

ADMINISTRATOR'S ANNUAL REPORT  
IDAHO TELECOMMUNICATIONS RELAY SERVICE FUND  
YEAR ENDED - DECEMBER 31, 2002

REVENUES

Revenues collected from 1-1-02 through 12-31-02 totaled \$528,784.22 of which \$346,237.26 (65%) was received from local exchange services and \$182,546.96 (35%) was received from MTS/WATS services. The balance on 12-31-02 was \$189,699.25.

DISBURSEMENTS

Total disbursements to Hamilton Telecommunications to provide the relay service for the year ended 12-31-02 were \$554,296.72.

ADMINISTRATIVE FEES AND EXPENSES

Administrative fees and expenses paid through the year ended 12-31-02 were \$34,445.85.

FUNDS

On 12-31-01 the fund cash balance was \$249,207.15.

The following shows the quarterly and ending cash balances for 2001:

BALANCE 3-31-02	BALANCE 6-30-02	BALANCE 9-30-02	ENDING BALANCE 12-31-02
\$210,401.87	\$196,104.34	\$194,635.42	\$189,699.25

INTEREST

Interest earned on funds during the year ended December 31, 2002 was paid by U S Bank totaling \$450.45.

USE OF SYSTEM

Conversation minutes on the relay service, including inter-state long distance totaled 520,741 demonstrating no increase over 2001. Average answer time for the year was 1.12 seconds.

RECOMMENDATION

I am forecasting no relay growth in 2003.

I am not recommending a relay rate change for 2003. I am projecting that during 2003 the relay fund will show at least a \$63,000 deficit, which should leave a reasonable reserve fund at the end of the year. I will monitor our revenues throughout the year, as a further decline in line count and intra-state long distance could still force a relay rate change later in the year.

CALL AND LINE COUNT

The relay service during 2002 had 735,420 lines and 265,460,741 long distance minutes reported to it by providers and carriers.



Bob Dunbar  
2-11-03

Relay center operations figures are considered confidential and proprietary by Hamilton Telecommunications.

Doug -  
Our balance  
today is  
\$196,320.48  
(After today's checks)