SIL-T

ANNUAL REPORT

OF

Silver Star Telephone Company, Inc.

NAME

P.O. Box 226, Freedom, WY 83120

ADDRESS

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IDAHO PUBLIC
UTILITIES COMMISSION

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2004

ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO THE IDAHO PUBLIC UTILITIES COMMISSION FOR THE YEAR ENDING DECEMBER 31,2003

COMPANY INFORMATION

Exact name of utility: Silver Star Telephone Company, Inc.

Address of principal office: P.O. Box 226, 104101 Hwy 89, Freedom, WY 83120

Telephone Number (Area Code 307) 883-2411

Cities or towns served: Wyoming - Freedom, Etna, Alpine, Afton, Bedford; Idaho-Irwin, Wayan

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

Allen R. Hoopes, President

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

P.O. Box 226, 104101 Hwy 89, Freedom, WY 83120 (307) 883-2411

Organized under the laws of the State of: Wyoming

Date of organization: 10/20/1950

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

If a Subchapter S Corporation, please specify: N/A

Name and address of controlling company, if any: N/A

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

Columbine Telephone Company, Inc. dba Teton Telecom; P.O. Box 226, Freedom, WY 83120

Telecommunications 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	Allen R. Hoopes	P.O. Box 226, Freedom, WY 83120
VP Operations	Ron B. McCue	P.O. Box 226, Freedom, WY 83120
Sec/Treasurer	Bonnie E. Hoopes	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	Indefinate	8	$ 880
Allen R. Hoopes	Indefinate	8	$ 880
Bonnie E. Hoopes	Indefinate	7	$ 815
Stephen R. Hoopes	Deceased	1	$ 65
Bradford E. Hoopes	Indefinate	6	$ 630
Rod R. Jensen	Indefinate	8	$ 880
W. Tom Davis	Indefinate	8	$ 880
Vince Zimmer	Indefinate	7	$ 755

Name of Chairman of the Board: Melvin R. Hoopes

Name of Secretary (or Clerk) of Board: Bonnie E. Hoopes

Number of Meetings of the Board during the year: 8

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	$ 136,412
Ron B. McCue	VP Operations	$ 123,897
Sharon Urbanik	Customer Service Manager	$ 65,815
Chad H. Turner	VP Finance	$ 101,958
Robert S. Tanguay	Network Manager	$ 73,974
Karen Ricks	Engineering Manager	$ 76,958
Drew Izatt	Marketing Manager	$ 65,162
Mike Hunsaker	Plant Manager	$ 75,681

Note: These wges 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.

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.

None

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	2,845,073	3,067,633	
1130	Cash			-
1140	Special Cash Deposits			-
1150	Working Cash Advances	600	600	-
1160	Temporary Investments	297,865	346,786	48,921
1180	Telecommunications Accts. Receivable	95,599	78,604	(16,995)
1181	Accts. Rec. Allow. -Telecommunications			-
1190	Other Accounts Receivable	1,012,231	1,253,653	241,422
1191	Accounts Receivable Allow. - Other	-		-
1200	Notes Receivable			-
1201	Notes Receivable Allowance			-
1210	Interest & Dividends Receivable			-
1220	Material and Supplies	297,818	193,936	(103,882)
1280	Prepayments			-
1290	Prepaid Rents	-	3,571	3,571
1300	Prepaid Taxes	6,612	20	(6,592)
1310	Prepaid Insurance	-	-	-
1320	Prepaid Directory Expenses			-
1330	Other Prepayments	51,154	78,091	26,937
1350	Other Current Assets			-
	Noncurrent Assets			-
1401	Investment in Affiliated Companies	684,019	684,019	-
1402	Investment in Nonaffiliated Companies	5,675,745	6,637,072	961,326
1406	Nonregulated Investments	2,992,947	4,620,746	1,627,799
1407	Unamortized Debt Issuance Expense			-
1408	Sinking Funds			-
1410	Other Noncurrent Assets	1,295,096	1,281,539	(13,558)
1438	Deferred Maintenance & Retirements			-
1439	Deferred Charges			-
1500	Other Jurisdiction Assets - Net			-
	Property, Plant and Equipment			-
2001	Telecommunications Plants in Service	24,389,002	25,071,282	682,280
2002	Prop. Held for Future Telecom. Use			-
2003	Telecom. Plant under Constr. - Short Term	384,633	714,179	329,546
2004	Telecom. Plant under Constr. - Long Term			-
2005	Telecom. Plant Adjustment			-
2006	Nonoperating Plant			-
2007	Goodwill			-
	Depreciation and Amortization Accounts			-
3100	Accumulated Depreciated	14,119,565	15,199,221	1,079,656
3200	Accum. Depre. - Held for Future Use			-
3300	Accumulated Depreciation - Nonoperating	-	1,663,204	1,663,204
3400	Accumulated Amortization - Tangible			-
3410	Accum. Amort. - Capitalized Leases			-
3420	Accum. Amort. - Leasehold Improvements			-
3500	Accumulated Amortization - Intangible			-
3600	Accumulated Amortization - Other			-
				-
	TOTAL ASSETS	25,908,829	27,169,304	1,260,475

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	344,329	1,262,029	917,700
4020	Notes Payable	-		-
4030	Advance Billings and Payments	-		-
4040	Customer Deposits	660,716	445,703	(215,013)
4050	Current Maturities - Long -Term Debt	502,049	593,113	91,064
4060	Current Maturities - Capital leases			-
4070	Income Taxes - Accrued	46,181	-	(46,181)
4080	Other Taxes - Accrued	65,405	4,704	(60,701)
4100	Net Current Defer. Oper. Income Taxes	(179,694)	(190,195)	(10,501)
4110	Net Current Defer. Nonoper. Income Taxes			-
4120	Other Accrued Liabilities	733,250	647,161	(86,089)
4130	Other Current Liabilities	-	-	-
	Long-Term Debt			-
4210	Funded Debt	12,791,813	11,713,827	(1,077,986)
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	673,057	708,787	35,730
4320	Unamort. Oper. Invest. Tax Credits - Net	165,883	176,622	10,739
4330	Unamort. Nonoper. Invest. Tax Credits - Net	-		-
4340	Net Noncurrent Defer. Oper. Income Taxes	218,587	593,475	374,888
4350	Net Noncur. Defer. Nonoper. Income Taxes	10,925	80,197	69,272
4360	Other Deferred Credits	90,892	325,670	234,778
4370	Other Juris. Liab. & Def. Credits - Net			-
	Stockholders' Equity			-
4510	Capital Stock	10,000	10,000	-
4520	Additional Paid-In Capital	8,000	8,000	-
4530	Treasury Stock			-
4540	Other Capital	1,973,537	2,031,178	57,641
4550	Retained Earnings	7,793,899	8,759,032	965,133
	TOTAL LIAB. & OTHER CREDITS	25,908,829	27,169,304	1,260,475

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	133,622	60,312			193,933
2111	Land	15,773	-			15,773
2112	Motor Vehicles	729,005	94,177	(85,964)		737,218
2113	Aircraft		-			
2114	Special Purpose Vehicles		-			
2115	Garage Work Equipment		-			
2116	Other Work Equipment	768,121	50,808			818,929
2121	Buildings	1,743,993	122,496			1,866,489
2122	Furniture	188,055	15,696			203,751
2123	Office Equipment	215,045	11,495			226,541
2124	General Purpose Computers	694,573	81,997	(227,859)		548,711
2211	Analog Electronic Switching		-			
2212	Digital Electronic Switching	1,893,725	101,269	(14,595)		1,980,398
2215	Electro-Mechanical Switching		-			
2220	Operator Systems		-			
2231	Radio Systems	874,530	(0)	(425,499)		449,031
2232	Circuit Equipment	5,444,821	731,350	(335,173)	(5,868)	5,835,130
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	11,498,691	434,522	(1,172)		11,932,040
2424	Submarine Cable		-			
2426	Intrabuilding Network Cable		-			
2431	Aerial Wire		-			
2441	Conduit Systems	173,265	72,074			245,339
2681	Capital Leases		-			
2682	Leasehold Improvements	14,826	2,215			17,041
2690	Intangibles	958	-			958
	TOTAL PLANT ACCOUNTS	**24,389,002**	**1,778,411**	**(1,090,263)**	**(5,868)**	**25,071,282**

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	7,012	-			7,012
2112	Motor Vehicles	-	-			-
2113	Aircraft		-			
2114	Special Purpose Vehicles		-			
2115	Garage Work Equipment		-			
2116	Other Work Equipment	-	-			-
2121	Buildings	246,283	17,254			263,537
2122	Furniture	-	-			-
2123	Office Equipment	748	-			748
2124	General Purpose Computers	-	-			-
2211	Analog Electronic Switching		-			
2212	Digital Electronic Switching	2,653	(2,653)			-
2215	Electro-Mechanical Switching		-			
2220	Operator Systems		-			
2231	Radio Systems	87,060	-			87,060
2232	Circuit Equipment	1,875,886	22,006	(87,375)		1,810,517
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	5,218,407	129,556			5,347,963
2424	Submarine Cable		-			
2426	Intrabuilding Network Cable		-			
2431	Aerial Wire		-			
2441	Conduit Systems	2,928	-			2,928
2681	Capital Leases		-			
2682	Leasehold Improvements	-	-			-
2690	Intangibles	-	-			-
	TOTAL PLANT ACCOUNTS	**7,440,977**	**166,162**	**(87,375)**	**-**	**7,519,765**

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

		TOTAL Company Basis				
		Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation						
1410	Internet	59,734	33.33%	11,114		70,848
2112	Motor Vehicles	372,632	20.00%	106,103	(85,964)	392,771
2113	Aircraft			-		
2114	Special Purpose Vehicles			-		
2115	Garage Work Equipment			-		
2116	Other Work Equipment	662,039	10.00%	80,840		742,878
2121	Buildings	1,186,642	5.00%	88,465		1,275,107
2122	Furniture	116,406	FD	28,159		144,565
2123	Office Equipment	182,345	14 - 20%	20,457		202,802
2124	General Purpose Computers	501,375	14.00%	102,578	(227,859)	376,094
2211	Analog Electronic Switching			-		
2212	Digital Electronic Switching	1,243,734	8.33 - 12%	139,600	(14,595)	1,368,739
2215	Electro-Mechanical Switching			-		
2220	Operator Systems			-		
2231	Radio Systems	682,690	10.00%	27,145	(425,499)	284,336
2232	Circuit Equipment	2,444,220	10 - 12.5%	650,964	(341,041)	2,754,143
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	80	5.00%	-		80
2423	Buried Cable	6,626,985	5 - 20%	910,920	(1,172)	7,536,733
2424	Submarine Cable			-		
2426	Intrabuilding Network Cable			-		
2431	Aerial Wire			-		
2441	Conduit Systems	39,200	5.00%	8,674		47,874
2682	Leasehold Improvements	1,482	5.00%	769		2,251
	TOTAL	**14,119,565**		**2,175,787**	**(1,096,131)**	**15,199,221**

*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					
2112 Motor Vehicles	-	20.00%	-	-	-
2113 Aircraft			-		
2114 Special Purpose Vehicles			-		
2115 Garage Work Equipment			-		
2116 Other Work Equipment	-	10.00%	-		-
2121 Buildings	84,308	5.00%	12,314		96,622
2122 Furniture	-	FD	-		-
2123 Office Equipment	748	14 - 20%	-		748
2124 General Purpose Computers	-	14.00%	-		-
2211 Analog Electronic Switching			-		
2212 Digital Electronic Switching	166,127	8.33 - 12%	-		166,127
2215 Electro-Mechanical Switching			-		
2220 Operator Systems			-		
2231 Radio Systems	48,887	10.00%	5,595		54,482
2232 Circuit Equipment	633,055	10 - 12.5%	254,236	(87,375)	799,917
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	-	5.00%	-		-
2423 Buried Cable	2,852,993	5 - 20%	488,244		3,341,236
2424 Submarine Cable			-		
2426 Intrabuilding Network Cable			-		
2431 Aerial Wire			-		
2441 Conduit Systems	305	5.00%	146		451
2682 Leasehold Improvements	-	5.00%	-		-
TOTAL	**3,786,423**		**760,535**	**(87,375)**	**4,459,584**

*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.

Description	Date Acquired	Book Cost of Investments Disposed of This year	Book Cost of Investments Held at End of Year
Cash Value -Life Ins.	Various		616,388
Syringa Networks	2000		214,265
PCS Investments	Various		212,520
Bridgeland Wireless	2001	9159.93	(6,451)
Columbine Telephone Co.	Various		684,019
Rural Telephone Bank Stock	1997		39,050
RTFC Capital Credits	Various		37,041
RTFC Certificates	Various		548,245
Independent Cable Systems	2003		722,575
Economic Development Loan	2000		204,989
Investment-Wells Fargo	2003		4,048,450
Silver Star - Afton (CLEC)	1999		4,620,746
Totals		**9,160**	**11,941,836**

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.

Name of Company	Amount at End of Year: Notes Receivable	Amount at End of Year: Accounts Receivable
Customer Billed		39,822
Syringa		144
Bridgerland Wireless		18,154
Neca		589,364
Interexchange Carriers		168,888
State USF		27,184
Millenium		11,765
Mountain Land		246,204
Valley Wireless, LP		485
Schools & Libraries		3,715
Other		147,928
Totals		**1,253,653**

NOTES PAYABLE

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

Name of Creditor	Date of Note	Interest Rate	Due Date	Face Amount
Totals				

ACCOUNTS PAYABLE

Report below all Accounts Payable amounting to more than $100.00

Name of Creditor	Amount
Fed, State, Local Tax	19,854
Corporate Benefits	614,554
Neca	126,907
Long Distance Carriers	27,592
Millenium	12,084
Columbine	145,574
Various Other Vendors	315,465
Totals	1,262,029

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	Date of Issue	Date of Maturity	Fact Amount Authorized	Outstanding Year-End	Premium/ Discount Total	Premium/ Discount Year Amortized	Interest for year Rate	Interest for year Amount
RUS NOTE - 2.0%	6/1/2003	2009	20,301	3,682			2.00%	83
RUS NOTE - 5.0%	3/1/1974	2015	1,689,000	483,943			5.00%	20,463
RUS NOTE - 5.0%	12/1/1990	2025	2,188,000	704,878			5.00%	39,576
RUS NOTE - 5.0%	5/1/2003	2018	6,758,000	3,505,251			5.00%	180,349
RUS NOTE - 6.57%	12/1/1995	2009	350,000	176,973			6.57%	12,691
RUS NOTE - 6.75%	12/1/1995	2009	864,345	438,747			6.75%	27,647
RUS NOTE - 6.96%	12/1/1995	2009	190,655	97,369			6.96%	7,688
RTB NOTE - 6.54%	12/1/1990	2009	820,050	394,162			6.54%	28,367
RTFC LOC - 5.25%			3,732,000				5.25%	
RTFC NOTE - VARIOUS	10/1/2001	2016	3,263,158	2,269,775			VARIOUS	126,168
RTFC NTOE - VARIOUS	9/1/2003	2018	4,166,667	3,908,341			VARIOUS	217,811
PCS NOTE - 6.25%	4/1/1997	2007	39,600	14,494			6.25%	1,114
EQUIPMENT NOTES - 0.0%		2004		9,325			0.00%	-
RURAL ECONOMIC DEV. NOTE - 0.0%			300,000	300,000			0.00%	-
LESS CURRENT PORTION				(593,113)				
TOTALS				**11,713,827**				**661,958**

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.

Class & Series of Stock	Number of Shares Authorized	Par Value per Share	Outstanding per Balance Sheet	
			Shares	Amount
Common Stock Voting	25,000	1	2,500	2,500
Common Stock Non-Voting	75,000	1	7,500	7,500
TOTAL	100,000		10,000	10,000

INCOME & RETAINED EARNINGS STATEMENT

	Item	Total Company	Idaho Only
	Total Operating Income (from page 16)	**8,846,842**	**2,706,503**
	Total Operating Expenses (from page 18)	**6,619,321**	**1,961,068**
7100	Other Operating Income and Expense	-	-
7210	Operating Investment Tax Credits-Net	4,851	4,851
7220	Operating Federal Income Taxes	161,562	206,334
7230	Operating State and Local Income Taxes	-	-
7240	Operating Other Taxes	123,640	46,021
7250	Provision for Deferred Operating Income Taxes-Net	369,089	(25,103)
7200	**Operating Taxes (Total)**	**659,142**	**232,103**
7310	Dividend Income	(13,283)	(3,937)
7320	Interest Income	(43,457)	(2,254)
7330	Income from Sinking and Other Funds		
7340	Allowance for Funds Used During Construction	(20,105)	-
7350	Gains/Losses from the Disposition of Certain Property		
7360	Other Nonoperating Income	57,458	(50,837)
7370	Special Charges	42,976	3,831
7300	**Nonoperating Income and Expense**	**23,589**	**(53,197)**
7410	Nonoperating Investment Tax Credits-Net		
7420	Nonoperating Federal Income Taxes	(64,782)	(3,196)
7430	Nonoperating State and Local Income Taxes	-	-
7440	Nonoperating Other Taxes		
7450	Provision for Deferred Nonoperating Income Taxes-Net	(32,104)	6,406
7400	**Nonoperating Taxes**	**(96,886)**	**3,210**
7510	Interest on Funded Debt	674,646	221,377
7520	Interest Expense-Capital Leases		
7530	Amortization of Debt Issuance Expense		
7540	Other Interest Deductions	1,897	13
7500	**Interest and Related Items**	**676,543**	**221,389**
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		
	AMOUNT TRANSFERRED TO RETAINED EARNINGS	**965,134**	**341,930**

OPERATING REVENUES

	Item	Total Company	Idaho Only
	Local Network Services Revenues		
5001	Basic Area Revenue	1,554,348	223,078
5002	Optional Extended Area Revenue		
5003	Cellular Mobile Revenue	90,080	7,301
5004	Other Mobile Services Revenue		
5010	Public Telephone Revenue	158	(9)
5040	Local Private Line Revenue	76,362	45,154
5050	Customer Premises Revenue		
5060	Other Local Exchange Revenue	269,703	23,979
5069	Other Local Exchange Settlements	1,995,826	944,832
	Network Access Services Revenues		
5081	End User Revenue (SLC)	419,742	59,172
5082	Switched Access Revenue (Interstate)	2,971,073	1,087,991
5083	Special Access Revenue	458,149	158,252
5084	State Access Revenue (Intrastate)	351,805	16,617
	Long Distance Network Services Revenues		
5100	Long Distance Message Revenue - All	-	-
	Miscellaneous Revenues		
5230	Directory Revenue	72,630	2,011
5240	Rent Revenue	480,683	134,032
5250	Corporate Operations Revenue	71,480	5,517
5261	Special Billing Arrangements Revenue		
5262	Customer Operations Revenue		
5263	Plant Operations Revenue		
5264	Other Incidental Regulated Revenue		
5269	Other Revenue Settlements		
5270	Carrier Billing & Collection Revenue	106,295	6,001
	Uncollectible Revenues		
5301	Uncollectible Revenue - Telecommunications	(15,250)	(728)
5302	Uncollectible Revenue - Other	(56,242)	(6,697)
	TOTAL OPERATING REVENUES	**8,846,842**	**2,706,503**

Please identify the following revenues:

NECA USF $ 1,832,302 . To what account were they booked? 5069.1

State USF $ 163,101 . To what account were they booked? 5069.2

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	1,347	70
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	169,124	56,626
6122 Furniture and Artworks Expense	6,135	1,807
6123 Office Equipment Expense	21,262	6,390
6124 General Purpose Computers Expense	165,551	44,123
6210 Central Office Switching Expenses		
6211 Analog Electronic Expense		
6212 Digital Electronic Expense	485,948	137,045
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses		
6231 Radio Systems Expense	69,159	3,061
6232 Circuit Equipment Expense	156,955	45,845
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	1,122,992	380,124
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	**2,198,472**	**675,091**

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	47,845	10,261
6533	Testing Expense	28,273	2,835
6534	Plant Operations Administration Expense	195,654	85,933
6535	Engineering Expense	126,258	48,915
6540	Access Expense	35,267	892
6560	Depreciation and Amortization Expenses		
6561	Depreciation Expense-Telecom. Plant in Service	2,434,794	736,435
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		
	Customer Operations Expense	**2,868,091**	**885,270**
6610	Marketing		
6611	Product Management	-	-
6612	Sales	59,777	15,856
6613	Product Advertising	11,981	543
6620	Services		
6621	Call Completion Services		
6622	Number Services	28,521	8,647
6623	Customer Services	353,856	72,460
	Total Customer Operations Expense	**454,135**	**97,507**
	Corporate Operations Expense		
6710	Executive and Planning		
6711	Executive	216,582	66,178
6712	Planning	40,389	11,877
6720	General and Administrative		
6721	Accounting and Finance	296,204	105,396
6722	External Relations	119,867	18,529
6723	Human Resources	99,929	29,292
6724	Information Management		
6725	Legal	80,651	12,252
6726	Procurement	9,891	2,459
6727	Research and Development		
6728	Other General and Administrative	235,110	57,218
6790	Provision for Uncollectible Notes Receivable		
	Total Corporate Operations Expense	**1,098,623**	**303,200**
	TOTAL OPERATING EXPENSES	**6,619,321**	**1,961,068**

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

Name of Central Office:_____ None
Prefix (es): 574 And 483

Central Office Switch Type:_____

Check all that apply:
Stand Alone___
Host___
Remote___

Check one:
Digital___
Analog___

Check one:
Electronic___
Electro-Mechanical___
Other:_____

Access Line Capacity
Design:_____

Installed/Equipped:_____

Access Lines in Use
Customer Lines 590
(Include Centrex, PAL, Semi-Pub.)

Public Telephone Lines___ 3

Company Official Lines___ 31

Company Test Lines_____

Classification of Customer Access

	Residence				Business					
	Multi-Line 1-Party	Single Line 1-Party	Single Line Multi-Party	Subtotal Residence	Centrex N.A.R.	Multi-Line 1-Party	Single Line 1-Party	Single Line Multi-Party	Subtotal Business	Total Residence & Business
Beginning of Year	_____	437	_____	437	_____	109	44	_____	153	590
New Connects	_____	30	_____	30	_____	_____	12	_____	12	42
Disconnects	_____	18	_____	18	_____	_____	13	_____	13	31
End of Year	_____	449	_____	449	_____	117	43	_____	160	590

Foreign Exchange:
Dial Tone from this C.O.:_____
Dial Tone from another C.O.:_____

Directory Listings:
Number of Customers with Nonpublished or Nonlisted:__426__

Custom Calling:
Number of customers with at least one feature:_____
Total number of features subscribed to:__29___

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NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year)____2004_____.

Local Exchange	Average # of Customer Lines in Use	Local Calls Number (1000s)	Local Calls Avg./ Line	Toll Calls Originated (Total of all Carriers) Intrastate	Interstate	Total	Avg./ Line
1 208/483		176,727		12,538	220,241	232,779	
2 208/574		23,439		4,675	35,592	40,267	
3							
4							
5							
6							
7							
8							
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14							
15							
16							
17							
18							

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, __2004____.

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__X__

Included in directory Yes__X__ No_____

Date of notification _____July 2003 _____

Alternate method of notification _____

_____

_____

Rule IDAPA 31.41.01.403.02

Record of Complaints: Silver Star Telecom

Number received by Company _____1_____

Category of complaints (if known):

Deposit Disputes _____1_____

Charges on Bill _____

Denial/Termination _____

Quality or Availability of Service _____

Carrier Selection/Assignment _____

Miscellaneous _____

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CERTIFICATE

State of ~~Idaho~~ Wyoming)
) ss
County of Lincoln)

WE, the undersigned Allen R. Hoopes

and Chad Turner

of the Silver Star Telephone Company, 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.

Allen R. Hoopes
(Chief Officer)

Chad Turner
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 22nd day of April, (Year) 2005.

Michelle Motzkus
Notary Public

MICHELLE MOTZKUS-NOTARY PUBLIC
COUNTY OF LINCOLN
STATE OF WYOMING
MY COMMISSION EXPIRES 3-15-07

My Commission expires _____, (Year) _____.

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gdk/excel/jnelson/anulrpts/telannualrpt