



PO BOX 609  
MOUNT VERNON, OR 97865-0609  
1-888-383-4132

06/29/2016

Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive  
Olympia, WA 98504

RE: WC docket UT-160030: Annual 481 Reporting for Skyline Telecom SAC 520581

Pursuant to §54.313 and § 54.422 this letter serves as a cover letter to WC docket UT-160030, Annual 481 Reporting for Skyline Telecom SAC 520581.

Should you have any further questions please do not hesitate to contact me via email at [dkluser@ortelco.net](mailto:dkluser@ortelco.net) or by phone at 541-932-4411

Sincerely,

A handwritten signature in blue ink, appearing to read "Delinda Kluser", with a long, sweeping flourish extending to the right.

Delinda Kluser  
Vice President/Manager

**Deedee Kluser**

---

**From:** Form481@usac.org  
**Sent:** Wednesday, June 29, 2016 8:37 AM  
**To:** dkluser@ortelco.net  
**Subject:** Form 481 Certification Confirmation



### **Form 481 Certification Confirmation**

**Congratulations. Your filing has been successfully certified.**

**Filing Number: 1**

**Certification Date and Time: Wed Jun 29 11:36:53 EDT 2016**

**Filing Created By: [dkluser@ortelco.net](mailto:dkluser@ortelco.net)**

**SAC: 520581**

**498 ID: 143031039**

**Carrier: BEAVER CREEK TELEPHONE COMPANY**

**Program Year: 2017**

This is a system generated email.  
Please do not respond to this message.

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**CONFIRMATION**

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**Congratulations. Your filing has been successfully certified.**

Filing 1 was successfully certified on Wed 29 Jun 16 11:26:00 AM EDT by dkluser@ortelco.net .

SAC : 520581

498 ID : 143031039

Carrier Name : BEAVER CREEK TELEPHONE COMPANY

Program Year : 2017

A confirmation email will be sent to the email address on record for your user ID. Please email USAC at [HCCERTS@USAC.ORG](mailto:HCCERTS@USAC.ORG) if you do not receive this email within 24 hours.

Please take this quick survey and give us your thoughts! Your feedback will help improve the filing process. [Take Survey](#)

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**FCC Form 481 - Carrier Annual Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3050-0066/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	DELINDA KLUSER
<035>	Contact Telephone Number: Number of the person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	dkluser@ortelco.net
	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

<010> Study Area Code 520581  
<015> Study Area Name BEAVER CREEK TELEPHONE COMPANY  
<020> Program Year 2017  
<030> Contact Name - Person USAC should contact regarding this data DELINDA KLÜSER  
<035> Contact Telephone Number - Number of person identified in data line <030> 541932411 ext.  
<039> Contact Email Address - Email Address of person identified in data line <030> dkluser@origi.co.net

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

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.

<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.  
520581WA112.pdf

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 information shall be submitted at the wire center level or census block as appropriate.

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

Name of Attached Document

**(200) Service Outage Reporting (Voice)  
Data Collection Form**

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

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	DELINDA KLUSER
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

<210> For the prior calendar year, were there any reportable voice service outages? Yes

<a>	<b1>	<b2>	<b3>	<b4>	<c1>	<c2>	<d>	<e>	<f>	<g>	<h>
NORS Reference Number	Outage Start Date	Outage Start Time	Outage End Date	Outage End Time	Number of Customers Affected	Total Number of Customers	911 Facilities Affected (Yes / No)	Service Outage Description (Check all that apply)	Did This Outage Affect Multiple Study Areas (Yes / No)	Service Outage Resolution	Preventative Procedures

-- See attached worksheet --

(300) Unfulfilled Service Request  
Data Collection Form

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

<010> Study Area Code

520561

<015> Study Area Name

BEAVER CREEK TELEPHONE COMPANY

<020> Program Year

2017

<030> Contact Name - Person\_USAC should contact regarding this data

DELINDA KLUSER

<035> Contact Telephone Number - Number of person identified in data line <030>

5419324411 ext.

<039> Contact Email Address - Email Address of person identified in data line <030>

dkluser@ortelco.net

<300> Unfulfilled service request (voice)

0

<310> Detail on attempts (voice)

Name of Attached Document

<320> Unfulfilled service request (broadband)

0

<330> Detail on attempts (broadband)

Name of Attached Document

(400) Number of Complaints per 1,000 customers  
Data Collection Form

FCC Form 681  
OMB Control No. 3060-0886/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	520531
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	DELINDA RUSSELL
<035>	Contact Telephone Number - Number of person identified in data line	419924411 ext
<039>	Contact Email Address - Email Address of person identified in data line	ArJuser@certe2co.net
<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	0.0
<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	



**(500) Compliance With Service Quality Standards and Consumer Protection Rules**  
**Data Collection Form**

FCC Form 483  
CMB Control No. 3060-0966/OMB Control No. 3060-0619  
July 2013

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	DELINDA KLUSSE
<035>	Contact Telephone Number - Number of person identified in data line <030>	94392441 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dklusse@portelco.net
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	520581WA510.pdf

<b>(600) Functionality in Emergency Situations</b> <b>Data Collection Form</b>	FCC Form 461 OMB Control No. 3060-0986/OMB Control No. 3060-0319 July 2013
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<010> Study Area Code	520581
<015> Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	DELINDA KILGEB
<035> Contact Telephone Number - Number of person identified in data line <030>	+41924431 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dkilgeb@bctelco.net
<600> Certify compliance regarding ability to function in emergency situations	Yes
<610> Descriptive document for Functionality in Emergency Situations	520581WA610.pdf









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

FCC Form 481  
OMB Control No. 3060-0966/OMB Control No. 3050-0819  
July 2013

<010> Study Area Code 520581  
 <015> Study Area Name BEAVER CREEK TELEPHONE COMPANY  
 <020> Program Year 2017  
 <030> Contact Name - Person USAC should contact regarding this data DELINDA KLUSER  
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419224411 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortelco.net

<1000> Voice services rate comparability certification Yes

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

\_\_\_\_\_  
Name of Attached Document

Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1020> Broadband comparability certification

<1030> Attach detailed description for broadband comparability compliance

\_\_\_\_\_  
Name of Attached Document

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

FCC Form 481  
OMB Control No. 3050-0386/UM/B Control No. 3061-0819  
July 2013

<010> Study Area Code 520561

<015> Study Area Name BEAVER CREEK TELEPHONE COMPANY

<020> Program Year 2017

<030> Contact Name - Person USAC should contact regarding this data DELINDA KLEUSER

<035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.

<039> Contact Email Address - Email Address of person identified in data line <030> dk1user@ortelco.net

<1100> Certify whether terrestrial backhaul options exist (Y/N)

Yes

<1130> Please select the appropriate response (Yes, No, Not Applicable) 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 Conditions 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 520581

<015> Study Area Name BEAVER CREEK TELEPHONE COMPANY

<020> Program Year 2017

<030> Contact Name - Person USAC should contact regarding this data DELINDA KLUESER

<035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.

<039> Contact Email Address - Email Address of person identified in data line <030> dklueser@ortelco.net



Name of Attached Document

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

<1220> Link to Public Website

HTTP <http://utc.wa.gov/consumers/Telephone/Pages/TelephoneAssistancePrograms.aspx>

"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.

FCC Form 481  
OMB Control No. 3060-0086/OMB Control No. 3020-0819  
July 2013

**71003 Phase I Capex Carrier Additional Documentation Data Collection Form**  
*Included by FCC in Report on Carriers of Interest with Phase I Capex Carrier Expenditure Carriers*

<010> Study Area Code 520581  
 <015> Study Area Name BEAVER CREEK TELEPHONE COMPANY  
 <020> Program Year 2017  
 <030> Contact Name - Person USAC should contact regarding this data DELINDA KLUSER  
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortelco.net

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	[Redacted]	[Redacted]
<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	[Redacted]	[Redacted]
<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.	[Redacted]	[Redacted]
<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.	[Redacted]	[Redacted]
<2024A>	Round 2 Recipient of Incremental Support?	[Redacted]	[Redacted]
<2024B>	Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(ii). Round 2 recipients only.	[Redacted]	[Redacted]
<2025A>	Round 1 or Round 2 Recipient of Incremental Support?	[Redacted]	[Redacted]
<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-	[Redacted]	[Redacted]
<2015>	2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)	[Redacted]	[Redacted]

(2018) Price Cap Carrier Additional Documentation (Continued)

Data Collection Form

Including Filings of All Other Carriers Offered with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3060-0085, OMB Control No. 3060-0819

July 2019

**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)}**

<2017A> Connect America Fund Phase II recipient?

<2017B> 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.

<2018> 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

<2019> 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)

<2020> 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)

<2021> 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)

<2026> 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)

<2027> 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)

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	DELINDA KLUSER
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

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 520581WA3010.pdf  
 Name of Attached Document Listing Required Information

(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))

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

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:

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

(3016) Document(s) with 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 520581WA3017.pdf  
 Name of Attached Document Listing Required Information

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

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:

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

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

(3021) Management letter and/or audit opinion 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 3026 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 worksheet listing required information Name of Attached Document Listing Required Information

(988) Rate Of Return Calculator Additional Documentation (Continued)  
 Date Collected From: HCC Form 4111  
 04/03/2017  
 8050-0887-00MR Control No. 3000-0218  
 July 2017

<010> Study Area Code 520581  
 <015> Study Area Name BEAVER CREEK TELEPHONE COMPANY  
 <020> Program Year 2017  
 <030> Contact Name - Person USAC should contact regarding this data DELINDA KLUSER  
 <035> Contact Telephone Number - Number of person identified in data line <030> 5419324411 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> dkluser@ortelco.net

Financial Data Summary	
(3027) Revenue	963810
(3028) Operating Expenses	829778
(3029) Net Income	19376
(3030) Telephone Plant In Service(TPIS)	3019743
(3031) Total Assets	1446156
(3032) Total Debt	707052
(3033) Total Equity	663234
(3034) Dividends	0

(4005) Rural Broadband Experiment Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0986 / OMB Control No. 3060-0119 July 2011
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<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	OPHELIA KL'SRP
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	okluser@ortelco.net

**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.

**4003b.** 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)**

**4004a.** 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 \_\_\_\_\_

**4004b.** 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 \_\_\_\_\_

<b>Certification - Reporting Carrier Data Collection Form</b>	RCC Form 481 OMB Control No. 3060-0906/OMB Control No. 3060-0812 July 2013
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<010> Study Area Code	520581
<015> Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	DELINDA KLUSER
<035> Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

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

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	BEAVER CREEK TELEPHONE COMPANY
Signature of Authorized Officer:	CERTIFIED ONLINE <span style="float: right;">Date 06/29/2016</span>
Printed name of Authorized Officer:	Delinda Kluser
Title or position of Authorized Officer:	Vice-Pres. Manager
Telephone number of Authorized Officer:	5419324411 ext.
Study Area Code of Reporting Carrier:	520581 <span style="float: right;">Filing Due Date for this form: 07/01/2016</span>
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 483
	OMB Control No. 3060-0986/OMB Control No. 3060-0919 July 2013

<010> Study Area Code	520581
<015> Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	DELINDA KLUSBR
<035> Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

**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) _____ 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:
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:	
Name of Authorized Agent Firm:	
Signature of Authorized Agent or Employee of Agent:	Date:
Name of Authorized Agent Employee:	
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:
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











PO BOX 609  
MOUNT VERNON, OR 97865-0609  
1-888-383-4132

Date: June 8, 2016

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
9300 East Hampton Drive  
Capitol Heights, MD 20743

**Re: WC Docket No. 14-58, 2016 Annual Report, Form 481 for High-Cost Recipient  
54.313(f)(1)(i) "Milestone Certification"**

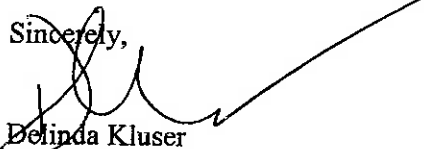
Dear Ms Dortch:

In compliance with the filing requirements associated with, and attached to Form 481, we wish to advise the Commission that Skyline Telecom Inc. provides High Speed Internet service to its customers and:

- Has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 10 Mbps downstream/1 Mbps upstream;
- Provides latency suitable for real-time applications including VoIP and usage capacity which is reasonably comparable to those in urban areas and;
- That reasonable requests for service are met within a reasonable timeframe.

If there are questions, I may be contacted at 541-932-4411.

Sincerely,

  
Delinda Kluser  
Vice-Pres, Manager

[Type text]

**Skyline Telecom Inc.**  
**2016**  
**PROGRESS REPORT ON SERVICE QUALITY IMPROVEMENT PLAN**

**PREAMBLE**

This document is an integral part of the Company's 2016 Annual Report, as attached to Form 481. It is in compliance with §54.313(a)(1) adopted in the FCC's USF/ICC Transformation Order (11-161) and incorporates all further clarifications identified in subsequent Reconsideration Orders, as applicable, that were in effect at the time the Annual Report was due by Rule to the requisite regulatory authorities.

Skyline Telecom Inc. (Skyline) advises that the environment in which the Company operates is dynamic, not static. As a result, certain network targets identified in its initial 5 Year Network Improvement Plan, filed in 2014, may be modified in response to regulatory decisions that have been subsequently adopted, and as their implication upon the Company's financial viability in providing the required services and service level quality became known.

Modifications to the network plan may also have been taken due to changes in technology, vendor-driven support, weather, or emergency related contingencies.

Targets not met or changed since the initial 5 Year Plan filing are identified and reasons provided for those changes.

**UNIVERSAL SERVICE SUPPORT RECEIVED IN 2015**

Per the Universal Service Administrative Company (USAC), as available for the period up to this filing, Skyline has received a total of \$628,115 for 2015 (as of 06/09/16). The breakdown of the funding for the year is:

- \$261,365 High Cost Loop Support
- \$194,712 Connect America Fund-Intercarrier Compensation Support
- \$132,240 Interstate Common Line Support
- \$ 39,798 Safety Net Additive

Universal Service Support funds are used to: 1) maintain, upgrade, and improve the Company's network and, 2) cover operating expenses and debt commitments as necessary to permit it to offer a high level of service for both voice and broadband within the authorized serving area.

USF support will continue to be included in the Company's current revenue accounts and forward-looking projections. Revenues, in the aggregate, are used for both capital expenditures as well as to cover operating expenses and fixed costs incurred to obtain capital from lenders. The Company does not segregate USF separately for purposes of capital and

operating expenditures; USF is expended in the same proportion as the Company's aggregated revenue amount.

The proportionate share of USF expenditures in 2015 for CAPEX was \$56,729 (6%); for OPEX \$829,778 (94%).

In the accompanying 2015 project detail, expenditures for network improvements sometimes involve service quality, coverage and capacity as an integrated improvement project and are not mutually exclusive from one another. In terms of cost, projects involving multiple qualifiers are of equal dollar equivalence. Where a project involves a single qualifier, it is so noted.

## **PROGRESS REPORT**

### **2015**

Transmission: The Company replaced older, existing nodes with newer technology during 2015. The nodes to be replaced are in the MT Hull exchange. Once these cabinets were upgraded maximum broadband speeds of 1 MB upload and 10 MB download can be achieved depending on the quality of the copper drop to the subscriber. The cost of these deployments was \$56,729.



**NETWORK IMPROVEMENT PROJECTS-PROGRESS REPORT  
AS OF 2015 ANNUAL REPORT SUBMISSION - JULY 1, 2016**

C:\12808\LAB1\DR-2017\PROGRAM\REPORTS\ANNUAL\_403\_NETWORK\_IMPROVEMENT\_DETAILS\_403.DTL

MAP REF	WIRE CENTER NAME & CLU	DESCRIPTION OF IMPROVEMENT	PURPOSE	COST ESTIMATE C	ACTUAL COST D	REGULATED % ALLOCATION E	AMOUNT IN USF SUPPORT AREA F=C-E	% VOICE ***	% BROADBAND ***	AREA IMPACTED ***	POPULATION IMPACTED ***	TARGET COMPLETION DATE ***	ACTUAL COMPLETION DATE ***	Notes
	<b>2015</b>													
	Wire Center Name & CLU													
	MT Hill, ORVLW402D50	Replace DC remote cabinets	Service Quality and Capacity	\$52,825	\$47,356	100%	\$52,825	50%	50%	20 sq miles	197	7/31/2015	10/1/2015	
	MT Hill, ORVLW402D51	Replaces/Upgrade Backup Power	Service Quality and Capacity	\$9,038	\$9,373	100%	\$9,038	50%	50%	20 sq miles	197	7/31/2015	10/1/2015	

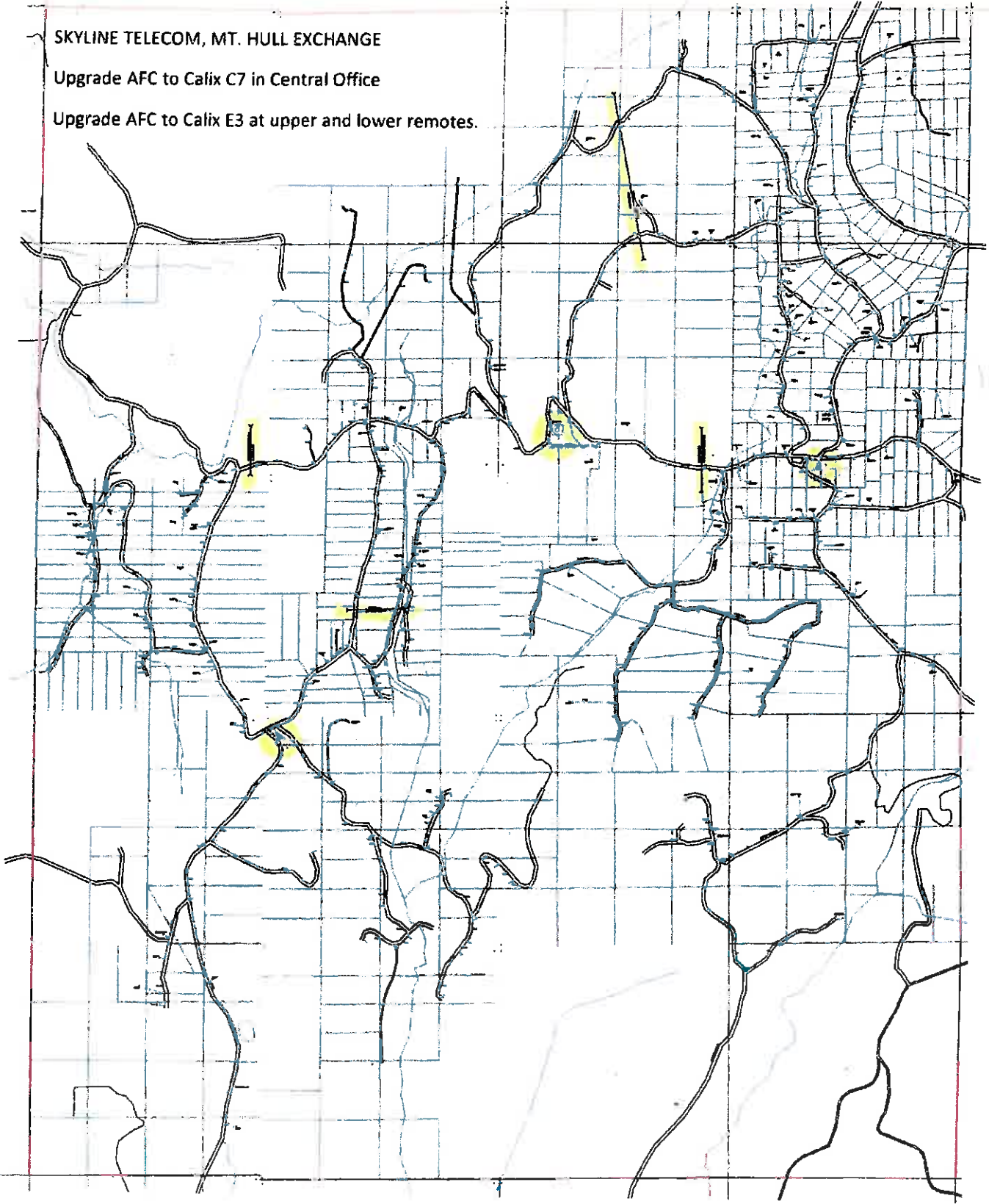
2015 TOTAL PROJECTS

561,863

**SKYLINE TELECOM, MT. HULL EXCHANGE**

Upgrade AFC to Calix C7 in Central Office

Upgrade AFC to Calix E3 at upper and lower remotes.



**Service Quality Standards & Consumer Protection Rules Compliance**

Study Area Code	520581
Study Area Name	Skyline Telecom Inc
Program Year	2017
Contact Name	Delinda Kluser
Contact Telephone Number	541 932 4411
Contact E-Mail Address	<a href="mailto:dkluser@ortelco.net">dkluser@ortelco.net</a>

**Consumer Protection****Voice & Broadband**

Skyline Telecom Inc complies with the requirements of 47 CFR Part 64 Subpart U. Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent Identity theft. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and new hires are instructed on the programs as required by their job functions.

**Service Quality Standards****Voice**

Skyline Telecom Inc complies with the service standards of the State of Washington as promulgated in the Washington Administrative Code WAC 480-123-030(1)(h). Skyline Telecom Inc. is committed to providing the highest quality service to its subscribers.

**Broadband**

Skyline Telecom Inc follows the service standards noted in NECA Tariff #5 and is committed to provide the highest quality service to its broadband customers.

610

Functionality in Emergency Situations

Study Area Code 520581

Study Area Name Skyline Telecom Inc

Program Year 2017

Contact Name Delinda Kluser

Contact Phone Number 541 932 4411

Contact E-Mail Address [dkluser@ortelco.net](mailto:dkluser@ortelco.net)

<u>Exchange</u>	<u>Site Name</u>	<u>Battery Ah</u>	<u>Est Battery Life</u>	<u>Backup Pwr</u>	<u>Fuel Type</u>	<u>Capacity</u>	<u>Est Run Time</u>
Silverton	Silverton Central Office	1400 Ah	67 hrs	Generator	Diesel	100 gal	48 hrs
Mt Hull	Mt Hull Central Office	130 Ah	5 hrs	Generator	Gasoline	11 gal	9 hrs
Mt Hull	Summit Lake E3-48 & E3-12C	50 Ah	8 hrs	N/A	N/A	N/A	N/A
Mt Hull	Big Rock E3-48C	50 Ah	16 hrs	N/A	N/A	N/A	N/A

1200

Terms and Conditions for Lifeline  
Customers

Study Area Code	520581
Study Area Name	BEAVER CREEK TELEPHONE dba SKYLINE TELECOM
Program Year	2017
Contact Name	DELINDA KLUSER
Contact Telephone Number	541 932 4411
Contact E-Mail Address	<a href="mailto:dkluser@ortelco.net">dkluser@ortelco.net</a>

**54.313 Lifeline customers MOU and additional toll charges**

Lifeline subscribers receive the same residential service as a regular subscriber, but at a reduced monthly recurring rate. Thus, lifeline subscribers have an unlimited number of local calling minutes. As for toll, lifeline subscribers, similar to every Beaver Creek Telephone dba Skyline Telecom subscriber, are free to choose their own toll usage plans through IXC's that serve Beaver Creek Telephone dba Skyline Telecom.



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Date: June 8, 2016

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If there are questions, I may be contacted at 541-932-4411.

Sincerely,

Delinda Kluser  
Vice-Pres, Manager

[Type text]

According to the Paperwork Reduction Act of 1995, no agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

<b>USDA-RUS</b>	This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq and subject to federal laws and regulations regarding confidential information. will be treated as confidential	
<b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	Borrower Name Skyline Telecom Company	

INSTRUCTIONS-Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2015	BORROWER DESIGNATION WAC546
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**CERTIFICATION**

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

**ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.**

**DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII**  
(Check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

*[Signature]* 3/29/16  
DATE

**PART A. BALANCE SHEET**

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents	372,946	395,158	25. Accounts Payable	98,118	52,146
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom. Accounts Receivable	68,425	104,236	28. Customer Deposits	700	665
b. Other Accounts Receivable			29. Current Mat. L/T Debt	111,793	117,102
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom. Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)	210,611	169,913
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated	455	981	36. Funded Debt-RUS Notes	410,321	336,048
8. Prepayments	12,885	43,293	37. Funded Debt-RTB Notes	243,973	201,091
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)	454,711	453,268	39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (38 thru 45)	654,294	537,139
13. Nonregulated Investments	0		<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities	72,694	75,870
15. Deferred Charges	19,715	18,175	48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	19,715	18,175	50. Total Other Liabilities and Deferred Credits (47 thru 49)	72,694	75,870
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom. Plant-in-Service	2,963,014	3,019,743	51. Cap. Stock Outstand. & Subscribed	262,582	262,582
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation	1,855,980	2,045,030	55. Other Capital		
23. Net Plant (18 thru 21 less 22)	1,107,034	974,713	56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	381,279	400,652
	1,581,460	1,446,156	58. Total Equity (51 thru 57)	643,861	663,234
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	1,581,460	1,446,156

Total Equity = 45.86% % of Total Assets

USDA-RUS

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

WA0546

PERIOD ENDING

December, 2015

INSTRUCTIONS- See RUS Bulletin 1744-2

**PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS**

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	30,037	28,841
2. Network Access Services Revenues	830,561	935,151
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues	(348)	182
<b>7. Net Operating Revenues (1 thru 5 less 6)</b>	860,946	963,810
8. Plant Specific Operations Expense	187,998	255,327
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	8,183	14,095
10. Depreciation Expense	204,492	189,051
11. Amortization Expense	1,540	1,540
12. Customer Operations Expense		
13. Corporate Operations Expense	233,736	369,765
<b>14. Total Operating Expenses (8 thru 13)</b>	635,949	829,778
15. Operating Income or Margins (7 less 14)	224,997	134,032
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes	60,051	33,520
19. Other Taxes	7,044	5,402
<b>20. Total Operating Taxes (17+18+19)</b>	67,095	38,922
21. Net Operating Income or Margins (15+16-20)	157,902	95,110
22. Interest on Funded Debt	38,805	33,677
23. Interest Expense - Capital Leases		
24. Other Interest Expense	2,527	
25. Allowance for Funds Used During Construction		
<b>26. Total Fixed Charges (22+23+24-25)</b>	41,332	33,677
27. Nonoperating Net Income	24,852	21,665
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income	(72,913)	(63,722)
<b>31. Total Net Income or Margins (21+27+28+29+30-26)</b>	68,509	19,376
32. Total Taxes Based on Income	35,515	33,566
33. Retained Earnings or Margins Beginning-of-Year	312,770	381,276
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
<b>39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]</b>	381,279	400,652
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
<b>43. Patronage Capital End-of-Year (40+41-42)</b>	0	0
44. Annual Debt Service Payments	215,260	145,522
45. Cash Ratio [(14+20-10-11) / 7]	0.5773	0.7036
46. Operating Accrual Ratio [(14+20+26) / 7]	0.8646	0.9363
47. TIER [(31+26) / 26]	2.6575	1.5753
48. DSCR [(31+26+10+11) / 44]	1.4674	1.6743



USDA-RUS

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

WA0548

PERIOD ENDED

December, 2015

**Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION**

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
MT Hull	25.00	19.50	1	86	87	121.57	69.00
Silverton	35.00	25.00	3	22	25	12.00	
Mobile/Wireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
<b>Total</b>			<b>4</b>	<b>108</b>	<b>112</b>	<b>133.57</b>	<b>69.00</b>
No. Exchanges	2						

USDA-RUS

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

WA0546

PERIOD ENDED

December, 2015

**Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION**

**4. BROADBAND SERVICE**

**Details on Least Expensive Broadband Service**

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
MT Hull	105	27	13	512	256	39.95	StandAlone	DSL
Silverton	25	12	12	512	256	39.95	StandAlone	DSL
Total	130	39						

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

WA0546

PERIOD ENDING

December, 2015

INSTRUCTIONS- See RUS Bulletin 1744-2

**PART D. SYSTEM DATA**

1 No. Plant Employees 1	2 No. Other Employees 0	3. Square Miles Served 52	4 Access Lines per Square Mile 2.15	5 Subscribers per Route Mile .84
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**PART E. TOLL DATA**

1. Study Area ID Code(s) a S20581 b _____ c _____ d _____ e _____ f _____ g _____ h _____ i _____ j _____	2. Types of Toll Settlements (Check one)	
	Interstate:	<input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
	Intrastate:	<input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis

**PART F. FUNDS INVESTED IN PLANT DURING YEAR**

1. RUS, RTB, & FFB Loan Funds Expended	
2. Other Long-Term Loan Funds Expended	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	56,729
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	56,729

**PART G. INVESTMENTS IN AFFILIATED COMPANIES**

INVESTMENTS <i>(a)</i>	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year <i>(b)</i>	Income/Loss This Year <i>(c)</i>	Cumulative Investment To Date <i>(d)</i>	Cumulative Income/Loss To Date <i>(e)</i>	Current Balance <i>(f)</i>
1. Investment in Affiliated Companies - Rural Development	0	0	0	0	0
2. Investment in Affiliated Companies - Nonrural Development	0	0	0	0	0

USDA-RUS  
**OPERATING REPORT FOR  
 TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION  
 WA0546  
 PERIOD ENDING  
 December, 2015

**PART H. CURRENT DEPRECIATION RATES**

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)

YES     NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	15.96%
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	15.96%
5. Land and support assets - Buildings	3.96%
6. Land and support assets - Furniture and Office equipment	20.04%
7. Land and support assets - General purpose computers	24.96%
8. Central Office Switching - Digital	9.00%
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	11.16%
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	7.56%
19. Cable and wire facilities - Aerial cable - Metal	20.40%
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	6.00%
22. Cable and wire facilities - Underground cable - Fiber	5.04%
23. Cable and wire facilities - Buried cable - Metal	6.00%
24. Cable and wire facilities - Buried cable - Fiber	5.04%
25. Cable and wire facilities - Conduit systems	4.56%
26. Cable and wire facilities - Other	

USDA-RUS		BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		WA0546
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December, 2015
<b>PART I – STATEMENT OF CASH FLOWS</b>		
<b>1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)</b>		372,946
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>2. Net Income</b>		19,376
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		189,051
4. Add: Amortization		1,540
5. Other (Explain) PPD Adj		(1,544)
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		(35,811)
7. Decrease/(Increase) in Materials and Inventory		(126)
8. Decrease/(Increase) in Prepayments and Deferred Charges		(28,868)
9. Decrease/(Increase) in Other Current Assets		0
10. Increase/(Decrease) in Accounts Payable		(45,972)
11. Increase/(Decrease) in Advance Billings & Payments		0
12. Increase/(Decrease) in Other Current Liabilities		0
<b>13. Net Cash Provided/(Used) by Operations</b>		97,646
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
14. Decrease/(Increase) in Notes Receivable		0
15. Increase/(Decrease) in Notes Payable		0
16. Increase/(Decrease) in Customer Deposits		(35)
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		(111,846)
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		3,176
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		0
20. Less: Payment of Dividends		0
21. Less: Patronage Capital Credits Retired		0
22. Other (Explain)		
<b>23. Net Cash Provided/(Used) by Financing Activities</b>		(108,705)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
24. Net Capital Expenditures (Property, Plant & Equipment)		(56,729)
25. Other Long-Term Investments		0
26. Other Noncurrent Assets & Jurisdictional Differences		0
27. Other (Explain)		
<b>28. Net Cash Provided/(Used) by Investing Activities</b>		(56,729)
<b>29. Net Increase/(Decrease) in Cash</b>		(67,788)
<b>30. Ending Cash</b>		305,158

Revision Date 2010

USDA-RUS <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION  WA0546
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
<b>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	

<b>USDA-RUS</b> <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>	<b>BORROWER DESIGNATION</b>  <b>WA0546</b>
<b>INSTRUCTIONS - See RUS Bulletin 1744-2</b>	<b>PERIOD ENDED</b> <b>December, 2015</b>
<b>CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	