

FCC Form 481 - Carrier Annual Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0186/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	462210
<015> Study Area Name	WILLARD TEL CO
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	Carrie Klem
<035> Contact Telephone Number: Number of the person identified in data line <030>	970-228-4571
<039> Contact Email Address: Email of the person identified in data line <030>	carriek@willardtell.com

ANNUAL REPORTING FOR ALL CARRIERS	54.313	54.432
	Completion Required	Completion Required

<100> Service Quality Improvement Reporting	<i>(complete attached worksheet)</i>	4	/
<200> Outage Reporting (voice)	<i>(complete attached worksheet)</i>	4	4
<210> <input type="checkbox"/> 4 <i><- check box if no outages to report</i>			
<300> Unfulfilled Service Requests (voice)	0	4	/
<310> Detail on Attempts (voice)		4	/
<320> Unfulfilled Service Requests (broadband)	0	4	/
<330> Detail on Attempts (broadband)		4	/
<400> Number of Complaints per 1,000 customers (voice)		4	4
<410> Fixed	0.0		
<420> Mobile	0.0		
<430> Number of Complaints per 1,000 customers (broadband)		4	/
<440> Fixed	0.0		
<450> Mobile	0.0		
<500> Service Quality Standards & Consumer Protection Rules Compliance	<i>(check to indicate certification)</i>	4	4
<510> Willard Telephone Company Serv	<i>(attached descriptive document)</i>	4	4
<600> Functionality in Emergency Situations	<i>(check to indicate certification)</i>	4	4
<610> Willard Telephone Company Func	<i>(attached descriptive document)</i>	4	4
<700> Company Price Offerings (voice)	<i>(complete attached worksheet)</i>		/
<710> Company Price Offerings (broadband)	<i>(complete attached worksheet)</i>		/
<800> Operating Companies and Affiliates	<i>(complete attached worksheet)</i>	4	4
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	<i>(if yes, complete attached worksheet)</i>	4	/
<1000> Voice Services Rate Comparability	<i>(check to indicate certification)</i>		/
<1010>	<i>(attach descriptive document)</i>		/
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	<i>(if not, check to indicate certification)</i>	4	/
<1110>	<i>(complete attached worksheet)</i>		/
<1200> Terms and Condition for Lifeline Customers	<i>(complete attached worksheet)</i>		4

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	<i>(check to indicate certification)</i>	4	/
<2005>	<i>(complete attached worksheet)</i>	4	/

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	<i>(check to indicate certification)</i>	4	/
<3005>	<i>(complete attached worksheet)</i>	4	/

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB C
July 2013

<010> Study Area Code 462210
<015> Study Area Name WILLARD TEL CO
<020> Program Year 2014
<030> Contact Name - Person USAC should contact regarding this data Carrie Klem
<035> Contact Telephone Number - Number of person identified in data line <030> 970-228-4571
<039> Contact Email Address - Email Address of person identified in data line <030> carriek@willardtel.com

<110> Has your company received its ETC certification from the FCC? (yes / no)
If your answer to Line <110> is yes, do you have an existing §54.202(a) "5
<111> year plan" filed with the FCC? (yes / no)

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets
<114> Report how much universal service (USF) support was received
<115> How (USF) was used to improve service quality
<116> How (USF) was used to improve service coverage
<117> How (USF) was used to improve service capacity
<118> Provide an explanation of network improvement targets not met in the prior calendar year.

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB
July 2013

<010>	Study Area Code	462210
<015>	Study Area Name	WILLARD TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	CARRIE KLEM
<035>	Contact Telephone Number - Number of person identified in data line <030>	970-228-4571
<039>	Contact Email Address - Email Address of person identified in data line <030>	carriek@willardcell.com

<910> Tribal Land(s) on which ETC Serves we do not serve Tribal Lands

<920> Tribal Government Engagement Obligation

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes, No, NA) for each of these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)
NA

NA

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Co
July 2013

<010>	Study Area Code	462210
<015>	Study Area Name	WILLARD TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Klen
<035>	Contact Telephone Number - Number of person identified in data line <030>	970-228-4571
<039>	Contact Email Address - Email Address of person identified in data line <030>	carriek@willardtel.com

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G)

(1200) Terms and Condition for Lifeline Customers

FCC Form 481

Lifeline

OMB Control No. 3060-0986/OMB C

Data Collection Form

July 2013

<010>	Study Area Code	462210
<015>	Study Area Name	WILLARD TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Elem
<035>	Contact Telephone Number - Number of person identified in data line <030>	970-228-4971
<039>	Contact Email Address - Email Address of person identified in data line <030>	carriek@willardteli.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of attached document (.pdf)

<1220> Link to Public Website

HTTP://cdn.colorado.gov/cs/Satellite/DORA-RUC/CBON/DORA/1251633148504

"Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,

<1222> Details on the number of minutes provided as part of the plan,

<1223> Additional charges for toll calls, and rates for each such plan.

(2000) Price Cap Carrier Additional Documentation

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

July 2013

<010>	Study Area Code	462210
<015>	Study Area Name	WILLARD TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Klean
<035>	Contact Telephone Number - Number of person identified in data line <030>	970-228-4371
<039>	Contact Email Address - Email Address of person identified in data line <030>	carriek@willardtel.com

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Core support as set forth in 47 CFR § 54.313(b)(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting		
<2010>	2nd Year Certification (47 CFR § 54.313(b)(1))	<input type="checkbox"/>
<2011>	3rd Year Certification (47 CFR § 54.313(b)(2))	<input type="checkbox"/>
Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))		
<2012>	2013 Frozen Support Certification	<input type="checkbox"/>
<2013>	2014 Frozen Support Certification	<input type="checkbox"/>
<2014>	2015 Frozen Support Certification	<input type="checkbox"/>
<2015>	2016 and future Frozen Support Certification	<input type="checkbox"/>
Price Cap Carrier Connect America ICC Support (47 CFR § 54.313(d))		
<2016>	Certification Support Used to Build Broadband	<input type="checkbox"/>
Connect America Phase II Reporting (47 CFR § 54.313(e))		
<2017>	3rd year Broadband Service Certification	<input type="checkbox"/>
<2018>	5th year Broadband Service Certification	<input type="checkbox"/>
<2019>	Interim Progress Certification	<input type="checkbox"/>
<2020>	Please check the box to confirm that the attached PDF, on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	<input type="checkbox"/>
<2021>	Interim Progress Community Anchor Institutions	<input type="checkbox"/>
	Name of Attached Document Listing Required Information	_____



INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Willard Telephone Company
Merino, CO 80741

We have compiled the accompanying balance sheets of Willard Telephone Company (a Colorado corporation) as of December 31, 2012 and 2011, and the related statements of income and retained earnings or margins for the years ended December 31, 2012 and 2011, and cash flows for the year ended December 31, 2012, included in the accompanying prescribed form. We have not audited or reviewed the financial statements included in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Federal Communications Commission (FCC).

Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by the FCC and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the FCC, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the FCC, Universal Service Administrative Company and the Colorado Public Utilities Commission and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Kimberly A. Smith, CPA'. The signature is written in a cursive style.

Colorado Springs, CO
September 30, 2013

(3005a) Operating Report for Privately-Held Rate of Return Carriers	FCC Form 481
Balance Sheet - Data Collection Form	OMB Control No. 3060-0986
	OMB Control No. 3060-0819
Page 1 of 3	July 2013

<010> Study Area Code	462210
<015> Study Area Name	The Willard Telephone Company
<020> Program Year	2012
<030> Contact Name - Person USAC should contact regarding this data	Carrie Klem
<035> Contact Telephone Number - Number of person identified in data line <030>	970-228-4571
<039> Contact Email Address - Email Address of person identified in data line <030>	carriek@willardtell.com

Filed as reviewed single company

Filed as reviewed consolidated company

Filed as subsidiary of reviewed consolidated company

Filed as audited single company

Filed as audited consolidated company

Filed as subsidiary of audited consolidated company

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

Signature _____	Date _____	PART A. BALANCE SHEET			
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	235,527	198,524	25. Accounts Payable	7,946	7,406
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		4,600
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable	4,192	1,973	32. Income Taxes Accrued		
b. Other Accounts Receivable	8,564	12,669	33. Other Taxes Accrued	1,795	1,340
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable	3,758	3,939	35. Total Current Liabilities (25 thru 34)	9,741	13,346
6. Material-Regulated	2,000	2,000	LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes	77,219	121,972
8. Prepayments	983	1,251	37. Funded Debt-RTB Notes		
9. Other Current Assets	20,180	38,027	38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)	275,204	258,383	39. Funded Debt-Other		
			40. Funded Debt-Rural Develop. Loan		
NONCURRENT ASSETS			41. Premium (Discount) on L/T Debt		
11. Investment in Affiliated Companies			42. Reacquired Debt		
a. Rural Development	21,886	460	43. Obligations Under Capital Lease		
b. Nonrural Development			44. Adv. From Affiliated Companies		
12. Other Investments			45. Other Long-Term Debt		
a. Rural Development			46. Total Long-Term Debt (36 thru 45)	77,219	121,972
b. Nonrural Development	59,085	66,063	OTHER LIAB. & DEF. CREDITS		
13. Nonregulated Investments			47. Other Long-Term Liabilities	9,883	11,731
14. Other Noncurrent Assets	100,000	100,000	48. Other Deferred Credits		
15. Deferred Charges			49. Other Jurisdictional Differences		
16. Jurisdictional Differences			50. Total Other Liabilities and Deferred Credits (47 thru 49)	9,883	11,731
17. Total Noncurrent Assets (11 thru 16)	180,971	166,523	EQUITY		
			51. Cap. Stock Outstanding & Subscribed		
PLANT, PROPERTY, AND EQUIPMENT			52. Additional Paid-in-Capital		
18. Telecom, Plant-in-Service	689,353	762,300	53. Treasury Stock		
19. Property Held for Future Use			54. Membership and Cap. Certificates	16,124	17,874
20. Plant Under Construction	347,143	365,462	55. Other Capital	(755)	2,071
21. Plant Adj., Nonop. Plant & Goodwill			56. Patronage Capital Credits		
22. Less Accumulated Depreciation	518,626	558,525	57. Retained Earnings or Margins	861,833	827,149
23. Net Plant (18 thru 21 less 22)	517,870	569,237	58. Total Equity (51 thru 57)	877,202	847,094
24. TOTAL ASSETS (10+17+23)	974,045	994,143	59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	974,045	994,143

See Accountant's Compilation Report

(3005b) Operating Report for Privately-Held Rate of Return Carriers Income Statement - Data Collection Form	FCC Form 481
	OMB Control No. 3060-0986
	OMB Control No. 3060-0819
	July 2013
Page 2 of 3	

<010> Study Area Code 462210
 <015> Study Area Name The Willard Telephone Company
 <020> Program Year 2012
 <030> Contact Name - Person USAC should contact regarding this data Carrie Klem
 <035> Contact Telephone Number - Number of person identified in data line <030> 970-228-4571
 <039> Contact Email Address - Email Address of person identified in data line <030> carriek@willardtell.com

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS		
ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	13,243	10,677
2. Network Access Services Revenues	133,934	127,355
3. Long Distance Network Services Revenues	-	-
4. Carrier Billing and Collection Revenues	2,699	1,411
5. Miscellaneous Revenues	3,686	20,820
6. Uncollectible Revenues	-	-
7. Net Operating Revenues (1 thru 5 less 6)	153,562	160,263
8. Plant Specific Operations Expense	6,037	33,596
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	20,773	10,596
10. Depreciation Expense	53,543	39,899
11. Amortization Expense		
12. Customer Operations Expense	7,609	2,881
13. Corporate Operations Expense	100,826	114,163
14. Total Operating Expenses (8 thru 13)	188,788	201,135
15. Operating Income or Margins (7 less 14)	(35,226)	(40,872)
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes	-	200
19. Other Taxes	(10,870)	(16,109)
20. Total Operating Taxes (17+18+19)	(10,870)	(15,909)
21. Net Operating Income or Margins (15+16-20)	(24,356)	(24,963)
22. Interest on Funded Debt	-	4,251
23. Interest Expense - Capital Leases		
24. Other Interest Expense	858	-
25. Allowance for Funds Used During Construction	-	4,251
26. Total Fixed Charges (22+23+24-25)	858	-
27. Nonoperating Net Income	3,647	(12,974)
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income	-	3,253
31. Total Net Income or margins (21+27+28+29+30-26)	(21,567)	(34,684)
32. Total Taxes Based on Income	(12,665)	(17,265)
33. Retained Earnings or Margins Beginning-of-Year	883,400	861,833
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins end-of-Period [(31+33+34)-(35+36+37+38)]	861,833	827,149
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments	-	2,328
45. Cash Ratio [(14+20-10-11)/7]	0.81	0.91
46. Operating Accrual Ratio [(14+20+26)/7]	1.16	1.16
47. TIER [(31+26)/26]	(24.14)	#DIV/0!
48. DSCR [(31+26+10+11)/44]		2.24

See Accountant's Compilation Report

<010> Study Area Code	462210
<015> Study Area Name	The Willard Telephone Company
<020> Program Year	2012
<030> Contact Name - Person USAC should contact regarding this data	Carrie Klem
<035> Contact Telephone Number - Number of person identified in data line <030>	970-228-4571
<039> Contact Email Address - Email Address of person identified in data line <030>	carriek@willardtell.com

PART C. STATEMENTS OF CASH FLOWS	
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	
CASH FLOWS FROM OPERATING ACTIVITIES	
2. Net Income	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
3. Add: Depreciation	
4. Add: Amortization	
5. Other (Explain) - Deferred income taxes and equity in losses from partnership investment	
Changes in Operating Assets and Liabilities	
6. Decrease/(Increase) in Accounts Receivable	
7. Decrease/(Increase) in Materials and Inventory	
8. Decrease/(Increase) in Prepayments and Deferred Charges	
9. Decrease/(Increase) in Other Current Assets	
10. Increase/(Decrease) in Accounts Payable	
11. Increase/(Decrease) in Advance Billings & Payments	
12. Increase/(Decrease) in Other Current Liabilities	
13. Net Cash Provided/(Used) by Operations	
CASH FLOWS FROM FINANCING ACTIVITIES	
14. Decrease/(Increase) in Notes Receivable	
15. Increase/(Decrease) in Notes Payable	
16. Increase/(Decrease) in Customer Deposits	
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	
18. Increase/(Decrease) in Other Liabilities & Deferred Credits	
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	
20. Less: Payment of Dividends	
21. Less: Patronage Capital Credits Retired	
22. Other (Explain)	
23. Net Cash Provided/(Used) by Financing Activities	
CASH FLOWS FROM INVESTING ACTIVITIES	
24. Net Capital Expenditures (Property, Plant & Equipment)	
25. Other Long-Term Investments	
26. Other Noncurrent Assets & Jurisdictional Differences	
27. Other (Explain) - Purchase of investments	
28. Net Cash Provided/(Used) by Investing Activities	
29. Net Increase/(Decrease) in Cash	
30. Ending Cash	
See Accountant's Compilation Report	

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0086/OMB Control No. 3060-0819 July 2013
---	---

<010> Study Area Code	462210
<015> Study Area Name	WILLARD TEL CO
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Carrie Klem
<035> Contact Telephone Number - Number of person identified in data line <030>	970-228-4571
<039> Contact Email Address - Email Address of person identified in data line <030>	carriek@willardcell.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS USING ANNUAL REPORTING ON ITS OWN BEHALF

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or U Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	WILLARD TEL CO
Signature of Authorized Officer:	CERTIFIED ONLINE Date
Printed name of Authorized Officer:	Carrie Klem
Title or position of Authorized Officer:	Manager
Telephone number of Authorized Officer:	970-228-4571
Study Area Code of Reporting Carrier:	462210 Filing Due Date for this form: 10/15/2013
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C § 1001.</small>	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0619 July 2013
---	--

<10> Study Area Code	462210
<15> Study Area Name	WILLARD TEL CO
<20> Program Year	2014
<30> Contact Name - Person USAC should contact regarding this data	Carrie Klein
<35> Contact Telephone Number - Number of person identified in data line <30>	970-228-4571
<39> Contact Email Address - Email Address of person identified in data line <30>	carrie@willardtell.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or U Recipients on Behalf of Reporting Carrier	
I, <u>Carrie Klein</u> (Name of Agent), is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C § 1001.</small>	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or U Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier. I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent or Employee of Agent:	
Signature of Authorized Agent or Employee of Agent:	Date:
Printed name of Authorized Agent or Employee of Agent:	
Title or position of Authorized Agent or Employee of Agent:	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C § 1001.</small>	

AFFIDAVIT

STATE OF Colorado)

COUNTY OF Logan)

BEFORE ME, the undersigned authority, appeared Alan Harryman, who deposed and stated:

1. My name is Alan Harryman I am employed by Willard Telephone Co. as its President. I am an officer of Willard Telephone Co. and am authorized to give this affidavit on behalf of Same. This affidavit is being given in compliance with 4 CCR 723-2-2187(f)(II)(O).

2. Alan Harryman is aware of the purpose of the support for the federal high-cost support and complies with the requirement set forth by the FCC in 47 U.S.C. § 254(e)

3. Alan Harryman hereby attests that the information reported on the annual report and information submitted under 4 CCR 723-2-2187(f) is true and correct.

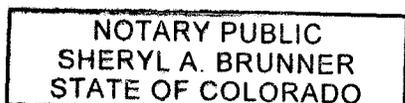
FURTHER THE AFFIANT SAYETH NOT.

Alan Harryman

SUBSCRIBED AND SWORN TO BEFORE ME this 11 day of Oct., 2013.

Sheryl A. Brunner
NOTARY PUBLIC

My Commission Expires: 6-19-16
(Notary Seal)



My Commission Expires 06/19/2016



To the Board of Directors
Willard Telephone Company
Merino, Colorado

We have audited the financial statements of Willard Telephone Company as of and for the year ended December 31, 2012, and have issued our report thereon dated May 9, 2013.

Professional standards and the Rural Development Utilities Program's (RDUP) Policy on Audits of RDUP Borrowers (7 CFR 1773.20) require the auditor to communicate certain matters to the board of directors. In addition to meeting the RDUP's requirements, the following comments regarding our responsibilities and results of our audit of the financial statements of Willard Telephone Company for the year ended December 31, 2012, will assist you in overseeing the financial reporting and disclosure process for which management is responsible.

Our Responsibility under U.S. Generally Accepted Auditing Standards

Our responsibility as described by professional standards and stated in our engagement letter, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with accounting principles generally accepted in the United States of America. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud or other illegal acts may exist and not be detected by us.

As part of our audit, we considered the internal control of Willard Telephone Company. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters. We are also responsible for communicating matters required by law, regulation, agreement or other requirements applicable to the engagement to you.

Other Client Information Presented with the Financial Statements

Our responsibility with respect to the supplementary information included with the financial statements is as described in our report thereon dated May 9, 2013.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies.

The significant accounting policies of the Company are described in footnotes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2012.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The only sensitive accounting estimates included in the financial statements for the year ended December 31, 2012, relate to the estimates for depreciation. As part of our audit, we compared the Company's depreciation rates to average rates used within the telecommunications industry. We have also discussed with management the Company's long-range plant replacement plans and have determined the current depreciation rates to be consistent with those plans.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Our independent auditor's report on internal control over financial reporting and on compliance and other matters both dated May 9, 2013, comment on other findings and recommendations.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit that individually or in the aggregate were of such significance that reference to the subject matter would have been made in our reports.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 9, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Company's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Company's auditor. However, these communications occurred in the normal course of our professional relationship and to our knowledge our responses were not a condition to our retention.

This report is intended solely for the information and use of the board of directors and management of the Company, the Federal Communications Commission, the Universal Service Administrative Company, and the Colorado Public Utilities Commission and is not intended to be and should not be used by anyone other than these specified parties.



Colorado Springs, Colorado
May 9, 2013