

ANNUAL REPORT

OF **CTL-T**

CTC Telecom, Inc.

NAME

P.O. Box 88, Cambridge, ID 83610

ADDRESS

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UTILITIES COMMISSION

FOR THE

YEAR ENDED December 31,

2007



ACCOUNTANT'S COMPILATION REPORT

The Board of Directors
CTC Telecom, Inc.
Cambridge, Idaho 83610

We have compiled the accompanying balance sheets of CTC Telecom, Inc. as of December 31, 2007 and 2006, and the related income and retained earnings statement for the year ended December 31, 2007, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information, except for pages 1, 2, 18, 19, and 20.

Our compilation was limited to presenting in the form prescribed by the Idaho Public Utilities Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly; do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of the Idaho Public Utilities Commission, which differ from generally accepted accounting principles. Accordingly, the financial statements and supplementary information are not designed for those who are not informed about such differences.

The information contained on pages 1, 2, 18, 19, and 20 has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

Kiesling Associates LLP

Colorado Springs, CO
April 26, 2008

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING DECEMBER 31, 2007**

COMPANY INFORMATION

Exact name of utility: CTC Telecom, Inc.

Address of principal office: P.O. Box 69, 130 Superior St., Cambridge, ID 83610

Telephone Number (Area Code 208) 257-3314

Cities or towns served: Hidden Springs, ID, Boise

Name and title of officer having custody of the general corporate books of account: _____
Richard Wiggins, President

Address of office where corporate books are kept and phone number: _____
P.O. Box 69, 130 Superior St., Cambridge, ID 83610, (208) 257-3314

Organized under the laws of the State of: Idaho

Date of organization: 17-Feb-98

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

If a Subchapter S Corporation, please specify: _____

Name and address of controlling company, if any: Cambridge Telephone Company, Inc.
P.O. Box 69, 130 Superior St., Cambridge, ID 83610

Names of affiliated companies. Give address and description of business: Cambridge Telephone Company, Inc.
P.O. Box 69, 130 Superior St., Cambridge, ID 83610-Telecommunications Service;
CTC Construction, LLC P.O. Box 88, Cambridge, ID 83610-Construction Services

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	Richard Wiggins	1745 Fairview Ave., Weiser, ID 83672
Vice President	Kermit Wiggins	P.O. Box 69, Cambridge, ID 83610
Secretary/Treasurer	Kristie Kanady	P.O. Box 353, Cambridge, ID 83610

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
Richard Wiggins			
P.O. Box 69, Cambridge, ID 83610	Indefinite	1	None
Kermit Wiggins			
P.O. Box 69, Cambridge, ID 83610	Indefinite	1	None
Kristie Kanady			
P.O. Box 353, Cambridge, ID 83610	Indefinite	1	None

Name of Chairman of the Board: Richard Wiggins
 Name of Secretary (or Clerk) of Board: Kristie Kanady
 Number of Meetings of the Board during the year: 1

MANAGERS

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

Name	Title	Wages and Bonuses Paid
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

NOTES TO THE FINANCIAL STATEMENTS

Please provide important information such as changes in accounting or depreciation practices, extensions or additions to the system; disposal of any substantial portion of the property of the utility; reorganization, mergers, or consolidations with other companies; leases executed; other contracts or agreements entered into; changes made in articles of incorporation or amendments; the occurrence of contingency losses or gains.

1 In 1998, CTC Telecom, Inc., (CTC) a wholly-owned subsidiary of Cambridge Telephone Company Inc. was incorporated, with an initial investment of \$100,000. CTC operates as a Competitive Local Exchange Carrier in the state of Idaho. Construction of plant facilities was complete in 1999 and began providing services on September 1, 1999. PCS wireless facilities were completed and service initiated in September, 2001. Additional paid-in capital of \$900,000 was invested by Cambridge Telephone Company, Inc. through December 31, 2007.

2 In April, 1999, CTC secured a loan from CoBank, ACB in the amount of \$1,700,000, of which \$896,981 was unpaid as of December 31, 2007. The loan is secured by a Leasehold Deed of Trust and Security Agreement covering all real and personal property. In addition, the loan is secured by Personal Guarantee of Payment Agreements by certain shareholders of Cambridge Telephone Company, and Pledge Agreements for stock of Cambridge Telephone Company owned by certain shareholders.

An additional loan from CoBank, ACB of \$800,000 was arranged for in 2001 of which \$332,334 was unpaid as of December 31, 2007.

3 The Company has entered into a lease for land effective 2/15/99. The lease is 10 years and additional leases were obtained for cell sites in 2001. Annual lease payments are \$12,900.

4 During 2006, the Company made a prior period adjustment to reclassify \$21,375 of payments received in 2005 out of 2005 net income and into a deferred revenue account to be recognized over 10 years, the expected life of the assets. Had this reclassification not been made, 2005 net income (loss) would have been reduced by \$21,375, net of tax of \$7,550. Prior year balance sheet items were adjusted to reflect this prior period adjustment.

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	7,049	50	(6,999)
1140 Special Cash Deposits			-
1150 Working Cash Advances			-
1160 Temporary Investments			-
1180 Telecommunications Accts. Receivable	27,248	7,400	(19,848)
1181 Accts. Rec. Allow. -Telecommunications			-
1190 Other Accounts Receivable	44,812	64,777	19,965
1191 Accounts Receivable Allow. - Other			-
1200 Notes Receivable			-
1201 Notes Receivable Allowance			-
1210 Interest & Dividends Receivable			-
1220 Material and Supplies	15,665	20,561	4,896
1280 Prepayments			-
1290 Prepaid Rents	10,200	7,200	(3,000)
1300 Prepaid Taxes			-
1310 Prepaid Insurance			-
1320 Prepaid Directory Expenses			-
1330 Other Prepayments			-
1350 Other Current Assets			-
Noncurrent Assets			
1401 Investment in Affiliated Companies			-
1402 Investment in Nonaffiliated Companies	188,319	195,081	6,762
1406 Nonregulated Investments			-
1407 Unamortized Debt Issuance Expense			-
1408 Sinking Funds			-
1410 Other Noncurrent Assets	70,278	70,278	-
1438 Deferred Maintenance & Retirements			-
1439 Deferred Charges	7,900	7,900	-
1500 Other Jurisdiction Assets - Net			-
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	4,039,341	4,486,386	447,045
2002 Prop. Held for Future Telecom. Use			-
2003 Telecom. Plant under Constr. - Short Term	67,980	-	(67,980)
2004 Telecom. Plant under Constr. - Long Term			-
2005 Telecom. Plant Adjustment			-
2006 Nonoperating Plant			-
2007 Goodwill			-
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	(1,607,650)	(1,980,190)	(372,540)
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	(12,294)	-	12,294
3500 Accumulated Amortization - Intangible			-
3600 Accumulated Amortization - Other			-
TOTAL ASSETS	2,858,848	2,879,443	20,595

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	1,284,518	1,532,255	247,737
4020 Notes Payable			-
4030 Advance Billings and Payments	87,578	91,369	3,791
4040 Customer Deposits			-
4050 Current Maturities - Long -Term Debt	241,667	241,667	-
4060 Current Maturities - Capital leases			-
4070 Income Taxes - Accrued			-
4080 Other Taxes - Accrued	16,786	14,992	(1,794)
4100 Net Current Defer. Oper. Income Taxes			-
4110 Net Current Defer. Nonoper. Income Taxes			-
4120 Other Accrued Liabilities	10,643	8,223	(2,420)
4130 Other Current Liabilities			-
Long-Term Debt			
4210 Funded Debt	1,229,315	987,648	(241,667)
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			-
4330 Unamort. Nonoper. Invest. Tax Credits - Net			-
4340 Net Noncurrent Defer. Oper. Income Taxes	56,744	45,883	(10,861)
4350 Net Noncur. Defer. Nonoper. Income Taxes	5,630	4,777	(853)
4360 Other Deferred Credits	65,373	107,747	42,374
4370 Other Juris. Liab. & Def. Credits - Net			-
Stockholders' Equity			
4510 Capital Stock	100,000	100,000	-
4520 Additional Paid-In Capital	900,000	900,000	-
4530 Treasury Stock			-
4540 Other Capital			-
4550 Retained Earnings	(1,139,406)	(1,155,118)	(15,712)
TOTAL LIAB. & OTHER CREDITS	2,858,848	2,879,443	20,595

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
2111 Land	57,586				57,586
2112 Motor Vehicles	31,998			32,602	64,600
2113 Aircraft	-				-
2114 Special Purpose Vehicles	-				-
2115 Garage Work Equipment	-				-
2116 Other Work Equipment	-				-
2121 Buildings	503,049	20,965			524,014
2122 Furniture	335				335
2123 Office Equipment	-				-
2124 General Purpose Computers	18,748				18,748
2211 Analog Electronic Switching	-				-
2212 Digital Electronic Switching	630,483	220,160	(5,731)	(8,996)	835,916
2215 Electro-Mechanical Switching	-				-
2220 Operator Systems	-				-
2231 Radio Systems	-				-
2232 Circuit Equipment	1,158,609	64,952		8,996	1,232,557
2311 Station Apparatus	-				-
2321 Customer Premises Wiring	-				-
2341 Large Private Branch Exchanges	-				-
2351 Public Telephone Terminal Equipment	-				-
2362 Other Terminal Equipment	-				-
2411 Poles	-				-
2421 Aerial Cable	-				-
2422 Underground Cable	-				-
2423 Buried Cable	1,479,473	130,045			1,609,518
2424 Submarine Cable	-				-
2426 Intrabuilding Network Cable	-				-
2431 Aerial Wire	-				-
2441 Conduit Systems	13,365				13,365
2681 Capital Leases	-				-
2682 Leasehold Improvements	17,563			(17,563)	-
1410 Internet	128,132	1,615			129,747
TOTAL PLANT ACCOUNTS	4,039,341	437,737	(5,731)	15,039	4,486,386

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
2111 Land		SAME AS TOTAL COMPANY			
2112 Motor Vehicles					
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
TOTAL PLANT ACCOUNTS					

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							
2112 Motor Vehicles	26,998	20.00%		5,000	32,602	64,600	
2113 Aircraft	-					-	
2114 Special Purpose Vehicles	-					-	
2115 Garage Work Equipment	-					-	
2116 Other Work Equipment	-					-	
2121 Buildings	128,151	3.00, 5.00%		23,826		151,977	
2122 Furniture	126	12.50%		42		168	
2123 Office Equipment	-					-	
2124 General Purpose Computers	10,075	20.00%		3,750		13,825	
2211 Analog Electronic Switching	-					-	
2212 Digital Electronic Switching	348,205	12.00%		82,545	(5,731)	425,019	
2215 Electro-Mechanical Switching	-					-	
2220 Operator Systems	-					-	
2231 Radio Systems	-					-	
2232 Circuit Equipment	571,892	10%, 12.50%		127,537		699,429	
2311 Station Apparatus	-					-	
2321 Customer Premises Wiring	-					-	
2341 Large Private Branch Exchanges	-					-	
2351 Public Telephone Terminal Equipment	-					-	
2362 Other Terminal Equipment	-					-	
2411 Poles	-					-	
2421 Aerial Cable	-					-	
2422 Underground Cable	-					-	
2423 Buried Cable	414,290	8.00%		90,461		504,751	
2424 Submarine Cable	-					-	
2426 Intrabuilding Network Cable	-					-	
2431 Aerial Wire	-					-	
1410 Internet	100,495	10.00%		11,639		112,134	
2441 Conduit Systems	7,418	8.00%		869		8,287	
TOTAL	1,607,650			345,669	26,871	1,980,190	

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

IDAHO Operations Only

Analysis of Entries in Accumulated Depreciation

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
2112 Motor Vehicles		SAME AS TOTAL COMPANY			
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intra-building Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
TOTAL					

*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>
CoBank patronage	various		85,881
Info USA Stock	11/27/2002		109,200
Totals			195,081

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>
Customer accounts receivable		9,341
Interexchange carriers		3,644
CoBank		6,762
Miscellaneous		52,430
Totals		72,177

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>
NONE				
Totals				

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Cambridge Telephone Company	1,482,266
Track Utilities, Inc.	13,719
RINA, LLC	11,959
Zone Telecom	10,187
Bank overdraft at 12/31/07	9,581
Other, Various	4,543
Totals	1,532,255

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	629,341	Same as
Total Operating Expenses (from page 17)	984,277	total company
7100 Other Operating Income and Expense		
7210 Operating Investment Tax Credits-Net		
7220 Operating Federal Income Taxes		
7230 Operating State and Local Income Taxes		
7240 Operating Other Taxes	29,983	
7250 Provision for Deferred Operating Income Taxes-Net	(11,714)	
7200 Operating Taxes (Total)	18,269	
7310 Dividend Income	13,524	
7320 Interest Income		
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	11,094	
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income		
7370 Special Charges		
7300 Nonoperating Income and Expense	24,618	
7410 Nonoperating Investment Tax Credits-Net		
7420 Nonoperating Federal Income Taxes		
7430 Nonoperating State and Local Income Taxes		
7440 Nonoperating Other Taxes		
7450 Provision for Deferred Nonoperating Income Taxes-Net		
7400 Nonoperating Taxes	-	
7510 Interest on Funded Debt	116,483	
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions		
7500 Interest and Related Items	116,483	
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	449,358	
AMOUNT TRANSFERRED TO RETAINED EARNINGS	(15,712)	

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	240,659	Same as
5002 Optional Extended Area Revenue		total company
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue		
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	82,013	
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	42,823	
5082 Switched Access Revenue (Interstate)	17,175	
5083 Special Access Revenue		
5084 State Access Revenue (Intrastate)	17,931	
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	185,688	
Miscellaneous Revenues		
5230 Directory Revenue	2,664	
5240 Rent Revenue	48,712	
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue		
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	371	
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue		
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(8,695)	
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	629,341	

Please identify the following revenues:

NECA USF \$ NONE . To what account were they booked?

State USF \$ NONE . To what account were they booked?

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		<u>Same as</u>
6112 Motor Vehicle Expense	<u>5,440</u>	<u>total company</u>
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	<u>14,635</u>	
6122 Furniture and Artworks Expense		
6123 Office Equipment Expense		
6124 General Purpose Computers Expense	<u>17,718</u>	
6210 Central Office Switching Expenses		
6211 Analog Electronic Expense		
6212 Digital Electronic Expense	<u>76,964</u>	
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses		
6231 Radio Systems Expense		
6232 Circuit Equipment Expense	<u>120,554</u>	
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense		
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense		
6362 Other Terminal Equipment Expense		
6410 Cable and Wire Facilities Expenses		
6411 Pole Expense		
6421 Aerial Cable Expense		
6422 Underground Cable Expense		
6423 Buried Cable Expense	<u>24,675</u>	
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	<u>259,986</u>	

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		Same as
6511 Property Held for Future Telecomm. Use Expenses		total company
6512 Provisioning Expense		
6530 Network Operations Expense		
6531 Power Expense	572	
6532 Network Administration Expense	2,566	
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense	1,126	
6540 Access Expense	176,343	
6560 Depreciation and Amortization Expenses	334,029	
6561 Depreciation Expense-Telecom. Plant in Service		
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	514,636	
Customer Operations Expense		
6610 Marketing	13,244	
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	315	
6623 Customer Services	127,412	
Total Customer Operations Expense	140,971	
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	11,343	
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	32,642	
6722 External Relations		
6723 Human Resources		
6724 Information Management		
6725 Legal	2,560	
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	22,139	
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	68,684	
TOTAL OPERATING EXPENSES	984,277	

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

Name of Central Office: Hidden Springs
Prefix (es): 229

Central Office Switch Type: EWSD & CSX

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

Access Line Capacity
Design: 10,000 **Access Lines in Use**
Customer Lines: 842
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 1344 Public Telephone Lines 0

Company Official Lines 8

Company Test Lines 0

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line 1-Party	Multi-Line 1-Party	Centrex N.A.R.	1-Party	Multi-Party	
Beginning of Year		731			78		809
New Connects		188			7		195
Disconnects		154			8		162
End of Year		765			77		842

Foreign Exchange:
Dial Tone from this C.O.: 0 **Directory Listings:**
Dial Tone from another C.O.: 0 Number of Customers with Nonpublished or Nonlisted: 304

Custom Calling:
Number of customers with at least one feature: 583
Total number of features subscribed to: 26

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	
1 229	843			38,805	326,794	365,599	434
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

CERTIFICATE

State of Idaho)
) ss
County of Washington)

WE, the undersigned RICHARD WIGGINS

and ANN E SHARP

of the CTC TELECOM, INC. 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.

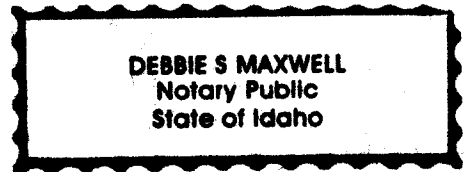
Richard Wiggins
(Chief Officer)

Ann E Sharp
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 30 day of April, (Year) 2008.

Debbie S Maxwell
Notary Public

My Commission expires 8-24, (Year) 2013.



Rev 3/02

gdk/excel/jnelson/annualrpts/telannualrpt