



CONSULTING

GVNW CONSULTING, INC.
2270 LaMontana Way, Suite 200
Colorado Springs, CO 80918
(719) 594-5800 (Tel.)
(719) 594-5803 (Fax)
www.gvnw.com

REDACTED – FOR PUBLIC INSPECTION

Via ECFS

June 27, 2014

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 Twelfth Street S.W.
Washington, D.C. 20554

**RE: FCC FORM 481 – CARRIER ANNUAL REPORTING DATA COLLECTION
CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE
ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-
92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL
COMMUNICATIONS COMMISSION (FILED IN DOCKETS 14-58) AND
CONFIDENTIAL FINANCIAL INFORMATION FILED PURSUANT TO SECTIONS
.457 AND .459 OF THE FEDERAL COMMUNICATIONS COMMISSION RULES**

Dear Ms. Dortch,

New Florence Telephone Company (New Florence) hereby submits the attached redacted and confidential versions of its “FCC Form 481 – Carrier Annual Reporting Data Collection” financial information pursuant to sections §54.313 and §54.422 of the Commission’s rules, as filed with the Universal Service Administrative Company.

Section 3005 of Form 481 requires the filing of financial information per 47 C.F.R. §54.313(f)(2). New Florence maintains that this information is “Confidential Financial Information” on the grounds that it is competitively sensitive information which could be used to disadvantage or harm New Florence, and is submitting this information pursuant to Protective Order, DA 12-1857 as described below. In addition, New Florence is requesting confidential treatment pursuant to sections 0.457 and 0.459 of the Commission’s rules for the Five-Year Service Quality Improvement Plan that is required by section 54.313(a)(1) to be attached to this report. Similar to the financial information submitted under section 54.313(f)(2), the information contained in the Five-Year Service Quality Improvement Plan contains competitively sensitive information, including but not limited to projected build-out plans and capital expenditures, that

is secure from public access that could be used by a competitor to disadvantage or harm New Florence.

First, New Florence is submitting the 54.313(f)(2) “Confidential Financial Information” as a “Stamped Confidential Document” with each page bearing the legend CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION and also submitting the .457 and .459 “Confidential Financial Information” as a “Stamped Confidential Document” with each page labeled “CONFIDENTIAL – NOT FOR PUBLIC INSPECTION”. One copy of the “Stamped Confidential Document(s)” and accompanying cover letter are enclosed.

Second, New Florence is submitting the “Stamped Confidential Document(s)” as a “Redacted Confidential Document” where the “Confidential Financial Information” has been redacted. Two copies of the “Redacted Confidential Document(s)” and accompanying cover letter with each page labeled “REDACTED - FOR PUBLIC INSPECTION” are enclosed.

Finally, New Florence is submitting two copies of the “Stamped Confidential Document(s)” and accompanying cover letter to Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 Twelfth Street S.W., Room 5-A452, Washington, D.C. 20554.

Please contact me with any questions you have on this filing.

Sincerely,
/s/ Dave Winter

Dave Winter
Senior Consultant
GVNW Consulting, Inc.
(719) 594-5800
dwinter@gvnw.com

Enclosures

<010> Study Area Code	421927
<015> Study Area Name	NEW FLORENCE TEL CO
<020> Program Year	2015
<030> Contact Name: Person USAC should contact with questions about this data	Bruce Stead
<035> Contact Telephone Number: Number of the person identified in data line <030>	2045182345 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	accounting@directcom.com

ANNUAL REPORTING FOR ALL CARRIERS

	54.313 Completion Required	54.422 Completion Required
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	54.313 Completion Required	54.422 Completion Required
<100> Service Quality Improvement Reporting (complete attached worksheet)	4	
<200> Outage Reporting (voice) (complete attached worksheet)	4	4
<210> Unfulfilled Service Requests (voice) (check box if no outages to report)	4	
<300> Unfulfilled Service Requests (broadband)		
<310> Detail on Attempts (voice) (attach descriptive document)		
<320> Unfulfilled Service Requests (broadband)	4	
<330> Detail on Attempts (broadband) (attach descriptive documents)		
<400> Number of Complaints per 1,000 customers (voice)		
<410> Fixed	4	4
<420> Mobile		
<430> Number of Complaints per 1,000 customers (broadband)	4	
<440> Fixed	0.0	
<450> Mobile	0.0	
<500> Service Quality Standards & Consumer Protection Rules Compliance (check to indicate certification)	4	4
<510> (attach descriptive document)	4	4
<600> Functionality in Emergency Situations (check to indicate certification)	4	4
<610> (attach descriptive document)	4	4
<700> Company Price Offerings (voice) (complete attached worksheet)	4	
<710> Company Price Offerings (broadband) (complete attached worksheet)	4	
<800> Operating Companies and Affiliates (complete attached worksheet)	4	4
<900> Tribal Land Offerings (Y/N)? (if yes, complete attached worksheet)	4	
<1000> Voice Services Rate Comparability (check to indicate certification)	4	
<1010> (attach descriptive document)	4	
<1100> Terrestrial Backhaul (Y/N)? (if not, check to indicate certification)	4	
<1110> (complete attached worksheet)		
<1200> Terms and Condition for Lifeline Customers (complete attached worksheet)		4
Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet		
<i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i>		
<2000> (check to indicate certification)		
<2005> (complete attached worksheet)		
Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet		
<3000> (check to indicate certification)	4	
<3005> (complete attached worksheet)	4	

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	421027
<015> Study Area Name	NEW FLORENCE TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Bruce Stead
<035> Contact Telephone Number - Number of person identified in data line <030>	2035482345 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	accounting@directcom.com

- <110> Has your company received its ETC certification from the FCC? (yes / no)
- 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)

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.

4210270112.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached document(s), 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.

4
4
4
4
4

(700) Price Offerings Including Voice Rate Data Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/CMB Control No. 3060-0819 July 2013
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<010> Study Area Code	411027
<015> Study Area Name	NEW FLORENCE TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Wagon, Steve
<035> Contact Telephone Number - Number of person identified in data line <030>	2085482145 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	accounting@directcom.com

<701> Residential Local Service Charge Effective Date	1/1/2014
<702> Bngio State-wide Residential Local Service Charge	

<a1>	<a2>	<a3>	<b1>	<b2>	<b3>	<b4>	<b5>	<c>
State	Exchange (ILEC)	SAC (CEFC)	Rate Type	Residential Local Service Rate	State Subscriber Line Charge	State Universal Service Fee	Mandatory Extended Area Service Charge	Total per line Rates and Fees
-- See attached worksheet								

(900) Tribal Lands Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	421927
<015> Study Area Name	HEM FLORENCE TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Bruce Stead
<035> Contact Telephone Number - Number of person identified in data line <030>	2085402345 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	accounting@directcom.com

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

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), 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 (Yes, No, NA)

[1100] No Terrestrial Backhaul Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	421027
<015>	Study Area Name	HEX FLORENCE TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Bruce Stead
<035>	Contact Telephone Number - Number of person identified in data line <030>	2045492345 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	accounting@directcom.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)

**(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form**

 FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

<010> Study Area Code	421927
<015> Study Area Name	NEW FLORIDA TELE CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Bruce Steed
<035> Contact Telephone Number - Number of person identified in data line <030>	205482245 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	accounting@rectcon.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

121927no1210.pdf

Name of Attached Document

<1220> Link to Public Website

 HTTP <http://psc.ca.gov/>

"Please check these boxes below to confirm that the attached document(s), 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.

(2000) Price Cap Carrier Additional Documentation
Data Collection Form
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481
 OMB Control No. 3060-0986/CMB Control No. 3060-0619
 July 2013

<010>	Study Area Code	421527
<015>	Study Area Name	HEP ELECTRIC TEL CO
<020>	Program Year	2013
<030>	Contact Name - Person USAC should contact regarding this data	Bruce Steed
<035>	Contact Telephone Number - Number of person identified in data line <030>	2085402345 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	ace@hps.lnqtdirect.com.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)]
- <2011> 3rd Year Certification [47 CFR § 54.313(b)(2)]

Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(e))

- <2012> 2013 Frozen Support Certification
- <2013> 2014 Frozen Support Certification
- <2014> 2015 Frozen Support Certification
- <2015> 2016 and future Frozen Support Certification

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

- <2016> Certification Support Used to Build Broadband

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

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification

<2020> Please check the box to confirm that the attached document(s), 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.

<2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation
Data Collection Form

FCC Form 481
 OMB Control No. 3050-0082/OMB Control No. 3050-0019
 July 2013

3010	Study Area Code	471927
3015	Study Area Name	RUS_F1088382_781_00
3020	Program Year	2015
3030	Contact Name - Person USAC should contact regarding this data	Brian St. Paul
3035	Contact Telephone Number - Number of person identified in data line 3030	2085482345_ext.
3039	Contact Email Address - Email Address of person identified in data line 3030	apoc@unitednetworks.com

CHECK the boxes below to note compliance with the 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.

3010 Progress Report on 5 Year Plan Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

3011 Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii). The carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband services in the preceding calendar year.

3012 Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

3013 Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) Yes No

3014 If yes, does your company file the RUS annual report Yes No

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires.

3015 Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

3016 Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

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

3018 If the response is no on line 3014, is your company audited? Yes No

If this response is yes on line 3018, please check the boxes below to confirm your submission, on line 3020 pursuant to § 54.313(f)(2), contains:

3019 Either a copy of their audited financial statements or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications

3020 Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

3021 Management letter issued by the independent certified public accountant that performed the company's financial audit.

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3020 pursuant to § 54.313(f)(2), contains:

3022 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,

3023 Underlying information subjected to a review by an independent certified public accountant

3024 Underlying information subjected to an officer certification

3025 Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

3026 Attach the worksheets listing required information

47192700-026.pdf

Name of Attached Document Listing Required Information

Certification - Reporting Carrier Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3050-0819 July 2013
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<010> Study Area Code	421927
<015> Study Area Name	HEM FLORENCE TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Bruce Bland
<035> Contact Telephone Number - Number of person identified in data line <030>	2095482746 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	zccompting@directcom.com

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

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I declare 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:	HEM FLORENCE TEL CO
Signature of Authorized Officer:	CBRYF12D ONLINE Date 06/26/2014
Printed name of Authorized Officer:	GREEN BOLE
Title or position of Authorized Officer:	General Manager
Telephone number of Authorized Officer:	2095482345 ext. 83271
Study Area Code of Reporting Carrier:	421927 Filing Due Date for this form: 07/01/2014
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.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2011
---	--

<010> Study Area Code	421927
<015> Study Area Name	NEW FLORENCE TEL CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Bruce Stead
<035> Contact Telephone Number - Number of person identified in data line <030>	2045482345 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	accounting@fletest.com

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

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or U Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ 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: _____	
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: _____
<small>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, 502(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or U Recipients on Behalf of Reporting Carrier	
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: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
<small>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, 502(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

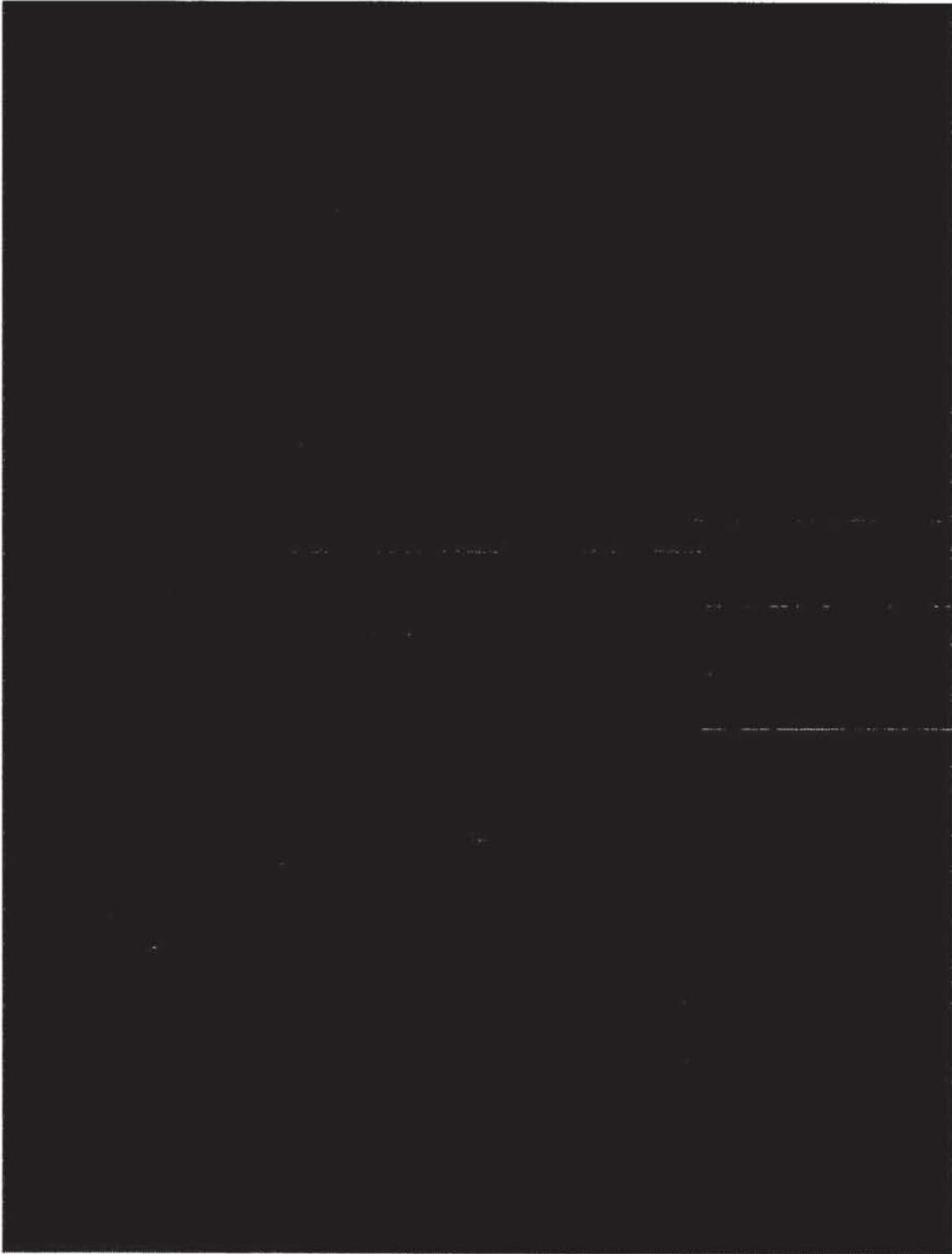
Attachments

New Florence Telephone Company

State: MISSOURI

Study Area: 421927

Five Year Service Quality Improvement Plan



New Florence Telephone Company

State: MISSOURI

Study Area: 421927

Five Year Service Quality Improvement Plan

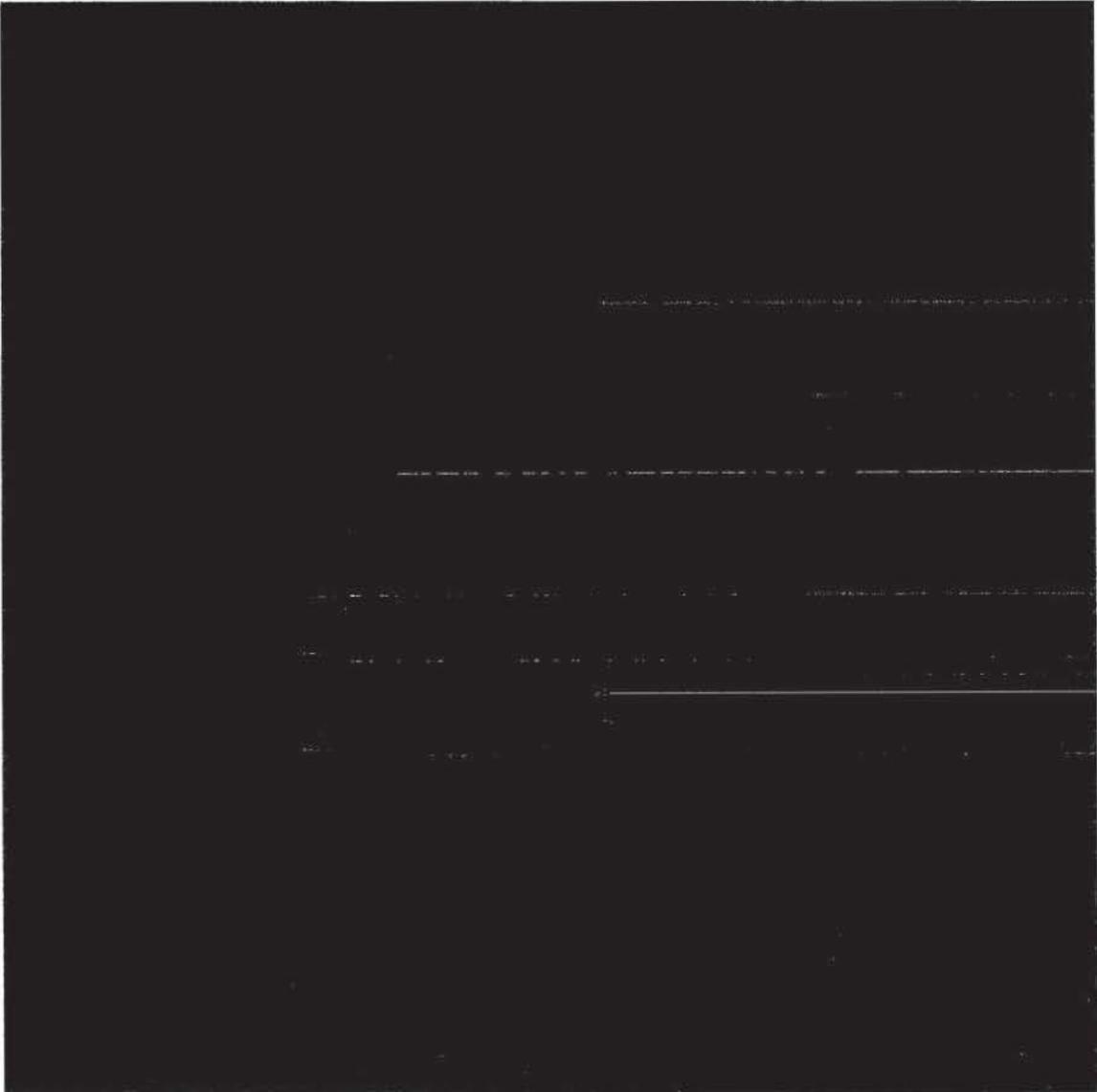


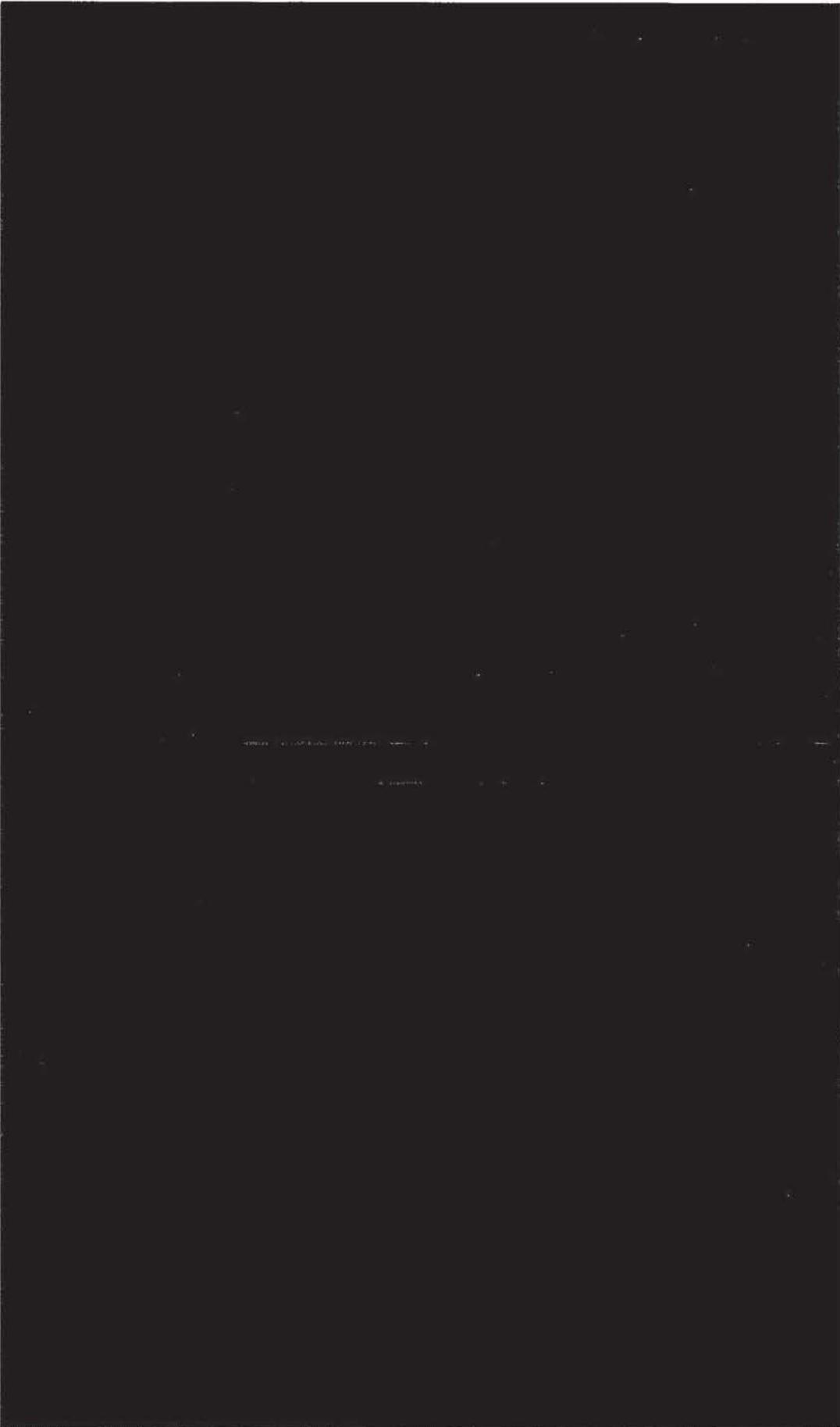
New Florence Telephone Company

State: MISSOURI

Study Area: 421927

Five Year Service Quality Improvement Plan





New Florence complies with the service standards of the state of Missouri as promulgated in Missouri regulations 4 CSR 240 Chapters 32 and 33 (even though compliance with these regulations as been waived by the Missouri Public Service Commission). The Company is committed to providing the highest quality service to its customers.

Pursuant to 47 C.F.R. § 54.313(a)(6) and/or 47 C.F.R § 54.422(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2) New Florence Telephone meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to New Florence Telephone's central and or remote office(s) by use of fixed generator and batteries that provide it with XX hours of emergency power service. In addition, New Florence Telephone's field electronics have 4-6 hours of back-up power by use of fixed/mobile generators and batteries. New Florence Telephone has no SONET technology in its network. New Florence Telephone has no redundant paths within its network to provide for the capability to reroute traffic. New Florence Telephone has equipped its remote offices/or field gear with Emergency Stand Alone technology that will provide for call completion and access to 911 in emergency situations. New Florence Telephone is capable of managing traffic spikes resulting from emergency situations.

Response to Line 1000
New Florence Telephone Company
Study Area 421927

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) New Florence Telephone Company ("NF") is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of \$46.96 as specified in Public Notice DA 14-384 issued on March 20, 2014. NF's current total local end-user rate¹ of \$22.33 (which includes a local fee of \$0.75, mandated state fees of \$0.08 and mandatory extended are service charges of \$0.00) is not above the standard deviation as specified in the USF/ICC Transformation Order.²

¹ Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

² USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) "The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average."

**NEW FLORENCE TELEPHONE COMPANY
LIFELINE ASSISTANCE PROGRAM**

The Lifeline Assistance Program is a plan that assists qualified low-income applicants with reductions in their monthly local exchange service rate. The assistance applies to a single telephone line at the applicant's principal place of residence. Qualified applicants monthly local exchange service rate may be reduced by up to \$12.75.

Eligibility will be based on participation in a qualifying program. For more information about Lifeline Assistance you may contact us at 573-835-2997, visit the office located at 101 N Main St., New Florence, MO or visit our website <http://www.newflorence.com>.

You must prove eligibility by submitting a form signed under penalty of perjury that you receive benefits from or a copy of any dated document which verifies your participation in a qualifying program.

Benefits take effect when proof of eligibility is received and will be reviewed periodically. Benefits will be discontinued when you no longer participate in the qualifying program or do not provide proof of eligibility when requested. Customers no longer eligible must notify their service provider.

Being a Lifeline customer does not protect you from being disconnected if you fail to pay your telephone bill.
Lifeline discounts cannot be applied to an outstanding balance owed to your phone company.
Lifeline can only be applied to one telephone line per household.

NEW FLORENCE TELEPHONE COMPANY, INC.

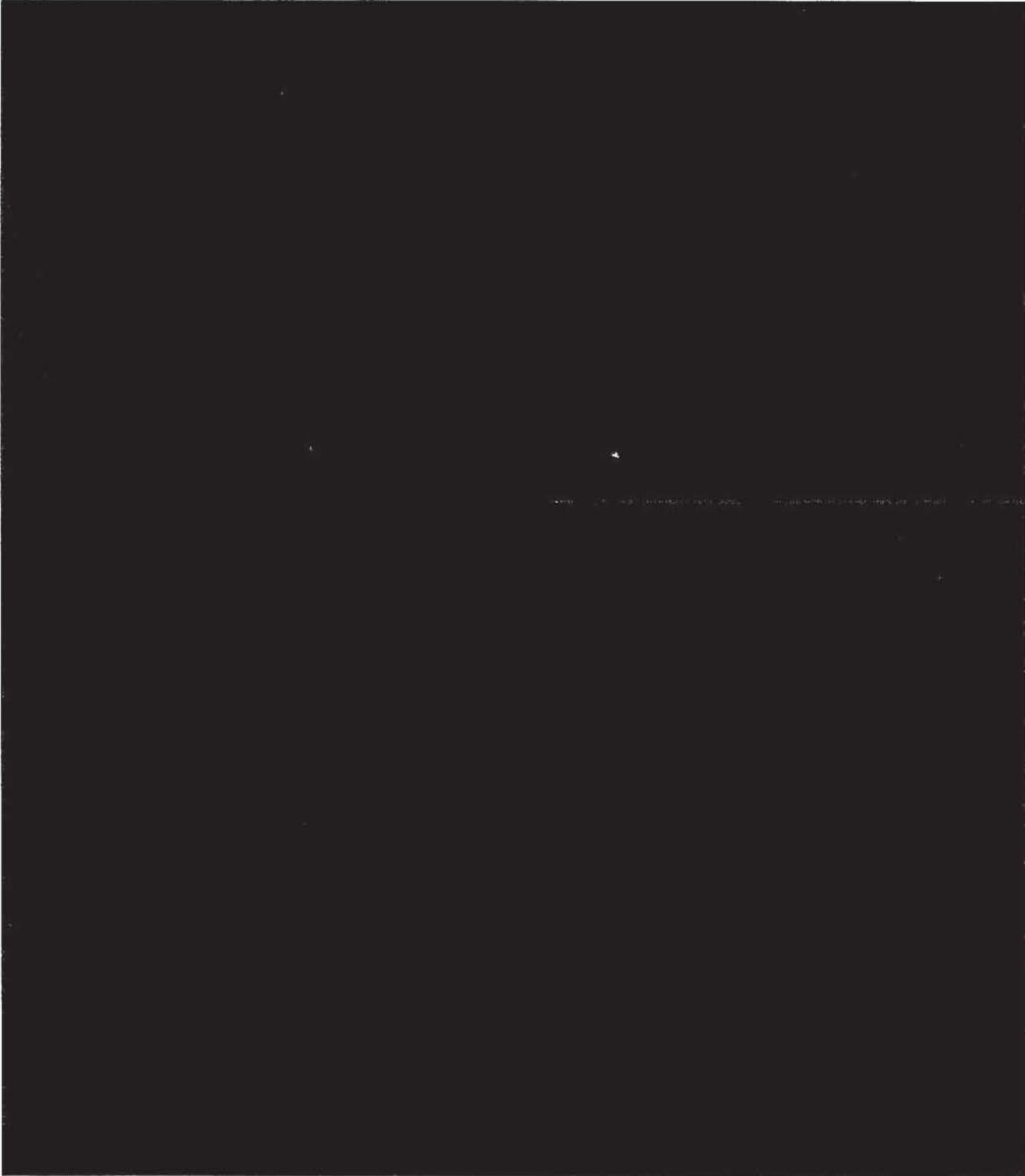
FINANCIAL STATEMENTS

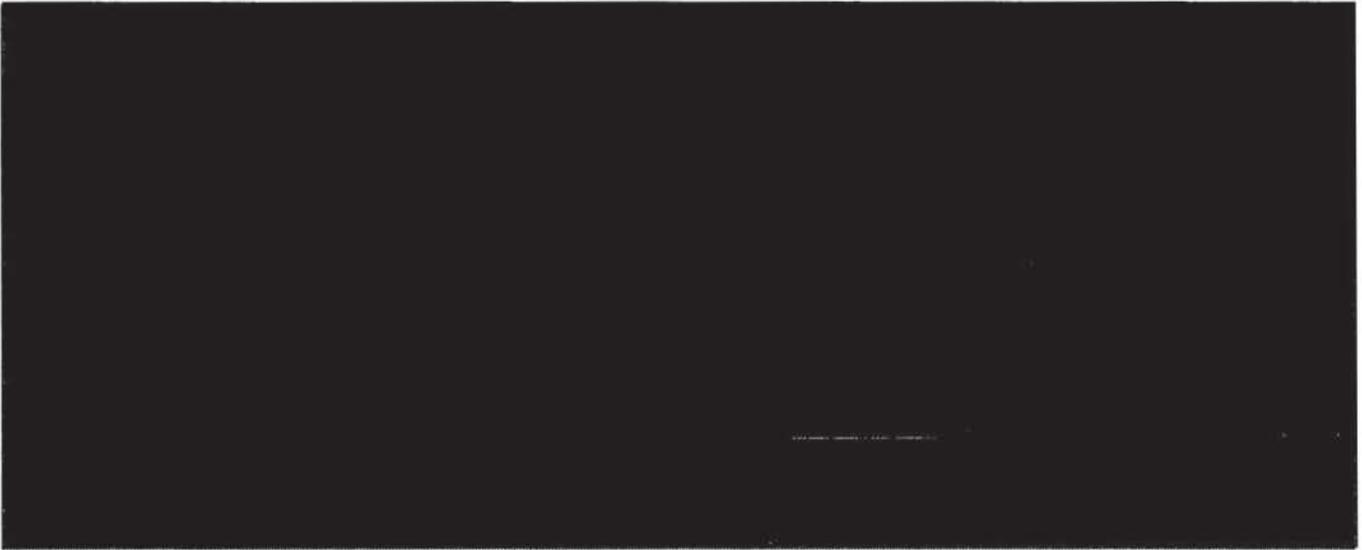
DECEMBER 31, 2013 AND 2012

[REDACTED]

NEW FLORENCE TELEPHONE COMPANY, INC.
FINANCIAL REPORT
DECEMBER 31, 2013 AND 2012







NEW FLORENCE TELEPHONE COMPANY, INC
 BALANCE SHEETS
 DECEMBER 31, 2013 AND 2012

	2013	2012
ASSETS		
Current assets		
Cash and cash equivalents		
Due from subscribers and agents, less allowance for doubtful accounts of \$350 and \$700		
Due from affiliated companies		
Prepaid expenses		
Materials and supplies		
Total current assets		
Other assets		
Deferred income taxes		
Total other assets		
Property, plant, and equipment		
Operating plant:		
Plant under construction		
Plant in service		
Accumulated depreciation		
Total operating plant		
Non-operating plant:		
Telephone plant acquisition adjustment		
Accumulated amortization		
Non-regulated plant in service		
Accumulated depreciation		
Total non-operating plant		
Total property, plant, and equipment		
Total assets and investments		

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

NEW FLORENCE TELEPHONE COMPANY, INC
 BALANCE SHEETS (Continued)
 DECEMBER 31, 2013 AND 2012

	2013	2012
LIABILITIES AND STOCKHOLDERS' EQUITY		
EQUITY		
Current liabilities		
Accounts payable		
Accounts payable-affiliates		
Customer deposits		
Accrued expenses		
Short-term shareholder loans		
Current portion of long-term debt		
Total current liabilities		
Long-term liabilities		
Deferred income taxes		
Notes payable		
Less: current portion of long-term debt		
Total long-term liabilities		
Total liabilities		
Stockholders' equity		
Common stock, no par value, 600 shares authorized, 200 issued and outstanding		
Additional paid in capital		
Retained earnings		
Treasury stock, 177 shares, recorded at cost		
Total stockholders' equity		
Total liabilities and stockholders' equity		

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

NEW FLORENCE TELEPHONE COMPANY, INC
 STATEMENTS OF INCOME
 FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Operating revenue		
Local network		
Network access		
Billing and collection		
Miscellaneous		
Total operating revenue		
Operating expenses		
Plant specific		
Plant nonspecific		
Customer operations		
Corporate operations		
Depreciation		
Total operating expenses		
Operating taxes		
Income taxes (benefit)		
Other operating taxes		
Total operating expenses and taxes		
Operating income (loss)		
Non-operating revenue (expense)		
Other income (loss)		
Non-regulated income		
Non-regulated expense		
Interest and dividend income		
Income taxes (expense) benefit		
Non-operating income (loss)		
Net income (loss) before fixed charges		
Fixed charges		
Net income (loss)		

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

NEW FLORENCE TELEPHONE COMPANY, INC
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>Common Stock</u>	<u>Additional Paid in Capital</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	<u>Total</u>
Balance, December 31, 2011					
Net income (loss)					
Balance, December 31, 2012					
Net income (loss)					
Balance, December 31, 2013					

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

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

NEW FLORENCE TELEPHONE COMPANY, INC
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Cash flows from operating activities		
Net income (loss)		
Adjustments to reconcile net income to net cash provided (used) by operating activities		
Expense of prior year construction in progress due to withdrawal of RUS loan application		
Depreciation		
Deferred taxes		
Bad debt reserve		
Changes in assets and liabilities		
Due from customers and agents		
Due from affiliated companies		
Materials and supplies		
Prepaid expenses		
Accounts payable		
Customer deposits		
Accrued expenses		
Net cash provided (used) by operating activities		
Cash flows from investing activities		
Depreciation on non-regulated assets		
Amortization on telephone plant adjustment		
Capital expenditures		
(Payments on) issuance of affiliate payables		
Net cash provided (used) by investing activities		

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

NEW FLORENCE TELEPHONE COMPANY, INC
 STATEMENTS OF CASH FLOWS (Continued)
 FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

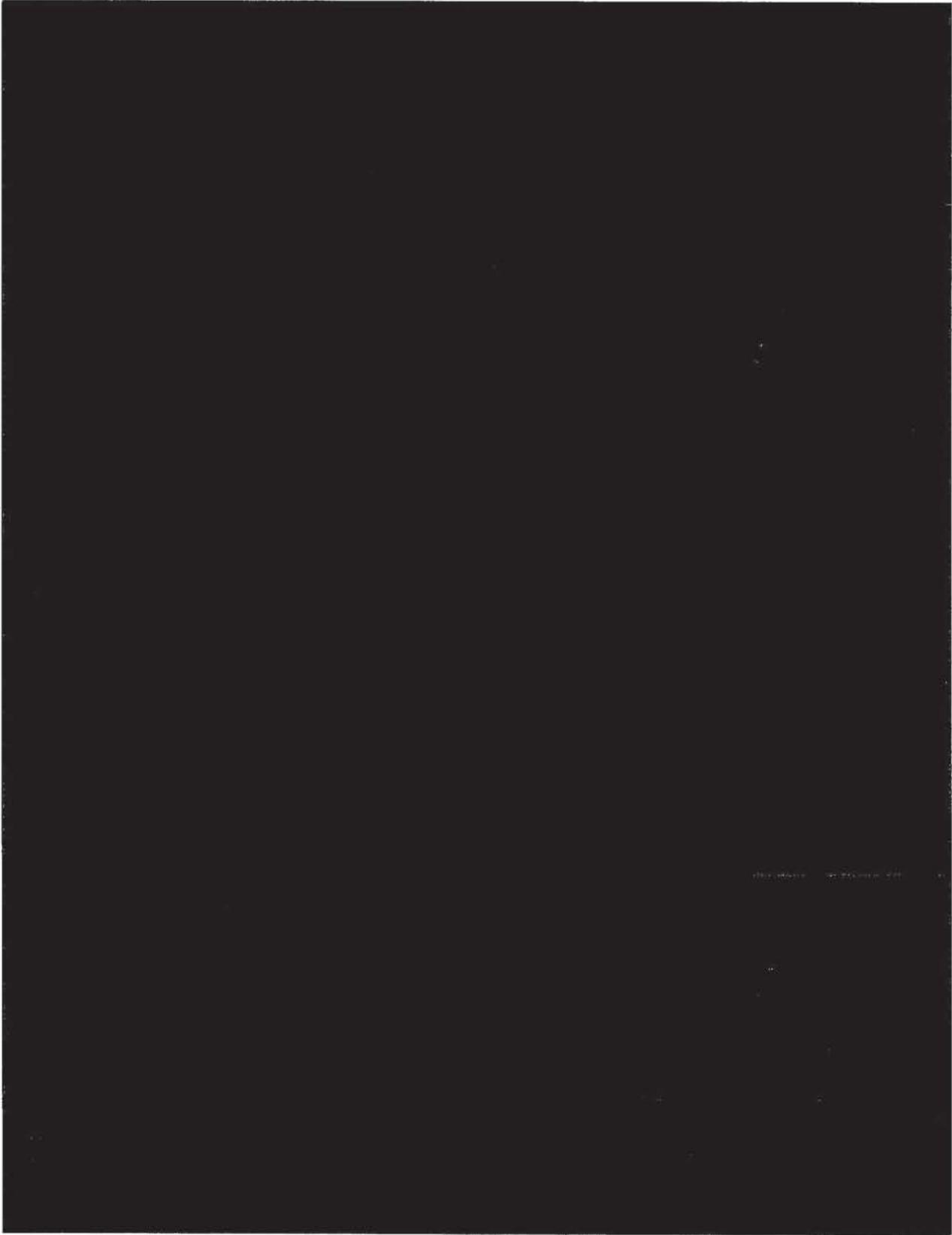
	<u>2013</u>	<u>2012</u>
Cash flows from financing activities		
Short-term shareholder loans		
Payments on short-term shareholder loans		
Payments on notes payable		
Net cash provided (used) by financing activities		
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents, beginning		
Cash and cash equivalents, ending		
Cash paid during the year for:		
Interest		
Income taxes		

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

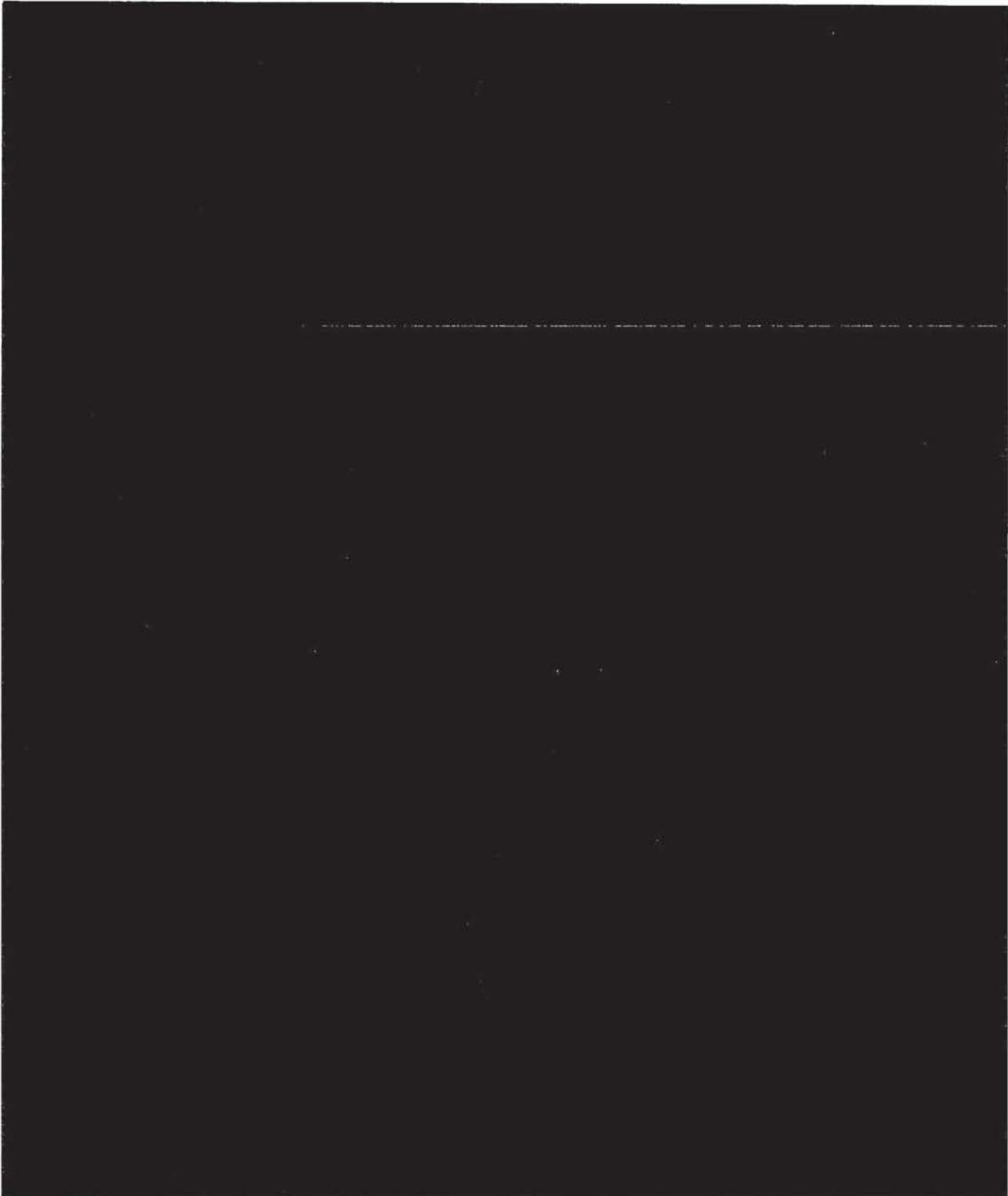
NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



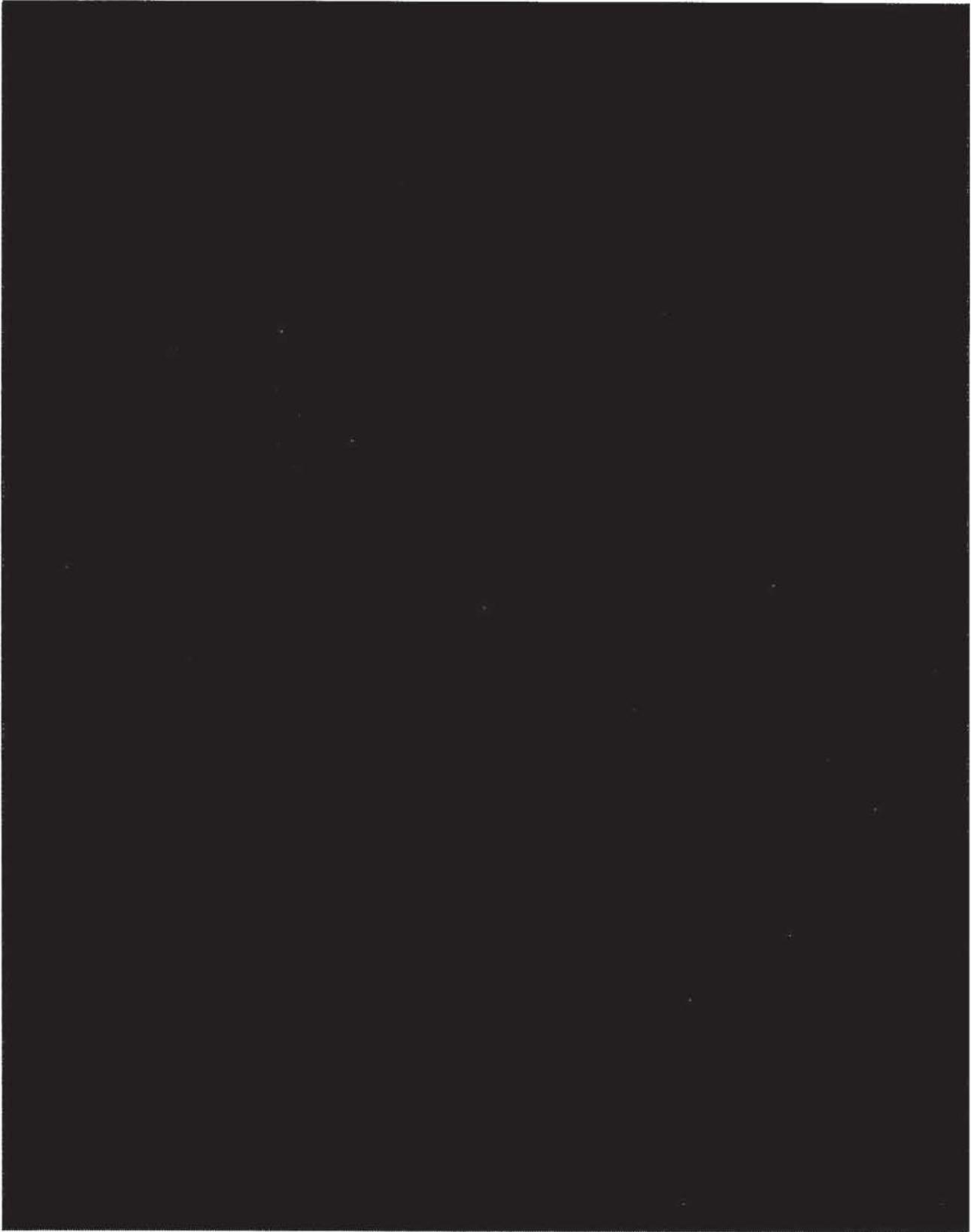
NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



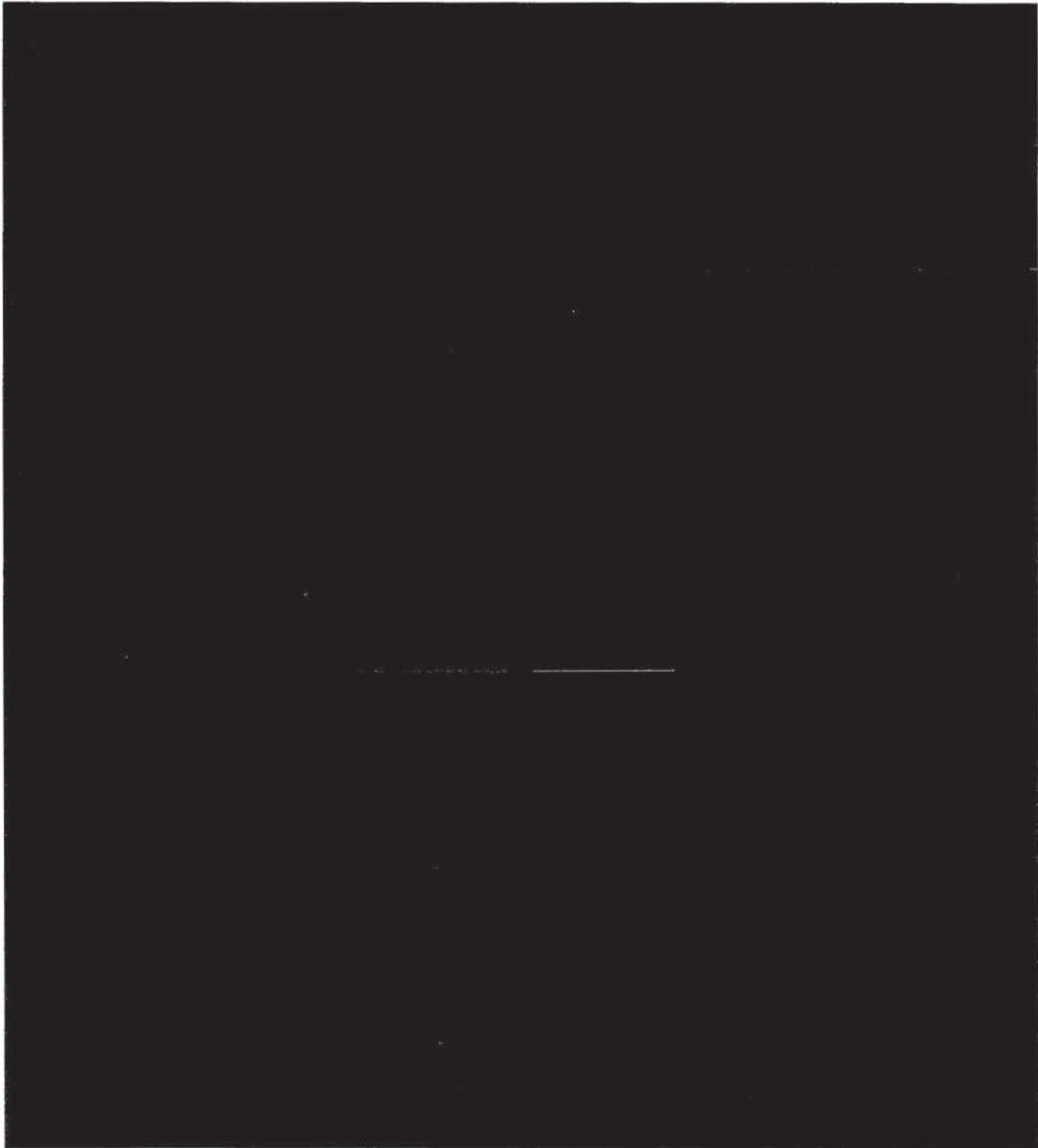
NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



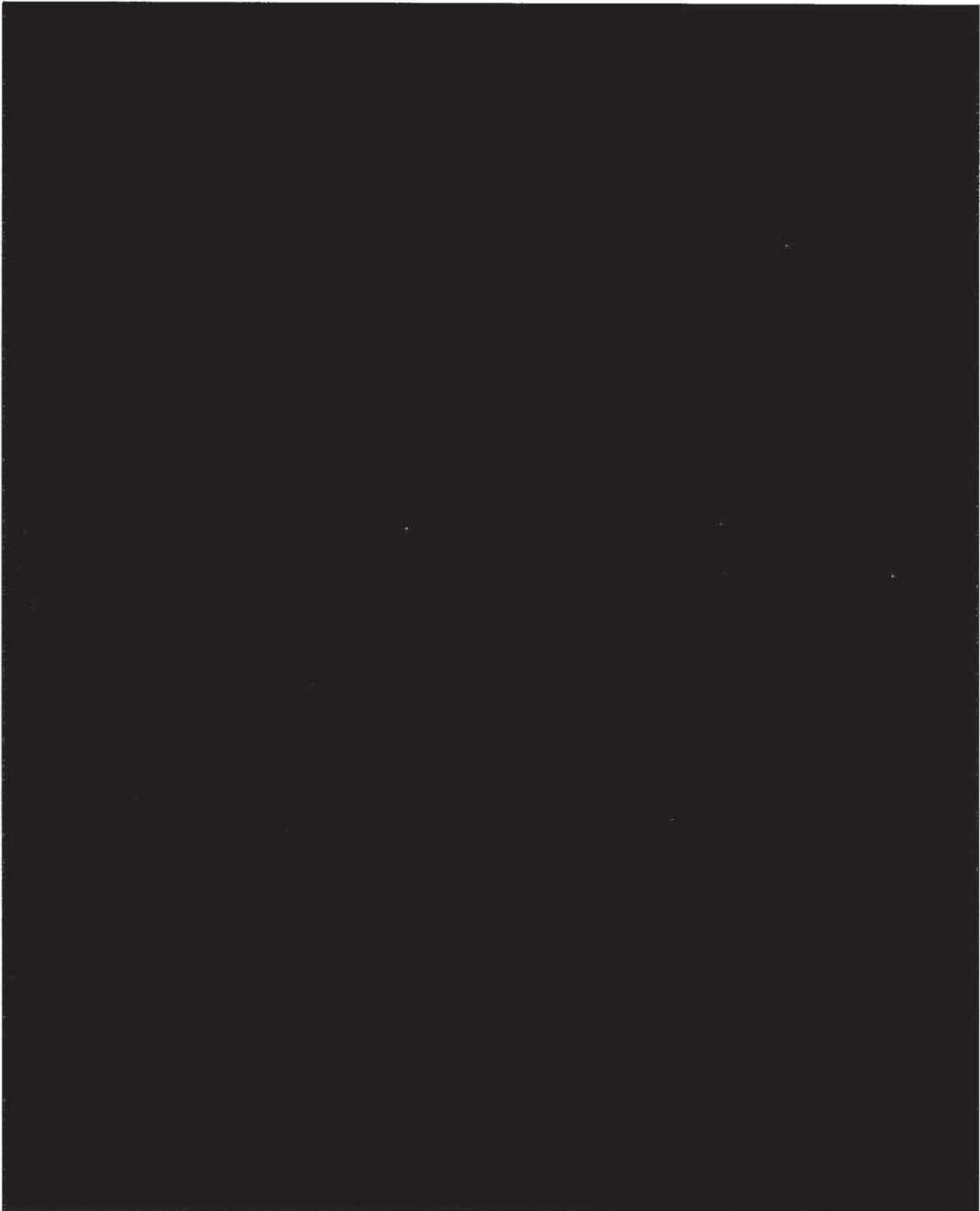
NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



NEW FLORENCE TELEPHONE COMPANY, INC
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 6. INCOME TAXES (Continued)

Operating income tax:

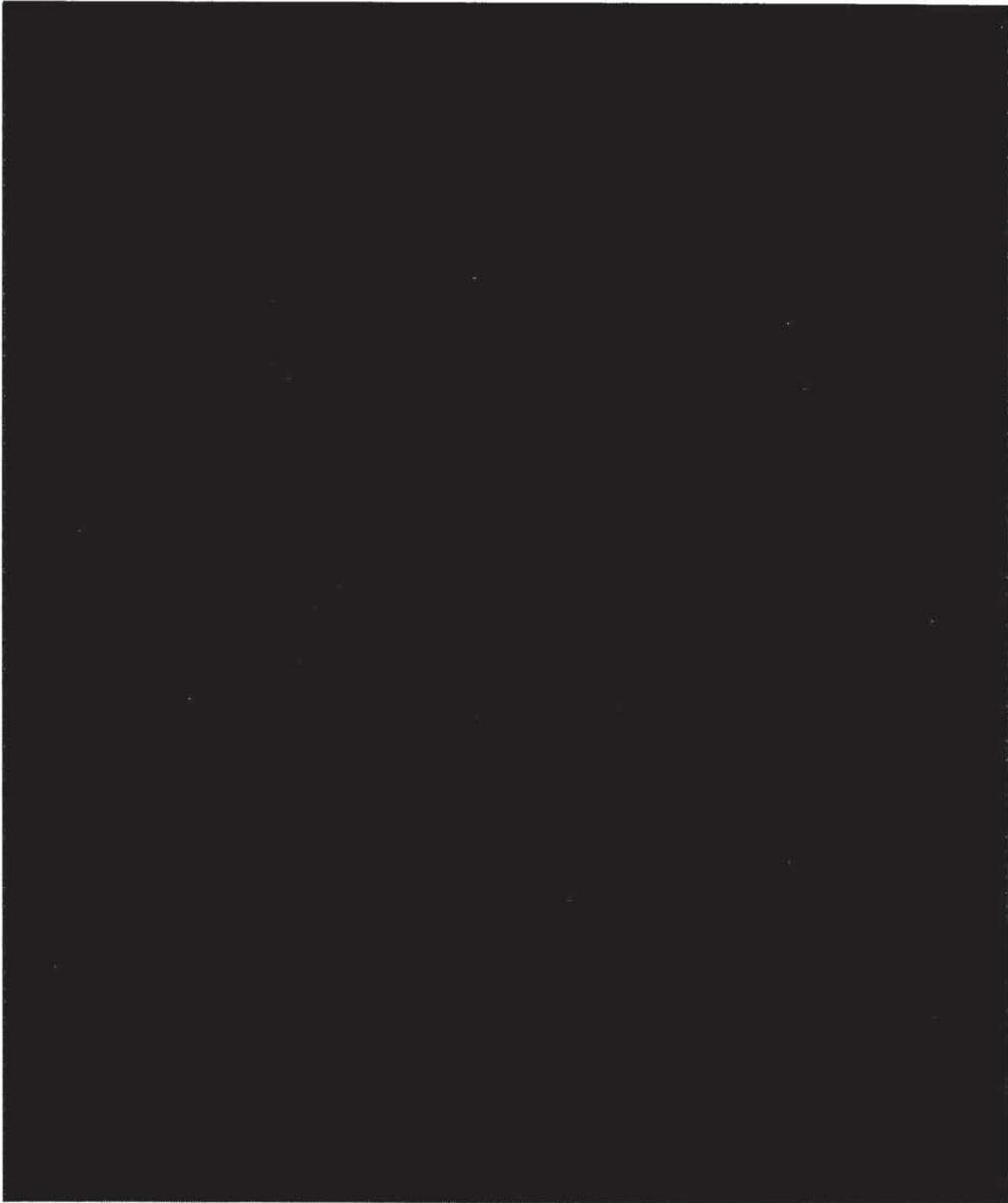
	2013	2012
Federal		
Current provision (benefit)		
Prior year under (over) accrual		
Deferred provision (benefit)		
State		
Current provision (benefit)		
Prior year under (over) accrual		
Deferred provision (benefit)		
Total operating income tax expense (benefit)		
Non-operating income tax		
Federal provision (benefit)		
State provision (benefit)		
Federal-deferred provision (benefit)		
State-deferred provision (benefit)		
Over accrual of prior year taxes		
Total non-operating income tax expense (benefit)		
Total income tax expense (benefit)		

NOTE 7. ACCOUNTS RECEIVABLE

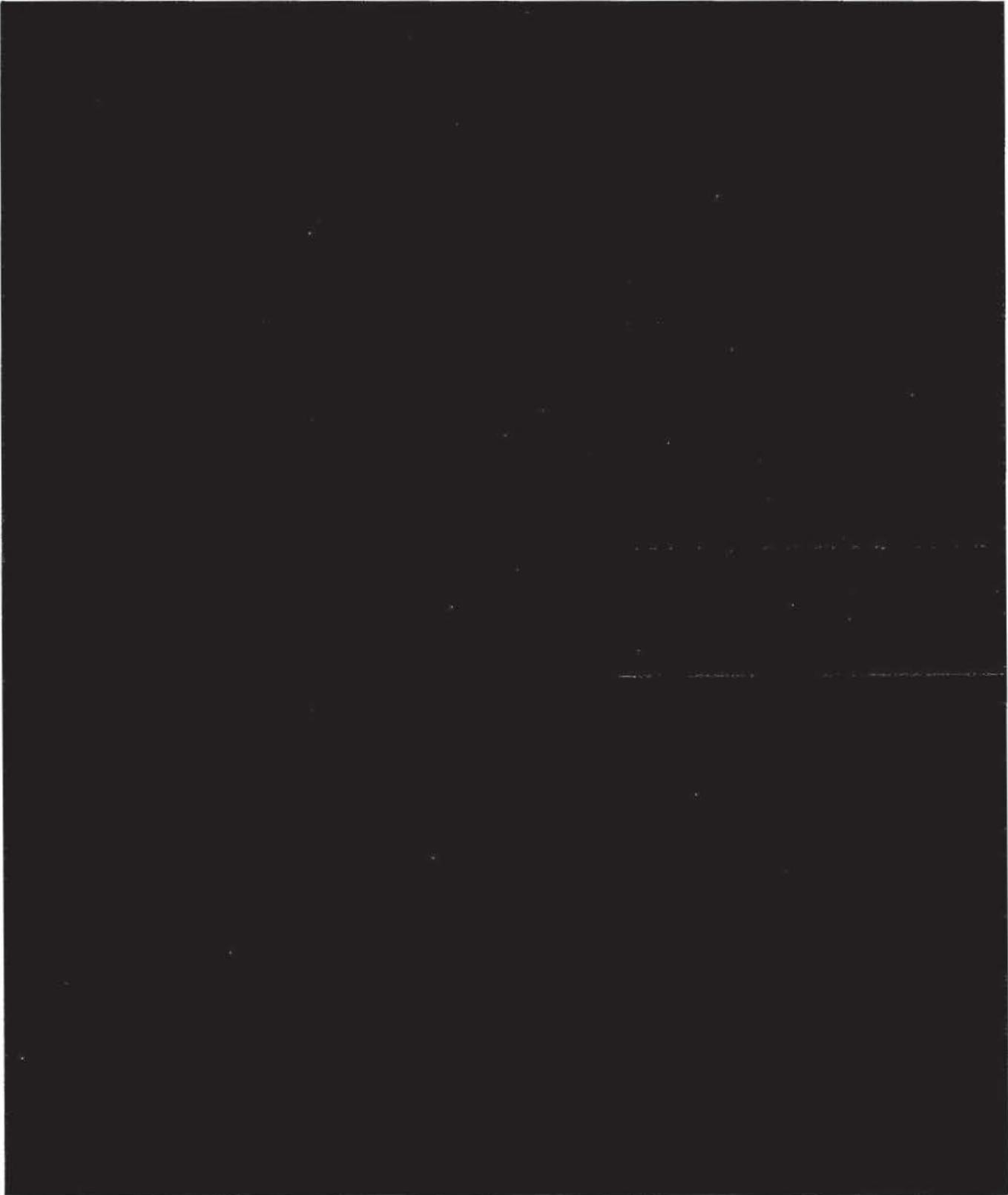
Accounts receivable as of December 31, 2013 and 2012, consist of the following:

Accounts receivable:	
Subscribers	
Agents and network access	
NECA-federal universal service fund	
Affiliates	
Other	
Subtotal	
Less: allowance for bad debts	

NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012



NEW FLORENCE TELEPHONE COMPANY, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

