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**ARKANSAS  
PUBLIC SERVICE COMMISSION**  
1000 Center Street  
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February 3, 2020

Chairmen  
Arkansas Legislative Council  
State Capitol Building, Room 315  
Little Rock, AR 72201

Dear Chairmen:

Attached is the quarterly report concerning operation of the Extension of Telecommunications Facilities Fund (ARETFF) for the period October 2019 through December 2019.

Ark. Code Ann. §23-17-404(e) (7) (A) (i) requires the Commission to provide quarterly reports to the Legislative Council concerning operation of the ARETFF. The attachment details the quarterly activity regarding grants requested, awarded, and denied by company and names of the Arkansas General Assembly Members whose constituents benefited from the approved grants. Year-to-date data has been provided for all approved grants. ARETFF financial information is also provided for each month, the quarter and year-to-date.

Questions concerning operation of the ARETFF or the quarterly report may be referred to Clark Cotten, Manager-Engineering at 501-682-5714.

Sincerely,

A handwritten signature in black ink, appearing to read "Ted J. Thomas", written over a horizontal line.

Ted J. Thomas  
Chairman

TJT/cdc  
Attachments

Arkansas Extension of Telecommunications Facilities Fund					
Quarterly Financial Activity					
October - December 2019					
Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(i))					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Y-T-D 2019
<b>Revenues / Assessments</b>					
AHCF	\$124,998.00	\$41,666.00	\$0.00	\$0.00	\$166,664.00
Grant True-up Receipts	\$0.00	\$0.00	\$15,020.35	\$5,975.19	\$20,995.54
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Income	\$4,261.32	\$4,254.16	\$2,847.07	\$2,188.71	\$13,551.26
Total Revenue	\$129,259.32	\$45,920.16	\$17,867.42	\$8,163.90	\$201,210.80
<b>Disbursements</b>					
Grant Request Approvals	\$84,118.37	\$200,769.25	\$71,711.09	\$86,423.09	\$443,021.80
Grant True-Up Approvals	\$0.00	\$4,556.26	\$0.00	\$0.00	\$4,556.26
External Audit Fees	\$0.00	\$0.00	\$4,755.00	\$3,220.00	\$7,975.00
Program Administration Fees	\$2,990.01	\$2,990.01	\$2,990.01	\$2,990.01	\$11,960.04
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Disbursements	\$87,108.38	\$208,315.52	\$79,456.10	\$92,633.10	\$467,513.10
<b>Operating Surplus / (Deficit)</b>	<b>\$42,150.94</b>	<b>(\$162,395.36)</b>	<b>(\$61,588.68)</b>	<b>(\$84,469.20)</b>	<b>(\$266,302.30)</b>
<b>Fund Balance as of:</b>	<b>4th Quarter</b>	<b>Accounts</b>			
2018 Opening Fund Balance **	\$3,155,391.19	Investment 1			\$2,371,053.64
		Investment 2			\$518,035.25
YTD Operating Surplus / Deficit	(\$266,302.30)	Investment 3			\$0.00
Closing Fund Balance	\$2,889,088.89				\$2,889,088.89
<b># of Grant Requests</b>					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Y-T-D 2019
Grants	5	12	4	9	30
True-Ups	0	0	0	1	1
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
Total	5	12	4	10	31
<b># of New Customers</b>	<b>5</b>	<b>12</b>	<b>4</b>	<b>9</b>	<b>30</b>

\* Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st, 2nd, 3rd &amp; 4th Quarter 2019

\*\*See item Arkansas ARETFF Docket No. 02-080-A. Arkansas Rural Strategies, LLC assumed responsibility July 1, 2017. Balance reflects transfers from predecessor and current activity.

Arkansas Extension of Telecommunications Facilities Fund  
Quarterly Grant Application Activity  
October - December 2019  
Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(i))

Initial Grants					
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>	<u>Senator</u>	<u>Representative</u>
2019-024	Southwest Arkansas Telephone Cooperative	\$22,641.18	Melanie Henrey	Jimmy Hickey	Lane Jean
2019-025	Yelcot Telephone	\$10,587.17	Tommy Layton	Scott Flippo	Jack Fortner
2019-026	CenturyLink of Arkansas	\$7,972.67	Erlan Jacobs	Missy Irvin	Marsh Davis
2019-027	Yelcot Telephone	\$10,012.32	Kevin Kent	Scott Flippo	Jack Fortner
2019-028	Northern Arkansas Telephone Company	\$1,181.00	Tina Bedwell	Scott Flippo	Jack Fortner
2019-029	CenturyLink of Arkansas	\$2,520.28	Samantha Stroud	James Sturch	Marsh Davis
2019-030	Southwest Arkansas Telephone Cooperative	\$15,946.54	Melinda Basurto	Jimmy Hickey	Lane Jean
2019-031	CenturyLink of Arkansas	\$4,737.41	Chelsea Hodge	Bart Hester	Dan Douglas
2019-031	CenturyLink of Arkansas	\$10,824.52	Samantha Stroud	James Sturch	Marsh Davis

\$86,423.09

Grant True-Up Activity			
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>
2019-024TU	Southwest Arkansas Telephone Cooperative	(\$5,975.19)	Melanie Henry

(\$5,975.19)

Grants Denied / Returned / Withdrawn			
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>
2018-023	Yelcot Telephone Company	(\$6,221.92)	
2019-023	CenturyLink of Arkansas	\$7,315.53	
		<u>\$1,093.61</u>	

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 3rd Quarter 2019

See Item Arkansas ARETFF Docket No. 02-080-A. Arkansas Rural Strategies, LLC assumed responsibility July 1, 2017. Balance reflects transfers from predecessor and current activity.

## Arkansas Extension of Telecommunications Facilities Fund

## Quarterly Statement by Company

October - December 2019

Prepared for the Arkansas Public Service Commission by Arkansas Rural Strategies, LLC.

<b>GRANT PAYMENTS</b>	<b>Initial Grants</b>				
	<b>1Q2019</b>	<b>2Q2019</b>	<b>3Q2019</b>	<b>4Q2019</b>	<b>Year-to-date</b>
CenturyLink of Arkansas	\$18,346.00	\$51,865.62	\$11,767.87	\$26,054.88	\$108,034.37
Northern Arkansas Telephone Company	\$4,206.40	\$2,508.60	\$1,000.80	\$1,181.00	\$8,896.80
Southwest Arkansas Telephone Cooperative	\$61,565.97	\$49,151.05	\$58,942.42	\$38,587.72	\$208,247.16
Central Arkansas Telephone Cooperative	\$0.00	\$97,243.98	\$0.00	\$0.00	\$97,243.98
Yelcot Telephone Company	\$0.00	\$0.00	\$0.00	\$20,599.49	\$20,599.49
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL GRANT PAYMENTS</b>	<b>\$84,118.37</b>	<b>\$200,769.25</b>	<b>\$71,711.09</b>	<b>\$86,423.09</b>	<b>\$443,021.80</b>

  

<b>GRANT TRUE-UP PAYMENTS</b>	<b>Grant True-Up Activity</b>				
	<b>1Q2019</b>	<b>2Q2019</b>	<b>3Q2019</b>	<b>4Q2019</b>	<b>Year-to-date</b>
Southwest Arkansas Telephone Cooperative	\$0.00	\$4,556.26	(\$8,798.43)	(\$5,975.19)	(\$10,217.36)
Yelcot Telephone Company	\$0.00	\$0.00	(\$6,221.92)	\$0.00	(\$6,221.92)
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL GRANT TRUE-UP PAYMENTS</b>	<b>\$0.00</b>	<b>\$4,556.26</b>	<b>(\$15,020.35)</b>	<b>(\$5,975.19)</b>	<b>(\$16,439.28)</b>

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 3rd Quarter 2019

See item Arkansas ARETFF Docket No. 02-080-A. Arkansas Rural Strategies, LLC assumed responsibility July 1, 2017. Balance reflects transfers from predecessor and current activity.



**Arkansas Extension of Telecommunications Facilities Fund  
Statement of Fund Performance**

Prepared for the Arkansas Public Service Commission by Arkansas Rural Strategies, LLC

Monthly Activity For	<u>October 2019</u>	<u>Y-T-D 2019</u>
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$0.00	\$166,664.00
Grant True-up Receipts	\$0.00	\$15,020.35
Miscellaneous	\$0.00	\$0.00
Interest Income	\$903.29	\$12,265.84
Total Revenue	<u>\$903.29</u>	<u>\$193,950.19</u>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$34,229.15	\$395,384.12
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$4,755.00
Program Administration Fees	\$996.67	\$9,966.70
Miscellaneous		\$0.00
Total Disbursements	<u>\$35,225.82</u>	<u>\$410,105.82</u>
<b>Operating Surplus / (Deficit)</b>	<b>(\$34,322.53)</b>	<b>(\$216,155.63)</b>

<b>Fund Balance as of:</b>	<u>October 2019</u>	<u>Accounts</u>	
2019 Opening Fund Balance	\$3,155,391.19	Investment 1	\$2,421,546.44
		Investment 2	\$517,689.12
YTD Operating Surplus / Deficit	(\$216,155.63)	Investment 3	\$0.00
Closing Fund Balance	<u>\$2,939,235.56</u>		<u>\$2,939,235.56</u>

**Arkansas Extension of Telecommunications Facilities Fund  
Statement of Fund Performance**

Prepared for the Arkansas Public Service Commission by Arkansas Rural Strategies, LLC

Monthly Activity For	<u>November 2019</u>	<u>Y-T-D 2019</u>
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$0.00	\$166,664.00
Grant True-up Receipts	\$0.00	\$15,020.35
Miscellaneous	\$0.00	\$0.00
Interest Income	\$637.26	\$12,903.10
Total Revenue	<u>\$637.26</u>	<u>\$194,587.45</u>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$19,165.99	\$414,550.11
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$4,755.00
Program Administration Fees	\$996.67	\$10,963.37
Miscellaneous		\$0.00
Total Disbursements	<u>\$20,162.66</u>	<u>\$430,268.48</u>
<b>Operating Surplus / (Deficit)</b>	<b>(\$19,525.40)</b>	<b>(\$235,681.03)</b>

<b>Fund Balance as of:</b>	<u>November 2019</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$3,155,391.19	Investment 1 \$2,401,850.84
		Investment 2 \$517,859.32
YTD Operating Surplus / Deficit	(\$235,681.03)	Investment 3 \$0.00
Closing Fund Balance	<u>\$2,919,710.16</u>	<u>\$2,919,710.16</u>

**Arkansas Extension of Telecommunications Facilities Fund  
Statement of Fund Performance**

Prepared for the Arkansas Public Service Commission by Arkansas Rural Strategies, LLC

Monthly Activity For	<u>December 2019</u>	<u>Y-T-D 2019</u>
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$0.00	\$166,664.00
Grant True-up Receipts	\$5,975.19	\$20,995.54
Miscellaneous	\$0.00	\$0.00
Interest Income	\$648.16	\$13,551.26
Total Revenue	<u>\$6,623.35</u>	<u>\$201,210.80</u>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$34,028.75	\$443,021.80
Grant True-Up Approvals	\$0.00	\$4,556.26
External Audit Fees	\$3,220.00	\$7,975.00
Program Administration Fees	\$996.67	\$11,960.04
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$38,245.42</u>	<u>\$467,513.10</u>
<b>Operating Surplus / (Deficit)</b>	<b>(\$31,622.07)</b>	<b>(\$266,302.30)</b>

<b>Fund Balance as of:</b>	<u>December 2019</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$3,155,391.19	Investment 1 \$2,371,053.64
		Investment 2 \$518,035.25
YTD Operating Surplus / Deficit	(\$266,302.30)	Investment 3 \$0.00
Closing Fund Balance	<u>\$2,889,088.89</u>	<u>\$2,889,088.89</u>