

Colette D. Honorable
Chairman
(501) 682-1455

Olan W. Reeves
Commissioner
(501) 682-1453

Elana C. Wills
Commissioner
(501) 682-1451

**ARKANSAS
PUBLIC SERVICE COMMISSION**
1000 Center
P.O. Box 400
Little Rock, Arkansas 72203-0400
<http://www.Arkansas.gov/psc>



April 25, 2013

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 (ETFF) for the period January 2013 through March 2013.

Arkansas Code Annotated § 23-17-404(e)(8)(D)(1) requires the Commission to provide quarterly reports to the Legislative Council concerning operation of the fund. The attachment details the quarterly activity regarding grants requested, awarded and denied by company and names the Arkansas General Assembly Members whose constituents benefited from the approved grants. Year-to-date data has been provided for all approved grants. ETFF financial information is also provided for each month, the quarter and year-to-date.

Questions concerning operation of the ETFF or the quarterly report may be referred to Bill Dennis, Manager-Telecommunications and Quality of Service at 501-682-5695.

Sincerely,

A handwritten signature in blue ink that reads "Colette D. Honorable".

Colette D. Honorable
Chairman

CDH/ks
Attachments

**RURAL TELCOM SOLUTIONS, LLC.
810 DAN ARK CIRCLE
PO BOX 608
DANVILLE, AR 72833**

LARRY FRAZIER - MANAGER

479-495-5881

April 24, 2013

**Re: Arkansas Extension of Telecommunications Facilities Fund
Arkansas PSC Docket No. 02-080-A**

Secretary of the Commission
Arkansas Public Service Commission
1000 Center Street
Little Rock, AR 72201

Dear Secretary,

Enclosed are the following documents for filing in the above captioned docket:

- (*) Suggested language to submit to the Chairman of the appropriate committees to accompany the transmittal of the quarterly report of the Arkansas Extension of Telecommunications Facilities Fund.
- (*) Monthly Status Reports for the Arkansas Extension of Telecommunications Facilities Fund for the activity months of January, February, and March 2013.
- (*) A Statement of the Arkansas Extension of Telecommunications Facilities Fund disbursements by Company for the 1st quarter of 2013.
- (*) A statement of grant application activity for the 1st quarter of 2013.
- (*) A statement of grant financial activity for the 1st quarter of 2013.

Please contact me if you have any questions regarding the enclosed materials.

Thank you,



Larry Frazier
Rural Telcom Solutions, LLC
Administrator

April 24, 2013

Arkansas Public Service Docket 02-080-A

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 January 2013 through March 2013.

Ark. Code Ann. § 23-17-404(e)(8)(D)(1) requires the Commission to provide quarterly reports to the Legislative Council concerning operation of the fund. 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 Bill Dennis, Manager-Telecommunications and Quality of Service at 501-682-5695.

Arkansas Extension of Telecommunications Facilities Fund
Quarterly Financial Activity
January 2013 - March 2013 *
Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(i))

	<u>Quarter</u>	<u>Y-T-D 2013</u>
<u>Revenues / Assessments</u>		
AICCLP	\$114,404.00	\$114,404.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,287.21	\$1,287.21
Total Revenue	\$115,691.21	\$115,691.21

<u>Disbursements</u>		
Grant Request Approvals	\$19,354.85	\$19,354.85
Grant True-Up Approvals	\$8,823.05	\$8,823.05
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$4,650.00	\$4,650.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	\$32,827.90	\$32,827.90

Operating Surplus / (Deficit)	\$82,863.31	\$82,863.31
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Fund Balance as of:	<u>1st Qtr 2013</u>	<u>Accounts</u>
2013 Opening Fund Balance **	\$1,688,578.53	Investment 1 \$767,550.20
		Investment 2 \$502,779.96
YTD Operating Surplus / Deficit	\$82,863.31	Investment 3 \$501,111.68
Closing Fund Balance	\$1,771,441.84	\$1,771,441.84

	<u>Quarter</u>	<u>Y-T-D 2012</u>
<u># of Grant Requests</u>		
Grants	2	2
True-Ups	1	1
Denied / Withdrawn	0	0
Pending	0	0
Total	3	3
# of New Customers	2	2

* Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st Quarter 2013

**See item Arkansas ARETFF Docket No. 02-080-A. Rural Telcom Solutions, LLC assumed responsibility January 1, 2012. Balance reflects transfers from predecessor and current activity.

Arkansas Extension of Telecommunications Facilities Fund
Quarterly Grant Application Activity
January 2013 - March 2013
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>
2013-001	Windstream Arkansas	\$13,315.14	Paul Burgess	Bryan King	Charlette Douglas
2013-002	Windstream Arkansas	\$6,039.71	Janene Atkinson	Larry Teague	Nate Steel

\$19,354.85

Grant True-Up Activity					
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>	<u>Senator</u>	<u>Representative</u>
2012-003	Southwest Ar Telephone Cooperative	\$8,823.05	Johathan Webb	Larry Teague	David Powers

\$8,823.05

Grants Denied / Returned / Withdrawn					
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>	<u>Senator</u>	<u>Representative</u>
	None	\$0.00			
		\$0.00			
		<u>\$0.00</u>			

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st Quarter 2013

See item Arkansas ARETFF Docket No. 02-080-A. Rural Telcom Solutions, LLC assumed responsibility January 1, 2012. Balance reflects transfers from predecessor and current activity.

Arkansas Extension of Telecommunications Facilities Fund
Quarterly Statement by Company
January 2013 - March 2013
Prepared for the Arkansas Public Service Commission by Rural Telcom Solutions, LLC.

<u>GRANT PAYMENTS</u>	Initial Grants				<u>Year-to-date</u>
	<u>1Q2013</u>	<u>2Q2013</u>	<u>3Q2013</u>	<u>4Q2013</u>	
Windstream Arkansas	\$19,354.85	\$0.00	\$0.00	\$0.00	\$19,354.85
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<u>TOTAL GRANT PAYMENTS</u>	\$19,354.85	\$0.00	\$0.00	\$0.00	\$19,354.85

<u>GRANT TRUE-UP PAYMENTS</u>	Grant True-Up Activity				<u>Year-to-date</u>
	<u>1Q2013</u>	<u>2Q2013</u>	<u>3Q2013</u>	<u>4Q2013</u>	
Southwest Ar Telephone Cooperative	\$8,823.05	\$0.00	\$0.00	\$0.00	\$8,823.05
<u>TOTAL GRANT TRUE-UP PAYMENTS</u>	\$8,823.05	\$0.00	\$0.00	\$0.00	\$8,823.05

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st Quarter 2013

See item Arkansas ARETFF Docket No. 02-080-A. Rural Telcom Solutions, LLC assumed responsibility January 1, 2012. 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 Rural Telcom Solutions, LLC

Monthly Activity For	<u>January 2013</u>	<u>Y-T-D 2013</u>
<u>Revenues / Assessments</u>		
AICCLP	\$41,563.00	\$41,563.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$451.90	\$451.90
Total Revenue	<u>\$42,014.90</u>	<u>\$42,014.90</u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$0.00
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$1,550.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$1,550.00</u>	<u>\$1,550.00</u>
Operating Surplus / (Deficit)	\$40,464.90	\$40,464.90

Fund Balance as of:	<u>January 2013</u>	<u>Accounts</u>
2013 Opening Fund Balance	\$1,688,578.53	Investment 1 \$725,698.11
		Investment 2 \$502,395.60
YTD Operating Surplus / Deficit	\$40,464.90	Investment 3 \$500,949.72
Closing Fund Balance	<u>\$1,729,043.43</u>	<u>\$1,729,043.43</u>

Arkansas Extension of Telecommunications Facilities Fund
Statement of Fund Performance

Prepared for the Arkansas Public Service Commission by Rural Telcom Solutions, LLC

Monthly Activity For	<u>February 2013</u>	<u>Y-T-D 2013</u>
<u>Revenues / Assessments</u>		
AICCLP	\$34,938.00	\$76,501.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$414.19	\$866.09
Total Revenue	<u>\$35,352.19</u>	<u>\$77,367.09</u>
<u>Disbursements</u>		
Grant Request Approvals	\$19,354.85	\$19,354.85
Grant True-Up Approvals	\$8,823.05	\$8,823.05
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$3,100.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$29,727.90</u>	<u>\$31,277.90</u>
Operating Surplus / (Deficit)	\$5,624.29	\$46,089.19

Fund Balance as of:	<u>February 2013</u>	<u>Accounts</u>
2013 Opening Fund Balance	\$1,688,578.53	Investment 1 \$731,048.61
		Investment 2 \$502,584.30
YTD Operating Surplus / Deficit	\$46,089.19	Investment 3 \$501,034.81
Closing Fund Balance	<u>\$1,734,667.72</u>	<u>\$1,734,667.72</u>

Arkansas Extension of Telecommunications Facilities Fund
Statement of Fund Performance

Prepared for the Arkansas Public Service Commission by Rural Telecom Solutions, LLC

Monthly Activity For	<u>March 2013</u>	<u>Y-T-D 2013</u>
<u>Revenues / Assessments</u>		
AICCLP	\$37,903.00	\$114,404.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$421.12	\$1,287.21
Total Revenue	<u>\$38,324.12</u>	<u>\$115,691.21</u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$19,354.85
Grant True-Up Approvals	\$0.00	\$8,823.05
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$4,650.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$1,550.00</u>	<u>\$32,827.90</u>
Operating Surplus / (Deficit)	\$36,774.12	\$82,863.31

Fund Balance as of:

2013 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

March 2013

\$1,688,578.53

\$82,863.31

\$1,771,441.84Accounts

Investment 1

\$767,550.20

Investment 2

\$502,779.96

Investment 3

\$501,111.68\$1,771,441.84