

NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2013

17. OTHER OPERATING TAXES

Other operating taxes consist of the following:	<u>2013</u>	<u>2012</u>
██████████ Taxes	\$ ██████████	\$ ██████████
██████████ Income Tax	██████████	██████████
██████████ Tax	██████████	██████████
Other Misc. Taxes	██████████	██████████
TOTAL	\$ ██████████	\$ ██████████

18. CONCENTRATION

The Company has a concentration of customers in one geographic area, specifically Conneaut, Ohio and the surrounding Ashtabula County communities.

The Company is operating under a collective bargaining agreement with the ██████████ and its ██████████. It covers all outside plant and central office personnel, excluding supervisors, employed by the Company. Management and office clerical employees are also not covered by the ██████████. In August 2013, the Company signed a new ██████████ contract that expires July 31, 2016.

Occasionally in 2013 the Company has concentrated its credit risk for cash by maintaining bank deposit balances in excess of the Federally insured limit of ██████████.

19. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Examples of such estimates and assumptions include – actuarial assumptions of remaining lives of employees for calculating postretirement pension obligations, postretirement health care benefits obligations, and expected long term rate of return on pension assets. Actual results could differ from those estimated.

The accompanying notes are an integral part of these financial statements.

REDACTED - FOR PUBLIC INSPECTION
NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2013

20. SUBSEQUENT EVENTS

A. NEW LEASES

In 2014, the Company purchased various equipment for [REDACTED] that has been financed with [REDACTED] capital leases over a [REDACTED] period. The total monthly payments will be [REDACTED]

B. CONTINGENCY

The Company has a [REDACTED] for [REDACTED] that claims the Company [REDACTED] them for telephone related services.

[REDACTED]

Subsequent events have been evaluated through July 22, 2014, the date of the issuance of these financial statements.

The accompanying notes are an integral part of these financial statements.

REDACTED - FOR PUBLIC INSPECTION

SUPPLEMENTAL INFORMATION

SCHEDULES OF [REDACTED] INCOME

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

	2013	2012	Increase (Decrease)
OPERATING REVENUE			
[REDACTED] Partnership - Operating Income	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
State Access Revenue			
Sales - Net (Below)			
Sales - Commissions			
Total Revenue			
OPERATING EXPENSES			
Plant Specific			
Plant Non-Specific			
Customer Operations			
Corporate Operations			
Total Expense			
OPERATING TAXES			
Federal Income Tax (Credit)			
Deferred Income Tax			
Other Operating Taxes			
Total Taxes			
NET INCOME - [REDACTED] OPERATIONS	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
*	*	*	*
NET SALES - OPERATING REVENUES			
Gross Sales	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Cost of Goods Sold (Below)			
NET SALES	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
COST OF GOODS SOLD			
[REDACTED] Inventory Beginning of Year	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Add: Purchases			
Labor & Freight			
Material Used for Repair			
Y/E Reconcile Adjustment			
Cost of Goods Available for Sale			
Less: [REDACTED] Inventory End of Year			
TOTAL COST OF GOODS SOLD	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

The accompanying notes are an integral part of these financial statements.

REDACTED - FOR PUBLIC INSPECTION

SCHEDULES OF [REDACTED] INCOME

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

	2013	2012	Increase (Decrease)
<u>OPERATING REVENUE</u>			
Basic [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
[REDACTED] Maintenance			
[REDACTED]			
Sales - Net (Below)			
Sales & Miscellaneous			
Less: Uncollectible Revenues			
Total Revenue	[REDACTED]	[REDACTED]	[REDACTED]
<u>OPERATING EXPENSES (Page 26)</u>			
Plant Specific Operations			
Plant Specific Networking			
Plant Non-Specific Operations			
Customer Operations			
Corporate Operations			
Depreciation and Amortization			
Total Operating Expenses	[REDACTED]	[REDACTED]	[REDACTED]
<u>OPERATING TAXES</u>			
Federal Income Tax			
Deferred Income Tax (Credit)			
Other Operating Taxes			
Total Taxes	[REDACTED]	[REDACTED]	[REDACTED]
Miscellaneous Income			
<u>NET INCOME - [REDACTED] OPERATIONS</u>	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
*	*	*	*
<u>NET SALES - OPERATING REVENUES</u>			
Gross Sales	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Cost of Goods Sold (Below)			
<u>NET SALES</u>	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
<u>COST OF GOODS SOLD</u>			
[REDACTED] Inventory Beginning of Year	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Add: Purchases			
Labor & Freight			
Y/E Reconcile Adjustment			
Cost of Goods Available for Sale	[REDACTED]	[REDACTED]	[REDACTED]
Less: [REDACTED] Inventory End of Year			
<u>TOTAL COST OF GOODS SOLD</u>	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

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REDACTED - FOR PUBLIC INSPECTION
SCHEDULES OF OPERATING EXPENSES - [REDACTED]

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
<u>PLANT SPECIFIC OPERATIONS</u>			
Vehicles	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Other Work Equipment	[REDACTED]	[REDACTED]	[REDACTED]
Land and Building	[REDACTED]	[REDACTED]	[REDACTED]
Office Furniture	[REDACTED]	[REDACTED]	[REDACTED]
Office Equipment	[REDACTED]	[REDACTED]	[REDACTED]
General Purpose Computers	[REDACTED]	[REDACTED]	[REDACTED]
Digital Electric Switch	[REDACTED]	[REDACTED]	[REDACTED]
Circuit Equipment - Digital	[REDACTED]	[REDACTED]	[REDACTED]
<u>PLANT SPECIFIC NETWORKING</u>			
[REDACTED] Maintenance	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] Install	[REDACTED]	[REDACTED]	[REDACTED]
<u>PLANT NON-SPECIFIC OPERATIONS</u>			
Provisioning	[REDACTED]	[REDACTED]	[REDACTED]
Network Administration	[REDACTED]	[REDACTED]	[REDACTED]
Plant Administration	[REDACTED]	[REDACTED]	[REDACTED]
Testing	[REDACTED]	[REDACTED]	[REDACTED]
Engineering	[REDACTED]	[REDACTED]	[REDACTED]
<u>CUSTOMER OPERATIONS</u>			
Product Management	[REDACTED]	[REDACTED]	[REDACTED]
Sales	[REDACTED]	[REDACTED]	[REDACTED]
Advertising	[REDACTED]	[REDACTED]	[REDACTED]
Customer Service	[REDACTED]	[REDACTED]	[REDACTED]
<u>CORPORATE OPERATIONS</u>			
Accounting and Finance	[REDACTED]	[REDACTED]	[REDACTED]
External Relations	[REDACTED]	[REDACTED]	[REDACTED]
Information Management	[REDACTED]	[REDACTED]	[REDACTED]
Legal	[REDACTED]	[REDACTED]	[REDACTED]
Programming Costs	[REDACTED]	[REDACTED]	[REDACTED]
Procurement	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other General and Administration	[REDACTED]	[REDACTED]	[REDACTED]
<u>DEPRECIATION AND AMORTIZATION</u>			
<u>TELECOMMUNICATIONS PLANT</u>	[REDACTED]	[REDACTED]	[REDACTED]
<u>TOTAL OPERATING</u>			
<u>EXPENSES - [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

The accompanying notes are an integral part of these financial statements.

SCHEDULES OF [REDACTED] INCOME

THE CONNEAUT TELEPHONE COMPANY

For the Years Ending December 31, 2013 and 2012

	2013	2012	Increase (Decrease)
<u>OPERATING REVENUE</u>			
Basic [REDACTED]	[REDACTED]	[REDACTED]	\$ [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Advertising	[REDACTED]	[REDACTED]	[REDACTED]
Miscellaneous	[REDACTED]	[REDACTED]	[REDACTED]
Less: Uncollectible Revenues	[REDACTED]	[REDACTED]	[REDACTED]
Total Revenue	[REDACTED]	[REDACTED]	[REDACTED]
<u>OPERATING EXPENSES</u>			
Computers	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] Expenses	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] Repair	[REDACTED]	[REDACTED]	[REDACTED]
Sales Expense & Marketing	[REDACTED]	[REDACTED]	[REDACTED]
Advertising	[REDACTED]	[REDACTED]	[REDACTED]
Customer Service	[REDACTED]	[REDACTED]	[REDACTED]
Accounting	[REDACTED]	[REDACTED]	[REDACTED]
External Relations	[REDACTED]	[REDACTED]	[REDACTED]
Legal	[REDACTED]	[REDACTED]	[REDACTED]
Other G & A	[REDACTED]	[REDACTED]	[REDACTED]
Procurement	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Depreciation	[REDACTED]	[REDACTED]	[REDACTED]
Total Operating Expenses	[REDACTED]	[REDACTED]	[REDACTED]
<u>OPERATING TAXES</u>			
<u>LOSS BEFORE FEDERAL INCOME TAX CREDIT</u>			
Less - Provision for Federal Income Tax Credit	[REDACTED]	[REDACTED]	[REDACTED]
Deferred Income Tax Credit	[REDACTED]	[REDACTED]	[REDACTED]
Total Tax Credit	[REDACTED]	[REDACTED]	[REDACTED]
<u>NET LOSS</u>			
	[REDACTED]	[REDACTED]	\$ [REDACTED]

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SCHEDULES OF OTHER INCOME AND EXPENSES - DEREGULATED

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
<u>OPERATING REVENUE</u>			
Rentals	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Toll Resale	[REDACTED]	[REDACTED]	[REDACTED]
Sales - Net (Page 29)	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] Maintenance	[REDACTED]	[REDACTED]	[REDACTED]
Service Charges	[REDACTED]	[REDACTED]	[REDACTED]
Miscellaneous	[REDACTED]	[REDACTED]	[REDACTED]
Less: Uncollectible Revenue	[REDACTED]	[REDACTED]	[REDACTED]
Total Revenue	[REDACTED]	[REDACTED]	[REDACTED]
<u>OPERATING EXPENSES (Page 30)</u>			
Plant Specific Operations	[REDACTED]	[REDACTED]	[REDACTED]
Plant Non-Specific Operations	[REDACTED]	[REDACTED]	[REDACTED]
Customer Operations	[REDACTED]	[REDACTED]	[REDACTED]
Corporate Operations	[REDACTED]	[REDACTED]	[REDACTED]
Depreciation and Amortization	[REDACTED]	[REDACTED]	[REDACTED]
Total Expenses	[REDACTED]	[REDACTED]	[REDACTED]
<u>OPERATING TAXES</u>			
Federal Income Tax (Credit)	[REDACTED]	[REDACTED]	[REDACTED]
Deferred Income Tax Expense (Credit)	[REDACTED]	[REDACTED]	[REDACTED]
Other Operating Taxes (Credits)	[REDACTED]	[REDACTED]	[REDACTED]
Net Tax (Credit)	[REDACTED]	[REDACTED]	[REDACTED]
<u>OTHER INCOME & EXPENSES</u>			
Other Non Operating Income	[REDACTED]	[REDACTED]	[REDACTED]
Other Non Operating Expenses	[REDACTED]	[REDACTED]	[REDACTED]
Total Other Income	[REDACTED]	[REDACTED]	[REDACTED]
<u>NET OTHER EXPENSES - DEREGULATED</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

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REDACTED - FOR PUBLIC INSPECTION

SCHEDULES OF NET SALES AND
COST OF GOODS SOLD - DEREGULATED

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
<u>NET SALES - OPERATING</u>			
<u>REVENUES - DEREGULATED</u>			
Gross Sales	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Cost of Goods Sold (Below)	[REDACTED]	[REDACTED]	[REDACTED]
<u>NET SALES</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>
* *	*	*	*
 <u>COST OF GOODS SOLD</u>			
Deregulated Inventory at Beginning of Year	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Add: Purchases	[REDACTED]	[REDACTED]	[REDACTED]
Labor and Freight	[REDACTED]	[REDACTED]	[REDACTED]
Materials Used for Repair	[REDACTED]	[REDACTED]	[REDACTED]
Materials Leased	[REDACTED]	[REDACTED]	[REDACTED]
Junked from Stock	[REDACTED]	[REDACTED]	[REDACTED]
Inventory Adjustment (Reconciled to Physical Count)	[REDACTED]	[REDACTED]	[REDACTED]
Cost of Goods Available for Sale	[REDACTED]	[REDACTED]	[REDACTED]
Less: Deregulated Inventory at End of Year	[REDACTED]	[REDACTED]	[REDACTED]
<u>Total Cost of Goods Sold</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

The accompanying notes are an integral part of these financial statements.

REDACTED - FOR PUBLIC INSPECTION
SCHEDULES OF OPERATING EXPENSES - DEREGULATED

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
<u>PLANT SPECIFIC OPERATIONS</u>			
Office Equipment	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
General Purpose Computers	[REDACTED]	[REDACTED]	[REDACTED]
Circuit Equipment - Voice	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Public Telephone Term. Equip.	[REDACTED]	[REDACTED]	[REDACTED]
<u>PLANT NON-SPECIFIC OPERATIONS</u>			
Plant Administration	[REDACTED]	[REDACTED]	[REDACTED]
Engineering	[REDACTED]	[REDACTED]	[REDACTED]
Provisioning	[REDACTED]	[REDACTED]	[REDACTED]
Access - Toll Resale	[REDACTED]	[REDACTED]	[REDACTED]
<u>CUSTOMER OPERATIONS</u>			
Customer Services	[REDACTED]	[REDACTED]	[REDACTED]
Product Advertising	[REDACTED]	[REDACTED]	[REDACTED]
Product Management	[REDACTED]	[REDACTED]	[REDACTED]
Sales Expense	[REDACTED]	[REDACTED]	[REDACTED]
<u>CORPORATE OPERATIONS</u>			
Executive	[REDACTED]	[REDACTED]	[REDACTED]
Accounting and Finance	[REDACTED]	[REDACTED]	[REDACTED]
External Relations	[REDACTED]	[REDACTED]	[REDACTED]
Legal	[REDACTED]	[REDACTED]	[REDACTED]
Procurement	[REDACTED]	[REDACTED]	[REDACTED]
Graphic Arts	[REDACTED]	[REDACTED]	[REDACTED]
Other General and Administration	[REDACTED]	[REDACTED]	[REDACTED]
<u>DEPRECIATION AND AMORTIZATION</u>			
<u>TELECOMMUNICATIONS PLANT</u>	[REDACTED]	[REDACTED]	[REDACTED]
<u>TOTAL OPERATING</u>	[REDACTED]	[REDACTED]	[REDACTED]
<u>EXPENSES - DEREGULATED</u>	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]

The accompanying notes are an integral part of these financial statements.

SCHEDULES OF OPERATING REVENUES - REGULATED

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
<u>OPERATING REVENUES</u>			
<u>Local Network Services Revenue</u>			
Basic Local Service	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Optional Extended Area	[REDACTED]	[REDACTED]	[REDACTED]
Local Private Line	[REDACTED]	[REDACTED]	[REDACTED]
Customer Premise	[REDACTED]	[REDACTED]	[REDACTED]
Other Local - Touch Call	[REDACTED]	[REDACTED]	[REDACTED]
Other Local - Customer Call	[REDACTED]	[REDACTED]	[REDACTED]
<u>Network Access Services Revenue</u>			
End User	[REDACTED]	[REDACTED]	[REDACTED]
Switched Access	[REDACTED]	[REDACTED]	[REDACTED]
N.E.C.A. Settlement	[REDACTED]	[REDACTED]	[REDACTED]
Special Access	[REDACTED]	[REDACTED]	[REDACTED]
State Access - Switched Intra/E	[REDACTED]	[REDACTED]	[REDACTED]
State Access - Special Intra/E	[REDACTED]	[REDACTED]	[REDACTED]
State Access - Switched Intra/A	[REDACTED]	[REDACTED]	[REDACTED]
<u>Long Distance Network Services Revenue</u>			
Intra / Inter	[REDACTED]	[REDACTED]	[REDACTED]
Inter / Inter	[REDACTED]	[REDACTED]	[REDACTED]
Intra / Intra	[REDACTED]	[REDACTED]	[REDACTED]
Voice Grade	[REDACTED]	[REDACTED]	[REDACTED]
Other - Intra DA	[REDACTED]	[REDACTED]	[REDACTED]
<u>Miscellaneous</u>			
Directory	[REDACTED]	[REDACTED]	[REDACTED]
Rent	[REDACTED]	[REDACTED]	[REDACTED]
Carrier B&C - Inter	[REDACTED]	[REDACTED]	[REDACTED]
B&C Intra/Inter	[REDACTED]	[REDACTED]	[REDACTED]
B&C Intra/Intra	[REDACTED]	[REDACTED]	[REDACTED]
911	[REDACTED]	[REDACTED]	[REDACTED]
Miscellaneous	[REDACTED]	[REDACTED]	[REDACTED]

The accompanying notes are an integral part of these financial statements.

SCHEDULES OF OPERATING EXPENSES - REGULATED

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
<u>OPERATING EXPENSES</u>			
<u>Plant Specific Operations</u>			
Motor Vehicles	\$	\$	\$
Other Work Equipment			
Land and Buildings			
Furniture and Artwork			
Office Equipment			
General Purpose Computers			
Digital Electric Switch			
Circuit Equipment - Digital			
Other Terminal Equipment			
Poles			
Aerial Cable			
Underground Cable			
Buried Cable			
Aerial Cable - Drop			
Conduit System			
<u>Plant Non-Specific Operations</u>			
Access			
Provisioning			
Power			
Testing			
Plant Operations Administration			
Engineering			
<u>Customer Operations</u>			
Product Management			
Product Advertising			
Call Comp Services			
Number Services			
Customer Services	\$	\$	\$

The accompanying notes are an integral part of these financial statements.

REDACTED - FOR PUBLIC INSPECTION
SCHEDULES OF OPERATING EXPENSES - REGULATED (Cont'd)
AND OTHER INCOME - NET

THE CONNEAUT TELEPHONE COMPANY

Years Ended December 31, 2013 and 2012

<u>OPERATING EXPENSES (Cont'd)</u>	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
<u>Corporate Operations</u>			
Executive	\$	\$	\$
Accounting and Finance			
External Relations			
Human Resources			
Information Management			
Legal			
Procurement			
Research & Development			
Pension Expense			
Hospitalization Retirees			
Other General and Administration			
<u>Depreciation and Amortization - Plant in Service</u>			
<u>TOTAL OPERATING EXPENSES - REGULATED</u>	\$	\$	\$
* * *	*	*	*
<u>OTHER INCOME - NET</u>			
<u>Income</u>			
Gain on Fiber Route Sale	\$	\$	\$
Income			
Adjustment			
Interest Income			
Insurance Reimbursements			
Utility Refunds			
Miscellaneous			
Total Non-Operating Income - Regulated			
<u>Expenses</u>			
Amortization of Refinancing Costs			
Interest - Capital Lease			
Sale - Leaseback Loss			
Contributions			
Penalties & Late Payment Fees			
Miscellaneous			
Total Non-Operating Expenses-Regulated			
<u>TOTAL NON-OPERATING INCOME AND (EXPENSES) - REGULATED</u>	\$	\$	\$

The accompanying notes are an integral part of these financial statements.

Received & Inspected

JUN 29 2015

FCC Mail Room

REDACTED – FOR PUBLIC INSPECTION

Five-Year Plan Progress Report

Conneaut Tel Co

SAC 300606

Year 2014 Federal Universal Service Receipts:

Interstate Access Support	\$	
Interstate Common Line Support	\$	
Connect America Fund Support	\$	
High Cost Loop Support	\$	
Safety Net Additive Support	\$	
CAF-ICC	\$	
TOTAL	\$	

Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding:

	Actual	
	2014	
Plant Specific Operations Expenses		
Network support (Accts 6110-16)	\$	
General support (Accts 6120-24)	\$	
Central office (Accts 6210-6232)	\$	
Cable and wire facilities (Accts 6410-41)	\$	
Network operations (Accts 6512-6535)	\$	
Depreciation and amortization (Accts 6560-65)	\$	
Customer Operations Expenses		
Customer services (Accts 6611-23)	\$	
Corporate Operations Expenses		
Executive and planning (Accts 6710-12)	\$	
General and administrative (Accts 6720-28)	\$	
Total Years Supported Expenses, Before Return on Investment	\$	
Additions/Capx	\$	
Total	\$	
Total Supported Expenditures, Before Return on Investment	\$	

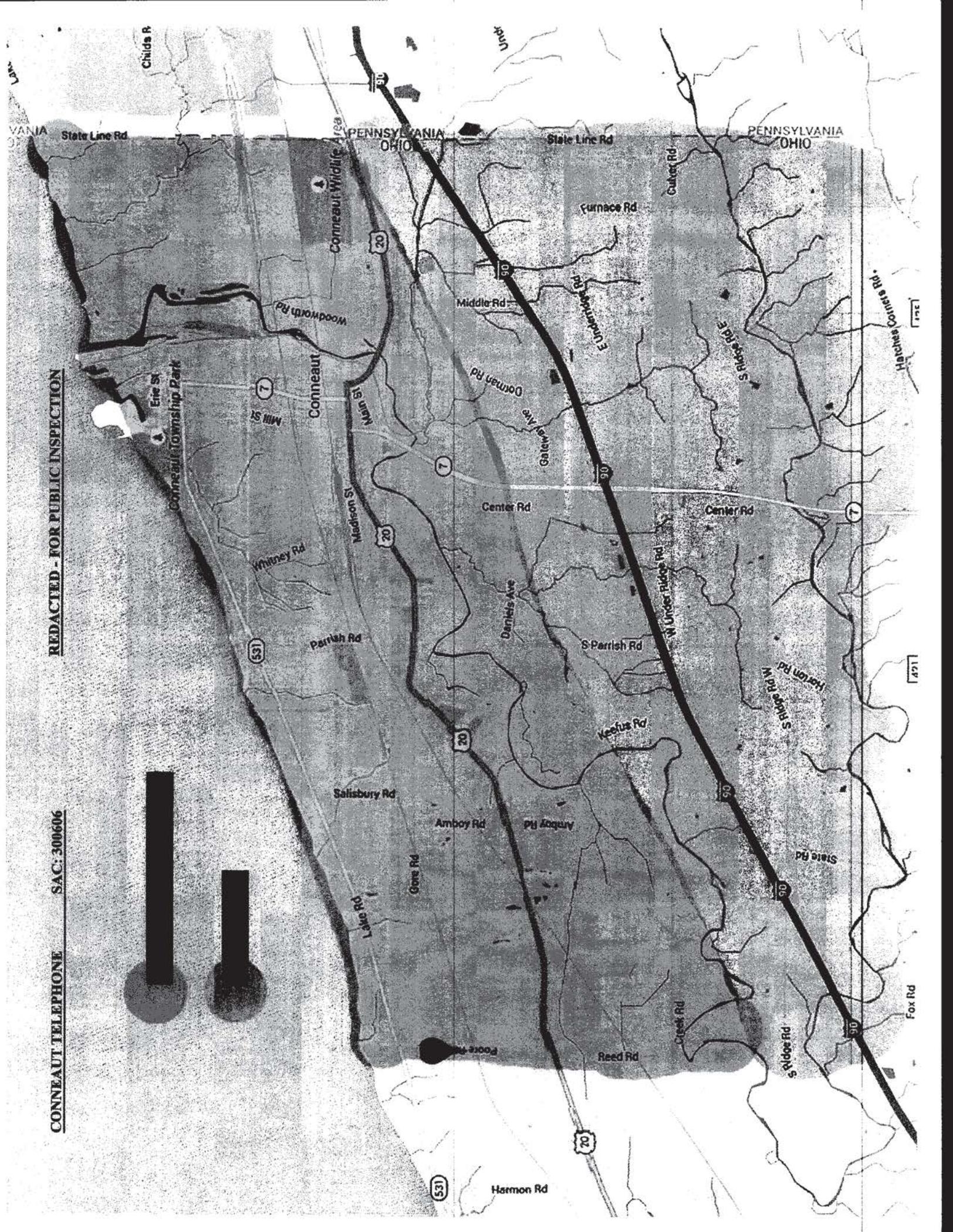
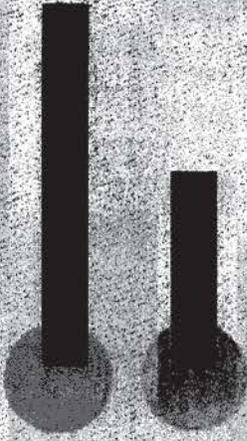
It is estimated that [REDACTED] of universal service funding received in 2014 was used to ensure and improve *service quality*. This ensures that the network is maintained and operated to provide telecommunications and information services as well as interexchange services and advanced telecommunications that are reasonably comparable to those services offered in urban areas and are available at rates that are reasonably comparable to rates charged for similar services in urban areas. Expenditures are not tracked at the wire center or census block level and are reported here on a total service area basis. We believe it is reasonable to conclude the same [REDACTED] of universal service funding received in 2014 will be used to ensure and improve service quality in 2015.

It is estimated that [REDACTED] of universal service funding received in 2014 was used improve *service coverage* at wire centers served by our company for telecommunications and information services as well as interexchange services and advanced telecommunications (broadband). Due to these expenditures, [REDACTED] of households in our service area will have access to broadband at 4Mbps/1Mbps and approximately [REDACTED] of households will have access to broadband at 10Mbps/1Mbps as of July 1, 2015. Expenditures are not tracked at the wire center or census block level and are reported here on a total service area basis. We believe it is reasonable to conclude the same [REDACTED] of universal service funding received in 2014 will be used to improve service coverage in 2015.

It is estimated that [REDACTED] of universal service funding received in 2014 was used improve *service capacity* at wire centers served by our company for telecommunications and information services as well as interexchange services and advanced telecommunications (broadband). Due to these expenditures, [REDACTED] of households in our service area will have access to broadband at 4Mbps/1Mbps and approximately [REDACTED] of households will have access to broadband at 10Mbps/1Mbps as of July 1, 2015. Expenditures are not tracked at the wire center or census block level and are reported here on a total service area basis. We believe it is reasonable to conclude the same [REDACTED] of universal service funding received in 2014 will be used to improve service capacity in 2015.

CONNEAUT TELEPHONE SAC: 300606

REDACTED - FOR PUBLIC INSPECTION



Childs R

Unk

PENNSYLVANIA OHIO

PENNSYLVANIA OHIO

PENNSYLVANIA OHIO

State Line Rd

State Line Rd

Conneaut Wildlife Area

Furnace Rd

Culver Rd

Woodworth Rd

Middle Rd

E Underbridge Rd

S Ridge Rd E

Hatchers Corners Rd

Conneaut Township Park

MM St

Conneaut

North St

Orman Rd

Galena Ave

Center Rd

Center Rd

Whitney Rd

Madison St

Darrels Ave

S Parrish Rd

W Underbridge Rd

531

Parrish Rd

20

Keefus Rd

S Ridge Rd W

State Rd

Salisbury Rd

Amboy Rd

Amboy Rd

Lease Rd

Gore Rd

50

30

Reed Rd

Creek Rd

S Ridge Rd

Fox Rd

531

Harmon Rd

20

30

A211

A211

Received & Inspected

JUN 29 2015

FCC Mail Room

REDACTED – FOR PUBLIC INSPECTION

Five-Year Plan Progress Report

Conneaut Tel Co

SAC 300606

Year 2014 Federal Universal Service Receipts:

Interstate Access Support	\$	
Interstate Common Line Support	\$	
Connect America Fund Support	\$	
High Cost Loop Support	\$	
Safety Net Additive Support	\$	
CAF-ICC	\$	
TOTAL	\$	

Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding:

	Actual	
	2014	
Plant Specific Operations Expenses		
Network support (Accts 6110-16)	\$	
General support (Accts 6120-24)	\$	
Central office (Accts 6210-6232)	\$	
Cable and wire facilities (Accts 6410-41)	\$	
Network operations (Accts 6512-6535)	\$	
Depreciation and amortization (Accts 6560-65)	\$	
Customer Operations Expenses		
Customer services (Accts 6611-23)	\$	
Corporate Operations Expenses		
Executive and planning (Accts 6710-12)	\$	
General and administrative (Accts 6720-28)	\$	
Total Years Supported Expenses, Before Return on Investment	\$	
Additions/Capx	\$	
Total	\$	
Total Supported Expenditures, Before Return on Investment	\$	

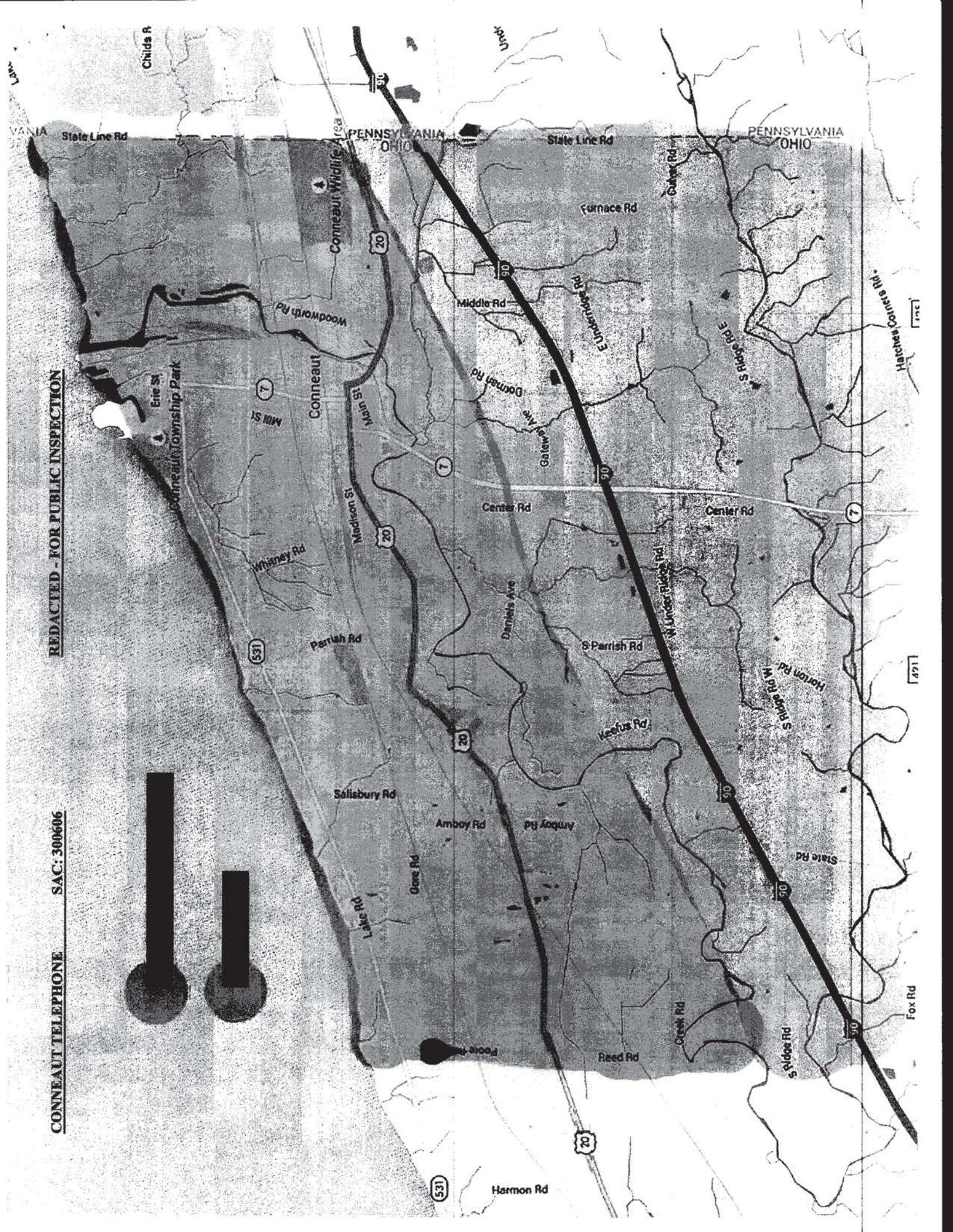
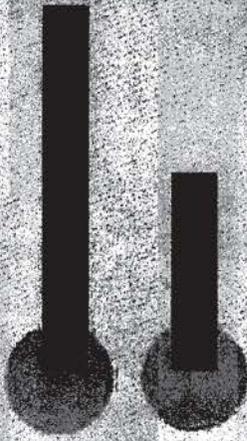
It is estimated that [REDACTED] of universal service funding received in 2014 was used to ensure and improve *service quality*. This ensures that the network is maintained and operated to provide telecommunications and information services as well as interexchange services and advanced telecommunications that are reasonably comparable to those services offered in urban areas and are available at rates that are reasonably comparable to rates charged for similar services in urban areas. Expenditures are not tracked at the wire center or census block level and are reported here on a total service area basis. We believe it is reasonable to conclude the same [REDACTED] of universal service funding received in 2014 will be used to ensure and improve service quality in 2015.

It is estimated that [REDACTED] of universal service funding received in 2014 was used improve *service coverage* at wire centers served by our company for telecommunications and information services as well as interexchange services and advanced telecommunications (broadband). Due to these expenditures, [REDACTED] of households in our service area will have access to broadband at 4Mbps/1Mbps and approximately [REDACTED] of households will have access to broadband at 10Mbps/1Mbps as of July 1, 2015. Expenditures are not tracked at the wire center or census block level and are reported here on a total service area basis. We believe it is reasonable to conclude the same [REDACTED] of universal service funding received in 2014 will be used to improve service coverage in 2015.

It is estimated that [REDACTED] of universal service funding received in 2014 was used improve *service capacity* at wire centers served by our company for telecommunications and information services as well as interexchange services and advanced telecommunications (broadband). Due to these expenditures, [REDACTED] of households in our service area will have access to broadband at 4Mbps/1Mbps and approximately [REDACTED] of households will have access to broadband at 10Mbps/1Mbps as of July 1, 2015. Expenditures are not tracked at the wire center or census block level and are reported here on a total service area basis. We believe it is reasonable to conclude the same [REDACTED] of universal service funding received in 2014 will be used to improve service capacity in 2015.

REDACTED - FOR PUBLIC INSPECTION

CONNEAUT TELEPHONE SAC: 300606



Childs R

Unk

State Line Rd

PENNSYLVANIA OHIO

State Line Rd

PENNSYLVANIA OHIO

Conneaut Wildlife Area

Furnace Rd

Cuba Rd

Woodworth Rd

Middle Rd

E. Lincoln Rd

Conneaut Township Park

MILL ST

Conneaut

Madison St

Dorman Rd

Galaw Ave

US 90

S. Ridge Rd E

Hatchers Corners Rd

Whisney Rd

Center Rd

Center Rd

(531)

Parrish Rd

Daniels Ave

S Parrish Rd

W Underhill Rd

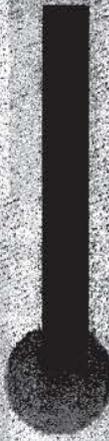
(471)

Salisbury Rd

Keefus Rd

S. State Rd W

Horton Rd



(20)

(531)

Harmon Rd

Poore Rd

Reed Rd

Creek Rd

S. Idoo Rd

Fox Rd

State Rd

(90)

(90)

(90)

(20)

Received & Inspected

JUN 29 2015

FCC Mail Room

REDACTED – FOR PUBLIC INSPECTION

Five-Year Plan Progress Report

Conneaut Tel Co

SAC 300606

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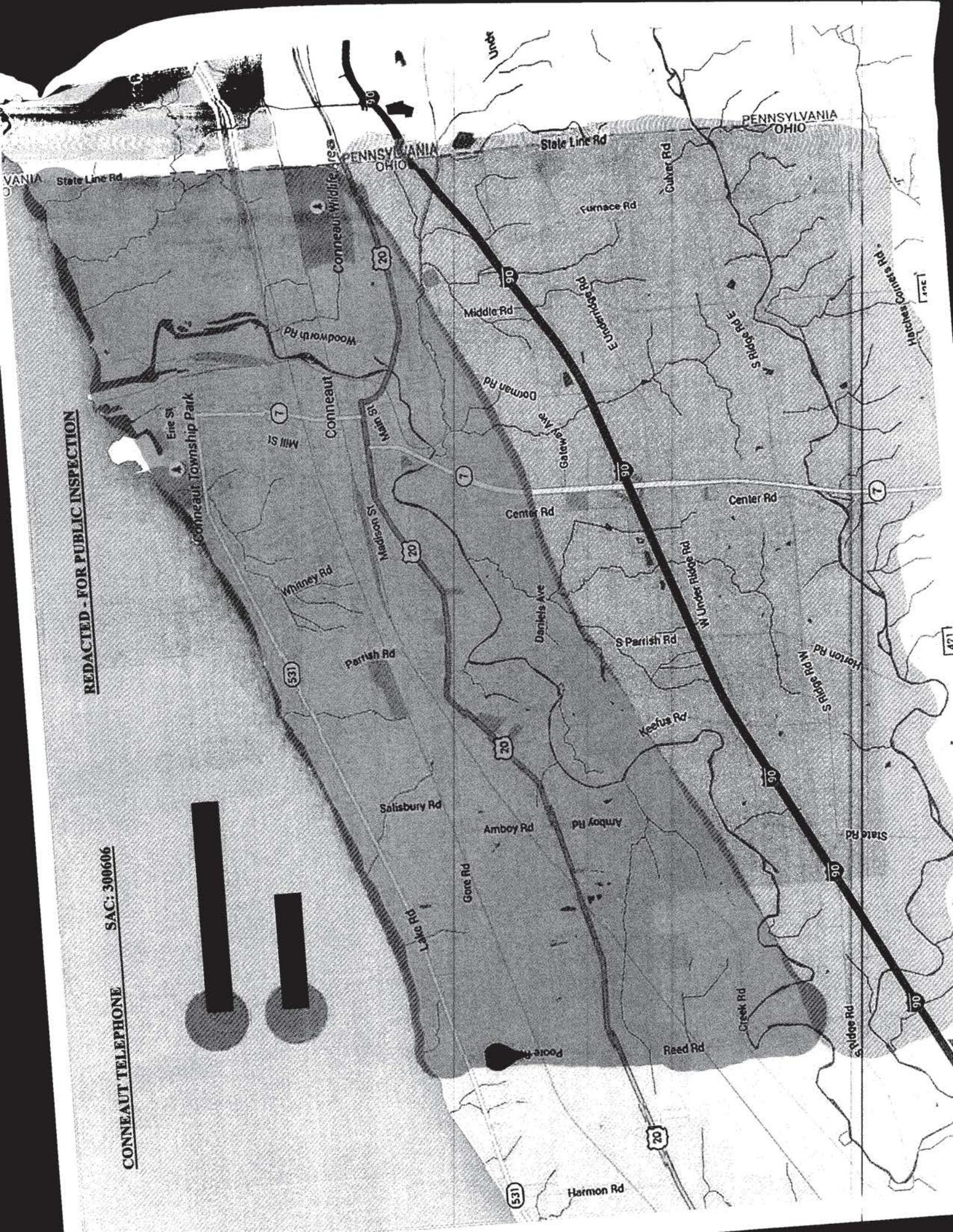
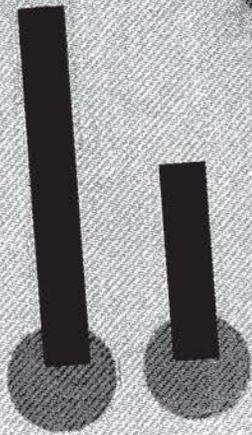
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REDACTED - FOR PUBLIC INSPECTION

SAC: 300606

CONNEAUT TELEPHONE



VANIA

PENNSYLVANIA
OHIO

PENNSYLVANIA
OHIO

State Line Rd

State Line Rd

Conneaut Wildlife Area

Furnace Rd

Culver Rd

20

90

Conneaut Township Park

Erie St

7

Mill St

Conneaut

Main St

Middle Rd

E Underage Rd

S Ridge Rd E

Hacker's Corner Rd

Dorman Rd

Gateway Ave

90

Center Rd

Center Rd

7

Main St

20

Whitney Rd

Daniels Ave

N Underage Rd

S Parrish Rd

S Ridge Rd W

531

Parrish Rd

20

Salisbury Rd

Keebus Rd

State Rd

Amboy Rd

Amboy Rd

90

Lake Rd

Gore Rd

90

Poore Rd

Reed Rd

Creek Rd

S Ridge Rd

90

531

Harmon Rd

20