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**ARKANSAS  
PUBLIC SERVICE COMMISSION**  
1000 Center Street  
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<http://www.Arkansas.gov/psc>



May 7, 2019

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 2019 through March 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 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 Clark Cotten, Manager-Engineering at 501-682-5714.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ted J. Thomas".

Ted J. Thomas  
Chairman

TJT/cdc  
Attachments

**Arkansas Extension of Telecommunications Facilities Fund**  
**Quarterly Statement by Company**  
**January - March 2019**  
**Prepared for the Arkansas Public Service Commission by Arkansas Rural Strategies, LLC.**

<b>GRANT PAYMENTS</b>	<b>Initial Grants</b>				<b>Year-to-date</b>
	<b>1Q2018</b>	<b>2Q2018</b>	<b>3Q2018</b>	<b>4Q2018</b>	
CenturyLink of Arkansas	\$18,346.00	\$0.00	\$0.00	\$0.00	\$18,346.00
Northern Arkansas Telephone Company	\$4,206.40	\$0.00	\$0.00	\$0.00	\$4,206.40
Southwest Arkansas Telephone Cooperative	\$61,565.97	\$0.00	\$0.00	\$0.00	\$61,565.97
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$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>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$84,118.37</b>

<b>GRANT TRUE-UP PAYMENTS</b>	<b>Grant True-Up Activity</b>				<b>Year-to-date</b>
	<b>1Q2018</b>	<b>2Q2018</b>	<b>3Q2018</b>	<b>4Q2018</b>	
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$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>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st Quarter 2019

See item Arkansas ARETF 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  
 January - March 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>
2019-001	Southwest Arkansas Telephone Cooperative	\$49,703.02	Kelly Hutt	Senator Hickey	Rep. Jean
2019-002	Northern Arkansas Telephone Company	\$1,901.80	Richard Overton	Senator Flippo	Rep. Fortner
2019-003	Southwest Arkansas Telephone Cooperative	\$11,862.95	Rebecca Langohr	Senator Teague	Rep. Watson
2019-004	Northern Arkansas Telephone Company	\$2,304.60	Jim Lewis	Senator Flippo	Rep. Fortner
2019-005	CenturyLink Arkansas	\$18,346.00	Robert Pace	Senator Stubblefield	Rep. Eubanks
		\$0.00			
		\$0.00			
		\$0.00			
		<u>\$84,118.37</u>			

Grant True-Up Activity			
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>
		\$0.00	
		\$0.00	

Grants Denied / Returned / Withdrawn			
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>
		\$0.00	
		\$0.00	
		<u>\$0.00</u>	

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st 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 Financial Activity**  
**January - March 2019 \***  
**Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(i))**

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2019</u>
<b>Revenues / Assessments</b>					
AHCF	\$124,998.00	\$0.00	\$0.00	\$0.00	\$124,998.00
Grant True-up Receipts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Income	\$4,261.32	\$0.00	\$0.00	\$0.00	\$4,261.32
<b>Total Revenue</b>	<b>\$129,259.32</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$129,259.32</b>

<b>Disbursements</b>					
Grant Request Approvals	\$84,118.37	\$0.00	\$0.00	\$0.00	\$84,118.37
Grant True-Up Approvals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Program Administration Fees	\$2,990.01	\$0.00	\$0.00	\$0.00	\$2,990.01
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Disbursements</b>	<b>\$87,108.38</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$87,108.38</b>

<b>Operating Surplus / (Deficit)</b>	<b>\$42,150.94</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$42,150.94</b>
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<b>Fund Balance as of:</b>	<u>1st Quarter</u>	<u>Accounts</u>	
2018 Opening Fund Balance **	\$3,155,391.19	Investment 1	\$2,681,065.48
		Investment 2	\$516,476.65
YTD Operating Surplus / Deficit	\$42,150.94	Investment 3	\$0.00
Closing Fund Balance	<b>\$3,197,542.13</b>		<b>\$3,197,542.13</b>

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2019</u>
<b># of Grant Requests</b>					
Grants	5	0	0	0	5
True-Ups	0	0	0	0	0
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>
<b># of New Customers</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>

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

\*\*See item Arkansas ARETF 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>March 2019</u>	<u>Y-T-D 2019</u>
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$41,666.00	\$124,998.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,481.98	\$4,261.32
<b>Total Revenue</b>	<b><u><u>\$43,147.98</u></u></b>	<b><u><u>\$129,259.32</u></u></b>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$18,346.00	\$84,118.37
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$996.67	\$2,990.01
Miscellaneous	\$0.00	\$0.00
<b>Total Disbursements</b>	<b><u><u>\$19,342.67</u></u></b>	<b><u><u>\$87,108.38</u></u></b>
<b>Operating Surplus / (Deficit)</b>	<b>\$23,805.31</b>	<b>\$42,150.94</b>

<b>Fund Balance as of:</b>		<u>March 2019</u>	<u>Accounts</u>
2019 Opening Fund Balance		\$3,155,391.19	Investment 1     \$2,681,065.48
			Investment 2     \$516,476.65
YTD Operating Surplus / Deficit		\$42,150.94	Investment 3     \$0.00
Closing Fund Balance		<u><u>\$3,197,542.13</u></u>	<u><u>\$3,197,542.13</u></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>February 2019</u>	<u>Y-T-D 2019</u>
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$41,666.00	\$83,332.00
Grant True-up Receipts		\$0.00
Miscellaneous		\$0.00
Interest Income	\$1,311.96	\$2,779.34
<b>Total Revenue</b>	<u><u>\$42,977.96</u></u>	<u><u>\$86,111.34</u></u>
 <b><u>Disbursements</u></b>		
Grant Request Approvals	\$2,304.60	\$65,772.37
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$996.67	\$1,993.34
Miscellaneous	\$0.00	\$0.00
<b>Total Disbursements</b>	<u><u>\$3,301.27</u></u>	<u><u>\$67,765.71</u></u>
 <b>Operating Surplus / (Deficit)</b>	 \$39,676.69	 \$18,345.63

<b>Fund Balance as of:</b>	<u>February 2019</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$3,155,391.19	Investment 1     \$2,657,435.57
		Investment 2     \$516,301.25
YTD Operating Surplus / Deficit	\$18,345.63	Investment 3     \$0.00
Closing Fund Balance	<u><u>\$3,173,736.82</u></u>	<u><u>\$3,173,736.82</u></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>January 2019</u>	<u>Y-T-D 2019</u>
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$41,666.00	\$41,666.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,467.38	\$1,467.38
<b>Total Revenue</b>	<b><u><u>\$43,133.38</u></u></b>	<b><u><u>\$43,133.38</u></u></b>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$63,467.77	\$63,467.77
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$996.67	\$996.67
Miscellaneous	\$0.00	\$0.00
<b>Total Disbursements</b>	<b><u><u>\$64,464.44</u></u></b>	<b><u><u>\$64,464.44</u></u></b>
<b>Operating Surplus / (Deficit)</b>	<b>(\$21,331.06)</b>	<b>(\$21,331.06)</b>

<b>Fund Balance as of:</b>	<u>January 2019</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$3,155,391.19	Investment 1      \$2,617,917.26
		Investment 2      \$516,142.87
YTD Operating Surplus / Deficit	(\$21,331.06)	Investment 3      \$0.00
Closing Fund Balance	<u><u>\$3,134,060.13</u></u>	<u><u>\$3,134,060.13</u></u>