Expense	-	-
6212 Digital Electronic Expense	277,569	262,858
6215 Electro-Mechanical Expense	-	-
6220 Operators System Expense	-	-
6230 Central Office Transmission Expenses	-	-
6231 Radio Systems Expense	5,717	5,414
6232 Circuit Equipment Expense	70,464	66,730
6310 Information Origination/Termination Expense	-	-
6311 Station Apparatus Expense	-	-
6341 Large Private Branch Exchange Expense	-	-
6351 Public Telephone Terminal Equipment Expense	6,784	6,424
6362 Other Terminal Equipment Expense	-	-
6410 Cable and Wire Facilities Expenses	-	-
6411 Pole Expense	-	-
6421 Aerial Cable Expense	2,204	2,087
6422 Underground Cable Expense	-	-
6423 Buried Cable Expense	1,238,502	1,172,862
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	2,007,549	1,901,149

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	11,330	10,729
6533 Testing Expense	20,596	19,505
6534 Plant Operations Administration Expense	51,465	48,737
6535 Engineering Expense	89,342	84,607
6540 Access Expense	34,300	32,482
6560 Depreciation and Amortization Expenses	-	-
6561 Depreciation Expense-Telecom. Plant in Service	1,742,799	1,650,430
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	1,949,832	1,846,491
Customer Operations Expense		
6610 Marketing	-	-
6611 Product Management	-	-
6612 Sales	105,681	100,080
6613 Product Advertising	20,330	19,253
6620 Services	-	-
6621 Call Completion Services	-	-
6622 Number Services	32,564	30,838
6623 Customer Services	401,595	380,311
Total Customer Operations Expense	560,170	530,481
Corporate Operations Expense		
6710 Executive and Planning	-	-
6711 Executive	264,078	250,081
6712 Planning	38,874	36,813
6720 General and Administrative	-	-
6721 Accounting and Finance	275,531	260,928
6722 External Relations	79,885	75,651
6723 Human Resources	86,736	82,139
6724 Information Management	-	-
6725 Legal	18,672	17,682
6726 Procurement	8,077	7,649
6727 Research and Development	-	-
6728 Other General and Administrative	151,616	143,581
6790 Provision for Uncollectible Notes Receivable	-	-
Total Corporate Operations Expense	923,469	874,525
TOTAL OPERATING EXPENSES	5,441,021	5,152,647

CENTRAL OFFICE DATA
as of December 31, 2004_ (unless otherwise indicated)

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

Central Office Switch Type: DMS 10

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

Access Line Capacity
Design:
Access Lines in Use
Customer Lines: 4218
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped:
 Public Telephone Lines 9
 Company Official Lines 50
 Company Test Lines

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		3124	3124	679	321	1000	4124
New Connects		15	15	30	24	54	69
Disconnects		17	17	38	42	80	97
End of Year		3122	3122	671	339	1010	4132

Foreign Exchange:
Dial Tone from this C.O.:
Dial Tone from another C.O.:
Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 97

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) 2004

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1							
2							
3							
4							
5		1,192,278		72,057	1,390,832	1,462,889	
6		610,319		36,335	999,315	1,035,650	
7		308,475		22,380	333,098	355,478	
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

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

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes _____ No X

Included in directory Yes X No _____

Date of notification _____ July 2004 _____

Alternate method of notification _____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company _____ 5 _____

Category of complaints (if known):

Deposit Disputes _____

Charges on Bill _____ 5 _____

Denial/Termination _____

Quality or Availability
of Service _____

Carrier Selection/Assignment _____

Miscellaneous _____

Rev 3/02

CERTIFICATE

State of Wyoming)
County of Lincoln) ss

WE, the undersigned Allen R. Hoopes
and Chad Turner

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

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

Allen R. Hoopes
(Chief Officer)

Chad Turner
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 22nd day of April, (Year) 2005.

Michelle Motzkus
Notary Public



My Commission expires _____, (Year) _____.