# RECEIVED 2009 APR 30 PM 2:22 ANNUAL REPORT

C+L-T OF

CTC Telecom, Inc.

NAME

PO Box 88, Cambridge, ID 83610

**ADDRESS** 

## TO THE

# **IDAHO PUBLIC**

# **UTILITIES COMMISSION**

### FOR THE

YEAR ENDED December 31, 2008



### 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, 2008 and 2007, and the related income and retained earnings statement for the year ended December 31, 2008, 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.

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April 28, 2009

### ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO THE IDAHO PUBLIC UTILITIES COMMISSION FOR THE YEAR ENDING DECEMBER 31, 2008

### **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.	С.
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	Kristie Kanady	P.O. Box 353, Cambridge, ID 83610
Treasurer	Joana Wiggins	P.O. Box 69, Cambridge, ID 83610

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### 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.)

Ter	m Expired		
or Cu	rrent Term	Meetings Attended	Fees Paid
Name Wi	II Expire	This year	During Year
and Address		· · · · · · · · · · · · · · · · · · ·	
Richard Wiggins			· · · · · · · · · · · · · · · · · · ·
P.O. Box 69, Cambridge, ID 836	10 Indefinite	1	None
Kermit Wiggins			
P.O. Box 69, Cambridge, ID 836	10 Indefinite	1	None
Kristie Kanady			
P.O. Box 353, Cambridge, ID 83	610 Indefinite	1	None
Joana Wiggins			
P.O. Box 69, Cambridge, ID 836	10 Indefinite	1	None
Name of Chairman of the Board:	Richard Wi	iggins	
Name of Secretary (or Clerk) of I	Board:	Kristie Kanady	
Number of Meetings of the Board	d 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
		· · · · · · · · · · · · · · · · · · ·
······································		· · · · · · · · · · · · · · · · · · ·

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### 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 \$1,900,000 was invested by Cambridge Telephone Company, Inc. through December 31, 2008.

2 In April, 1999, CTC secured a loan from CoBank, ACB in the amount of \$1,700,000, of which
 \$755,315 was unpaid as of December 31, 2008. 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 \$232,333 was unpaid as of December 31, 2008.

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.

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### BALANCE SHEET Assets and Other Debits

		Balance Beginning	Balance at End	Increase or
Title of	Account	of Year	of Year	(Decrease)
	Current Assets			
1120	Cash and Equivalents			
1130	Cash	50	8,899	8,849
1140	Special Cash Deposits	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	-
1150	Working Cash Advances			
1160	Temporary Investments	<u></u>		
1180	Telecommunications Accts. Receivable	7,400	5,918	(1,482)
1181	Accts. Rec. AllowTelecommunications			
1190	Other Accounts Receivable	64,777	24,135	(40,642)
1191	Accounts Receivable Allow Other			
1200	Notes Receivable	······································		
1201	Notes Receivable Allowance			<u> </u>
1210	Interest & Dividends Receivable	·····	· · · · ·	
1220	Material and Supplies	20,561	28,934	8,373
1280	Prepayments	20,001	20,954	0,075
1290	Prepaid Rents	7,200		(7 000)
1300		7,200		(7,200)
	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	195,081	198,970	3,889
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	4,486,386	4,611,816	125,430
2002	Prop. Held for Future Telecom. Use	1,100,000		
2003	Telecom. Plant under Constr Short Term			· · · · · · · · · · · · · · · · · · ·
2004	Telecom. Plant under Constr Long Term			
2005	Telecom. Plant Adjustment			
2005	Nonoperating Plant			
2000	Goodwill	· · · · · · · · · · · · · · · · · · ·		
2007	Depreciation and Amortization Accounts		·····	
2400	Accumulated Depresented	(4.000.400)	(0.074.407)	(204 247)
3100	Accumulated Depreciated	(1,980,190)	(2,274,437)	(294,247)
3200	Accum. Depre Held for Future Use			
3300	Accumulated Depreciation - Nonoperating			÷
3400	Accumulated Amortization - Tangible			. · · · · · · · · · · · · · · · · · · ·
3410	Accum. Amort Capitalized Leases	·		<del></del>
3420	Accum. Amort Leasehold Improvements	-		- <u> </u>
3500	Accumulated Amortization - Intangible			-
3600	Accumulated Amortization - Other			-
	TOTAL ASSETS	2,879,443	2,682,413	(197,030)

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### 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	1,537,439	736,299	(801,140)
4020	Notes Payable	i		
4030	Advance Billings and Payments	91,369	84,041	(7,328)
4040	Customer Deposits	<u>.</u>		•
4050	Current Maturities - Long -Term Debt	241,667	241,667	
4060	Current Maturities - Capital leases			-
4070	Income Taxes - Accrued	· · · ·	· · · · · · · · · · · · · · · · · · ·	
4080	Other Taxes - Accrued	14,992	15,164	172
4100	Net Current Defer. Oper. Income Taxes			-
	Net Current Defer. Nonoper. Income Taxes			-
	Other Accrued Liabilities	8,223	3,703	(4,520)
4130	Other Current Liabilities			-
	Long-Term Debt			
	Funded Debt	987,648	745,981	(241,667)
	Premium on Long-Term Debt			. <b>.</b>
	Discount on Long-Term Debt			
	Reacquired Debt			<b>.</b>
	Obligations Under Capital Leases			
	Advances from Affiliated Companies			
4270	Other Long-Term Debt		·	-
	Other Liabilities & Deferred Credits	<b></b>		
	Other Long-Term Liabilities			-
	Unamort. Oper. Invest. Tax Credits - Net		·	
	Unamort. Nonoper. Invest. Tax Credits - Net			
	Net Noncurrent Defer. Oper. Income Taxes	45,883	10,684	(35,199)
	Net Noncur. Defer. Nonoper. Income Taxes	4,777	3,924	(853)
	Other Deferred Credits	107,747	59,783	(47,964)
4370	Other Juris. Liab. & Def. Credits - Net		••••••••••••••••••••••••••••••••••••	e * • •
4540	Stockholders' Equity	400.000	400.000	
	Capital Stock	100,000	100,000	4 000 000
	Additional Paid-In Capital	900,000	1,900,000	1,000,000
	Treasury Stock		,	
	Other Capital	(1 460 202)	(1 010 000)	-
4550	Retained Earnings	(1,160,302)	(1,218,833)	(58,531)
	TOTAL LIAB. & OTHER CREDITS	2,879,443	2,682,413	(197,030)

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ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE TOTAL Company Basis

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Analysis 2111		Balance		Plant	Iransters	Balance
Analysis 2111						
Analysis 2111		Beginning of Vear	Additions	Retired or Sold	and Adjustments	End of Vear
2111	Analvsis of Telecommunications Plant in Service			200		
	Land	57,586				57,586
2112	Motor Vehicles	64,600	29,606			94,206
2113	Aircraft					
2114	Special Purpose Vehicles					
2115	Garage Work Equipment					
2116	Other Work Equipment	•				
2121	Buildings	524,014				524,014
2122	Furniture	335				335
2123	Office Equipment				-	•
2124	General Purpose Computers	18,748				18,748
2211	Analog Electronic Switching					T
2212	Digital Electronic Switching	835,916	18,716	(70,422)		784,210
2215	Electro-Mechanical Switching					1
2220	Operator Systems					
2231	Radio Systems					•
2232	Circuit Equipment	1,232,557	13,939			1,246,496
2311	Station Apparatus	•				
2321	Customer Premises Wiring					
2341	Large Private Branch Exchanges	1				
2351	Public Telephone Terminal Equipment					
2362	Other Terminal Equipment					
	Poles	-				,
2421	Aerial Cable					
2422	Underground Cable					
2423	Buried Cable	1,609,518	140,515	(6,117)		1,743,916
2424	Submarine Cable					1
2426	Intrabuilding Network Cable	1				1
2431	Aerial Wire					
2441	Conduit Systems	13,365				13,365
2681	Capital Leases	ŀ				r
2682	Leasehold Improvements					
1410	Internet	129,747			(807)	128,940
	TOTAL PLANT ACCOUNTS	4,486,386	202,776	(76,539)	(807)	4,611,816

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See Accountant's Complication Report

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	Balance		Plant	Transfere	Ralance
	balance Beginning of Year	Additions During Year	Retired or Sold	I ransrers and Adjustments	balance End of Year
Analysis of Telecommunications Plant in Service				•	
1		SAME AS TOTAL COMPANY	MPANY		
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ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION Account 3100

**TOTAL Company Basis** 

Credits	During	Year
•	Depreciation	Rate*
Balance	Beginning	of Year

Balance End of Year

Retirements and Adjustments

64,600	1	-		176,175	210	•	17,575	1	455,479		1		830,571	đ	ſ	•	1	I			•	596,707		•	•	123,965	9,155	2,274,437
				-					(70,422)					-								(6,117)			-			(76,539)
				24,198	42		3,750		100,882				131,142									98,073				11,831	868	370,786
20.00%				3.00, 5.00%	12.50%		20.00%		12.00%				10%, 12.50%									8.00%				10.00%	8.00%	
on 64,600			I	151,977	168		13,825		425,019		•		699,429		I		T	B				504,751	-			112,134	8,287	1,980,190
Analysis of Entries in Accumulated Depreciation 2112 Motor Vehicles			Other Work Equipment	Buildings	Furniture	Office Equipment	General Purpose Computers	Analog Electronic Switching	Digital Electronic Switching	Electro-Mechanical Switching	Operator Systems	Radio Systems	Circuit Equipment	Station Apparatus	<b>Customer Premises Wiring</b>	Large Private Branch Exchanges	Public Telephone Terminal Equipment	Other Terminal Equipment	Poles	Aerial Cable	Underground Cable	Buried Cable	Submarine Cable	Intrabuilding Network Cable	Aerial Wire	Internet	Conduit Systems	TOTAL
Analy 2112 2113	2114	2115	2116	2121	2122	2123	2124	2211	2212	2215	2220	2231	2232	2311	2321	2341	2351	2362	2411	2421	2422	2423	2424	2426	2431	1410	2441	

\*Please list individual depreciation rate for each account.

See Accountant's Compilation Report

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ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION Account 3100

**IDAHO Operations Only** 

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Retirements

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

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### **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.

Description	Date Acquired	Book Cost of Investments Disposed of <u>This year</u>	Book Cost of Investments Held at <u>End of Year</u>
CoBank patronage	various		89,770
Info USA Stock	11/27/2002	· · · · · · · · · · · · · · · · · · ·	109,200
			· · · · · · · · · · · · · · · · · · ·
Totals		<u> </u>	198,970

### 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>Amount</u>	at End	<u>of Year</u>
Name of Company	Notes <u>Receivable</u>		Accounts <u>Receivable</u>
Customer accounts receivable	 		7,218
Interexchange carriers			2,184
CoBank			7,222
Miscellaneous	 		13,429
· · · · · · · · · · · · · · · · · · ·	 ······		
Totals			30,053

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### **NOTES PAYABLE**

For Notes Payable, list each note separately and include the maturity date and interest rate.

Name of Creditor NONE	Date of Note	Interest <u>Rate</u>	Due Date	Face Amount
		· <u>····································</u>		
			·····	
•				
		·····		
Totals				
	······································			<u></u>

### ACCOUNTS PAYABLE

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

Name of Creditor	Amount
Cambridge Telephone Company	699,671
Hill & Welch	5,950
Kiesling Associates LLP	3,656
USAC	4,352
Zone Telecom	10,465
Qwest	7,223
Other, Various	4,982
Totals	736,299

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.

Class & Series of Obligation CoBank 4/ CoBank 5	of	Ĵ	•					
	Issue	or Maturity	Amount	Outstanding Year-End	Total	Year Amortized	<u>Interest for year</u> Rate Am	or <u>vear</u> Amount
	4/15/1999	4/20/2014	1,700,000	755,315			variable	50,375
	5/1/2001	5/20/2011	800,000	232,333			variable	17,216
Less current maturities				(241,667)	·			
	-							
					-			
Total				745,981				67,591

See Accountant's Complication Report

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### **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.

	Number of Shares	Par Value	Outstan Balanc	ding per e Sheet
Class & Series of Stock	<b>Authorized</b>	<u>per Share</u>	Shares	Amount
Common	5,000,000	No Par	10,000	100,000
•••••••••••••••••••••••••••••••••••••••		<u> </u>	· · · ·	
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### **INCOME & RETAINED EARNINGS STATEMENT**

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	648,423	Same as
Total Operating Expenses (from page 17)	1,076,143	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	30,327	
7250 Provision for Deferred Operating Income Taxes-Net	· · · · · · · · · · · · · · · · · · ·	
	(36,052)	
7200 Operating Taxes (Total)	(5,725)	
7310 Dividend Income	11,111	
7320 Interest Income	<u></u>	
7330 Income from Sinking and Other Funds	<u> </u>	
7340 Allowance for Funds Used During Construction	3,530	
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income		
7370 Special Charges	(165)	
7300 Nonoperating Income and Expense	<u>(165)</u> 14,476	
Toologerating income and Expense	14,470	
7410 Nonoperating Investment Tax Credits-Net		
7420 Nonoperating Federal Income Taxes	<u> </u>	• • • • • • • • • • • • • • • • • • •
7430 Nonoperating State and Local Income Taxes		
7440 Nonoperating Other Taxes		
7450 Provision for Deferred Nonoperating Income Taxes-Net	<u> </u>	· · · · · · · · · · · · · · · · · · ·
7400 Nonoperating Taxes		
The tep stating taxes		· · · · · · · · · · · · · · · · · · ·
7510 Interest on Funded Debt	67,591	
7520 Interest Expense-Capital Leases	····	••••••••••••••••••••••••••••••••••••••
7530 Amortization of Debt Issuance Expense		· · · · ·
7540 Other Interest Deductions		
7500 Interest and Related Items	67,591	
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		• • • • • • • • • • • • • • • • • • •
,,		<u></u>
7910 Income Effect of Jurisdictional Ratemaking		<u> </u>
Differences-Net		······
7990 Nonregulated Net Income	416,579	
		· · · · · · · · · · · · · · · · · · ·
AMOUNT TRANSFERRED TO RETAINED EARNINGS	(58,531)	

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ltem	Total Company	Idaho Only
		· · · · •

	Local Network Services Revenues		
5001	Basic Area Revenue	239,353	Same as
5002	Optional Extended Area Revenue		total company
5003	Cellular Mobile Revenue		
5004	Other Mobile Services Revenue		۲۰۰۰ . ۱۹
5010	Public Telephone Revenue		
5040	Local Private Line Revenue		
5050	Customer Premises Revenue		
5060	Other Local Exchange Revenue	81,992	
5069	Other Local Exchange Settlements		
	Network Access Services Revenues		· · · · · · · · · · · · · · · · · · ·
5081	End User Revenue (SLC)	43,973	
5082	Switched Access Revenue (Interstate)	14,603	······································
5083	Special Access Revenue		· · ·
5084	State Access Revenue (Intrastate)	13,060	
	Long Distance Network Services Revenues		
5100	Long Distance Message Revenue - All	202,724	
	Miscellaneous Revenues		· · · · · · · · · · · · · · · · · · ·
5230	Directory Revenue	2,767	
5240	Rent Revenue	49,195	
5250	Corporate Operations Revenue		· · · · · · · · · · · · · · · · · · ·
5261	Special Billing Arrangements Revenue	·····	
5262	Customer Operations Revenue		
5263	Plant Operations Revenue		
5264	Other Incidental Regulated Revenue	758	
5269	Other Revenue Settlements		
5270	Carrier Billing & Collection Revenue Uncollectible Revenues		,
5301	Uncollectible Revenue - Telecommunications	(2)	
	Uncollectible Revenue - Other		
	TOTAL OPERATING REVENUES	648,423	

Please identify the following revenues:

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

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**Total Company** 

Idaho Only

	Plant Specific Operations Expense		
61	110 Network Support Expenses		Same as
		8,004	total company
	 114 Special Purpose Vehicles Expense	· · · · · · · · · · · · · · · · · · ·	
		· · · · · · · · · · · · · · · · · · ·	
	116 Other Work Equipment Expense		
	120 General Support Expenses		
61	121 Land and Building Expenses	35,000	
61	122 Furniture and Artworks Expense		
	123 Office Equipment Expense		· · ·
	– 124 General Purpose Computers Expense	14,069	
	210 Central Office Switching Expenses		
	211 Analog Electronic Expense		
62	212 Digital Electronic Expense	66,826	
62	215 Electro-Mechanical Expense		·
62	220 Operators System Expense		
62	230 Central Office Transmission Expenses		, <u></u>
62	231 Radio Systems Expense		· · · · · · · · · · · · · · · · · · ·
62	232 Circuit Equipment Expense	126,549	
63	- 310 Information Origination/Termination Expense		
63	311 Station Apparatus Expense		······································
	351 Public Telephone Terminal Equipment Expense		
	362 Other Terminal Equipment Expense	, <u>, , , , , , , , , , , , , , , , , , </u>	
	410 Cable and Wire Facilities Expenses		····
	411 Pole Expense		
64	421 Aerial Cable Expense		
	422 Underground Cable Expense		
	423 Buried Cable Expense	17,278	·
	424 Submarine Cable Expense		
		All and the second s	· · · · · · · · · · · · · · · · · · ·
	426 Intrabuilding Network Cable Expense		
	431 Aerial Wire Expense		
	441 Conduit Systems Expense		· · · · · · · · · · · · · · · · · · ·
	TOTAL PLANT SPECIFIC OPERATIONS EXPENSE _	267,726	

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### **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		
	Power Expense	686	······································
	Network Administration Expense	5,150	••••••••••••••••••••••••••••••••••••••
	Testing Expense	65	
	Plant Operations Administration Expense	· · · · · · · · · · · · · · · · · · ·	·····
	Engineering Expense	1,427	
	Access Expense	166,642	
	Depreciation and Amortization Expenses	370,786	· · · · · · · · · · · · · · · · · · ·
	Depreciation Expense-Telecom. Plant in Service		·····
	Depreciation Expense-Property Held for Future Use		
	Amortization Expense - Tangible	<u></u>	
	Amortization Expense - Intangible		· · · · · · · · · · · · · · · · · · ·
	Amortization Expense - Other		······································
	Plant Nonspecific Operations Expenses	544,756	en e company a company
otai	Customer Operations Expense		<u> </u>
6610	Marketing	33,341	
	Product Management		
	Sales		
	Product Advertising		
	Services		
	Call Completion Services		
	Number Services	701	<b></b>
		······	· · · · · · · · · · · · · · · · · · ·
0023	Customer Services	137,864	
	Total Customer Operations Expense	171,906	
	Corporate Operations Expense		
6710	Executive and Planning		
	Executive	9,237	· · · · · · · · · · · · · · · · · · ·
	Planning		· · · · · · · · · · · · · · · · · · ·
	General and Administrative		
	Accounting and Finance	38,222	
	External Relations	108	
	Human Resources	100	
	Information Management		
		22,383	
	Procurement		
	Research and Development		
	Other General and Administrative	21,805	
6790	Provision for Uncollectible Notes Receivable		<b>M</b>
	Total Corporate Operations Expense	91,755	
	TOTAL OPERATING EXPENSES	1,076,143	

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CENTRAL OFFICE DATA as of December 31, 2008 (unless otherwise indicated) a

Name of Central Office: <u>Hidden Springs</u> Prefix (es): <u>229</u>	e: <u>Hidder</u> Prefix (es):_	en Springs 229								
Central Office Switch		Type: EW	EWSD & CSX	X						
Check all that apply: Stand Alone <u>X</u> Host Remote		<b>Check one:</b> Digital <u>X</u> Analog		Check one: Electronic <u>X</u> Electro-Mechanical Other:	nical					
<u>Access Line Capacity</u> Design: <u>10,000</u> Installed/Equipped:	1344			Access Lines in Use Customer Lines: (Include Centrex, PAL, Semi-Pub.) Public Telephone Lines 0	<mark>in Use</mark> s: ex, PAL, Sem ne Lines <u>0</u>	ii-Pub.)				
				Company Official Lines_7	ial Lines_7	I				
Classification of Customer Access Multi-	tomer Acc Multi- Line	<b>Resi</b> Sing	dence le Line Multi-	Company Test Lines_ Subtotal Cen	Lines 0 Centrex		<b>Business</b> Single Line Mu		Subtotal	Total Residence
Beginning of Year	1-Party	1-Party 763	Party	Residence 763 119	N.A.R.	1-Party	1-Party 91	Party	Business 91 9	& Business 854 128
Disconnects End of Year		137 137		137 745			24 76		24 76	161 821
Foreign Exchange: Dial Tone from this C.O.: 0 Dial Tone from another C.O.:	0: 0 r c.o.: 0			<b>Directory Listings:</b> Number of Customers with Nonpublished or Nonlisted:_308_	<b>ings:</b> stomers with I	Nonpublish	hed or Nonli	sted:_308	·	
: • •										

**Custom Calling:** 

Number of customers with at least one feature: 609\_ Total number of features subscribed to: 26\_\_\_\_

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NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2007

<sup>1</sup> , ۲

				F		Totol of oll Oc.	
	Average # of Customer	Local Calls Number	<u>Avg./</u>				
Local Exchange	Lines in Use	(1000s)	Line	Intrastate	Interstate	Total	Line
1 229	822			21,944	205,188	227,132	276
2				-			
c							
<b>4</b>							
5	-						
9							
L							
8							
6							
11							
12							
42							
14							
15			-				
16							
1							
18							
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### 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

4,98,8

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 <u>X</u> No

Included in directory Yes\_\_\_\_ No\_X\_\_

Date of notification 4/1/2008

Alternate method of notification N/A

Rule IDAPA 31.41.01.403.02

**Record of Complaints:** 

Number received by Company 17

Category of complaints (if known):

**Charges on Bill** 

Deposit Disputes

Denial/Termination

Quality or Availability of Service	
Carrier Selection/Assignment	·

Miscellaneous

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### CERTIFICATE

State of Idaho

County of Washington

WE, the undersigned RICHARD WIGGINS

) ) ss

)

and		
of the	CTC TELECOM, INC.	utilit

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.

Ke Chief Officer)

Officer in Charge of

Subscribed and Sworn to Before Me this 29 day of April, (Year) 2009.

Notary Public

//\_\_\_\_, (Year) <u>20/0</u>\_. My Commission expires



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