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EUGENE MALISZEWSKYJ  
ENGINEERING CONSULTANT

ARTHUR BLOOSTON  
1914 – 1999

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**REDACTED – FOR PUBLIC INSPECTION**

*VIA HAND DELIVERY AND ECFS*

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

**RE: Form 481 – Carrier Annual Reporting Data Collection Form  
WC Dockets No. 10-90 and 11-42**

Dear Ms. Dortch:

Pursuant to sections 54.313(i) and 54.422(c) of the Commission's Rules<sup>1</sup> and the Commission's *Public Notice*<sup>2</sup> and *Protective Order*<sup>3</sup> in this proceeding, McNabb Telephone Company ("the Company") hereby submits two copies of its "FCC Form 481 – Carrier Annual Reporting Data Collection Form," which was timely filed with the Universal Service Administrative Company and the appropriate state commission on or before October 15, 2013, and which includes a Redacted Confidential Document containing proprietary and confidential financial information that has been obscured.

<sup>1</sup> 47 CFR §§54.313 and 54.422.

<sup>2</sup> *Wireline Competition Bureau Announces Filing Deadline of October 15, 2013 for Eligible Telecommunications Carriers to File High-Cost and Low-Income Annual Reports*, PUBLIC NOTICE, WC Dockets No. 10-90 and 11-42, DA 13-1707, released August 6, 2013.

<sup>3</sup> *In the Matter of Connect America Fund, et al.*, PROTECTIVE ORDER, WC Docket No. 10-90, et al., DA 12-1857, released November 16, 2013.

**REDACTED – FOR PUBLIC INSPECTION**

The Company seeks confidential treatment under the *Protective Order* for the financial information included in its report pursuant to §54.313(f)(2). Confidential treatment of this information is appropriate on the grounds that it is commercially sensitive information that is not normally released to the public. The Company is also submitting a copy of its FCC Form 481 (including the Redacted Confidential Document) via the Electronic Comment Filing System, as directed by the Public Notice.

Due to temporary closure of the Commission's filing window, mail room, and electronic filing systems beginning October 1, 2013, this filing is being submitted on the business day following the day of return to normal operations in accordance with the Commission's Public Notice on filing procedures in the event of a lapse in funding.<sup>4</sup> If you have any questions regarding this matter, please contact undersigned counsel.

Respectfully submitted,

  
Gerard J. Duffy

Filed:

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<sup>4</sup> *Procedures for Filings in the Event of a Lapse in Funding*, PUBLIC NOTICE, released October 1, 2013.

|   |  |
|---|--|
| <b>FCC Form 481 - Carrier Annual Reporting Data Collection Form</b> | FCC Form 481<br>OMB Control No. 3060-0986/OMB Control No. 3060-0819<br>July 2013 |
|---|--|

|   |                        |
|---|------------------------|
| <b>&lt;010&gt; Study Area Code</b>  | 341048                 |
| <b>&lt;015&gt; Study Area Name</b>  | MCNABB TEL CO          |
| <b>&lt;020&gt; Program Year</b>   | 2014                   |
| <b>&lt;030&gt; Contact Name: Person USAC should contact with questions about this data</b>            | Mike Petrouske         |
| <b>&lt;035&gt; Contact Telephone Number: Number of the person identified in data line &lt;030&gt;</b> | 815-621-5212           |
| <b>&lt;039&gt; Contact Email Address: Email of the person identified in data line &lt;030&gt;</b>     | mpetrouske@hometel.com |

|  |   |   |
|--|---|---|
| <b>ANNUAL REPORTING FOR ALL CARRIERS</b> | <b>54,313<br/>Completion<br/>Required</b> | <b>54,422<br/>Completion<br/>Required</b> |
|--|---|---|

|                     |  |     | (check box when complete)           |                                     |
|---------------------|--|-----|-------------------------------------|-------------------------------------|
| <b>&lt;100&gt;</b>  | Service Quality Improvement Reporting <span style="float: right;"><i>(complete attached worksheet)</i></span>  |     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| <b>&lt;200&gt;</b>  | Outage Reporting (voice) <span style="float: right;"><i>(complete attached worksheet)</i></span>   |     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>&lt;210&gt;</b>  | <input checked="" type="checkbox"/> <-- check box if no outages to report  |     |                                     |                                     |
| <b>&lt;300&gt;</b>  | Unfulfilled Service Requests (voice)   | 0   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| <b>&lt;310&gt;</b>  | Detail on Attempts (voice)   |     |                                     | <input type="checkbox"/>            |
| <b>&lt;320&gt;</b>  | Unfulfilled Service Requests (broadband)   |     |                                     | <input type="checkbox"/>            |
| <b>&lt;330&gt;</b>  | Detail on Attempts (broadband)   |     |                                     | <input type="checkbox"/>            |
| <b>&lt;400&gt;</b>  | Number of Complaints per 1,000 customers (voice)   |     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>&lt;410&gt;</b>  | Fixed  | 0.0 |                                     |                                     |
| <b>&lt;420&gt;</b>  | Mobile   |     |                                     |                                     |
| <b>&lt;430&gt;</b>  | Number of Complaints per 1,000 customers (broadband)   |     | <input type="checkbox"/>            | <input type="checkbox"/>            |
| <b>&lt;440&gt;</b>  | Fixed  |     |                                     |                                     |
| <b>&lt;450&gt;</b>  | Mobile   |     |                                     |                                     |
| <b>&lt;500&gt;</b>  | Service Quality Standards & Consumer Protection Rules Compliance <span style="float: right;"><i>(check to indicate certification)</i></span>                           |     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>&lt;510&gt;</b>  | 34104811510 <span style="float: right;"><i>(attached descriptive document)</i></span>  |     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>&lt;600&gt;</b>  | Functionality in Emergency Situations <span style="float: right;"><i>(check to indicate certification)</i></span>  |     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>&lt;610&gt;</b>  | 34104811610 <span style="float: right;"><i>(attached descriptive document)</i></span>  |     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>&lt;700&gt;</b>  | Company Price Offerings (voice) <span style="float: right;"><i>(complete attached worksheet)</i></span>  |     |                                     | <input type="checkbox"/>            |
| <b>&lt;710&gt;</b>  | Company Price Offerings (broadband) <span style="float: right;"><i>(complete attached worksheet)</i></span>  |     |                                     | <input type="checkbox"/>            |
| <b>&lt;800&gt;</b>  | Operating Companies and Affiliates <span style="float: right;"><i>(complete attached worksheet)</i></span>   |     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>&lt;900&gt;</b>  | Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/> <span style="float: right;"><i>(if yes, complete attached worksheet)</i></span>    |     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| <b>&lt;1000&gt;</b> | Voice Services Rate Comparability <span style="float: right;"><i>(check to indicate certification)</i></span>  |     |                                     | <input type="checkbox"/>            |
| <b>&lt;1010&gt;</b> |  |     |                                     | <input type="checkbox"/>            |
| <b>&lt;1100&gt;</b> | Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/> <span style="float: right;"><i>(if not, check to indicate certification)</i></span> |     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| <b>&lt;1110&gt;</b> |  |     |                                     | <input type="checkbox"/>            |
| <b>&lt;1200&gt;</b> | Terms and Condition for Lifeline Customers <span style="float: right;"><i>(complete attached worksheet)</i></span>   |     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**  
 Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

|                     |  |  |                          |                          |
|---------------------|--|--|--------------------------|--------------------------|
| <b>&lt;2000&gt;</b> | <i>(check to indicate certification)</i> |  | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>&lt;2005&gt;</b> | <i>(complete attached worksheet)</i>     |  |                          | <input type="checkbox"/> |

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

|                     |  |  |                                     |                          |
|---------------------|--|--|-------------------------------------|--------------------------|
| <b>&lt;3000&gt;</b> | <i>(check to indicate certification)</i> |  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <b>&lt;3005&gt;</b> | <i>(complete attached worksheet)</i>     |  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

|   |  |
|---|--|
| <b>(100) Service Quality Improvement Reporting<br/>Data Collection Form</b> | FCC Form 481<br>OMB Control No. 3060-0986/OMB Control No. 3060-0819<br>July 2013 |
|---|--|

|   |                       |
|---|-----------------------|
| <010> Study Area Code   | 341048                |
| <015> Study Area Name   | MCNABE TEL CO         |
| <020> Program Year  | 2014                  |
| <030> Contact Name - Person USAC should contact regarding this data                 | Mike Petruske         |
| <035> Contact Telephone Number - Number of person identified in data line <030>     | 815-621-5212          |
| <039> Contact Email Address - Email Address of person identified in data line <030> | mpetruske@hometel.com |

|   |   |
|---|---|
| <110> Has your company received its ETC certification from the FCC?   | (yes / no) <input type="radio"/> <input checked="" type="radio"/> |
| <111> If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC? | (yes / no) <input type="radio"/> <input type="radio"/>            |

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

\_\_\_\_\_  
Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How (USF) was used to improve service quality
- <116> How (USF) was used to improve service coverage
- <117> How (USF) was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.

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| <b>(900) Tribal Lands Reporting<br/>Data Collection Form</b> | FCC Form 481<br>OMB Control No. 3060-0986/OMB Control No. 3060-0819<br>July 2013 |
|--|--|

|       |   |                        |
|-------|---|------------------------|
| <010> | Study Area Code   | 341048                 |
| <015> | Study Area Name   | MCNABB TEL CO          |
| <020> | Program Year  | 2014                   |
| <030> | Contact Name - Person USAC should contact regarding this data                 | Mike Petrouske         |
| <035> | Contact Telephone Number - Number of person identified in data line <030>     | 815-621-5212           |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | mpetrouske@hometel.com |

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

\_\_\_\_\_  
Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

|                            |
|----------------------------|
| Select<br>(Yes, No,<br>NA) |
|                            |
|                            |
|                            |
|                            |
|                            |
|                            |
|                            |
|                            |
|                            |

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

|       |   |                        |
|-------|---|------------------------|
| <010> | Study Area Code   | 341048                 |
| <015> | Study Area Name   | MCNABB TEL CO          |
| <020> | Program Year  | 2014                   |
| <030> | Contact Name - Person USAC should contact regarding this data                 | Mike Petrouske         |
| <035> | Contact Telephone Number - Number of person identified in data line <030>     | 815-621-5212           |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | mpetrouske@hometel.com |

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G)

|  |  |
|--|--|
| <b>(1200) Terms and Condition for Lifeline Customers</b><br><b>Lifeline</b><br><b>Data Collection Form</b> | FCC Form 481<br>OMB Control No. 3060-0986/OMB Control No. 3060-0819<br>July 2013 |
|--|--|

|       |   |                       |
|-------|---|-----------------------|
| <010> | Study Area Code   | 341048                |
| <015> | Study Area Name   | MCNABB TEL CO         |
| <020> | Program Year  | 2014                  |
| <030> | Contact Name - Person USAC should contact regarding this data                 | Mike Petruske         |
| <035> | Contact Telephone Number - Number of person identified in data line <030>     | 815-621-5212          |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | mpetruske@hometel.com |

<1210> Terms & Conditions of Voice Telephony Lifeline Plans 34104811210

Name of attached document (.pdf)

<1220> Link to Public Website HTTP \_\_\_\_\_

“Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,

<1222> Details on the number of minutes provided as part of the plan,

<1223> Additional charges for toll calls, and rates for each such plan.

|   |  |
|---|--|
| <b>(2000) Price Cap Carrier Additional Documentation</b><br><b>Data Collection Form</b><br><i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i> | FCC Form 481<br>OMB Control No. 3060-0986/OMB Control No. 3060-0819<br>July 2013 |
|---|--|

|       |   |                        |
|-------|---|------------------------|
| <010> | Study Area Code   | 341048                 |
| <015> | Study Area Name   | MCNABB TEL CO          |
| <020> | Program Year  | 2014                   |
| <030> | Contact Name - Person USAC should contact regarding this data                 | Mike Petrouske         |
| <035> | Contact Telephone Number - Number of person identified in data line <030>     | 815-621-5212           |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | mpetrouske@hometel.com |

**CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.**

**Incremental Connect America Phase I reporting**

- |        |  |                          |
|--------|--|--------------------------|
| <2010> | 2nd Year Certification {47 CFR § 54.313(b){1}} | <input type="checkbox"/> |
| <2011> | 3rd Year Certification {47 CFR § 54.313(b){2}} | <input type="checkbox"/> |

**Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}**

- |        |  |                          |
|--------|--|--------------------------|
| <2012> | 2013 Frozen Support Certification            | <input type="checkbox"/> |
| <2013> | 2014 Frozen Support Certification            | <input type="checkbox"/> |
| <2014> | 2015 Frozen Support Certification            | <input type="checkbox"/> |
| <2015> | 2016 and future Frozen Support Certification | <input type="checkbox"/> |

**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

- |        |   |                          |
|--------|---|--------------------------|
| <2016> | Certification Support Used to Build Broadband | <input type="checkbox"/> |
|--------|---|--------------------------|

**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

- |        |  |                          |
|--------|--|--------------------------|
| <2017> | 3rd year Broadband Service Certification   | <input type="checkbox"/> |
| <2018> | 5th year Broadband Service Certification   | <input type="checkbox"/> |
| <2019> | Interim Progress Certification   | <input type="checkbox"/> |
| <2020> | Please check the box to confirm that the attached PDF , on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. | <input type="checkbox"/> |

|        |  |  |
|--------|--|--|
| <2021> | Interim Progress Community Anchor Institutions | Name of Attached Document Listing Required Information |
|--------|--|--|

|   |   |
|---|---|
| <b>(3000) Rate Of Return Carrier Additional Documentation</b> | FCC Form 481  |
| <b>Data Collection Form</b>                                   | OMB Control No. 3060-0986/OMB Control No. 3060-0819 |
|   | July 2013   |

|                    |   |                       |
|--------------------|---|-----------------------|
| <b>&lt;010&gt;</b> | Study Area Code   | 341048                |
| <b>&lt;015&gt;</b> | Study Area Name   | MCNABB TEL CO         |
| <b>&lt;020&gt;</b> | Program Year  | 2014                  |
| <b>&lt;030&gt;</b> | Contact Name - Person USAC should contact regarding this data                 | Mike Petruske         |
| <b>&lt;035&gt;</b> | Contact Telephone Number - Number of person identified in data line <030>     | 815-621-5212          |
| <b>&lt;039&gt;</b> | Contact Email Address - Email Address of person identified in data line <030> | mpetruske@hometel.com |

**CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.**

**Progress Report on 5 Year Plan**

|        |  |  |  |
|--------|--|--|--|
| (3010) | Milestone Certification (47 CFR § 54.313(f)(1)(i))<br>Please check this box to confirm that the attached PDF, on line 3012, contains the required information pursuant to § 54.313 (f)(1)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. | Name of Attached Document Listing Required Information | <input type="checkbox"/>                     |
| (3011) |  |  |  |
| (3012) | Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))  | Name of Attached Document Listing Required Information | <input checked="" type="checkbox"/> (Yes/No) |
| (3013) | Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))   |  | <input checked="" type="checkbox"/> (Yes/No) |
| (3014) | If yes, does your company file the RUS annual report<br>Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:   |  | <input checked="" type="checkbox"/>          |
| (3015) | Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)  |  | <input checked="" type="checkbox"/>          |
| (3016) | PDF of Balance Sheet, Income Statement and Statement of Cash Flows   |  | <input checked="" type="checkbox"/>          |
| (3017) | If the response is yes on line 3014, attach your company's RUS annual report and all required documentation  | Name of Attached Document Listing Required Information | 341048113017                                 |
| (3018) | If the response is no on line 3014, is your company audited?<br><br>If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:   | Name of Attached Document Listing Required Information | <input type="checkbox"/> (Yes/No)            |
| (3019) | Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications  |  | <input type="checkbox"/>                     |
| (3020) | PDF of Balance Sheet, Income Statement and Statement of Cash Flows   |  | <input type="checkbox"/>                     |
| (3021) | Management letter issued by the independent certified public accountant that performed the company's financial audit.  |  | <input type="checkbox"/>                     |
| (3022) | If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:<br>Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,                             |  | <input type="checkbox"/>                     |
| (3023) | Underlying information subjected to a review by an independent certified public accountant   |  | <input type="checkbox"/>                     |
| (3024) | Underlying information subjected to an officer certification.  |  | <input type="checkbox"/>                     |
| (3025) | PDF of Balance Sheet, Income Statement and Statement of Cash Flows   |  | <input type="checkbox"/>                     |
| (3026) | Attach the worksheet listing required information  | Name of Attached Document Listing Required Information | <input type="checkbox"/>                     |

|   |  |
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| <b>Certification - Reporting Carrier<br/>Data Collection Form</b> | FCC Form 481<br>OMB Control No. 3060-0986/OMB Control No. 3060-0819<br>July 2013 |
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|   |                        |
|---|------------------------|
| <010> Study Area Code   | 341048                 |
| <015> Study Area Name   | MCNABB TEL CO          |
| <020> Program Year  | 2014                   |
| <030> Contact Name - Person USAC should contact regarding this data                 | Mike Petrouske         |
| <035> Contact Telephone Number - Number of person identified in data line <030>     | 815-621-5212           |
| <039> Contact Email Address - Email Address of person identified in data line <030> | mpetrouske@hometel.com |

**TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:**

|   |                                |
|---|--------------------------------|
| <b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>   |                                |
| I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate. |                                |
| Name of Reporting Carrier:  |                                |
| Signature of Authorized Officer:  | Date                           |
| Printed name of Authorized Officer:   |                                |
| Title or position of Authorized Officer:  |                                |
| Telephone number of Authorized Officer:   |                                |
| Study Area Code of Reporting Carrier:   | Filing Due Date for this form: |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.  |                                |

|   |  |
|---|--|
| <b>Certification - Agent / Carrier<br/>Data Collection Form</b> | FCC Form 481<br>OMB Control No. 3060-0986/OMB Control No. 3060-0819<br>July 2013 |
|---|--|

|   |                        |
|---|------------------------|
| <010> Study Area Code   | 341048                 |
| <015> Study Area Name   | MCNABB TEL CO          |
| <020> Program Year  | 2014                   |
| <030> Contact Name - Person USAC should contact regarding this data                 | Mike Petrouske         |
| <035> Contact Telephone Number - Number of person identified in data line <030>     | 815-621-5212           |
| <039> Contact Email Address - Email Address of person identified in data line <030> | mpetrouske@hometel.com |

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

|  |  |
|--|--|
| <b>Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>   |  |
| I certify that (Name of Agent) <u>Mike Petrouske</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate. |  |
| Name of Authorized Agent:  | Mike Petrouske                                   |
| Name of Reporting Carrier:   | MCNABB TEL CO                                    |
| Signature of Authorized Officer:   | CERTIFIED ONLINE Date: 10/10/2013                |
| Printed name of Authorized Officer:  | Jacquelyn Smith                                  |
| Title or position of Authorized Officer:   | Recording Secretary                              |
| Telephone number of Authorized Officer:  | 815-882-2201                                     |
| Study Area Code of Reporting Carrier:  | 341048 Filing Due Date for this form: 10/15/2013 |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.   |  |

TO BE COMPLETED BY THE AUTHORIZED AGENT:

|  |  |
|--|--|
| <b>Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>  |  |
| I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate. |  |
| Name of Reporting Carrier:   | MCNABB TEL CO                                    |
| Name of Authorized Agent or Employee of Agent:   | Mike Petrouske                                   |
| Signature of Authorized Agent or Employee of Agent:  | CERTIFIED ONLINE Date: 10/10/2013                |
| Printed name of Authorized Agent or Employee of Agent:   | Mike Petrouske                                   |
| Title or position of Authorized Agent or Employee of Agent:  | Consultant                                       |
| Telephone number of Authorized Agent or Employee of Agent:   | 815-621-5212                                     |
| Study Area Code of Reporting Carrier:  | 341048 Filing Due Date for this form: 10/15/2013 |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.   |  |

## Attachments



341048i1510.pdf

McNabb Telephone Company (SAC 341048)  
FCC Form 481 – Line 510  
Program Year – 2014

**Service Quality Standards and Consumer Protection Compliance Explanation Document:**

The company is in compliance with all Federal and State service quality standards and consumer protection rules.

The Illinois Commerce Commission has defined standards for service quality in its administrative rule parts 730, 732 and 735 for incumbent local exchange carriers. The company is in compliance with these rules. The company has systems in place for customers with respect to trouble reporting, billing issues questions and complaints, service offerings information, after hours service problem reporting and other customer issues resolution.

The company reports the results of the quality service standards items to the state commission on a quarterly basis through an internet-based reporting system.

The company also complies with all applicable consumer protection rules including the implementation of customer data protection under the Federal Communications Commission's rules for Customer Proprietary Network Information.

341048il610.pdf

McNabb Telephone Company (SAC 341048)  
FCC Form 481 – Line 610  
Program Year – 2014

Emergency Functionality Explanation Document:

The company maintains emergency backup power for the local distribution plant and central office and transmission facilities that keep the company functional in an emergency which deprives the company equipment of commercial electrical power.

The central office facility is powered with commercial electric power and battery banks that continue power to the office and transmission equipment for a period of 8 hours in the event of a power source outage. The central office is equipped with a natural gas powered generator with a capability of power generation to continue supplying power in the event of a power outage. The company can remain operational in the situation.

The company's customer distribution network transmission equipment, field cabinets & customer pedestal electronics have power backup that will provide 8 hours of service in the event of a commercial power outage. We also have the capability of hooking up portable generator equipment to keep customers in service.

The company has additional route capacity to keep emergency service (911 service) available in the event of an emergency situation. The company also supplies emergency answering points (call boxes) for emergency personnel in the event of an isolation or emergency situation.

McNabb Telephone Co. (SAC 341048)  
FCC Form 481 – Line 1210  
Program Year – 2014

### Terms & Conditions of Voice Telephony Lifeline Program

The Lifeline Program is a federally funded program established to provide monthly assistance to low income households. Eligible subscribers may receive a discount of \$9.25 for the monthly Federal subscriber line charge and voice telephony service, or a bundled service that includes voice telephony service.

To qualify for the program, the Lifeline applicant must participate in any of the following assistance programs. The Illinois Department of Human Services may certify the applicant's participation in assistance programs listed below for purposes of determining eligibility.

- Medicaid
- Supplemental Nutrition Assistance Program
- Supplemental Security Income (SSI)
- Federal Housing Assistance (Section 8)
- Low Income Home Energy Assistance (LIHEAP)
- National School Lunch Program's free lunch program
- Temporary Assistance to Needy Families (TANF)
- Head Start
- Customer household income is at or below 135% of the National Poverty Guidelines, for a household of that size

The Telephone Company's verification of income eligibility will be through the Department of Human Services or, in lieu of electronic verification, applicants will sign a form certifying that the applicant qualifies under the program criteria, and provide program participation or income documentation to the Company for review and verification of eligibility.

The Lifeline program credit shall be limited to one credit per low income household or economic unit.

Lifeline service shall not be disconnected for non-payment of toll charges.

Qualifying low-income subscribers who voluntarily elect toll blocking, where available, will not be required to pay a service deposit in order to initiate Lifeline Service. This service will only be provided at the customer's request.

Qualifying Lifeline customers will not be charged a monthly number-portability charge.

Basic Residential Local Exchange service is available to all Lifeline qualified customers.

Basic Residential Local Exchange Service offers the customer unlimited local calling, emergency service calling (at no additional charge), access to directory assistance service (additional charge per call), equal access to interexchange toll carrier service (additional charges based on carrier toll plans) and access to operator services.



To the Board of Directors  
McNabb Telephone Company  
McNabb, Illinois

We have audited the accompanying financial statements of McNabb Telephone Company (an Illinois corporation and wholly-owned subsidiary of McNabb Communications, Inc.), which comprise the balance sheet as of December 31, 2012, and the related statements of income, retained earnings, and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

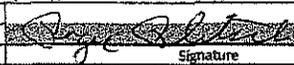
**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of McNabb Telephone Company as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Marlett & Associates CPAs, Ltd.*

Springfield, Illinois  
March 5, 2013

# Redacted - For Public Inspection

| <b>(3005a) Operating Report for Privately-Held Rate of Return Carriers</b>  |                    | FCC Form 481                        |   |                    |                       |
|---|--------------------|-------------------------------------|---|--------------------|-----------------------|
| Balance Sheet - Data Collection Form  |                    | OMB Control No. 3060-0986           |   |                    |                       |
| Page 1 of 3   |                    | July 2013                           |   |                    |                       |
| <010> Study Area Code   |                    | <010>                               | 341648  |                    |                       |
| <015> Study Area Name   |                    | <015>                               | Michigan Telephonic Company                                   |                    |                       |
| <020> Program Year  |                    | <020>                               | 2013  |                    |                       |
| <030> Contact Name - Person USAC should contact regarding this data   |                    | <030>                               | Mike Petrowski  |                    |                       |
| <035> Contact Telephone Number - Number of person identified in data line <030>   |                    | <035>                               | 815-271-3017  |                    |                       |
| <039> Contact Telephone Email Address - Email Address of person identified in data line <030>   |                    | <039>                               | mpetrowski@mtc.com  |                    |                       |
| <input type="checkbox"/> Files as reviewed single company   |                    | <input checked="" type="checkbox"/> | Filed as audited single company                               |                    |                       |
| <input type="checkbox"/> Filed as reviewed consolidated company   |                    | <input type="checkbox"/>            | Filed as audited consolidated company                         |                    |                       |
| <input type="checkbox"/> Filed as subsidiary of reviewed consolidated company   |                    | <input type="checkbox"/>            | Filed as subsidiary of audited consolidated company           |                    |                       |
| <b>CERTIFICATION</b>  |                    |                                     |   |                    |                       |
| We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. |                    |                                     |   |                    |                       |
| <br>Signature  |                    | Date                                |   |                    |                       |
| <b>PART A. BALANCE SHEET</b>  |                    |                                     |   |                    |                       |
| ASSETS  | BALANCE PRIOR YEAR | BALANCE END OF PERIOD               | LIABILITIES AND STOCKHOLDERS' EQUITY                          | BALANCE PRIOR YEAR | BALANCE END OF PERIOD |
| <b>CURRENT ASSETS</b>   |                    |                                     | <b>CURRENT LIABILITIES</b>                                    |                    |                       |
| 1. Cash and Equivalents   |                    |                                     | 25. Accounts Payable  |                    |                       |
| 2. Cash-RUS Construction Fund   |                    |                                     | 26. Notes Payable   |                    |                       |
| 3. Affiliates:  |                    |                                     | 27. Advance Billings and Payments                             |                    |                       |
| a. Telecom, Accounts Receivable   |                    |                                     | 28. Customer Deposits   |                    |                       |
| b. Other Accounts Receivable  |                    |                                     | 29. Current Mat. L/T Debt                                     |                    |                       |
| c. Notes Receivable   |                    |                                     | 30. Current Mat. L/T Debt-Rur. Dev.                           |                    |                       |
| 4. Non-Affiliates:  |                    |                                     | 31. Current Mat.-Capital Leases                               |                    |                       |
| a. Telecom, Accounts Receivable   |                    |                                     | 32. Income Taxes Accrued                                      |                    |                       |
| b. Other Accounts Receivable  |                    |                                     | 33. Other Taxes Accrued                                       |                    |                       |
| c. Notes Receivable   |                    |                                     | 34. Other Current Liabilities                                 |                    |                       |
| 5. Interest and Dividends Receivable  |                    |                                     | 35. Total Current Liabilities (25 thru 34)                    |                    |                       |
| 6. Material-Regulated   |                    |                                     | <b>LONG-TERM DEBT</b>   |                    |                       |
| 7. Material-Nonregulated  |                    |                                     | 36. Funded Debt-RUS Notes                                     |                    |                       |
| 8. Prepayments  |                    |                                     | 37. Funded Debt-RTB Notes                                     |                    |                       |
| 9. Other Current Assets   |                    |                                     | 38. Funded Debt-FFB Notes                                     |                    |                       |
| 10. Total Current Assets (1 thru 9)   |                    |                                     | 39. Funded Debt-Other   |                    |                       |
|   |                    |                                     | 40. Funded Debt-Rural Develop. Loan                           |                    |                       |
| <b>NONCURRENT ASSETS</b>  |                    |                                     | 41. Premium (Discount) on L/T Debt                            |                    |                       |
| 11. Investment in Affiliated Companies  |                    |                                     | 42. Reacquired Debt   |                    |                       |
| a. Rural Development  |                    |                                     | 43. Obligations Under Capital Lease                           |                    |                       |
| b. Nonrural Development   |                    |                                     | 44. Adv. From Affiliated Companies                            |                    |                       |
| 12. Other Investments   |                    |                                     | 45. Other Long-Term Debt                                      |                    |                       |
| a. Rural Development  |                    |                                     | 46. Total Long-Term Debt (36 thru 45)                         |                    |                       |
| b. Nonrural Development   |                    |                                     | <b>OTHER LIAB. &amp; DEF. CREDITS</b>                         |                    |                       |
| 13. Nonregulated Investments  |                    |                                     | 47. Other Long-Term Liabilities                               |                    |                       |
| 14. Other Noncurrent Assets   |                    |                                     | 48. Other Deferred Credits                                    |                    |                       |
| 15. Deferred Charges  |                    |                                     | 49. Other Jurisdictional Differences                          |                    |                       |
| 16. Jurisdictional Differences  |                    |                                     | 50. Total Other Liabilities and Deferred Credits (47 thru 49) |                    |                       |
| 17. Total Noncurrent Assets (11 thru 16)  |                    |                                     | <b>EQUITY</b>   |                    |                       |
|   |                    |                                     | 51. Cap. Stock Outstanding & Subscribed                       |                    |                       |
| <b>PLANT, PROPERTY, AND EQUIPMENT</b>   |                    |                                     | 52. Additional Paid-in-Capital                                |                    |                       |
| 18. Telecom, Plant-in-Service   |                    |                                     | 53. Treasury Stock  |                    |                       |
| 19. Property Held for Future Use  |                    |                                     | 54. Membership and Cap. Certificates                          |                    |                       |
| 20. Plant Under Construction  |                    |                                     | 55. Other Capital   |                    |                       |
| 21. Plant Adj., Nonop. Plant & Goodwill   |                    |                                     | 56. Patronage Capital Credits                                 |                    |                       |
| 22. Less Accumulated Depreciation   |                    |                                     | 57. Retained Earnings or Margins                              |                    |                       |
| 23. Net Plant (18 thru 21 less 22)  |                    |                                     | 58. Total Equity (51 thru 57)                                 |                    |                       |
| 24. <b>TOTAL ASSETS (10+17+23)</b>  |                    |                                     | 59. <b>TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>         |                    |                       |

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(3005b) Operating Report for Privately-Held Rate of Return Carriers  
Balance Sheet - Data Collection Form  
Page 2 of 3

FCC Form 481  
OMB Control No. 3060-0986  
July 2013

<010> Study Area Code  
<015> Study Area Name  
<020> Program Year  
<030> Contact Name - Person USAC should contact regarding this data  
<035> Contact Telephone Number - Number of person identified in data line <030>  
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>

<010> 341048  
<015> McNabb Telephone Company  
<020> 2014  
<030> Mike Petrouske  
<035> 815-621-5212  
<039> mpetrouske@hometel.com

| PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS                   |            |           |
|---|------------|-----------|
| ITEM  | PRIOR YEAR | THIS YEAR |
| 1. Local Network Services Revenues  |            |           |
| 2. Network Access Services Revenues   |            |           |
| 3. Long Distance Network Services Revenues                                      |            |           |
| 4. Carrier Billing and Collection Revenues                                      |            |           |
| 5. Miscellaneous Revenues   |            |           |
| 6. Uncollectible Revenues   |            |           |
| 7. Net Operating Revenues (1 thru 5 less 6)                                     |            |           |
| 8. Plant Specific Operations Expense  |            |           |
| 9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization) |            |           |
| 10. Depreciation Expense  |            |           |
| 11. Amortization Expense  |            |           |
| 12. Customer Operations Expense   |            |           |
| 13. Corporate Operations Expense  |            |           |
| 14. Total Operating Expenses (8 thru 13)  |            |           |
| 15. Operating Income or Margins (7 less 14)                                     |            |           |
| 16. Other Operating Income and Expenses   |            |           |
| 17. State and Local Taxes   |            |           |
| 18. Federal Income Taxes  |            |           |
| 19. Other Taxes   |            |           |
| 20. Total Operating Taxes (17+18+19)  |            |           |
| 21. Net Operating Income or Margins (15+16-20)                                  |            |           |
| 22. Interest on Funded Debt   |            |           |
| 23. Interest Expense - Capital Leases   |            |           |
| 24. Other Interest Expense  |            |           |
| 25. Allowance for Funds Used During Construction                                |            |           |
| 26. Total Fixed Charges (22+23+24-25)   |            |           |
| 27. Nonoperating Net Income   |            |           |
| 28. Extraordinary Items   |            |           |
| 29. Jurisdictional Differences  |            |           |
| 30. Nonregulated Net Income   |            |           |
| 31. Total Net Income or Margins (21+27+28+29+30-26)                             |            |           |
| 32. Total Taxes Based on Income   |            |           |
| 33. Retained Earnings or Margins Beginning-of-Year                              |            |           |
| 34. Miscellaneous Credits Year-to-Date  |            |           |
| 35. Dividends Declared (Common)   |            |           |
| 36. Dividends Declared (Preferred)  |            |           |
| 37. Other Debits Year-to-Date   |            |           |
| 38. Transfers to Patronage Capital  |            |           |
| 39. Retained Earnings or Margins end-of-Period [(31+33+34)-(35+36+37+38)]       |            |           |
| 40. Patronage Capital Beginning-of-Year   |            |           |
| 41. Transfers to Patronage Capital  |            |           |
| 42. Patronage Capital Credits Retired   |            |           |
| 43. Patronage Capital End-of-Year (40+41-42)                                    |            |           |
| 44. Annual Debt Service Payments  |            |           |
| 45. Cash Ratio [(14+20-10-11)/7]  |            |           |
| 46. Operating Accrual Ratio [(14+20+26)/7]                                      |            |           |
| 47. TIER [(31+26)/26]   |            |           |
| 48. DSCR [(31+26+10+11)/44]   |            |           |

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(3005c) Operating Report for Privately-Held Rate of Return Carriers  
 Balance Sheet - Data Collection Form  
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FCC Form 481  
 OMB Control No. 3060-0986  
 July 2013

|   |       |                                 |
|---|-------|---------------------------------|
| <010> Study Area Code   | <010> | <b>341048</b>                   |
| <015> Study Area Name   | <015> | <b>McNabb Telephone Company</b> |
| <020> Program Year  | <020> | <b>2014</b>                     |
| <030> Contact Name - Person USAC should contact regarding this data                           | <030> | <b>Mike Petrouske</b>           |
| <035> Contact Telephone Number - Number of person identified in data line <030>               | <035> | <b>815-621-5212</b>             |
| <039> Contact Telephone Email Address - Email Address of person identified in data line <030> | <039> | <b>mpetrouske@hometel.com</b>   |

| PART C. STATEMENTS OF CASH FLOWS   |  |
|--|--|
| 1.   | Beginning Cash (Cash and Equivalents plus RUS Construction Fund)   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                      |  |
| 2.   | Net Income   |
| Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities |  |
| 3.   | Add: Depreciation  |
| 4.   | Add: Amortization  |
| 5.   | Other (Explain) <span style="float: right;">increase in accrued taxes</span>                               |
| Changes in Operating Assets and Liabilities                                      |  |
| 6.   | Decrease/(Increase) in Accounts Receivable   |
| 7.   | Decrease/(Increase) in Materials and Inventory   |
| 8.   | Decrease/(Increase) in Prepayments and Deferred Charges  |
| 9.   | Decrease/(Increase) in Other Current Assets  |
| 10.  | Increase/(Decrease) in Accounts Payable  |
| 11.  | Increase/(Decrease) in Advance Billings & Payments   |
| 12.  | Increase/(Decrease) in Other Current Liabilities   |
| 13.  | Net Cash Provided/(Used) by Operations   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                      |  |
| 14.  | Decrease/(Increase) in Notes Receivable  |
| 15.  | Increase/(Decrease) in Notes Payable   |
| 16.  | Increase/(Decrease) in Customer Deposits   |
| 17.  | Net Increase/(Decrease) in Long Term Debt (including Current Maturities)                                   |
| 18.  | Increase/(Decrease) in Other Liabilities & Deferred Credits  |
| 19.  | Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital |
| 20.  | Less: Payment of Dividends   |
| 21.  | Less: Patronage Capital Credits Retired  |
| 22.  | Other (Explain) <span style="float: right;">plant retirements and salvage</span>                           |
| 23.  | Net Cash Provided/(Used) by Financing Activities   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                      |  |
| 24.  | Net Capital Expenditures (Property, Plant & Equipment)   |
| 25.  | Other Long-Term Investments  |
| 26.  | Other Noncurrent Assets & Jurisdictional Differences   |
| 27.  | Other (Explain) <span style="float: right;">plant retirements and salvage</span>                           |
| 28.  | Net Cash Provided/(Used) by Investing Activities   |
| 29.  | Net Increase/(Decrease) in Cash  |
| 30.  | Ending Cash  |

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