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IDAHO PUBLIC
UTILITIES COMMISSION

Annual Report

OF

COL-T

Columbine Telephone Company, Inc.

NAME

PO Box 226, 104101 Hwy 89, Freedom, WY 83120

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED

December 31, 2007

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2007**

COMPANY INFORMATION

Exact name of utility: Columbine Telephone Company, Inc.

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

Telephone Number Area Code (307) 883-2411 E-mail address: _____

Cities or towns served: Idaho: Driggs, Victor, Tetonia; Wyoming: Alta, Leigh Canyon

Name and title of officer having custody of the general corporate books of account: _____

Allen R. Hoopes

Address of office where corporate books are kept and phone number: _____

PO Box 226 104101 Hwy 89 Freedom, WY 83120

Organized under the laws of the State of: Wyoming

Date of organization: Domesticated 12/23/04

Form of organization (proprietorship, association, corporation): Corporation

If a Subchapter S Corporation, please specify: _____

Name and address of controlling company, if any: _____

Names of affiliated companies. Give address and description of business: Telecommunication Services

Silver Star Telephone Company, Inc.

PO Box 226 104101 Hwy 89 Freedom, WY 83120

OFFICERS

Report below the title, name and office address of each general officer of the utility at the end of the year. If there were any changes during the year, show the name, title, and address of the previous officer and the date of change.

Title	Name	Address
President	Allen R. Hoopes	P.O. Box 226, Freedom, WY 83120
VP Operations	Ron B. McCue	P.O. Box 226, Freedom, WY 83120
VP Finance	Chad Turner	P.O. Box 226, Freedom, WY 83120

DIRECTORS

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

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Melvin R. Hoopes	Indefinite	3	\$ 825
Allen R. Hoopes	Indefinite	3	\$ 825
Jack Bentley	Indefinite	3	\$ 825
Bob Foster	Indefinite	3	\$ 825
Rod R. Jensen	Indefinite	2	\$ 550
W. Tom Davis	Indefinite	3	\$ 825
Peggy Zimmer	Indefinite	3	\$ 825

Name of Chairman of the Board: Melvin R. Hoopes
 Name of Secretary (or Clerk) of Board: Michelle Motzkus
 Number of Meetings of the Board during the year: 3

MANAGERS

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

Name	Title	Wages and Bonuses Paid
Allen R. Hoopes	General Manager	Confidential
Ron B. McCue	VP Operations	Confidential
Sharon Urbanik	Customer Service Manager	Confidential
Chad H. Turner	VP Finance	Confidential
Robert S. Tanguay	Network Manager	Confidential
Karen Ricks	Engineering/Plant Manager	Confidential
Drew Izatt	Marketing Manager	Confidential

Note: These wages include all dollars paid to managers performing work for Silver Star Telephone as well as those dollars allocated to Columbine Telephone Company, dba Teton Telecom.

BALANCE SHEET
Assets and Other Debits

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Assets			
1120 Cash and Equivalents			
1130 Cash	322,699	568,820	246,121
1140 Special Cash Deposits			-
1150 Working Cash Advances	400	400	-
1160 Temporary Investments	257,639	291,862	34,223
1180 Telecommunications Accts. Receivable	151,558	119,622	(31,935)
1181 Accts. Rec. Allow. -Telecommunications			-
1190 Other Accounts Receivable	1,880,441	(254,936)	(2,135,376)
1191 Accounts Receivable Allow. - Other	14,000	14,000	-
1200 Notes Receivable	-	-	-
1201 Notes Receivable Allowance			-
1210 Interest & Dividends Receivable			-
1220 Material and Supplies	175,748	391,449	215,701
1280 Prepayments			-
1290 Prepaid Rents	3,350	3,350	-
1300 Prepaid Taxes			-
1310 Prepaid Insurance	16,934	17,852	918
1320 Prepaid Directory Expenses			-
1330 Other Prepayments			-
1350 Other Current Assets			-
Noncurrent Assets			
1401 Investment in Affiliated Companies			-
1402 Investment in Nonaffiliated Companies	944,198	2,367,469	1,423,271
1406 Nonregulated Investments	5,182,561	2,003,651	(3,178,910)
1407 Unamortized Debt Issuance Expense			-
1408 Sinking Funds			-
1410 Other Noncurrent Assets	75,144	75,144	-
1438 Deferred Maintenance & Retirements			-
1439 Deferred Charges			-
1500 Other Jurisdiction Assets - Net			-
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	28,408,699	31,178,382	2,769,683
2002 Prop. Held for Future Telecom. Use	30,000	30,000	-
2003 Telecom. Plant under Constr. - Short Term	645,203	789,697	144,494
2004 Telecom. Plant under Constr. - Long Term			-
2005 Telecom. Plant Adjustment	2,637,771	2,637,771	-
2006 Nonoperating Plant			-
2007 Goodwill			-
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	(15,319,915)	(17,519,573)	(2,199,658)
3200 Accum. Depre. - Held for Future Use			-
3300 Accumulated Depreciation - Nonoperating			-
3400 Accumulated Amortization - Tangible			-
3410 Accum. Amort. - Capitalized Leases			-
3420 Accum. Amort. - Leasehold Improvements			-
3500 Accumulated Amortization - Intangible	(1,692,537)	(1,868,385)	(175,848)
3600 Accumulated Amortization - Other	(61,698)	(75,144)	(13,446)
TOTAL ASSETS	23,672,193	20,771,431	(2,900,762)

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	1,005,043	421,155	(583,888)
4020 Notes Payable	1,263,129	155,000	(1,108,129)
4030 Advance Billings and Payments			-
4040 Customer Deposits	18,095	12,172	(5,923)
4050 Current Maturities - Long -Term Debt	849,192		(849,192)
4060 Current Maturities - Capital leases			-
4070 Income Taxes - Accrued	-	-	-
4080 Other Taxes - Accrued	5,121	6,795	1,673
4100 Net Current Defer. Oper. Income Taxes	(20,717)	(5,205)	15,512
4110 Net Current Defer. Nonoper. Income Taxes			-
4120 Other Accrued Liabilities	243,254	222,410	(20,844)
4130 Other Current Liabilities			-
Long-Term Debt			
4210 Funded Debt	8,277,963	4,806,929	(3,471,034)
4220 Premium on Long-Term Debt			-
4230 Discount on Long-Term Debt			-
4240 Reacquired Debt			-
4250 Obligations Under Capital Leases			-
4260 Advances from Affiliated Companies			-
4270 Other Long Term Debt			-
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			-
4320 Unamort. Oper. Invest. Tax Credits - Net	156,295	156,295	-
4330 Unamort. Nonoper. Invest. Tax Credits - Net			-
4340 Net Noncurrent Defer. Oper. Income Taxes	664,136	318,120	(346,016)
4350 Net Noncur. Defer. Nonoper. Income Taxes	214,226	277,899	63,673
4360 Other Deferred Credits	1,400,602	2,701,690	1,301,088
4370 Other Juris. Liab. & Def. Credits - Net			-
Stockholders' Equity			
4510 Capital Stock	11,483	11,483	-
4520 Additional Paid-In Capital	2,168,050	7,276,573	5,108,523
4530 Treasury Stock			-
4540 Other Capital	415,845	539,446	123,601
4550 Retained Earnings	7,000,476	3,870,669	(3,129,807)
			-
TOTAL LIAB. & OTHER CREDITS	23,672,193	20,771,431	(2,900,762)

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
1410 Internet Equipment	75,144	-	-		75,144
2111 Land	408,020	310,538	-		718,557
2112 Motor Vehicles	575,705	53,169	(28,924)		599,950
2113 Aircraft		-	-		
2114 Special Purpose Vehicles		-	-		
2115 Garage Work Equipment		-	-		
2116 Other Work Equipment	506,826	43,815	-		550,640
2121 Buildings	4,170,917	76,065	-		4,246,982
2122 Furniture	246,478	-	-		246,478
2123 Office Equipment	94,764	8,648	-		103,412
2124 General Purpose Computers	214,485	26,659	-		241,144
2211 Analog Electronic Switching		-	-		
2212 Digital Electronic Switching	933,941	12,587	(5,591)		940,936
2215 Electro-Mechanical Switching		-	-		
2220 Operator Systems		-	-		
2231 Radio Systems	594,365	29,127	-		623,492
2232 Circuit Equipment	4,379,611	431,909	(71,024)		4,740,496
2311 Station Apparatus		-	-		
2321 Customer Premises Wiring		-	-		
2341 Large Private Branch Exchanges		-	-		
2351 Public Telephone Terminal Equipment		-	-		
2362 Other Terminal Equipment		-	-		
2411 Poles	103,273	-	-		103,273
2421 Aerial Cable	125,469	871	-		126,340
2422 Underground Cable	196,868	-	-		196,868
2423 Buried Cable	15,388,151	1,887,762	(6,542)		17,269,371
2424 Submarine Cable		-	-		
2426 Intrabuilding Network Cable	11,044	-	-		11,044
2431 Aerial Wire	20,991	616	-		21,608
2441 Conduit Systems	416,150	-	-		416,150
2681 Capital Leases		-	-		
2682 Leasehold Improvements	21,640	-	-		21,640
2690 Intangibles		-	-		
TOTAL PLANT ACCOUNTS	28,483,843	2,881,764	(112,081)	-	31,253,526

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS

IDAHO Operations Only

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
1410 Internet Equipment	75,144	-	-	-	75,144
2111 Land	408,020	310,538	-	-	718,557
2112 Motor Vehicles	575,705	53,169	(28,924)	-	599,950
2113 Aircraft	-	-	-	-	-
2114 Special Purpose Vehicles	-	-	-	-	-
2115 Garage Work Equipment	-	-	-	-	-
2116 Other Work Equipment	506,826	43,815	-	-	550,640
2121 Buildings	4,052,423	76,065	-	-	4,128,488
2122 Furniture	246,478	-	-	-	246,478
2123 Office Equipment	94,764	8,648	-	-	103,412
2124 General Purpose Computers	214,485	26,659	-	-	241,144
2211 Analog Electronic Switching	-	-	-	-	-
2212 Digital Electronic Switching	933,941	12,587	(5,591)	-	940,936
2215 Electro-Mechanical Switching	-	-	-	-	-
2220 Operator Systems	-	-	-	-	-
2231 Radio Systems	536,908	13,298	-	-	550,206
2232 Circuit Equipment	4,268,916	430,594	(67,981)	-	4,631,529
2311 Station Apparatus	-	-	-	-	-
2321 Customer Premises Wiring	-	-	-	-	-
2341 Large Private Branch Exchanges	-	-	-	-	-
2351 Public Telephone Terminal Equipment	-	-	-	-	-
2362 Other Terminal Equipment	-	-	-	-	-
2411 Poles	103,273	-	-	-	103,273
2421 Aerial Cable	125,011	871	-	-	125,881
2422 Underground Cable	196,868	-	-	-	196,868
2423 Buried Cable	14,675,228	1,867,008	(6,542)	-	16,535,695
2424 Submarine Cable	-	-	-	-	-
2426 Intrabuilding Network Cable	11,044	-	-	-	11,044
2431 Aerial Wire	20,991	616	-	-	21,608
2441 Conduit Systems	416,150	-	-	-	416,150
2681 Capital Leases	-	-	-	-	-
2682 Leasehold Improvements	21,640	-	-	-	21,640
2690 Intangibles	-	-	-	-	-
TOTAL PLANT ACCOUNTS	27,483,816	2,843,867	(109,038)	-	30,218,644

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

	TOTAL Company Basis				Credits During Year	Retirements and Adjustments	Balance End of Year
	Balance Beginning of Year	Depreciation Rate*					
Analysis of Entries in Accumulated Depreciation							
1410 Internet	61,698	33.33%		13,446		75,144	
2112 Motor Vehicles	334,913	25.00%		52,953	(28,924)	358,943	
2113 Aircraft				-	-		
2114 Special Purpose Vehicles				-	-		
2115 Garage Work Equipment				-	-		
2116 Other Work Equipment	506,826	20.00%		39,997	-	546,822	
2121 Buildings	365,529	5.00%		211,069	-	576,597	
2122 Furniture	34,928	14.00%		34,507	-	69,435	
2123 Office Equipment	33,986	20.00%		19,784	-	53,770	
2124 General Purpose Computers	214,485	33.33%		26,659	-	241,144	
2211 Analog Electronic Switching				-	-		
2212 Digital Electronic Switching	459,744	12.00%		117,826	(5,591)	571,979	
2215 Electro-Mechanical Switching				-	-		
2220 Operator Systems				-	-		
2231 Radio Systems	594,266	20.00%		22,710	-	616,976	
2232 Circuit Equipment	2,966,480	12.50%		561,741	(66,856)	3,461,365	
2311 Station Apparatus				-	-		
2321 Customer Premises Wiring				-	-		
2341 Large Private Branch Exchanges				-	-		
2351 Public Telephone Terminal Equipment				-	-		
2362 Other Terminal Equipment				-	-		
2411 Poles	103,273	7.50%		-	-	103,273	
2421 Aerial Cable	119,854	8.60%		6,486	-	126,340	
2422 Underground Cable	160,760	10.00%		19,687	-	180,447	
2423 Buried Cable	9,245,328	6.50%		1,172,876	(6,345)	10,411,860	
2682 Amortize Leasehold Improvements	21,640	Amortize 18 Months		-	-	21,640	
2426 Intrabuilding Network Cable	11,044	6.50%		-	-	11,044	
2431 Aerial Wire	21,188			468	(197)	21,459	
2441 Conduit Systems	125,670	5.00%		20,808	-	146,477	
TOTAL	15,381,613			2,321,016	(107,913)	17,594,717	

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

	IDAHO Operations Only				
	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
1410 Internet	61,698	33.33%	13,446	-	75,144
2112 Motor Vehicles	334,913	25.00%	52,953	(28,924)	358,943
2113 Aircraft			-	-	
2114 Special Purpose Vehicles			-	-	
2115 Garage Work Equipment			-	-	
2116 Other Work Equipment	506,826	20.00%	39,997	-	546,822
2121 Buildings	312,377	5.00%	205,144	-	517,522
2122 Furniture	34,928	14.00%	34,507	-	69,435
2123 Office Equipment	33,986	20.00%	19,784	-	53,770
2124 General Purpose Computers	214,485	33.33%	26,659	-	241,144
2211 Analog Electronic Switching			-	-	
2212 Digital Electronic Switching	459,744	12.00%	117,826	(5,591)	571,979
2215 Electro-Mechanical Switching			-	-	
2220 Operator Systems			-	-	
2231 Radio Systems	536,908	20.00%	13,298	-	550,206
2232 Circuit Equipment	2,907,272	12.50%	546,652	(63,813)	3,390,111
2311 Station Apparatus			-	-	
2321 Customer Premises Wiring			-	-	
2341 Large Private Branch Exchanges			-	-	
2351 Public Telephone Terminal Equipment			-	-	
2362 Other Terminal Equipment			-	-	
2411 Poles	103,273	7.50%	-	-	103,273
2421 Aerial Cable	119,395	8.60%	6,486	-	125,881
2422 Underground Cable	160,760	10.00%	19,687	-	180,447
2423 Buried Cable	8,616,598	6.50%	1,121,273	(6,345)	9,731,526
2682 Amortize Leasehold Improvements	21,640	Amortize 18 Month:	-	-	21,640
2426 Intrabuilding Network Cable	11,044	6.50%	-	-	11,044
2431 Aerial Wire	21,188		468	(197)	21,459
2441 Conduit Systems	125,670	5.00%	20,808	-	146,477
TOTAL	14,582,707		2,238,988	(104,870)	16,716,825

*Please list individual depreciation rate for each account.

INVESTMENTS

Report below the investments in Accounts 1401, 1402 and 1406. Identify each investment as to the account in which included. Minor amounts in Account 1406 may be grouped by classes.

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
RTFC Certificates	1997	_____	261,315
RTFC Certificates	2003	_____	177,557
Syringa	2000	_____	1,198,717
Valley Wireless	2003	_____	580,096
Wells Fargo-New Century	2003	_____	2,003,651
_____	_____	_____	_____
_____	_____	_____	_____
Totals	_____	_____	4,221,335

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>
Due From Customers (1180)	_____	119,622
Neca (1190)	_____	554,816
Sprint (1190)	_____	-
ATT (1190)	_____	58,293
Other Interexchange Carriers)	_____	198,001
Other (1190)	_____	23,877
Schools & Libraries (1190)	_____	11,164
Affiliates (1190)	_____	(1,195,587)
Prepaid Income Taxes (1190)	_____	122,500
Bad Debt (1191)	_____	(14,000)
Shareholders (1210)	-	_____
_____	_____	_____
_____	_____	_____
Totals	-	(121,314)

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>
Curtis Note	DEC 2007	6%	DEC 2008	155,000
Totals				155,000

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Affiliates	286,514
Neca	13,252
Taxes	7,328
U.S. West	67
Other Carriers	-
Employee Payroll / Benefits	120,008
Totals	427,169

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 Total</u>	<u>Year Amortized</u>	<u>Interest for year Rate</u>	<u>Amount</u>
RTFC Note	5/7/1997	2012	10,000,000	4,363,704			5.50%	319,235
Four Star	2003	2008	435,902	443,225			1.68%	6,970
Less Current Portion				-				
Total Long Term Debt (Page 5)				4,806,929				

CAPITAL STOCK

Report below the particulars called for concerning common and preferred stock at end of year, designating separate series of any general class. Show totals separately for common and preferred.

For each class of preferred stock, show the dividend rate and whether dividends are cumulative or noncumulative.

Show details in a footnote of capital stock sold during the year. Include number of shares, consideration received, premium or discount, and expenses incurred.

<u>Class & Series of Stock</u>	<u>Number of Shares Authorized</u>	<u>Par Value per Share</u>	<u>Outstanding per Balance Sheet</u>	
			<u>Shares</u>	<u>Amount</u>
Common Stock Voting	25,000	1	2500	2500
Common Stock Non-voting	75,000	1	8983	8983

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	8,655,564	8,188,163
Total Operating Expenses (from page 18)	(7,172,217)	(6,784,917)
7100 Other Operating Income and Expense	-	-
7210 Operating Investment Tax Credits-Net	-	-
7220 Operating Federal Income Taxes	910,473	861,307
7230 Operating State and Local Income Taxes	57,864	54,739
7240 Operating Other Taxes	54,807	51,848
7250 Provision for Deferred Operating Income Taxes-Net	(265,541)	(251,202)
7200 Operating Taxes (Total)	757,603	716,693
7310 Dividend Income	(43,016)	(40,693)
7320 Interest Income	(24,302)	(22,990)
7330 Income from Sinking and Other Funds	-	-
7340 Allowance for Funds Used During Construction	-	-
7350 Gains/Losses from the Disposition of Certain Property	-	-
7360 Other Nonoperating Income	(396,995)	(375,557)
7370 Special Charges	20,745	19,624
7300 Nonoperating Income and Expense	(443,568)	(419,616)
7410 Nonoperating Investment Tax Credits-Net	-	-
7420 Nonoperating Federal Income Taxes	51,732	48,938
7430 Nonoperating State and Local Income Taxes	13,231	12,517
7440 Nonoperating Other Taxes	-	-
7450 Provision for Deferred Nonoperating Income Taxes-Net	(64,963)	(61,455)
7400 Nonoperating Taxes	-	-
7510 Interest on Funded Debt	319,235	301,996
7520 Interest Expense-Capital Leases	-	-
7530 Amortization of Debt Issuance Expense	-	-
7540 Other Interest Deductions	7,533	7,126
7500 Interest and Related Items	326,767	309,122
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	-	-
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	-	-
7990 Nonregulated Net Income	458,412	433,658
AMOUNT TRANSFERRED TO RETAINED EARNINGS	1,300,957	1,230,706

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	1,626,376	1,538,551
5002 Optional Extended Area Revenue		-
5003 Cellular Mobile Revenue		-
5004 Other Mobile Services Revenue		-
5010 Public Telephone Revenue	189	178
5040 Local Private Line Revenue	91,910	86,947
5050 Customer Premises Revenue		-
5060 Other Local Exchange Revenue	323,656	306,179
5069 Other Local Exchange Settlements	2,700,055	2,554,252
Network Access Services Revenues		
5081 End User Revenue (SLC)	464,456	439,375
5082 Switched Access Revenue (Interstate)	2,252,458	2,130,825
5083 Special Access Revenue	799,573	756,396
5084 State Access Revenue (Intrastate)	164,147	155,283
Long Distance Network Services Revenues		-
5100 Long Distance Message Revenue - All	-	-
Miscellaneous Revenues		
5230 Directory Revenue	59,644	56,424
5240 Rent Revenue	16,071	15,204
5250 Corporate Operations Revenue		-
5261 Special Billing Arrangements Revenue		-
5262 Customer Operations Revenue		-
5263 Plant Operations Revenue		-
5264 Other Incidental Regulated Revenue	72,045	68,154
5269 Other Revenue Settlements		-
5270 Carrier Billing & Collection Revenue	90,978	86,065
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(4,527)	(4,282)
5302 Uncollectible Revenue - Other	(1,466)	(1,387)
		-
TOTAL OPERATING REVENUES	8,655,564	8,188,163

Please identify the following revenues:

NECA USF	\$ <u>2,696,782</u>	To what account were they booked?	5069.10
State USF	\$ <u>-</u>	To what account were they booked?	5069.22

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses	-	-
6112 Motor Vehicle Expense	2,155	2,039
6113 Aircraft Expense	-	-
6114 Special Purpose Vehicles Expense	-	-
6115 Garage Work Equipment Expense	-	-
6116 Other Work Equipment Expense	-	-
6120 General Support Expenses	-	-
6121 Land and Building Expenses	241,879	228,817
6122 Furniture and Artworks Expense	7,249	6,858
6123 Office Equipment Expense	14,860	14,058
6124 General Purpose Computers Expense	198,032	187,338
6210 Central Office Switching Expenses	-	-
6211 Analog Electronic Expense	-	-
6212 Digital Electronic Expense	296,519	280,507
6215 Electro-Mechanical Expense	-	-
6220 Operators System Expense	-	-
6230 Central Office Transmission Expenses	-	-
6231 Radio Systems Expense	2,847	2,693
6232 Circuit Equipment Expense	161,242	152,535
6310 Information Origination/Termination Expense	-	-
6311 Station Apparatus Expense	-	-
6341 Large Private Branch Exchange Expense	-	-
6351 Public Telephone Terminal Equipment Expense	5,588	5,287
6362 Other Terminal Equipment Expense	-	-
6410 Cable and Wire Facilities Expenses	-	-
6411 Pole Expense	-	-
6421 Aerial Cable Expense	2,523	2,387
6422 Underground Cable Expense	-	-
6423 Buried Cable Expense	1,757,681	1,662,767
6424 Submarine Cable Expense	-	-
6425 Deep Sea Cable Expense	-	-
6426 Intrabuilding Network Cable Expense	-	-
6431 Aerial Wire Expense	-	-
6441 Conduit Systems Expense	-	-
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	2,690,577	2,545,285

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses	-	-
6511 Property Held for Future Telecomm. Use Expenses	-	-
6512 Provisioning Expense	-	-
6530 Network Operations Expense	-	-
6531 Power Expense	-	-
6532 Network Administration Expense	22,485	21,271
6533 Testing Expense	20,347	19,249
6534 Plant Operations Administration Expense	57,552	54,444
6535 Engineering Expense	178,933	169,271
6540 Access Expense	44,252	41,862
6560 Depreciation and Amortization Expenses	-	-
6561 Depreciation Expense-Telecom. Plant in Service	2,321,016	2,195,681
6562 Depreciation Expense-Property Held for Future Use	-	-
6563 Amortization Expense - Tangible	-	-
6564 Amortization Expense - Intangible	-	-
6565 Amortization Expense - Other	-	-
Total Plant Nonspecific Operations Expenses	2,644,585	2,501,777
Customer Operations Expense		
6610 Marketing	-	-
6611 Product Management	-	-
6612 Sales	94,638	89,528
6613 Product Advertising	21,923	20,739
6620 Services	-	-
6621 Call Completion Services	-	-
6622 Number Services	49,287	46,625
6623 Customer Services	510,897	483,309
Total Customer Operations Expense	676,745	640,201
Corporate Operations Expense		
6710 Executive and Planning	-	-
6711 Executive	232,948	220,369
6712 Planning	24,380	23,063
6720 General and Administrative	-	-
6721 Accounting and Finance	319,319	302,076
6722 External Relations	64,872	61,368
6723 Human Resources	111,195	105,190
6724 Information Management	-	-
6725 Legal	572	541
6726 Procurement	13,431	12,706
6727 Research and Development	-	-
6728 Other General and Administrative	393,595	372,341
6790 Provision for Uncollectible Notes Receivable	-	-
Total Corporate Operations Expense	1,160,311	1,097,654
TOTAL OPERATING EXPENSES	7,172,217	6,784,917

CENTRAL OFFICE DATA
as of December 31, 2007 (unless otherwise indicated)

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

Central Office Switch Type: DMS 10

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

Access Line Capacity
Design: Access Lines in Use
Customer Lines: 4317
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped:
Public Telephone Lines 12
Company Official Lines 67
Company Test Lines 0

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		3146		832	288		4266
New Connects		15		82	27		124
Disconnects		58		5	10		73
End of Year		3103		909	305		4317
			Subtotal Residence			Subtotal Business	
			3146			1120	
			15			109	
			58			15	
			3103			1214	

Foreign Exchange:

Dial Tone from this C.O.: Directory Listings: 152
Dial Tone from another C.O.: Number of Customers with Nonpublished or Nonlisted:

Custom Calling:
Number of customers with at least one feature: N/A
Total number of features subscribed to: N/A

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2007

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1							
2							
3							
4							
5		186,545		98,734	1,293,914	1,392,648	
6		82,433		54,640	906,821	961,461	
7		41,560		23,350	316,883	340,233	
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2007.

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 _____

Included in directory Yes X No _____

Date of notification _____

Alternate method of notification _____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 4

Category of complaints (if known):

Deposit Disputes

Charges on Bill 1

Denial/Termination 2

Quality or Availability
of Service 1

Carrier Selection/Assignment _____

Miscellaneous _____

Rev 3/02

CERTIFICATE

State of Idaho)
County of Teton) ss

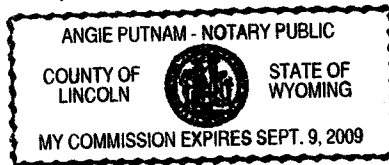
WE, the undersigned Chad Turner
and Doran Fluekiger
of the Silver Star Telephone Company utility,
on our oath do severally say that the foregoing return has been prepared under our direction, from
the original books, papers, and records of said utility; that we have carefully examined same, and
declare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

Chad Turner
(Chief Officer)

Doran Fluekiger
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 28th day of April, (Year) 2008.

Angie Putnam
Notary Public



My Commission expires Sept. 09, (Year) 2009.