

**FCC Form 481 - Carrier Annual Reporting  
Data Collection Form**FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	300594
<015>	Study Area Name	THE CHAMPAIGN TEL CO
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	Judy Christiansen
<035>	Contact Telephone Number: Number of the person identified in data line <030>	4028181322 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	jchristiansen@consortiaconsulting.com
Form Type		54.313 and 54.422

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

FCC Form 481

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

July 2013

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<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, please 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.

300594oh112.pdf

- <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.

Please select the appropriate responses below (Yes, No, Not Applicable) 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

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

Yes
Yes
Yes
Yes
Yes
Not Applicable

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<210> For the prior calendar year, were there any reportable voice service outages? No

**(300) Unfulfilled Service Request  
Data Collection Form**

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&lt;300&gt; Unfulfilled service request (voice)

0

&lt;310&gt; Detail on attempts (voice)

Name of Attached Document

&lt;320&gt; Unfulfilled service request (broadband)

0

&lt;330&gt; Detail on attempts (broadband)

Name of Attached Document

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<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed voice	
<410>	Complaints per 1000 customers for fixed voice	0 . 3
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed broadband	
<440>	Complaints per 1000 customers for fixed broadband	0 . 0
<450>	Complaints per 1000 customers for mobile broadband	

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<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
300594oh510.pdf		
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	

<b>(600) Functionality in Emergency Situations</b>		FCC Form 481
<b>Data Collection Form</b>		OMB Control No. 3060-0986/OMB Control No. 3060-0819
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<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	300594oh610.pdf

**(700) Price Offerings including Voice Rate Data  
Data Collection Form**

FCC Form 481

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July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jchristiansen@consortiaconsulting.com
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<701> Residential Local Service Charge Effective Date

1/1/2016

<702> Single State-wide Residential Local Service Charge

[illegible]



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-- See attached worksheet --

**(800) Operating Companies  
Data Collection Form**

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<810>	Reporting Carrier	The Champaign Telephone Company
<811>	Holding Company	Not Applicable
<812>	Operating Company	NA

[illegible]

**(900) Tribal Lands Reporting  
Data Collection Form**

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&lt;900&gt; Does the filing entity offer tribal land services? (Y/N) No

&lt;910&gt; Tribal Land(s) on which ETC Serves

&lt;920&gt; Tribal Government Engagement Obligation

Name of Applicant

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

- <921> Needs assessment and deployment planning with a focus on Tribal
- <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 or No or

**(1000) Voice and Broadband Service Rate Comparability  
Data Collection Form**

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<1000> Voice services rate comparability certification Yes

<1010> Attach detailed description for voice services rate comparability compliance

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Name of Attached Document

<1020> Broadband comparability certification Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1030> Attach detailed description for broadband comparability compliance

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Name of Attached Document

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

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&lt;1100&gt; Certify whether terrestrial backhaul options exist (Y/N)

Yes

&lt;1130&gt; Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream

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

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300594oh1210.pdf

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Attachment

<1220> Link to Public Website

HTTP

•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

- <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**

FCC Form 481

**Data Collection Form**

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

*Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

July 2013

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Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental 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)(i) - Note that for the July 1 2016 certification, this applies to Round 2 recipients of Incremental Support
- <2011> 3rd Year Certification 47 CFR § 54.313(b)(1)(ii) - Note that for the July 1 2016 certification, this applies to Round 1 recipients of Incremental Support
- <2022> Recipient certifies, representing year two after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.
- <2023> The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year two - 54.313(b)(2)(ii). Round 2 recipients only.
- <2024A> Round 2 Recipient of Incremental Support?
- <2024B> Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(ii). Round 2 recipients only.
- <2025A> Round 1 or Round 2 Recipient of Incremental Support?
- <2025B> Attach geocoded Information for Phase I milestone reports (Round 1 for year three and Round 2 for year two) - Connect America Fund , WC Docket 10-90, Report and Order, FCC 13-
- <2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

Name of Attached Document Listing  
Required Information

Name of Attached Document Listing  
Required Information

**(2000) Price Cap Carrier Additional Documentation (Continued)**

FCC Form 481

**Data Collection Form**

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

*Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

July 2013

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

&lt;2016&gt; Certification support used to build broadband

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

&lt;2017A&gt; Connect America Fund Phase II recipient?

&lt;2017B&gt; Attach information for Phase II - 54.313(e)(1) - list of geocoded locations already meeting the 54.309 public interest obligations at the end of calendar year 2015 and total amount of Phase II support, if any, the price

Name of Attached Document Listing  
Required Information

cap carrier used for capital expenditures in 2015.

&lt;2018&gt; Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(2)(ii)

Name of Attached Document Listing  
Required Information

&lt;2019&gt; Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(2)(v)

&lt;2020&gt; Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 40% of its supported locations in the state on December 31, 2017 - 54.313(e)(3)

&lt;2021&gt; Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 60% of its supported locations in the state on December 31, 2018 - 54.313(e)(4)

&lt;2026&gt; Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 80% of its supported locations in the state on December 31, 2019 - 54.313(e)(5)

&lt;2027&gt; Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 100% of its supported locations in the state on December 31, 2020 - 54.313(e)(6)



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Complete the items below to note compliance with 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.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)		
(3010A)	Milestone Certification {47 CFR § 54.313(f)(1)(i)}	Yes - Attach Certification	
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information	300594oh3010.pdf
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	No - No New Community Anchors	
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	(Yes/No)	<input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report	(Yes/No)	<input type="radio"/> <input checked="" type="radio"/>
(3015)	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: Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows		<input 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	
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No)	<input checked="" type="radio"/> <input type="radio"/>
(3019)	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: Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers		<input checked="" type="checkbox"/>
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows		<input checked="" type="checkbox"/>
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.		<input checked="" 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: 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)	Document(s) for 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	300594oh3026.pdf

(3005) Rate Of Return Carrier Additional Documentation (Continued)

FCC Form 481

Data Collection Form

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

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Financial Data Summary

(3027) Revenue

(3028) Operating Expenses

(3029) Net Income

(3030) Telephone Plant In Service(TPIS)

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends

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4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission’s public interest obligations. All RBE participants must provide a response to Line 4001.

**4001.** Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

Community Anchor Institutions – FCC 14-98 (paragraph 79)

**4003a.** RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

<b>4003b.</b> Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.	Name of Attached Document Listing Required Information	

Broadband Deployment Locations – FCC 14-98 (paragraph 80)

<b>4004a.</b> Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.	Name of Attached Document Listing Required Information	

<b>4004b.</b> Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.	Name of Attached Document Listing Required Information	

**Certification - Reporting Carrier  
Data Collection Form**

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**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 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</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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**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 LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Consortia Consulting</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:	Consortia Consulting
Name of Reporting Carrier:	THE CHAMPAIGN TEL CO
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 06/22/2016
Printed name of Authorized Officer:	Tiffany Ebersold
Title or position of Authorized Officer:	CFO
Telephone number of Authorized Officer:	9376532263 ext.
Study Area Code of Reporting Carrier:	300594 Filing Due Date for this form: 07/01/2016
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:**

Certification of Agent Authorized to File Annual Reports for CAF or LI 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:	THE CHAMPAIGN TEL CO
Name of Authorized Agent Firm:	Consortia Consulting
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 06/22/2016
Name of Authorized Agent Employee:	Judy Christiansen
Title or position of Authorized Agent or Employee of Agent	Consultant
Telephone number of Authorized Agent or Employee of Agent:	4028181322 ext.
Study Area Code of Reporting Carrier:	300594 Filing Due Date for this form: 07/01/2016
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

<b>(700) Price Offerings including Voice Rate Data</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

July 2013

<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	

[illegible]

<b>(710) Broadband Price Offerings</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	300594
<015>	Study Area Name	THE CHAMPAIGN TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Judy Christiansen
<035>	Contact Telephone Number - Number of person identified in data line <030>	4028181322 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jchristiansen@consortiaconsulting.com

[illegible]



## **The Champaign Telephone Company**

### **Certification of Compliance with Applicable Service Quality Standards and Consumer Protection Rules for Voice and Broadband Services**

Service quality standards and consumer protection rules for broadband are not as defined as the rules for voice services. The Company complies with any service quality standards and consumer protection rules for broadband that are out there now and any that will be defined in the future.

#### Service Quality Standards

For voice services, the Company:

- Provides voice grade access to the public switched network.
- Provides flat rated local exchange service with no additional charge to end users.
- Provides access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911.
- Provides toll blocking and toll limitation services.

For voice and broadband services, the Company:

- Advertises the availability of its services and the charges using media of general distribution and/or on its website.
- Maintains a business office providing customers with access to a customer service representative either in person or via a local telephone call or toll-free telephone number during business hours.
- Directs after hour calls to the Company's help desk.
- Directs trouble reports to the on-call technician.
- Tracks all service orders to ensure they are completed in a timely manner.
- Measures its service connection and service interruption performance on a regular basis.
- Trains employees to:
  - Answer all incoming calls promptly.
  - Respond to all inquiries for information promptly and courteously.
  - Investigate thoroughly all customer complaints and handle appropriately according to the Company's guidelines for resolution of customer complaints.
  - Be knowledgeable about products and service offerings so they can assist the customer with selecting the best service option.
- Has a process for periodic inspection, testing and preventive maintenance of its equipment to permit the rendering of safe, adequate and continuous service at all times.
- Meets or exceeds the standards established by the state commission and provides any reports required in accordance with the state commission's rules.

#### Consumer Protection Rules

The Company has established operating procedures designed to facilitate compliance with applicable consumer protection rules which include compliance with the Customer Proprietary Network Information (CPNI) rules. The operating procedures include:

- Appointment of a compliance officer.
- A manual detailing the specific procedures for protecting consumer information.
- Employee training on an annual basis.
- A disciplinary process for improper use of consumer information.

If complaints are filed with the Company regarding consumer protection rules, the complaint is immediately investigated, the matter tracked and any corrective action noted. This process ensures that problems are addressed and corrections made.

## **The Champaign Telephone Company**

### **Functionality in Emergency Situations for Voice and Broadband Services**

#### Back-Up Power

All Central Office equipment power is backed up via an 8-hour battery system and a Kohler fixed diesel powered generator connected to a underground 2500 gallon tank.

Major remote offices have an 8-hour battery system with a fixed propane or natural gas generator. One office does not have a fixed generator, but can be powered via a mobile diesel generator stored at the Central Office garage.

Minor remote terminals have an 8-hour battery system and can be supported with one of seven portable gas generators stored at the Central Office garage.

#### Rerouting of Traffic around Damaged Facilities

All inter-carrier traffic, except for the Windstream office in St Paris, OH, are on optic rings with diverse routing within the ILEC region. St. Paris connection is provided by copper T1 spans between the two Central Offices. All DSLAM remote systems are operating on diverse route 10G optic rings supporting both voice and broadband services to customers.

#### Traffic Spikes

The voice switch network (loop carrier capacity included) is designed with a **maximum** of 4:1 oversubscription. On a normal day, our internet backbone is running at 90% capacity.

## **The Champaign Telephone Company**

### **Lifeline Terms and Conditions**

The Champaign Telephone Company ("Champaign") offers Lifeline program-supported service to qualified low-income residential consumers for one telephone line per eligible household. The Lifeline program provides discounts to eligible low-income consumers to help them establish and maintain telephone service. Lifeline assistance lowers the cost of basic, monthly local telephone service. Eligible consumers can receive \$9.25 per month in discounts. In addition, the Federal Universal Service Charge is not assessed to consumers participating in Lifeline. Toll Blocking prevents the placement of all long distance calls for which a subscriber would be charged. Toll blocking is available to eligible consumers at no cost. Also, by choosing this option, consumers are usually not charged a deposit.

### **Lifeline Program Eligibility Information**

#### **Program Based Eligibility**

Consumers are eligible for Lifeline if they, one of their dependents or their household participate in one of the following qualifying assistance programs:

Medicaid  
Federal Public Housing Assistance (Section 8)  
Low Income Housing Energy Assistance (LIHEAP)  
Supplemental Nutrition Assistance Program (SNAP, formerly Food Stamps)  
Ohio Works First/Temporary Aid to Needy Families (TANF)  
National School Lunch Program Free Lunch Program  
Supplemental Security Income (SSI)  
SSI – Blind and Disabled (SSDI)  
General/Disability Assistance

Lifeline applicants must present documentation demonstrating eligibility either through participation in one of the qualifying federal assistance programs or through income-based means.

Acceptable documentation of program-based eligibility includes: current or prior year's statement of benefits from a qualifying state, federal or Tribal program; notice letter of participation in a qualifying state, federal or Tribal program; program participation documents; or another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.

#### **Income Based Eligibility**

In addition, consumers are eligible for Lifeline if their household income is at or below 150% of the federal poverty guidelines.

Acceptable documentation of income eligibility includes: prior year's state, federal or Tribal tax return; current income statement from an employer or paycheck stub; social security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; unemployment/workmen's compensation statement of benefits; federal or Tribal notice of letter participating in General Assistance; or a divorce decree or child support award or other official document containing income information.

### **Numbers of Minutes-of-Use Provided as Part of Lifeline Program Service**

Champaign's Voice Lifeline service includes unlimited local minutes-of-use within the toll-free calling area. Champaign's Voice Lifeline Plan does not include any free minutes-of-use for toll. Toll is billed at the standard toll rate depending on which interexchange carrier the consumer subscribes to for toll service. As part of the Lifeline service, Toll blocking is available to eligible consumers at no cost.

**Rates**

Subscribers may receive the Lifeline credit on any type or grade of local service, including bundled services that are normally offered by Champaign. Advertised rates do not include any applicable taxes or surcharges.

**Recertification of Lifeline Eligibility**

Lifeline recipients are required to recertify their eligibility annually. Failure to properly recertify a recipient's continued eligibility for the Lifeline program will result in termination of the Lifeline recipient's monthly Lifeline discount and de-enrollment from the Lifeline Program.

**Additional Lifeline Program Information**

The Lifeline program is limited to one benefit per household, consisting of either wireline or wireless service. A household is defined, for purposes of the Lifeline program, as an individual or group of individuals who live together at the same address and share income and expenses. Lifeline is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.

## **The Champaign Telephone Company**

### **Progress Report of 5 Year Plan – Milestone Certification**

To be in compliance with the Milestone Certification of providing upon a reasonable request broadband service at actual speeds of 10 Mbps downstream/1 Mbps upstream:

- The Champaign Telephone Company certifies that it has taken reasonable steps to provide upon a reasonable request broadband service at actual speeds of 10 Mbps downstream/1 Mbps upstream with latency suitable for real-time applications, including Voice over Internet Protocol.
- The Company provides usage capacity that is reasonably comparable to comparable offerings in urban areas.
- The Company certifies that requests for such service are met within a reasonable amount of time.

**REDACTED – FOR PUBLIC INSPECTION**

[illegible]

REDACTED - FOR PUBLIC INSPECTION

If one assumes that depreciation expense [REDACTED] for past investment was used to improve service coverage and service capacity and all other expenses [REDACTED] were used to improve service quality in 2015, then it is estimated that the following percentages applied to each of the following in 2015 and are expected to be reasonably comparable in 2016.

It is estimated that [REDACTED] of universal service funding received in 2015 was used to ensure and improve *service quality*. This ensures that the network is maintained and operated to provide telecommunications and information services as well as interexchange services and advanced telecommunications that are reasonably comparable to those services offered in urban areas and are available at rates that are reasonably comparable to rates charged for similar services in urban areas. Expenditures are not tracked at the wire center or census block level and are reported here on a total service area basis. We believe it is reasonable to conclude the same % of universal service funding received in 2015 will be used to ensure and improve service quality in 2016.

It is estimated that [REDACTED] of universal service funding received in 2015 was used improve *service coverage* at wire centers served by our company for telecommunications and information services as well as interexchange services and advanced telecommunications (broadband). We believe it is reasonable to conclude the same % of universal service funding received in 2015 will be used to improve service coverage in 2016.

It is estimated that [REDACTED] of universal service funding received in 2015 was used improve *service capacity* at wire centers served by our company for telecommunications and information services as well as interexchange services and advanced telecommunications (broadband). Expenditures are not tracked at the wire center or census block level and are reported here on a total service area basis. We believe it is reasonable to conclude the same % of universal service funding received in 2015 will be used to improve service capacity in 2016.



[REDACTED]



**REDACTED - FOR PUBLIC INSPECTION**

**REDACTED - FOR PUBLIC INSPECTION**

**The Champaign Telephone Company  
and Subsidiaries**

Consolidated Financial Statements and Supplementary Information  
December 31, 2015 and 2014  
with Independent Accountants' Review Report

# REDACTED - FOR PUBLIC INSPECTION

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## REDACTED - FOR PUBLIC INSPECTION

### INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors  
The Champaign Telephone Company

We have reviewed the accompanying consolidated financial statements of The Champaign Telephone Company and Subsidiaries which comprise the consolidated balance sheets as of December 31, 2015 and 2014, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 the consolidated financial statements that are free from material misstatement whether due to fraud or error.

#### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

#### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

#### **Supplementary Information**

The supplementary information included on the accompanying pages 13 through 18 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
April 15, 2016

**REDACTED - FOR PUBLIC INSPECTION**

The Champaign Telephone Company and Subsidiaries  
Consolidated Balance Sheets  
December 31, 2015 and 2014

Assets

	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ [REDACTED]	[REDACTED]
Accounts receivable, less allowance of [REDACTED] in 2015 and [REDACTED] in 2014	[REDACTED]	[REDACTED]
Materials and supplies	[REDACTED]	[REDACTED]
Prepaid income taxes	[REDACTED]	[REDACTED]
Prepaid expenses	[REDACTED]	[REDACTED]
Non-current assets:		
Investments	[REDACTED]	[REDACTED]
Property and equipment:		
Telecommunications plant in service	[REDACTED]	[REDACTED]
Less accumulated depreciation	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]

See independent accountants' review report.  
See accompanying notes to the financial statements.

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The Champaign Telephone Company and Subsidiaries  
Consolidated Balance Sheets (Continued)  
December 31, 2015 and 2014

Liabilities and Shareholders' Equity

	<u>2015</u>	<u>2014</u>
Current liabilities:		
Notes payable, current portion	\$ [REDACTED]	[REDACTED]
Accounts payable	[REDACTED]	[REDACTED]
Accrued expenses	[REDACTED]	[REDACTED]
Dividends payable	[REDACTED]	[REDACTED]
Income tax payable	[REDACTED]	[REDACTED]
Non-current liabilities:		
Notes payable, long-term portion	[REDACTED]	[REDACTED]
Deferred income tax	[REDACTED]	[REDACTED]
Shareholders' equity:		
Common stock	[REDACTED]	[REDACTED]
Treasury stock	[REDACTED]	[REDACTED]
Retained earnings	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]

See independent accountants' review report.  
See accompanying notes to the financial statements.

The Champaign Telephone Company and Subsidiaries  
Consolidated Statements of Income  
Years Ended December 31, 2015 and 2014

	2015	2014
Revenues:		
Phone product	\$ [REDACTED]	[REDACTED]
Access and federal revenue	[REDACTED]	[REDACTED]
TV product	[REDACTED]	[REDACTED]
Internet product	[REDACTED]	[REDACTED]
Miscellaneous	[REDACTED]	[REDACTED]
Operating costs:		
Costs of providing services	[REDACTED]	[REDACTED]
Corporate operations	[REDACTED]	[REDACTED]
Depreciation and amortization	[REDACTED]	[REDACTED]
Other operating taxes	[REDACTED]	[REDACTED]
Operating income	[REDACTED]	[REDACTED]
Other income (expense):		
Investment income	[REDACTED]	[REDACTED]
Gain (loss) on disposal of assets	[REDACTED]	[REDACTED]
Interest expense	[REDACTED]	[REDACTED]
Income before taxes	[REDACTED]	[REDACTED]
Income taxes	[REDACTED]	[REDACTED]
Net income	\$ [REDACTED]	[REDACTED]

See independent accountants' review report.  
See accompanying notes to the financial statements.



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The Champaign Telephone Company and Subsidiaries  
Consolidated Statements of Shareholders' Equity  
Years Ended December 31, 2015 and 2014

	Common Stock	Treasury Stock	Retained Earnings	Total
Balance, January 1, 2014				
Dividends paid				
Treasury stock purchase				
Net income				
Balance, December 31, 2014	\$			
Dividends paid				
Treasury stock purchase				
Net income				
Balance, December 31, 2015	\$			

See independent accountants' review report.  
See accompanying notes to the financial statements.

**REDACTED - FOR PUBLIC INSPECTION**

The Champaign Telephone Company and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Net income	\$ [REDACTED]	[REDACTED]
Adjustments used to reconcile net income to net cash provided by operating activities:		
Depreciation	[REDACTED]	[REDACTED]
Provision for doubtful accounts	[REDACTED]	[REDACTED]
(Gain) Loss on disposal of assets	[REDACTED]	[REDACTED]
Change in deferred income taxes	[REDACTED]	[REDACTED]
Effects of change in operating assets and liabilities:		
Accounts receivable	[REDACTED]	[REDACTED]
Materials and supplies	[REDACTED]	[REDACTED]
Prepaid expenses	[REDACTED]	[REDACTED]
Accounts payable	[REDACTED]	[REDACTED]
Accrued expenses	[REDACTED]	[REDACTED]
Net cash provided by operating activities	[REDACTED]	[REDACTED]
Cash flows from investing activities:		
Proceeds from redemption of investment	[REDACTED]	[REDACTED]
Purchase of property and equipment	[REDACTED]	[REDACTED]
Net cash used in investing activities	[REDACTED]	[REDACTED]
Cash flows from financing activities:		
Proceeds from notes payable	[REDACTED]	[REDACTED]
Payments on notes payable	[REDACTED]	[REDACTED]
Treasury stock purchase	[REDACTED]	[REDACTED]
Dividends paid	[REDACTED]	[REDACTED]
Net cash used in financing activities	[REDACTED]	[REDACTED]
Decrease in cash and cash equivalents	[REDACTED]	[REDACTED]
Cash and cash equivalents, beginning of year	[REDACTED]	[REDACTED]
Cash and cash equivalents, end of year	\$ [REDACTED]	[REDACTED]
Supplemental disclosures of cash flow information:		
Cash paid for:		
Interest	\$ [REDACTED]	[REDACTED]
Income taxes	\$ [REDACTED]	[REDACTED]

See independent accountants' review report.  
See accompanying notes to the financial statements.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**Nature of operations**

The Champaign Telephone Company is an independent telephone company that provides telecommunications services to individuals and businesses located in Champaign County, Ohio. The Company also provides access services to interexchange carriers who sell long distance telephone service to their subscribers.

CT Communications Inc. provides long-distance, Internet and other non-regulated services.

CT Communications Network, Inc., is a CLEC (Competitive Local Exchange Carrier). The Company provides telephone and internet service outside the Company's local exchange. It also provides video services by partnering with DirecTV, both inside and outside the Company's local exchange.

**Principles of consolidation**

The financial statements consolidate the accounts of The Champaign Telephone Company, CT Communications, Inc. and CT Communications Network, Inc. Collectively referred to as "the Company". All significant intercompany accounts and transactions have been eliminated.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and cash equivalents**

For purposes of the accompanying consolidated financial statements, the Company considers all highly liquid debt instruments with a maturity of one month or less, when acquired, to be cash equivalents. Cash equivalents consist primarily of money market accounts.

**Accounts receivable**

Accounts receivable from customers are carried at their billed amounts. Credit is generally extended on a short-term basis; thus receivables do not bear interest, although a late payment charge may be applied to receivables that are past due. Receivables are periodically evaluated for collectability based on the past credit history of the customer. Accounts deemed to be uncollectible by management are charged against the bad debt reserve and sent to collection. Provisions for losses are determined on the basis of known and inherent risk in accounts receivable.

**Materials and supplies**

Materials and supplies are stated at average cost.

**Investments**

Investments carried at cost that are not readily marketable are valued at cost unless a significant known impairment exists at which time they are reduced to fair market value.

## **REDACTED - FOR PUBLIC INSPECTION**

The Champaign Telephone Company and Subsidiaries  
Notes to the Consolidated Financial Statements (Continued)  
December 31, 2015 and 2014

### **Telephone plant and depreciation**

Telecommunications plant is stated at the original cost of construction including capitalized payroll related expenses and an allowance for funds used during construction (AFUDC). No AFUDC was capitalized in 2015 and 2014. The original cost of depreciable property retired, together with removal cost less salvage realized is charged to accumulated depreciation. No gain or loss is recognized in connection with ordinary retirements of depreciable property. Maintenance, repairs, and minor renewals are expensed as incurred.

Depreciation on telecommunications plant for financial statement purposes is computed by the use of the straight-line method, which is estimated to allocate the cost of depreciable plant equally over its estimated service life. Lives used are those approved by the Public Utilities Commission of Ohio (PUCO).

### **Revenues**

Local service revenues are derived from local telephone exchange service within Champaign and Logan counties. The rates at which the Company can charge a customer for this service are approved by the PUCO.

Compensation for interstate access services is received through tariffed access charges filed by NECA with the Federal Communications Commission (FCC) on behalf of the member companies. These access charges are billed by the Company to the interstate interexchange carriers, and pooled with like revenues from all NECA member companies. The portion of the pooled access charge revenue received by the Company is based upon its actual cost of providing interstate access service, plus a return on the investment dedicated to providing that service.

Compensation for intrastate access services is received through tariffed access charges filed with the PUCO. These access charges are billed to the intrastate long distance toll carriers and retained by the Company. The Company has also negotiated contracts for the provision of billing and collection services and received compensation for this service.

Directory revenues result from billings charged for yellow pages advertising and other directory listing charges. Internet charges are billed to customers based on a monthly service charge. All local and access revenues are recognized in the period in which they are earned regardless of the period in which they are billed.

### **Income taxes**

The provision for income taxes includes the tax effects of transactions reported in the financial statements and consists of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The deferred tax asset / (liability) represents the future tax return benefits / (consequences) of these differences.

### **Deferred taxes**

Deferred taxes are provided on temporary differences arising from assets and liabilities whose basis are different for financial reporting and income tax purposes, primarily due to depreciable assets, bad debt reserves and postretirement benefits.

## REDACTED - FOR PUBLIC INSPECTION

The Champaign Telephone Company and Subsidiaries  
Notes to the Consolidated Financial Statements (Continued)  
December 31, 2015 and 2014

### Concentration of risk

For investment purposes, the Companies have deposits on account with financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2015, the Companies cash balances were in excess of the FDIC insurance. The Companies have not experienced any losses on such accounts.

### Reclassifications

Certain amounts in the December 31, 2014 financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

### Subsequent events

The Companies evaluate events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through April 15, 2016, the date on which the financial statements were available to be issued.

## 2. ACCOUNTS RECEIVABLE:

The Company's business activity consists primarily of providing local telephone service to customers residing in Champaign County, Ohio and connecting various long distance telephone carriers to these customers. Net receivables from long distance carriers as of December 31, 2015 and 2014 were unsecured and totaled [REDACTED] respectively. The Company does not require collateral or other security from long distance carriers.

## 3. INVESTMENTS:

The Company holds CoBank patronage equity shares of [REDACTED] at December 31, 2015 and 2014, respectively. The investment is stated at cost and has not been tested for impairment. Complete liquidation of this investment is expected over the next five years.

## 4. SHAREHOLDERS' EQUITY:

Common stock has [REDACTED] shares authorized at a par value of [REDACTED] per share. At December 31, 2015 and 2014, [REDACTED] shares respectively, were issued and outstanding. In 2015, the Board passed a motion to repurchase [REDACTED] shares of stock whose accumulated value was [REDACTED]. At December 31, 2015 and 2014, [REDACTED] shares respectively, were in treasury.

The number of shares outstanding and historical book value, dividend, net income, and operating cash flow per outstanding common shares as of December 31 are as follows:

	2015	2014
Number of shares of common stock outstanding	[REDACTED]	[REDACTED]
Book value - per share	[REDACTED]	[REDACTED]
Dividend - per share	[REDACTED]	[REDACTED]
Net income - per share	[REDACTED]	[REDACTED]
Operating cash flow - per share	[REDACTED]	[REDACTED]

See independent accountants' review report.

**REDACTED - FOR PUBLIC INSPECTION**

The Champaign Telephone Company and Subsidiaries  
Notes to the Consolidated Financial Statements (Continued)  
December 31, 2015 and 2014

**5. PROPERTY AND EQUIPMENT:**

The major classes of property are listed below:

Telecommunications plant:

	<u>2015</u>	<u>2014</u>
Land and buildings	\$ [REDACTED]	[REDACTED]
Central office equipment	[REDACTED]	[REDACTED]
Customer premise equipment	[REDACTED]	[REDACTED]
Telephone distribution plant	[REDACTED]	[REDACTED]
Furniture and office equipment	[REDACTED]	[REDACTED]
General purpose computers	[REDACTED]	[REDACTED]
Vehicles	[REDACTED]	[REDACTED]
Other work equipment	[REDACTED]	[REDACTED]
Internet equipment	[REDACTED]	[REDACTED]
Message center equipment	[REDACTED]	[REDACTED]
Total	\$ [REDACTED]	[REDACTED]

**6. LONG-TERM DEBT:**

In 2015, the Company entered into a loan agreement with [REDACTED] to finance the buyback of Company stock. The agreement established a loan of [REDACTED] with an interest rate of [REDACTED]. In October 2015 the Company started to repay the loan in twenty four equal monthly payments of [REDACTED] including interest.

The following summarizes estimated future principal payments as of December 31, 2015:

2016	\$ [REDACTED]
2017	[REDACTED]
Total	\$ [REDACTED]

**7. LINE OF CREDIT:**

The Company also has a secured line of credit with [REDACTED] for up to [REDACTED] which expires on January 1, 2017. The security agreement gives the Bank a security interest in all the Company's business assets. Currently nothing has been borrowed against this note. The interest rate charged on any funds that are borrowed is an adjustable rate of no less than [REDACTED]

See independent accountants' review report.

**REDACTED - FOR PUBLIC INSPECTION**

The Champaign Telephone Company and Subsidiaries  
Notes to the Consolidated Financial Statements (Continued)  
December 31, 2015 and 2014

**8. INCOME TAXES:**

The provision for income taxes consists of the following:

		2015		2014	
		Federal	State & local	Federal	State & local
Current	\$				
Deferred					
Total	\$				

The Champaign Telephone Company and its subsidiaries file consolidated returns for federal income tax purposes.

The net deferred income tax liability at December 31, 2015 and 2014 consists of the following:

		2015	2014
Depreciation differences	\$		
Future municipal book to tax deduction			
Other			
	\$		

The Company's net deferred tax asset and liability consists of:

		2015	2014
Deferred tax asset	\$		
Deferred tax liabilities			
Net deferred tax liability	\$		

**9. EMPLOYEE BENEFIT PLANS:**

The Company sponsors a 401k plan (defined contribution plan) and corresponding profit sharing plan covering substantially all employees. The Company contributes [REDACTED] for every [REDACTED] deferred by a participant up to the first [REDACTED] of the employee's salary. Matching and profit sharing contribution expenses for the 401k plan in 2015 and 2014 were [REDACTED] respectively.

**10. SUBSEQUENT EVENTS:**

In January of 2016 the Company, in accordance with the current stock buy-back policy, purchased [REDACTED] shares of common stock

See independent accountants' review report.

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The Champaign Telephone Company and Subsidiaries  
Consolidating Balance Sheets  
December 31, 2015

## Assets

	<u>The Champaign Telephone Company</u>	<u>CT Communications Inc.</u>	<u>CT Communications Network, Inc.</u>	<u>Eliminating Entries</u>	<u>Total</u>
Current assets:					
Cash and cash equivalents	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Accounts receivable, net	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Intercompany receivables	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Materials and supplies	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Prepaid expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Non-current assets:					
Investments	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Property and equipment:					
Telecommunications plant in service	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Less accumulated depreciation	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

See independent accountants' review report.



**REDACTED - FOR PUBLIC INSPECTION**

The Champaign Telephone Company and Subsidiaries  
 Consolidating Balance Sheets (Continued)  
 December 31, 2015

## Liabilities and Stockholders' Equity

	<u>The Champaign Telephone Company</u>	<u>CT Communications Inc.</u>	<u>CT Communications Network, Inc.</u>	<u>Eliminating Entries</u>	<u>Total</u>
Current liabilities:					
Notes payable, current portion	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Accounts payable	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Intercompany payables	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Accrued expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Dividends payable	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income tax payable	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Non-current liabilities:					
Notes payable, long-term portion	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Deferred income tax	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Stockholders' equity:					
Common stock	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Treasury stock	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Retained earnings	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

See independent accountants' review report.

# REDACTED - FOR PUBLIC INSPECTION

The Champaign Telephone Company and Subsidiaries  
Consolidating Statements of Income  
Year Ended December 31, 2015

	<u>The Champaign Telephone Company</u>	<u>CT Communications Inc.</u>	<u>CT Communications Network, Inc.</u>	<u>Eliminating Entries</u>	<u>Total</u>
Revenues:					
Phone product	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Access and federal revenue	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
TV product	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Internet product	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Miscellaneous	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operating costs:					
Costs of providing services	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Corporate operations	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Depreciation and amortization	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other operating taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operating income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other income (expense):					
Investment income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Gain on disposal of assets	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Interest expense	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income before taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net income	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

See independent accountants' review report.

# REDACTED - FOR PUBLIC INSPECTION

The Champaign Telephone Company and Subsidiaries  
Consolidating Balance Sheets  
December 31, 2014

## Assets

	The Champaign Telephone Company	CT Communications Inc.	CT Communications Network, Inc.	Eliminating Entries	Total
Current assets:					
Cash and cash equivalents	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Accounts receivable, net	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Intercompany receivables	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Materials and supplies	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Prepaid income taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Prepaid expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Non-current assets:					
Investments	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Property and equipment:					
Telecommunications plant in service	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Less accumulated depreciation	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

See independent accountants' review report.

# REDACTED - FOR PUBLIC INSPECTION

The Champaign Telephone Company and Subsidiaries  
Consolidating Balance Sheets (Continued)  
December 31, 2014

## Liabilities and Stockholders' Equity

	The Champaign Telephone Company	CT Communications Inc.	CT Communications Network, Inc.	Eliminating Entries	Total
Current liabilities:					
Accounts payable	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Intercompany payables	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Accrued expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Non-current liabilities:					
Deferred income tax	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Stockholder's equity:					
Common stock	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Treasury stock	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Retained earnings	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

See independent accountants' review report.

# REDACTED - FOR PUBLIC INSPECTION

The Champaign Telephone Company and Subsidiaries  
Consolidating Statements of Income  
Year Ended December 31, 2014

	<u>The Champaign Telephone Company</u>	<u>CT Communications Inc.</u>	<u>CT Communications Network, Inc.</u>	<u>Eliminating Entries</u>	<u>Total</u>
Revenues:					
Phone product	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Access and federal revenue	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
TV product	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Internet product	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Miscellaneous	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operating costs:					
Costs of providing services	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Corporate operations	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Depreciation and amortization	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other operating taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operating income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other income (expense):					
Investment income	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Loss on disposal of assets	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Interest expense	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income before taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Income taxes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net income	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

See independent accountants' review report.

RATE FLOOR DATA COLLECTION - OMB Control Number 3060-0986

Block 1 - Contact Information

ROW #	DATA ELEMENT	FORMAT OF REQUESTED DATA	RESPONSE
1	Carrier Study Area Code	6 numeric digits	300594
2	Carrier Study Area Name	alpha characters	THE CHAMPAIGN TEL. CO.
3	Service Provider Identification Number	9 numeric digits	143001653
4	Residential Local Service Charge Effective Date	mm/dd/yy	07/01/16
5	Contact Name	alpha characters	Ebersold, Tiffany M
6	Contact Telephone Number (include area code)	9 numeric digits	937-653-2263
7	Sheet Number	numeric digit(s)	
8	Total Number of Sheets	numeric digit(s)	

Block 2- Residential Local Service Rates, Fees, and Line Counts

	Column 1 Residential Local Service Charge	Column 2 State Subscriber Line Charge	Column 3 State Universal Service Fee	Column 4 Mandatory Extended Area Service Charge	Column 5 Loops	Column 6 Exchange Name/ Zone Name	Column 7 Class Of Service
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							

# REDACTED - FOR PUBLIC INSPECTION

## Rate Floor Data

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING RATE FLOOR DATA ON THE CARRIER'S BEHALF:

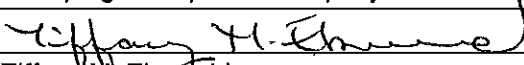
<p align="center"><b>Certification of Officer to Authorize an Agent to File Rate Floor Data on Behalf of Reporting Carrier</b></p> <p>I certify that <u>National Exchange Carrier Association (NECA)</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the actual rate floor data provided to the authorized agent; and, to the best of my knowledge, the actual rate floor data provided to the authorized agent is accurate.</p> <p>I certify that I am authorized to submit the information reported on this form on behalf of the reporting carrier; that I have provided the information reported herein based on data provided by the reporting carrier; and to the best of my knowledge the information reported herein is accurate.</p>			
Name of Authorized Agent <u>National Exchange Carrier Association (NECA)</u>			
Name of Reporting Carrier <u>The Champaign Telephone Company</u>			
Signature of authorized officer <u>Tiffany M. Ebersold</u>			Date <u>6/6/16</u>
Printed name of authorized officer <u>Tiffany M. Ebersold</u>			
Title or position of authorized officer <u>CFO</u>			
Telephone number of authorized officer: <u>(937) 653-2263</u> , ext. <u>        </u>			
Study Area Code of Reporting Carrier	<u>300594</u>	Filing Due Date for this form (mm/dd/yyyy)	<u>07/01/2016</u>

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Rate Floor Template

## Certification of Officer as to the Accuracy of the Data Reported for the Rate Floor Data

I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the actual rate floor data reported ; and, to the best of my knowledge, the information reported on this form is accurate.

Name of Reporting Carrier	The Champaign Telephone Company		
Signature of authorized officer			Date 6/6/2016
Printed name of authorized officer	Tiffany M. Ebersold		
Title or position of authorized officer	CFO		
Telephone number of authorized officer:	(937) 653-2263 ext.		
Study Area Code of Reporting Carrier	300594	Filing Due Date for this form (mm/dd/yyyy)	07/01/2016



**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**6/28/2016 11:34:45 AM**

**in**

**Case No(s). 16-1115-TP-COI, 16-1116-TP-COI**

Summary: Report Redacted Form 481-Carrier Annual Report including redacted Rate Floor Data on behalf of Champaign Telephone Company electronically filed by Mr. William A. Adams on behalf of Champaign Telephone Company