

INL-T

ANNUAL REPORT

OF

**INLAND TELEPHONE COMPANY
PO BOX 171
103 SOUTH 2ND STREET
ROSLYN, WA 98941**

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IDAHO PUBLIC
UTILITIES COMMISSION

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2017

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING DECEMBER 31, 2017**

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) R & R Cable Co., P.O. Box 610, Roslyn, WA 98941-cable television company,
(2) Inland Long Distance Telephone Company, P.O. Box 904, Roslyn, WA 98941-long distance resale,
(3) Newport Hills Land Co., Inc., P.O. Box 687, Roslyn, WA-land company,
(4) Easton Ridge Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (5) R & R Heights Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (6) Moses Lake Views Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (7) 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	Jerred 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
Assistant Secretary	Jessica A. Berry	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
Gregory A. Maras	Continuous	1	None
James K. Brooks	Continuous	1	None
Justin D. Weis	Continuous	1	None
Jerred R. Weis	Continuous	1	None
Nolan W. Weis	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	
Gregory A. Maras	Secretary	
James K. Brooks	Treasurer/Controller	

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	1,096,725	1,377,440	280,715
1140 Special Cash Deposits			
1150 Working Cash Advances	1,700	2,100	400
1160 Temporary Investments			0
1180 Telecommunications Accts. Receivable	118,410	58,634	(59,776)
1181 Accts. Rec. Allow. -Telecommunications	(10,000)	(10,000)	0
1190 Other Accounts Receivable	1,076,553	2,669,828	1,593,275
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	270,709	271,274	565
1280 Prepayments	88,993	145,154	56,161
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	70,269	75,052	4,783
1406 Nonregulated Investments	2,071,788	1,179,166	(892,622)
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	166,222	173,961	7,739
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	37,510,983	35,417,418	(2,093,565)
2002 Prop. Held for Future Telecom. Use	312,104	10,213	(301,891)
2003 Telecom. Plant under Constr. - Short Term	380,098	653,102	273,004
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill			
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	18,972,761	17,215,174	(1,757,587)
3200 Accum. Depre. - Held for Future Use	16,251	4,584	(11,667)
3300 Accumulated Depreciation - Nonoperating			
3400 Accumulated Amortization - Tangible			
3410 Accum. Amort. - Capitalized Leases			
3420 Accum. Amort. - Leasehold Improvements	1,085	1,221	136
3500 Accumulated Amortization - Intangible	602	647	45
3600 Accumulated Amortization - Other			
TOTAL ASSETS	24,163,855	24,801,716	637,861

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	260,605	195,519	(65,086)
4020 Notes Payable			
4030 Advance Billings and Payments			
4040 Customer Deposits	2,640	2,706	66
4050 Current Maturities - Long -Term Debt	1,132,800	1,100,063	(32,737)
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued	20	0	20
4080 Other Taxes - Accrued	83,701	68,435	(15,266)
4100 Net Current Defer. Oper. Income Taxes	0	0	0
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	504,893	552,345	47,452
4130 Other Current Liabilities	14,425	9,225	(5,200)
Long-Term Debt			
4210 Funded Debt	14,428,319	13,328,045	(1,100,274)
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			
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	1,304,210	2,057,272	753,062
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits	0	0	0
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	6,331,917	7,387,781	1,055,864
TOTAL LIAB. & OTHER CREDITS	24,163,855	24,801,716	637,901

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	880,918				849,766
2112 Motor Vehicles	1,172,295	77,464	3,599	(31,152)	1,246,160
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295				25,295
2116 Other Work Equipment	1,111,472	6,173			1,117,645
2121 Buildings	2,598,658	4,524			2,603,182
2122 Furniture	189,989				189,989
2123 Office Equipment	386,041	4,632	67,468		323,205
2124 General Purpose Computers	433,763	3,482	53,037		384,208
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	2,990,042	214,555	1,321,196	576,086	2,459,487
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	4,839,174	484,021	31,090	(454,711)	4,837,394
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	693,258	13,525			706,783
2422 Underground Cable	0				0
2423 Buried Cable	22,132,820	127,940	1,643,931	1,491	20,618,320
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	6,695		1,274		5,421
2441 Conduit Systems	0				0
2681 Capital Leases	0				0
2682 Leasehold Improvements	8,609				8,609
2690 Intangibles	3,391				3,391
TOTAL PLANT ACCOUNTS	37,510,983	936,316	3,121,595	91,714	35,417,418

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	167,570			(30,903) *	136,667
2112 Motor Vehicles	133,447			32,000 *	165,447
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0			51 *	1,800
2115 Garage Work Equipment	1,749			2,683 *	107,045
2116 Other Work Equipment	104,362			(7,915) *	455,309
2121 Buildings	463,224			(960) *	23,196
2122 Furniture	24,156			(7,247) *	53,526
2123 Office Equipment	60,773			(7,265) *	44,040
2124 General Purpose Computers	51,305				0
2211 Analog Electronic Switching	0	38,517	369,678	113,669 *	323,914
2212 Digital Electronic Switching	541,406				0
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	327,754	19,905	5,283	(13,387) *	328,989
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	33,178			(3,647) *	29,531
2422 Underground Cable	0				0
2423 Buried Cable	2,046,253			551,886 *	2,598,139
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	3,966,339	58,422	374,961	628,965	4,278,765

*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	1,043,451	12.50	56,492	(3,600)	1,096,343
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295	12.50			25,295
2116 Other Work Equipment	946,865	12.50	56,093	0	1,002,958
2121 Buildings	1,613,909	2.50	101,085	0	1,714,994
2122 Furniture	185,398	15.00	1,680	0	187,078
2123 Office Equipment	320,457	5.00	21,108	(67,468)	274,097
2124 General Purpose Computers	416,061	25.00	5,802	(53,037)	368,826
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	1,773,261	9.00	218,189	(1,056,665)	934,785
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	2,753,853	11.19	261,098	(456,711)	2,558,240
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	5.00			38,563
2421 Aerial Cable	114,603	4.00	34,495	0	149,098
2422 Underground Cable	0				0
2423 Buried Cable	9,734,350	4.00	768,878	(1,643,752)	8,859,476
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	6,695	8.00		(1,274)	5,421
2441 Conduit Systems	0				0
TOTAL	18,972,761		1,524,920	(3,282,507)	17,215,174

*Please list individual depreciation rate for each account.

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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	128,456	12.50		9,336 **	137,792
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	1,749	12.50		52 **	1,801
2116 Other Work Equipment	104,009	12.50		2,880 **	106,889
2121 Buildings	299,539	2.50	3,148	8,377 **	311,064
2122 Furniture	23,293	15.00		(692) **	22,601
2123 Office Equipment	53,970	5.00		(5,211) **	48,759
2124 General Purpose Computers	49,469	25.00		(6,922) **	42,547
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	446,900	9.00	32,404	(371,614) **	107,690
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	303,703	11.19	3,996	(17,066) **	290,633
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	5.00			1,577
2421 Aerial Cable	19,806	4.00	1,181	(72) **	20,915
2422 Underground Cable	0				0
2423 Buried Cable	1,820,473	4.00	92,082	95,692 **	2,008,247
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	3,257,765		132,811	(285,240) **	3,105,336

* 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		41,742
1406-CPE/Bldgs/Vehicles/ Internet Equipment	Various		1,179,166
Rural Telephone Finance Cooperative Capital Certificates			30,310
Totals		<u>0</u>	<u>1,251,218</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		58,634
1190-Other A/R-Interexchange Carriers & Exchange Carrier Association		411,553
1190-Other A/R-Affiliated Companies		1,989,282
1190-Other A/R		268,993
Totals		<u>2,728,462</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>0</u>

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Trade Payables	195,519
Totals	<u>195,519</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</u>		<u>Interest for year</u>	
					<u>Total</u>	<u>Year Amortized</u>	<u>Rate</u>	<u>Amount</u>
RUS 12070	May 1983	May 2018	1,129,000	15,967	1		2%	847
RUS 12140	Oct. 1979	Jan. 2021	224,000	35,430	1		5%	2,141
RTB S022	Dec. 1986	Jan. 2018	261,467	0	1		8%	930
FTB H0010	Oct. 2011	Dec. 2029	541,768	414,232	1		1.702%	7,895
FTB H0015	Jul. 2013	Dec. 2029	1,353,507	1,050,173	1		2.468%	28,346
FTB F0020	Nov. 2013	Dec. 2029	394,618	306,434	1		2.681%	8,945
FTB F0025	Dec. 2013	Dec. 2029	687,773	544,597	1		2.894%	17,094
FTB F0030	Feb. 2014	Dec. 2029	2,025,086	1,616,719	1		2.649%	46,660
FTB H0035	July, 2014	Dec. 2029	515,027	420,657	1		2.422%	11,154
FTB F0040	Dec. 2014	Dec. 2029	1,346,993	1,112,026	1		2.078%	25,530
FTB F0045	April 2015	Dec. 2029	534,597	452,438	1		1.856%	9,346
FTB F0050	June 2015	Dec. 2029	1,686,575	1,434,826	1		2.157%	34,114
FTB F0055	Sep 2015	Dec. 2029	1,157,780	997,436	1		2.069%	22,806
FTB F0060	Feb. 2016	Dec. 2029	1,258,210	1,113,617	1		1.655%	20,683
FTB F0065	May 2016	Dec. 2029	1,422,510	1,280,634	1		1.744%	24,967
FTB F0070	Jul. 2015	Dec. 2029	512,041	467,340	1		1.260%	6,761
FTB F0075	Oct. 2016	Dec. 2029	3,406,913	3,169,485	1		1.628%	57,977
CUSHION OF CREDIT				(3,904)				(189)
			18,457,865	14,428,108				326,008

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	5,477,926	959,721
Total Operating Expenses (from page 17)	5,188,748	722,179
7100 Other Operating Income and Expense		
7210 Operating Investment Tax Credits-Net		
7220 Operating Federal Income Taxes		
7230 Operating State and Local Income Taxes	195,199	28,840
7240 Operating Other Taxes	0	0
7250 Provision for Deferred Operating Income Taxes-Net	(884,438)	(73,276)
7200 Operating Taxes (Total)	(689,239)	(44,436)
7310 Dividend Income	2,573	250
7320 Interest Income	97	0
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	9,259	4,943
7350 Gains/Losses from the Disposition of Certain Property	324,811	324,811
7360 Other Nonoperating Income	7,356	714
7370 Special Charges	(18,963)	(1,841)
7300 Nonoperating Income and Expense	325,133	328,877
7410 Nonoperating Investment Tax Credits-Net		
7420 Nonoperating Federal Income Taxes		
7430 Nonoperating State and Local Income Taxes		
7440 Nonoperating Other Taxes		
7450 Provision for Deferred Nonoperating Income Taxes-Net	12,258	0
7400 Nonoperating Taxes	12,258	0
7510 Interest on Funded Debt	326,008	36,858
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	21	3
7500 Interest and Related Items	326,029	36,861
7610 Extraordinary Income Credits		
7620 Extraordinary Income Charges		
7630 Current Income Tax Effect of Extraordinary Items-Net		
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net		
7600 Extraordinary Items	0	0
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income	90,309	(36,313)
AMOUNT TRANSFERRED TO RETAINED EARNINGS	1,055,572	537,681

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	634,085	81,448
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	84,158	10,176
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	251,948	23,806
5082 Switched Access Revenue (Interstate)	2,382,164	725,694
5083 Special Access Revenue	1,519,123	79,893
5084 State Access Revenue (Intrastate)	514,945	34,941
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	87	(3)
Miscellaneous Revenues		
5230 Directory Revenue	8,431	1,022
5240 Rent Revenue	29,744	0
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue	16,997	(111)
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	910	0
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	38,553	3,947
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	3,325	1,092
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	5,477,926	959,721

Please identify the following revenues:

NECA USF \$ 667,599 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	1,094	120
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense	19,840	2,170
6116 Other Work Equipment Expense	340	37
6120 General Support Expenses		
6121 Land and Building Expenses	288,764	47,966
6122 Furniture and Artworks Expense	400	66
6123 Office Equipment Expense	32,305	5,342
6124 General Purpose Computers Expense	85,687	14,169
6210 Central Office Switching Expenses	197,902	31,425
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	388,345	41,721
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	8,635	353
6421 Aerial Cable Expense	67,873	32,303
6422 Underground Cable Expense	568,338	113,554
6423 Buried Cable Expense		
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	1,659,523	289,226

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	7,497	1,210
6530 Network Operations Expense		
6531 Power Expense	38,111	4,808
6532 Network Administration Expense	114,028	18,400
6533 Testing Expense	45,086	7,275
6534 Plant Operations Administration Expense	111,924	18,060
6535 Engineering Expense	1,154	186
6540 Access Expense	197,600	28,516
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,524,920	158,660
6562 Depreciation Expense-Property Held for Future Use	6,446	0
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible	182	0
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	2,046,948	237,115
Customer Operations Expense		
6610 Marketing	2,723	264
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	7,273	706
6623 Customer Services	550,451	53,431
Total Customer Operations Expense	560,447	54,401
Corporate Operations Expense		
6710 Executive and Planning	183,061	28,087
6711 Executive		
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	408,703	62,707
6722 External Relations	29,210	4,482
6723 Human Resources	48,390	7,425
6724 Information Management		
6725 Legal	23,007	3,530
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	229,459	35,206
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	921,830	141,437
TOTAL OPERATING EXPENSES	5,188,748	722,179

CENTRAL OFFICE DATA
as of December 31, 2017 (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 _____ Analog _____ Electro-Mechanical _____
Remote _____ Other: _____

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

Access Lines in Use
Customer Lines: 217
(Include Centrex, PAL, Semi-Pub.)
Public Telephone Lines 0
Company Official Lines 8
Company Test Lines 4

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	0	220	0	0	10	7	17
New Connects	0	14	0	0	0	0	14
Disconnects	0	34	0	0	0	0	34
End of Year	0	200	0	0	10	7	217

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: 15

Custom Calling:

Number of customers with at least one feature: 210
Total number of features subscribed to: 10
217

CENTRAL OFFICE DATA
as of December 31, 2017 (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
 Installed/Equipped: 764

Access Lines in Use
 Customer Lines: 26
 (Include Centrex, PAL, Semi-Pub.)
 Public Telephone Lines 0
 Company Official Lines 1
 Company Test Lines 2

Classification of Customer Access

	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	0	1	26
New Connects	0	0	0	0	0	0	0	0	0	0
Disconnects	0	0	0	0	0	0	0	0	0	0
End of Year	0	25	0	25	0	1	0	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: 2

Custom Calling:

Number of customers with at least one feature: 18
 Total number of features subscribed to: 5

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2017

FOR THE YEAR ENDING DECEMBER		Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
Local Exchange	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	
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ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2017

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, 2016 through December, 2017</u>	
Alternate method of notification	<u>None</u>	

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 4

Category of complaints (if known):

Deposit Disputes	<u> 0 </u>
Charges on Bill	<u> 2 </u>
Denial/Termination	<u> 0 </u>
Quality or Availability of Service	<u> 0 </u>
Carrier Selection/Assignment	<u> 0 </u>
Miscellaneous	<u> 2 </u>

Rev 3/02

