

General Information

Year: 2011

1	Legal Name of Respondent: Central Montana Communications, Inc.
2	Name Under Which Respondent Does Business: Triangle Communications
3	Date of Incorporation: 7/1/1993
4	Address to send Correspondence Concerning Report: PO Box 751 Havre, MT 59501
5	Person Responsible for This Report: Mark Majeres
5a.	Telephone Number: (406) 394-2726
Control Over Respondent	
1	If direct control over the respondent was held by another entity at the end of year provide the following:
1a.	Name and address of the controlling organization or person: Triangle Telephone Cooperative Association, Inc. PO Box 1220, Havre, MT 59501-1220
1b.	Means by which control was held: Stock Ownership
1c.	Percent Ownership: 100%

Board of Directors		
Line No.	Name of Director and Address (City, State) (a)	Fees Paid During Year (b)
1	Verlin Reichelt, Big Sandy, MT 59520	4399
2	Richard Stuker, Chinook, MT 59523	5420
3	Thomas Bangs, Inverness, MT 59530	4421
4	Richard Pokorny, Big Sandy, MT 59520	4489
5	Paul Van Cleve, Big Timber, MT 59011	4365
6	Douglas Lowry, Big Timber, MT 59011	4378
7	Donald Bitz, Box Elder, MT 59521	4808
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18	Chairman of the Board:	
19	Richard Stuker	
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Officers

Year: 2011

Line No.	Title of Officer (a)	Department Over Which Jurisdiction is Exercised (b)	Name and Address of Person Holding Office at Year End (c)
1	President		Richard Staker, Chinook, MT 59523
2	Vice President		Richard Pokorny, Big Sandy, MT 59520
3	Secretary/Treasurer		Paul Van Cleve, Big Timber, MT 59011
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Total Company Balance Sheet

Year: 2011

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		CURRENT ASSETS:		
2	1120	Cash and Equivalents	867,693	4,662,471
3	1180	Telecommunications Accounts Receivable - Net	984,112	1,037,887
4	1190	Other Accounts Receivable - Net	1,210,468	809,538
5	1200	Notes Receivable - Net	28,624	28,713
6	1210	Interest and Dividends Receivable	4,035	8,289
7	1220	Materials and Supplies		
8	* 1280	Prepayments	75,736	20,980
9	^ 1290	Prepaid Rents		
10	^ 1300	Prepaid Taxes		
11	^ 1310	Prepaid Insurance		
12	^ 1320	Prepaid Directory Expenses		
13	^ 1330	Other Prepayments	75,736	20,980
14	1350	Other Current Assets		
15		Total Current Assets	3,170,668	6,567,878
16		NONCURRENT ASSETS:		
17	1401	Investments in Affiliated Companies	29,990	29,882
18	1402	Investments in Nonaffiliated Companies	2,269,696	3,292,883
19	1406	Nonregulated Investments	52,560	
20	1407	Unamortized Debt Issuance Expense		
21	1408	Sinking Funds		
22	1410	Other Noncurrent Assets		
23	1438	Deferred Maintenance and Retirements		
24	1439	Deferred Charges		
25	1500	Other Jurisdictional Assets - Net		
26		Total Noncurrent Assets	2,352,246	3,322,765
27		PROPERTY, PLANT, & EQUIPMENT:		
28	2001	Telecommunications Plant in Service	81,588,443	72,431,006
29	2002	Property Held for Future Telecommunications Use		
30	2003	Plant Under Construction - Short Term	12,509,615	7,017,171
31	2004	Plant Under Construction - Long Term	2,391,191	1,355,380
32	2005	Telecommunications Plant Adjustment	2,656,541	2,656,541
33	2006	Nonoperating Plant		
34	2007	Goodwill	10,288,260	10,288,260
35	3100	Accumulated Depreciation	(33,399,438)	(31,328,877)
36	3200	Accumulated Depreciation - Held for Future Use		
37	3300	Accumulated Depreciation - Nonoperating		
38	3400	Accumulated Amortization	(12,944,801)	(12,944,801)
39		Net Property, Plant, & Equipment	63,089,811	49,474,680
40		TOTAL ASSETS	68,612,725	59,365,323

^ Subaccount of account marked with a *.

Total Company Balance Sheet

Year: 2011

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
41		CURRENT LIABILITIES:		
42	4010	Accounts Payable	2,015,152	1,471,853
43	4020	Notes Payable		
44	4030	Advance Billing and Payments	405,450	395,847
45	4040	Customer Deposits	43,255	43,369
46	4050	Current Maturities - Long Term Debt	3,193,000	2,884,000
47	4060	Current Maturities - Capital Leases		
48	4070	Income Taxes - Accrued	9,814,960	7,810,680
49	4080	Other Taxes - Accrued	605,949	506,929
50	4100	Net Current Deferred Operating Income Taxes		
51	4110	Net Current Deferred Nonoperating Income Taxes		
52	4120	Other Accrued Liabilities	226,324	228,616
53	4130	Other Current Liabilities		
54		Total Current Liabilities	16,304,090	13,341,294
55		LONG-TERM DEBT:		
56	4210	Funded Debt		
57	4220	Premium on Long-Term Debt		
58	4230	Discount on Long-Term Debt		
59	4240	Reacquired Debt		
60	4250	Obligations Under Capital leases		
61	4260	Advances From Affiliated Companies		
62	4270	Other Long-Term Debt	20,740,900	17,512,760
63		Total Long-Term Debt	20,740,900	17,512,760
64		OTHER LIABILITIES AND DEFERRED CREDITS:		
65	4310	Other Long-Term Liabilities		
66	4320	Unamort. Oper. Invest. Tax Credits - Net		
67	4330	Unamort. Nonoper. Invest. Tax Credits - Net		
68	4340	Net Noncurrent Deferred Oper. Income Taxes		
69	4350	Net Noncurrent Deferred Nonoper. Income Taxes		
70	4360	Other Deferred Credits		
71	4370	Other Jurisdictional Liab. and Def. Credits		
72		Total Other Liabilities and Deferred Credits		
73		STOCKHOLDERS' EQUITY:		
74	4510	Capital Stock		
75	4520	Additional Paid-In Capital	6,390,000	6,390,000
76	4530	Treasury Stock		
77	4540	Other Capital		
78	4550	Retained Earnings	25,177,735	22,121,269
79		Total Stockholders' Equity	31,567,735	28,511,269
80		TOTAL LIAB. AND STOCKHOLDERS' EQUITY	68,612,725	59,365,323

Total Company Income Statement

Year: 2011

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	3,731,054	3,810,022
3	5080	Network Access Revenues	12,498,986	9,923,811
4	* 5100	Long Distance Message Revenue	(21)	(9)
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue	(21)	(9)
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	187,741	191,550
10	^ 5230	Directory Revenue	41,384	39,264
11	^ 5240	Rent Revenue	51,231	51,940
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	1,008	1,540
14	^ 5270	Carrier Billing and Collection Revenue	94,118	98,806
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	17,547	(11,654)
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	16,400,213	13,937,028
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	479,466	454,580
21	6210	Central Office Switching Expense	282,341	172,436
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	397,065	270,056
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	601,443	720,328
26	^ 6431	Aerial Wire Expense	87,283	112,243
27	^ 6441	Conduit Systems Expense	514,160	608,085
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	759,608	714,504
30	6540	Access Expense	744,978	627,819
31	6560	Depreciation and Amortization Expense	4,371,949	4,230,137
32	6610	Marketing	42,492	37,973
33	6620	Services	972,876	1,010,758
34	6710	Executive and Planning	172,919	161,569
35	6720	General and Administrative	1,011,337	920,837
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	9,836,474	9,320,997
38	7100	Other Operating Income and Expense	(556)	(1,934)
39	7200	Operating Taxes	2,910,240	1,984,594
40		Net Operating Income (L.17-L.37+L.38-L.39)	3,652,943	2,629,503
41	7300	Nonoperating Income and Expense	157,287	194,813
42	7400	Nonoperating Taxes	264,109	117,873
43	7500	Interest and Related Items	502,079	1,026,116
44	7600	Extraordinary Items		
45	7910	Effects of Juris. Ratemaking Diff. - Net		
46	7990	Nonregulated Net Income	(12,424)	10,424
47		NET INCOME (L.40+L.41-L.42-L.43-L.44+L.45-L.46)	3,056,466	1,669,903

^ Subaccount of the account marked with a *.

Montana Total State Income Statement

Year: 2011

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	3,731,054	3,810,022
3	5080	Network Access Revenues	12,498,986	9,923,811
4	* 5100	Long Distance Message Revenue	(21)	(9)
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements	(21)	(9)
9	* 5200	Miscellaneous Revenue	187,741	191,550
10	^ 5230	Directory Revenue	41,384	39,264
11	^ 5240	Rent Revenue	51,231	51,940
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	1,008	1,540
14	^ 5270	Carrier Billing and Collection Revenue	94,118	98,806
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	17,547	(11,654)
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	16,400,213	13,937,028
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	479,466	454,580
21	6210	Central Office Switching Expense	282,341	172,436
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	397,065	270,056
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	601,443	720,328
26	^ 6431	Aerial Wire Expense	87,283	112,243
27	^ 6441	Conduit Systems Expense	514,160	608,085
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	759,608	714,504
30	6540	Access Expense	744,978	627,819
31	6560	Depreciation and Amortization Expense	4,371,949	4,230,137
32	6610	Marketing	42,492	37,973
33	6620	Services	972,876	1,010,758
34	6710	Executive and Planning	172,919	161,569
35	6720	General and Administrative	1,011,337	920,837
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	9,836,474	9,320,997
38	7100	Other Operating Income and Expense	(556)	(1,934)
39	7200	Operating Taxes	2,910,240	1,984,594
40		Net Operating Income (L.17-L.37+L.38-L.39)	3,652,943	2,629,503

^ Subaccount of the account marked with a *.

Montana Intrastate Income Statement

Year: 2011

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	3,731,054	3,810,022
3	5080	Network Access Revenues	1,834,296	1,680,340
4	* 5100	Long Distance Message Revenue		
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	187,741	191,550
10	^ 5230	Directory Revenue	41,384	39,264
11	^ 5240	Rent Revenue	51,231	51,940
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	1,008	1,540
14	^ 5270	Carrier Billing and Collection Revenue	94,118	98,806
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	17,547	(11,654)
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	5,735,544	5,693,566
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	167,681	185,705
21	6210	Central Office Switching Expense	98,741	70,444
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	138,863	110,324
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	210,339	294,269
26	^ 6431	Aerial Wire Expense	30,525	45,854
27	^ 6441	Conduit Systems Expense	179,814	248,415
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	265,653	291,890
30	6540	Access Expense	260,536	256,477
31	6560	Depreciation and Amortization Expense	1,528,974	1,728,099
32	6610	Marketing	14,860	15,513
33	6620	Services	340,238	412,916
34	6710	Executive and Planning	60,474	66,004
35	6720	General and Administrative	353,689	376,181
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	3,440,048	3,807,822
38	7100	Other Operating Income and Expense	(194)	(790)
39	7200	Operating Taxes	1,017,780	810,748
40		Net Operating Income (L.17-L.37+L.38-L.39)	1,277,522	1,074,206

^ Subaccount of the account marked with a *.

Montana Intrastate Regulated Income Statement

Year: 2011

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	3,731,054	3,810,022
3	5080	Network Access Revenues	995,035	923,245
4	* 5100	Long Distance Message Revenue		
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue		
10	^ 5230	Directory Revenue		
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue		
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	4,726,089	4,733,267
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	138,169	154,384
21	6210	Central Office Switching Expense	81,363	58,562
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	114,423	91,716
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	173,320	244,637
26	^ 6431	Aerial Wire Expense	25,153	38,120
27	^ 6441	Conduit Systems Expense	148,167	206,517
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	218,898	242,658
30	6540	Access Expense	214,682	213,219
31	6560	Depreciation and Amortization Expense	1,259,874	1,436,630
32	6610	Marketing	12,245	12,896
33	6620	Services	280,356	343,272
34	6710	Executive and Planning	49,830	54,872
35	6720	General and Administrative	291,439	312,733
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	2,834,599	3,165,579
38	7100	Other Operating Income and Expense	(160)	(657)
39	7200	Operating Taxes	838,651	674,004
40		Net Operating Income (L.17-L.37+L.38-L.39)	1,052,679	893,027

^ Subaccount of the account marked with a *.

Average Rate Base - Total State

Year: 2011

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	81588443	72431006
2	3100	Accumulated Depreciation	33399438	31328877
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	48189005	41102129

Average Rate Base - Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	81588443	72431006
2	3100	Accumulated Depreciation	33399438	31328877
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	48189005	41102129

Average Rate Base - Regulated Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	81588443	72431006
2	3100	Accumulated Depreciation	33399438	31328877
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	48189005	41102129

Statement of Cash Flows

Year: 2011

Line No.	Item Description (a)	Amount (b)	Amount (c)
1	Increase/(decrease) in Cash & Cash Equivalents		
2	Cash Flows from Operating Activities:		
3	Net Income		3056466
4	Reconciliation Adjustments:		
5	Depreciation & Amortization	4371949	
6	Provision for Accounts Receivable Losses		
7	Deferred Income Taxes - Net		
8	Unamortized Investment Tax Credits (ITCs) - Net		
9	Allowance for Funds Used During Construction (AFUDC)		
10	Change in Operating Receivables - Net	-334794	
11	Change in Materials, Supplies & Inventories - Net		
12	Change in Operating Payables & Accrued Liabilities - Net	544770	
13	Change in Other Assets & Deferred Credits - Net	-54756	
14	Change in Other Liabilities & Deferred Credits - Net		
15	Other (explained on back of this page)	2101008	
16	Total Adjustments		6628177
17	Net Cash Provided by/(Used in) Operating Activities		9684643
18	Cash Inflows/Outflows From Investing Activities:		
19	Construction/Acquisition of Property, Plant & Equipment (net of	-17987079	
20	AFUDC & Capital Lease Related Acquisitions)		
21	Proceeds from Disposals of Property, Plant & Equipment		
22	Investments In & Advances to Affiliates		
23	Proceeds from Repayment of Advances		
24	Other Investing Activities (explained on back of this page)	970518	
25	Net Cash Provided by/(Used in) Investing Activities		-17016561
26	Cash Flows from Financing Activities:		
27	Net Incr./(Decr.) in Short-Term Debt, Original maturity <= 3 mo.		
28	Advances from Affiliates		
29	Repayment of Advances from Affiliates		
30	Proceeds from Issuances of Long-Term Debt	6463666	
31	Repayment of Long-Term Debt	-2017051	
32	Payment of Capital Lease Obligations		
33	Proceeds from Issuing Common Stock/Parent Co. Equity Investment		
34	Repurchase of Treasury Shares		
35	Dividends Paid		
36	Other Financing Activities (explained on back of this page)	-909475	
37	Net Cash Provided by Financing Activities		3537140
38	Effect of Exchange Rate Changes on Cash		
39	Net Increase/(Decrease) in Cash & Cash Equivalents		-3794778
40	Cash & Cash Equivalents at Beginning of Period		4662471
41	Cash & Cash Equivalents at End of Period		867693

Statement of Cash Flows

Year: 2011

Line 15.	Other Operating Activities	
	Accrued Income Taxes	2,004,280
	Other Taxes Accrued	99,020
	Other Accrued Liabilities	-2,292
		<u>2,101,008</u>
Line 24.	Other Investing Activities	
	Triangle Telephone Cooperative Capital Credits	-108
	National Information Solutions Cooperative	-4,402
	Vigilante Electric Cooperative	-64
	Fergus Electric Cooperative	-4,068
	Bonds	965,004
	Rural Telephone Finance Cooperative Capital Credits	66,716
	Nonregulated Investment in Other Terminal Equipment	-52,560
		<u>970,518</u>
Line 36.	Other Financing Activities	
	REA Notes	<u>-909,475</u>

Receivables and Investments-Affiliated & Nonaffiliated Companies

Year: 2011

Line No.	Name of Affiliate or Company (a)	Account 1160 Temporary Investments (b)	Account 1180 Telecom. Accounts Receivable (c)	Account 1181 Accts. Rec. Telecom. Allowance (d)	Account 1190 Other Accounts Receivable (e)	Account 1191 Accounts Receivable Allow. - Other (f)	Account 1200 Notes Receivable (g)	Account 1201 Notes Receivable Allowance (h)	Account 1210 Interest and Dividends Receivable (i)	Account 1401 Investments in Affil. Companies (j)	Account 1402 Investments in Nonaffil. Companies (k)
1	NRUCFC	700000									
2	Subscriber Receivables		991628	-7516							
3	Reg and Nonreg sales				18921						
4	AT&T				80345						
5	NECA				714166						
6	NCRPC				453						
7	MILEC				117291						
8	Other Inter-Exc Carriers				83853						
9	Triangle Comm System				171330						
10	USAC E-Rate				26790						
11	Accts Rec Other - Unpaid				-184						
12	Accts Rec Other - Uncoll					-1427					
13	Accts Rec Other - Intra					-5648					
14	Accts Rec Other - Inter					98307					
15	Accts Rec Other - Pool					-98307					
16	Invest In Triangle Tele									29990	
17	RTFC										1097781
18	Electric Cooperatives										19874
19	NISC										155589
20	Farmers Union - GF										526
21	Farmers Union - Moore										-30
22	Mountain View Coop										1008
23	Bonds										993636
24	NECA										1000
25	Mid Rivers Coop										312
26											
27											
28											
29											
30	Totals	700000	991628	-7516	1212965	-7075				29990	2269696

Net Plant in Service - Detail

Year:2011

Line No.	Account (a)	Description (b)	Beginning of Year Balance (c)	Additions (d)	Retirements (e)	Sales & Transfers (f)	End of Year Account 2001 Balance (g)	Year End Accumulated Depreciation (h)	End of Year Net Plant Balance (i)
1	* 2110	Land and Support Assets	4860193	127980	85525		4902648		4902648
2	^ 2111	Land	73542				73542		73542
3	^ 2112	Motor Vehicles	2067448	122042	85525		2103965	1187413	916552
4	^ 2113	Aircraft							
5	^ 2114	Special Purpose Vehicles	472168				472168	199781	272387
6	^ 2115	Garage Work Equipment							
7	^ 2116	Other Work Equipment	108327				108327	42110	66217
8	^ 2121	Buildings	2138708	5938			2144646	1183134	961512
9	^ 2122	Furniture							
10	^ 2123	Office Equipment							
11	^ 2124	General Purpose Computers							
12	2211	Analog Electronic Switching							
13	2212	Digital Electronic Switching	4586593	775648	57340		5304901	2150466	3154435
14	2215	Electro-Mechanical Switching							
15	2220	Operator Systems							
16	2231	Radio Systems							
17	2232	Circuit Equipment	16520087	1025718	570631		16975174	9271905	7703269
18	* 2310	Information Orig & Term Equip	24856				24856	24856	
19	^ 2311	Station Apparatus							
20	^ 2321	Customer Premises Wiring							
21	^ 2341	Large Private Branch Exchanges							
22	^ 2351	Public Telephone Term. Equip.							
23	^ 2362	Other Terminal Equipment	24856				24856	24856	
24	2411	Poles	323999	15000	6338		332661	315428	17233
25	* 2420	Cable and Wire Facilities	46021142	9552037	1620314		53952865		53952865
26	^ 2421	Aerial Cable	2732977	1604167	271933	66724	4131935	707490	3424445
27	^ 2422	Underground Cable	1214048	1552683	458		2766273	598221	2168052
28	^ 2423	Buried Cable	42074117	6395187	1347923	-66724	47054657	17629611	29425046
29	^ 2424	Submarine Cable							
30	^ 2425	Deep Sea Cable							
31	^ 2426	Intrabuilding Network Cable							
32	2431	Aerial Wire	90809				90809	90809	
33	2441	Conduit Systems	3327	1202			4529	2257	2272
34		Totals	72431006	11497585	2340148		81588443	33403481	48184962

^ Subaccount of the account marked with a *.

Analysis of Plant Held for Future Use

Year:2011

Line No.	Location and Description of Property (a)	Date Included in Account 2002 (b)	Book Cost of Property at Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Transfers and Adjustments Charges and (Credits) (f)	Book Cost of Property at End of Year (g)
1	Not Applicable						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	Totals (Sum L.1 to L.29)						

Average Cost of Long Term Debt

Year:2011

Line No.	Description (a)	Issue Date (b)	Maturity Date (c)	Principal Amount (d)	Gross Proceeds (e)	Net Proceeds (f)	Net Per \$100 (g)	Outstanding Per Balance Sheet (h)	Yield to Maturity (i)	Annual Net Cost (j)	Amortization of Premium or Discount (k)	Total Cost (%) (l)
1	Not Applicable											
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Total											

Cost of Preferred Stock

Year:2011

Line No.	Description (a)	Date of Issuance (b)	Method of Offering (c)	Call Redemption Price (d)	Par Value Of Issue (e)	Gross Proceeds Amounts (f)	Net Proceeds Amounts (g)	Net Proceeds Per \$100 (h)	Cost of Money (i)	Principal Outstanding (j)	Annual Cost (k)	Embedded Cost (l)
1	Not Applicable											
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Totals (Sum L.1 to L.29)											

Analysis of Common Stock

Year:2011

Line No.	(a)	Avg. Number of Shares Outstanding (b)	Book Value (per share) (c)	Earnings (per share) (d)	Dividends (per share) (e)	Retention Ratio (f)	Market Price		Price/Earnings Ratio (i)
							High (g)	Low (h)	
1	Year Ended December 31:	Not Applicable							
2									
3									
4									
5									
6									
7									
8	Month by Month Data:								
9	January								
10	February								
11	March								
12	April								
13	May								
14	June								
15	July								
16	August								
17	September								
18	October								
19	November								
20	December								
21									
22									
23									

Capital Stock and Funded Debt Reacquired or Retired During the Year

Year:2011

Line No.	Description of Security (a)	Call or Retirement Date (b)	Number of Shares (c)	Principal Amount (d)	Reacquisition or Retirement Cost (e)	Gain or (Loss) (f)	Retirement or Reacquisition (g)
1	Not Applicable						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	Totals (Sum L.1 to L.29)						

Total Company Expense Matrix

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	6110 Network Support Expense	27878	18144	55370	311193	-412585	
2	^	6112 Motor Vehicle Expense	25914	16899	55370	291209	-389392	
3	^	6113 Aircraft Expense						
4	^	6114 Special Purpose Vehicles Expense	1964	1245		19984	-23193	
5	^	6115 Garage Work Equipment Expense						
6	^	6116 Other Work Equipment Expense						
7	*	6120 General Support Expense	57507	38437	210061	157780	15680	479465
8	^	6121 Land and Building Expense	55522	37142	159481	111066	15680	378891
9	^	6122 Furniture and Artworks Expense						
10	^	6123 Office Equipment Expense			50580	6590		57170
11	^	6124 General Purpose Computers Expense	1985	1295		40124		43404
12	*	6210 Central Office Switching Expense	80235	55098		120979	26029	282341
13	^	6211 Analog Electronic Expense	60466	37947		30937	20679	150029
14	^	6212 Digital Electronic Expense	19769	17151		90042	5350	132312
15	^	6215 Electro-Mechanical Expense						
16		6220 Operator Systems Expense						
17	*	6230 Central Office Transmission Expense	133203	79648	11100	125727	47385	397063
18	^	6231 Radio Systems Expense	285	146				431
19	^	6232 Circuit Equipment Expense	132918	79502	11100	125727	47385	396632
20	*	6310 Information Origination/Termination Expense						
21	^	6311 Station Apparatus Expense						
22	^	6341 Large Private Branch Exchange Expense						
23	^	6351 Public Telephone Terminal Equipment Exp.						
24	^	6362 Other Terminal Equipment Expense						
25	*	6410 Cable and Wire Facilities Expense	246722	158396	22391	84429	89504	601442
26	^	6411 Poles Expense	497	345	22391	332	189	23754
27	^	6421 Aerial Cable Expense	40324	25534		7172	14253	87283
28	^	6422 Underground Cable Expense	768	547		138	223	1676
29	^	6423 Buried Cable Expense	205133	131970		76787	74839	488729
30	^	6424 Submarine Cable Expense						
31	^	6425 Deep Sea Cable Expense						
32	^	6426 Intrabuilding Network Cable Expense						
33	^	6431 Aerial Wire Expense						
34		Subtotals	545,545	349,723	298,922	800,108	(233,987)	1,760,311

^ Subaccount of the account marked with a *.

Total Company Expense Matrix

Year:2011

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	6441	Conduit Systems Expense						
36	6510	Other Property Expenses						
37	* 6530	Network Operations Expense	383038	270630	16032	175091	-85182	759609
38	6531	Power Expense				129268		129268
39	6532	Network Administration Expense	176769	127038	13344	22629	29043	368823
40	6533	Testing Expense	11585	8541		979	5728	26833
41	6534	Plant Operations Expense	95513	65263	2688	7673	-119953	51184
42	6535	Engineering Expense	99171	69788		14542		183501
43	6540	Access Expense				744978		744978
44	6561	Depreciation - Telecomm. Plant in Service				4371949		4371949
45	6562	Depreciation-Prop. for Future Telecom. Use						
46	6563	Amortization Expense - Tangible						
47	6564	Amortization Expense - Intangible						
48	6565	Amortization - Other						
49	* 6610	Marketing	13928	7926		20637		42491
50	6611	Product Management						
51	6612	Sales	2967	1750		17931		22648
52	6613	Product Advertising	10961	6176		2706		19843
53	6621	Call Completion Services	9622	6942		634		17198
54	6622	Number Services	5488	3167		33682		42337
55	6623	Customer Services	274934	206698	22104	409604		913340
56	6711	Executive	72480	44494		49461		166435
57	6712	Planning	4017	2467				6484
58	6721	Accounting and Finance	117288	72747	14784	99767		304586
59	6722	External Relations	62022	44943		112420		219385
60	6723	Human Relations	32023	21013		26454		79490
61	6724	Information Management	52949	38383		20186		111518
62	6725	Legal				4748		4748
63	6726	Procurement						
64	6727	Research and Development						
65	6728	Other General and Administrative	52910	54248	826	183627		291611
66	6790	Provision for Uncollectible Notes Receivable						
67		Totals	1,626,244	1,123,381	352,668	7,053,346	(319,169)	9836470

^ Subaccount of the account marked with a *.

Total State Expense Matrix

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	* 6110	Network Support Expense	Not Applicable					
2	^ 6112	Motor Vehicle Expense						
3	^ 6113	Aircraft Expense						
4	^ 6114	Special Purpose Vehicles Expense						
5	^ 6115	Garage Work Equipment Expense						
6	^ 6116	Other Work Equipment Expense						
7	* 6120	General Support Expense						
8	^ 6121	Land and Building Expense						
9	^ 6122	Furniture and Artworks Expense						
10	^ 6123	Office Equipment Expense						
11	^ 6124	General Purpose Computers Expense						
12	* 6210	Central Office Switching Expense						
13	^ 6211	Analog Electronic Expense						
14	^ 6212	Digital Electronic Expense						
15	^ 6215	Electro-Mechanical Expense						
16	6220	Operator Systems Expense						
17	* 6230	Central Office Transmission Expense						
18	^ 6231	Radio Systems Expense						
19	^ 6232	Circuit Equipment Expense						
20	* 6310	Information Origination/Termination Expense						
21	^ 6311	Station Apparatus Expense						
22	^ 6341	Large Private Branch Exchange Expense						
23	^ 6351	Public Telephone Terminal Equipment Exp.						
24	^ 6362	Other Terminal Equipment Expense						
25	* 6410	Cable and Wire Facilities Expense	#VALUE!					#VALUE!
26	^ 6411	Poles Expense						
27	^ 6421	Aerial Cable Expense						
28	^ 6422	Underground Cable Expense						
29	^ 6423	Buried Cable Expense						
30	^ 6424	Submarine Cable Expense						
31	^ 6425	Deep Sea Cable Expense						
32	^ 6426	Intrabuilding Network Cable Expense						
33	^ 6431	Aerial Wire Expense						
34		Subtotals	#VALUE!					#VALUE!

^ Subaccount of the account marked with a *.

Total State Expense Matrix

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^ 6441	Conduit Systems Expense	Not Applicable					
36	6510	Other Property Expenses						
37	* 6530	Network Operations Expense						
38	^ 6531	Power Expense						
39	^ 6532	Network Administration Expense						
40	^ 6533	Testing Expense						
41	^ 6534	Plant Operations Expense						
42	^ 6535	Engineering Expense						
43	6540	Access Expense						
44	6561	Depreciation - Telecomm. Plant in Service						
45	6562	Depreciation-Prop. for Future Telecom. Use						
46	6563	Amortization Expense - Tangible						
47	6564	Amortization Expense - Intangible						
48	6565	Amortization - Other						
49	* 6610	Marketing						
50	^ 6611	Product Management						
51	^ 6612	Sales						
52	^ 6613	Product Advertising						
53	6621	Call Completion Services						
54	6622	Number Services						
55	6623	Customer Services						
56	6711	Executive						
57	6712	Planning						
58	6721	Accounting and Finance						
59	6722	External Relations						
60	6723	Human Relations						
61	6724	Information Management						
62	6725	Legal						
63	6726	Procurement						
64	6727	Research and Development						
65	6728	Other General and Administrative						
66	6790	Provision for Uncollectible Notes Receivable						
67		Totals		#VALUE!				

^ Subaccount of the account marked with a *.

Pension Costs

Year: 2011

1	Plan Name NTCA Savings Plan			
2	Defined Benefit Plan? _____	Defined Contribution Plan? _____		
3	Actuarial Cost Method? _____	IRS Code: _____		
4	Annual Contribution by Employer: <u>\$332,457</u>	Is the Plan Over Funded? _____		
5				
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	Funded Status			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27	Prepaid (accrued) benefit cost			
28				
29	Weighted-average Assumptions as of Year End			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	Components of Net Periodic Benefit Costs			
35	Service cost			
36	Interest cost			
37	Expected return on plan assets			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	Montana Intrastate Costs:			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	Number of Company Employees:			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

Pension Costs

Year: 2011

1	Plan Name NTCA Savings Plan			
2	Defined Benefit Plan? _____	Defined Contribution Plan? _____		
3	Actuarial Cost Method? _____	IRS Code: _____		
4	Annual Contribution by Employer: <u>\$54,186</u>	Is the Plan Over Funded? _____		
5				
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	Funded Status			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27	Prepaid (accrued) benefit cost			
28				
29	Weighted-average Assumptions as of Year End			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	Components of Net Periodic Benefit Costs			
35	Service cost			
36	Interest cost			
37	Expected return on plan assets			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	Montana Intrastate Costs:			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	Number of Company Employees:			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

Other Post Employment Benefits (OPEBS)

	Item	Current Year	Last Year	% Change
1	Regulatory Treatment:			
2	Commission authorized - most recent			
3	Docket number: _____			
4	Order number: _____			
5	Amount recovered through rates			
		Not Applicable		#VALUE!
6	Weighted-average Assumptions as of Year End			
7	Discount rate			
8	Expected return on plan assets			
9	Medical Cost Inflation Rate			
10	Actuarial Cost Method			
11	Rate of compensation increase			
12	List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:			
13				
14				
15	Describe any Changes to the Benefit Plan:			
16				
17	TOTAL COMPANY			
18	Change in Benefit Obligation			
19	Benefit obligation at beginning of year			
20	Service cost			
21	Interest Cost			
22	Plan participants' contributions			
23	Amendments			
24	Actuarial Gain			
25	Acquisition			
26	Benefits paid			
27	Benefit obligation at end of year			
28	Change in Plan Assets			
29	Fair value of plan assets at beginning of year			
30	Actual return on plan assets			
31	Acquisition			
32	Employer contribution			
33	Plan participants' contributions			
34	Benefits paid			
35	Fair value of plan assets at end of year			
36	Funded Status			
37	Unrecognized net actuarial loss			
38	Unrecognized prior service cost			
39	Prepaid (accrued) benefit cost			
40	Components of Net Periodic Benefit Costs			
41	Service cost			
42	Interest cost			
43	Expected return on plan assets			
44	Amortization of prior service cost			
45	Recognized net actuarial loss			
46	Net periodic benefit cost			
47	Accumulated Post Retirement Benefit Obligation			
48	Amount Funded through VEBA			
49	Amount Funded through 401(h)			
50	Amount Funded through Other _____			
51	TOTAL			
52	Amount that was tax deductible - VEBA			
53	Amount that was tax deductible - 401(h)			
54	Amount that was tax deductible - Other _____			
55	TOTAL			

Other Post Employment Benefits (OPEBS) Continued

	Item	Current Year	Last Year	% Change
1	Number of Company Employees:	Not Applicable		
2	Covered by the Plan			
3	Not Covered by the Plan			
4	Active			
5	Retired			
6	Spouses/Dependants covered by the Plan			
7	Montana			
8	Change in Benefit Obligation			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	Change in Plan Assets			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	Funded Status			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	Components of Net Periodic Benefit Costs			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	Accumulated Post Retirement Benefit Obligation			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	Montana Intrastate Costs:			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	Number of Montana Employees:			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

Payments for Services to Persons Other Than Employees

Year: 2011

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
1	GVNW, Inc.	Cost Consulting	69026	69026	69026
2	Heberly and Associates	Engineering Services	1551001	1551001	1551001
3	Hill County Electric Cooperative	Office and Equipment Rental	4765071	4765071	4765071
4	National Information Systems Coop.	Data Processing Services	296943	296943	296943
5	Northern Directory Publishing	Directory Services	18467	18467	18467
6	Triangle Communication System	Internet & Long Distance Services	693936	693936	693936
7	Triangle Telephone Cooperative	Office, Equip. & Switching Rental	3540110	3540110	3540110
8	Bosch Kuhr Dugdale ET AL	Legal Services	4147	4147	4147
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49	Total				10938701

Subscriber Line Usage Data

Year: 2011

Line No.	Description (a)	This Year (b)	% of Total (c)	Last Year (d)	% of Total (e)
1	Toll Usage:				
2	Interstate, InterLATA	16800662	45.90%	17518563	47.37%
3	Interstate, IntraLATA	2136	0.01%	2261	0.01%
4	Total Interstate Usage	16802798	45.91%	17520824	47.38%
5	Intrastate, InterLATA	6581641	17.98%	5674214	15.34%
6	Intrastate, IntraLATA	13214898	36.11%	13784178	37.28%
7	Total Intrastate Usage	19796539	54.09%	19458392	52.62%
8	Total Toll Usage	36599337	100.00%	36979216	100.00%
9	Centrex				
10	Local				
11	Total Minutes	36599337	100.00%	36979216	100.00%

Cental Office and Access Line Statistics

Year: 2011

Line No.	Wire Center (a)	Type of Office (b)	Residential (c)	ISDN (d)	ADSL (e)	Lifeline Customers (f)	Residential LMS Customers (g)	Single Line Business (h)	Multi-Line Business (i)	Customer Owned Coin (j)	Company Owned Coin (k)	Other (l)	% of Lines w/ T. Tone (m)	Total Access Lines (n)
1	353 - Harlem	Host	614		373	197	7		371	1				986
2	374 - Moore	Remote	228		202	1	5		50					278
3	383 - Dodson	Remote	92		48	6	1		13					105
4	423 - Hobson	Remote	291		167	5	24		72	1				364
5	473 - Judith Gap	Remote	99		60		6		15					114
6	547 - White Sulpher Spr	Host	651		379	27			287	2				940
7	566 - Stanford	Occam	295		210	5	45		95	1				391
8	567 - Denton	Occam	211		153	3	11		62					273
9	572 - Martinsdale	Remote	145		71	1			27					172
10	622 - Fort Benton	Host	547		328	11	38		338	4				889
11	632 - Harlowton	Remote	594		379	12			239	2				835
12	654 - Malta	Host	959		659	32	100		461					1420
13	737 - Geraldine	Remote	231		152	4	9		46					277
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32														
33	Total		4957		3181	304	246		2076	11				7044

NOTE: Additional blank schedules are being provided for your convenience.

Central Office and Switch Information

Year: 2011

Line No.	Wire Center (a)	Office Configuration (Host, Remote, Stand alone) (b)	Type of Switch (c)	Switch Vendor/ Manufacturer (d)	Switch Model No. (e)	Switch Line Capacity (f)	Year Deployed (g)
1	353 - Harlem	Host	Digital	Genband	C15	7,500	2010
2	374 - Moore	Remote	Digital	Norther Telco	RSLE	1,024	1995
3	383 - Dodson	Remote	Digital	Norther Telco	RSLE	192	1994
4	423 - Hobson	Remote	Digital	Norther Telco	RSLE	1,024	1995
5	473 - Judith Gap	Remote	Digital	Norther Telco	RSLE	192	1995
6	547 - White Sulpher Spr	Host	Digital	Genband	C15	7,500	2010
7	566 - Stanford	Occam	Digital	Occam	BLC	934	2007
8	567 - Denton	Occam	Digital	Occam	BLC	672	2007
9	572 - Martinsdale	Remote	Digital	Norther Telco	RSLE	192	1996
10	622 - Fort Benton	Host	Digital	Genband	C15	7,500	2009
11	632 - Harlowton	Remote	Digital	Norther Telco	RSC	1,600	1999
12	654 - Malta	Host	Digital	Genband	C15	7,500	2010
13	737 - Geraldine	Remote	Digital	Norther Telco	RSLE	1,024	1995
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NOTE: Additional blank schedules are being provided for your convenience.

Construction Budget - Montana

Year: 2012

Line No.	Description (a)	2012 (b)
1	Central Office Assets:	
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26		
27	Total Switching and Central Office Projects over \$500,000	
28	Miscellaneous Central Office Projects not over \$500,000	1340000
29	Total Central Office Budget (Total of Line 27 & Line 28)	1340000
30	Other Projects over \$500,000:	
31		
32	Malta Subscriber Installation	750000
33	White Sulphur Springs Exchange Upgrade	800000
34	White Sulphur Springs Exchange Upgrade	7350000
35		
36		
37		
38		
39		
40		
41	Total Other Projects over \$500,000	8900000
42	Miscellaneous projects not over \$500,000	1923225
43	Total Construction Budget (Total of Lines 29, 41 & 42)	12163225

Montana Total State Construction Expenditures

Line No.	FCC Part 32 Account No. (a)	Description (b)	This Year (c)	Last Year (d)	Percent Change (e)
1	2110	General Support Assets	4902649	4860194	0.87%
2	2210	Central Office Assets	5304901	4586593	15.66%
3	2220	Operator Systems			
4	2230	Central Office Transmission	16975174	16520087	2.75%
5	2310	Information/Termination Assets	24856	24856	0.00%
6	2410	Cable and Wire Facilities Assets	54380862	46439276	17.10%
7	2680	Amortizable Tangible Assets			
8	2690	Intangibles			
9		Total Construction Expenditures	81588442	72431006	12.64%

Montana Employee Counts

Year: 2011

Line No.	Category (a)	Beginning of Year (b)	End of Year (c)
1	Employees are provided through a Joint Use Agreement with Hill County		
2	Electric Cooperative, Inc. Areas where joint use employees are used follow:		
3			
4	Staff	27	30
5	Outside Plant	16	19
6			
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43	Totals (Sum of Lines 1 through 42)	43	49

Compensation of Top 10 Montana Based Employees

Year: 2011

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Central Montana Communications, Inc. has no employees. Employee services are provided through service agreements with Hill County Electric Cooperative, Inc.						
2							
3							
4							
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7							
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9							
10							
11	Totals (Sum L.1 to L.10)						

Compensation of Top 5 Corporate Employees - SEC Information

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Not Applicable						
2							
3							
4							
5							
6	Totals (Sum L.1 to L.5)						

Montana Composite Statistics

Year: 2011

Line No.	Account No.	Description (a)	Amount (b)
1		Plant (Intrastate Only) (000 Omitted)	
2	2001	Plant in Service	81588
3	2003 - 2004	Construction Work in Progress	14901
4	2005	Plant Acquisition Adjustments	12945
5	2002	Plant Held for Future Use	
6	1220	Materials & Supplies	
7		(Less):	
8	3100 - 3400	Depreciation & Amortization Reserves	-46344
9	4360.2	Contributions in Aid of Construction	
10		NET BOOK COSTS	63090
11		Revenues & Expenses (Intrastate Only) (000 Omitted)	
12	5000 - 5300	Operating Revenues	16400
13	6560	Depreciation & Amortization Expenses	4372
14		Federal & State Income Taxes	1675
15		Other Taxes	1236
16		Other Operating Expenses	4280
17		TOTAL Operating Expenses	11563
18		Net Operating Income	4837
19		Other Income	170
20		Other Deductions	1951
21		NET INCOME	3056
22		Access Lines in Service (Intrastate Only)	
23		Residential Access Lines	4957
24		Business Access Lines	1904
25		PBX Access Lines	183
26		Other Access Lines	
27		Total Number of Access Lines	7044
28		Average Number of Calls Per Access Line	
29		Local Calls	142
30		Toll Calls (Intra- or Interstate)	227
31		Total Number of Calls Per Access Line (Total of Line 29 & Line 30 divided by Line 27)	369
32		Other Statistics (Intrastate Only)	
33		Average Residential Monthly Bill	68
34		Gross Plant Investment per Access Line	15536

Depreciation - Montana Intrastate Regulated

Year: 2011

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense \$ (d)
1	2112	Motor Vehicles	9.7%	202,732
2	2114	Special Purpose Vehicles	7.0%	33,050
3	2115	Garage Work Equipment	8.4%	
4	2116	Other work Equipment	2.8%	3,033
5	2121	Buildings	3.8%	81,272
6	2122	Furniture	5.5%	
7	2123.1	Office Support Equipment	13.4%	
8	2123.2	Company Communications Equipment	5.3%	
9	2124	General Purpose Computers	6.5%	
10	2211	Analog Electronic Switching Equipment	9.3%	159,098
11	2212	Digital Electronic Switching Equipment	7.0%	205,555
12	2215	Step By Step Switching Equipment	9.5%	
13	2215	Crossbar Switching Equipment	11.6%	
14	2220	Operator System	12.5%	
15	2231	Radio Systems	7.5%	
16	2232	Circuit DDS	10.7%	1,758,766
17	2232	Circuit Digital	9.6%	
18	2232	Circuit Analog	10.7%	
19	2351	Public Telephone Terminating Equipment	3.0%	
20	2362	Other Terminal Equipment	16.0%	
21	2411	Poles	4.7%	10,481
22	2421	Aerial Cable Metallic	5.4%	94,020
23	2421	Aerial Cable Nonmetallic	4.2%	48,069
24	2422	Underground Cable Metallic	4.4%	3,570
25	2422	Underground Cable Nonmetallic	4.8%	60,588
26	2423	Buried Cable Metallic	3.9%	940,779
27	2423	Buried Cable Nonmetallic	4.2%	770,864
28	2424	Submarine Cable Metallic	2.3%	
29	2424	Submarine Cable Nonmetallic	3.3%	
30	2426	Intrabuilding Network Cable Metallic	5.5%	
31	2426	Intrabuilding Network Cable Nonmetallic	11.3%	
32	2431	Aerial Wire	13.4%	
33	2441	Conduit Systems	2.1%	72
34				
35		COMPOSITE TOTAL		4,371,949
36	<p>Please list the Montana Public Service Commission Docket Order No. approving these depreciation rates</p> <p>Docket Number _____ Order Number _____</p>			
37				
38				
39				
40				

Amortization - Montana Intrastate Regulated

Year: 2011

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense \$ (d)
1		Not Applicable		
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34				
35		COMPOSITE TOTAL		
36	Please list the Montana Public Service Commission Docket Order No. approving these amortization rates			
37				
38				
39	Docket Number _____ Order Number _____			
40				

Montana Regulatory Capital Structure & Costs

Year: 2011

Line No.	Description (a)	% Cap. Str. (b)	% Cost Rate (c)	Weighted Cost (d)
	Commission Accepted - Most Recent	Not applicable		
1	Docket Number _____			
2	Order Number _____			
3				
4	Common Equity			
5	Preferred Stock			
6	Long Term Debt			
7	Other			
8	Total			
9				
10	Actual at Year End			
11				
12	Common Equity			
13	Preferred Stock			
14	Long Term Debt			
15	Other			
16	Total			

Network Access - Charges and Revenues

Year: 2011

Line No.	Description (a)	Access Charges Paid (b)	Access Revenues Received (c)
1	Montana - Total State		12498986
2			
3	Montana - Intrastate		1834296
4			
5	Montana - Intrastate Regulated		995035
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Affiliate Transactions - Products & Services Provided to Utility

Year: 2011

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Utility (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Triangle Telephone Cooperative, Inc.	Office Rent	Floor Space	153,816		
2	Triangle Telephone Cooperative, Inc.	Equipment Rent	Average hourly operating exp.	12,109		
3	Triangle Telephone Cooperative, Inc.	Expense Reimbursements	Actual amounts charged	2,365,142		
4	Triangle Telephone Cooperative, Inc.	Long Distance Service	Actual amounts billed	590,119		
5	Triangle Telephone Cooperative, Inc.	Construction Material	Actual cost	126,234		
6	Triangle Telephone Cooperative, Inc.	Expense Allocations	Actual cost	22,873		
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30	TOTAL			\$3,270,293		

Affiliate Transactions - Products & Services Provided by Utility

Year: 2011

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Affiliate (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Triangle Telephone Cooperative, Inc.	Equipment Rent	Average hourly operating exp.	13,286		
2	Triangle Telephone Cooperative, Inc.	Billing and Collection	Actual Cost	92,193		
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29						
30	TOTAL			\$105,479		

Montana Intrastate Regulated Earned Rate of Return

Year: 2011

Line No.	Description Rate Base (a)	This Year (b)	Last Year (c)	Percent Change (d)
1				
2	2001 Plant in Service	81,588,443	72,431,006	12.64%
3	2002 Prop. Held for Future Telecommunications Use			
4	3100-3200 (Less) Accumulated Depreciation	(33,403,481)	(31,410,397)	-6.35%
5	Plant in Service	48,184,962	41,020,609	17.47%
6				
7	Additions			
8	1220 Materials & Supplies			
9	1280 Prepayments			
10	Other Additions			
11	TOTAL Additions			
12				
13	Deductions			
14	4100 Current Deferred Operating Income Taxes			
15	4320 Unamortized Operating Investment Tax Credits			
16	4340 Noncurrent Deferred Operating Income Taxes			
17	Customer Advances for Construction			
18	Other Deductions			
19	TOTAL Deductions			
20	TOTAL Rate Base	48,184,962	41,020,609	17.47%
21				
22	Net Earnings			
23				
24	Rate of Return on Average Rate Base	6.850%	4.032%	69.89%
25				
26	Rate of Return on Average Equity	10.170%	6.034%	68.54%
27				
28	Major Normalizing Adjustments & Commission			
29	Rate-making adjustments to Utility Operations			
30				
31				
32				
33				
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39				
40				
41				
42				
43	Adjusted Rate of Return on Average Rate Base	6.850%	4.032%	69.89%
44				
45	Adjusted Rate of Return on Average Equity	10.170%	6.034%	68.54%

Other Taxes Paid

Year: 2011

Line No.	Description (a)	Last Year (b)	This Year (c)
1	Montana Telephone Company License Tax		
2	Montana Public Service Commission Tax	14322	17307
3	Montana Consumer Counsel Tax	2369	5314
4	911 Emergency Telephone Fee		
5	Montana Telecommunications Access Service (TDD)		
6	Montana Corporate License Tax	188518	340590
7	Personal Property Tax		
8	Real Property Tax	1013429	1213018
9			
10			
11			
12	Total	1218638	1576229

SCHEDULE 37

Universal Service Funds Received

Year: 2011

Line No.	Description (a)	Last Year (b)	This Year (c)
13	Funds received from Montana Sources		
14	Funds received from Federal Sources	3343851	4444143
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24	Total	3343851	4444143