

Ted J. Thomas
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Kimberly A. O'Guinn
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ARKANSAS
PUBLIC SERVICE COMMISSION
1000 Center Street
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Little Rock, Arkansas 72203-0400
<http://www.Arkansas.gov/psc>



July 30, 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 April 2019 through June 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 Financial Activity
April - June 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>
Revenues / Assessments					
AHCF	\$124,998.00	\$41,666.00	\$0.00	\$0.00	\$166,664.00
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	\$4,254.16	\$0.00	\$0.00	\$8,515.48
Total Revenue	\$129,259.32	\$45,920.16	\$0.00	\$0.00	\$175,179.48

Disbursements					
Grant Request Approvals	\$84,118.37	\$200,769.25	\$0.00	\$0.00	\$284,887.62
Grant True-Up Approvals	\$0.00	\$4,556.26	\$0.00	\$0.00	\$4,556.26
External Audit Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Program Administration Fees	\$2,990.01	\$2,990.01	\$0.00	\$0.00	\$5,980.02
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Disbursements	\$87,108.38	\$208,315.52	\$0.00	\$0.00	\$295,423.90

Operating Surplus / (Deficit)	\$42,150.94	(\$162,395.36)	\$0.00	\$0.00	(\$120,244.42)
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Fund Balance as of:	2nd Quarter	Accounts	
2018 Opening Fund Balance **	\$3,155,391.19	Investment 1	\$2,518,154.89
		Investment 2	\$516,991.88
YTD Operating Surplus / Deficit	(\$120,244.42)	Investment 3	\$0.00
Closing Fund Balance	\$3,035,146.77		\$3,035,146.77

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2019</u>
# of Grant Requests					
Grants	5	12	0	0	17
True-Ups	0	0	0	0	0
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
Total	5	12	0	0	17
# of New Customers	5	12	0	0	17

* 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
 Quarterly Grant Application Activity
 April - June 2019
 Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(i))

Initial Grants					
ARETFF App #	Company Name	Amount	Customer Name	Senator	Representative
2019-006	Central Arkansas Telephone Cooperative	\$81,007.98	John Fowler	Alan Clark	Ken Bragg
2019-007	Northern Arkansas Telephone Company	\$375.40	Dwayne Richardson	Scott Flippo	Ron McNair
2019-008	Northern Arkansas Telephone Company	\$1,175.70	Kelly King	Scott Flippo	Jack Fortner
2019-009	Northern Arkansas Telephone Company	\$704.00	Bryan Harrnon	Scott Flippo	Ron McNair
2019-010	Southwest Arkansas Telephone Cooperative	\$49,151.05	Shannon Dyer	Larry Teague	Danny Watson
2019-011	CenturyLink of Arkansas	\$16,762.60	Jaron Shelley	Michelle Gray	James Sturch
2019-012	CenturyLink of Arkansas	\$9,397.93	Phong Nguyen	Gary Stubblefield	Jon Eubanks
2019-013	CenturyLink of Arkansas	\$7,577.96	Jonathan Vangilder	Scott Flippo	Nelda Speaks
2019-014	CenturyLink of Arkansas	\$4,689.80	Landy Roberson	Missy Irvin	John Payton
2019-015	Central Arkansas Telephone Cooperative	\$16,236.00	Dana Garrett	Alan Clark	Laurie Rushing
2019-016	Northern Arkansas Telephone Company	\$253.50	Gary Griffin	Scott Flippo	Ron McNair
2019-017	CenturyLink of Arkansas	\$13,437.33	Samuel Parm	Jonathan Dismang	David Hillman
		<u>\$200,769.25</u>			

Grant True-Up Activity			
ARETFF App #	Company Name	Amount	Customer Name
2016-010TU	Southwest Arkansas Telephone Cooperative	\$4,556.26	Shannon Bearden
		<u>\$4,556.26</u>	

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

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 2nd 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

January - March 2019

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

GRANT PAYMENTS	Initial Grants				Year-to-date
	1Q2018	2Q2018	3Q2018	4Q2018	
CenturyLink of Arkansas	\$18,346.00	\$51,865.62	\$0.00	\$0.00	\$70,211.62
Northern Arkansas Telephone Company	\$4,206.40	\$2,508.60	\$0.00	\$0.00	\$6,715.00
Southwest Arkansas Telephone Cooperative	\$61,565.97	\$49,151.05	\$0.00	\$0.00	\$110,717.02
Central Arkansas Telephone Cooperative	\$0.00	\$97,243.98	\$0.00	\$0.00	\$97,243.98
	\$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
TOTAL GRANT PAYMENTS	\$84,118.37	\$200,769.25	\$0.00	\$0.00	\$284,887.62

GRANT TRUE-UP PAYMENTS	Grant True-Up Activity				Year-to-date
	1Q2018	2Q2018	3Q2018	4Q2018	
Southwest Arkansas Telephone Cooperative	\$0.00	\$4,556.26	\$0.00	\$0.00	\$4,556.26
	\$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
TOTAL GRANT TRUE-UP PAYMENTS	\$0.00	\$4,556.26	\$0.00	\$0.00	\$4,556.26

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 2nd 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>April 2019</u>	<u>Y-T-D 2019</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$166,664.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,435.26	\$5,696.58
Total Revenue	<u>\$43,101.26</u>	<u>\$172,360.58</u>
<u>Disbursements</u>		
Grant Request Approvals	\$136,970.39	\$221,088.76
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$996.67	\$3,986.68
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$137,967.06</u>	<u>\$225,075.44</u>
Operating Surplus / (Deficit)	(\$94,865.80)	(\$52,714.86)

Fund Balance as of:	<u>April 2019</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$3,155,391.19	Investment 1 \$2,586,029.88
		Investment 2 \$516,646.45
YTD Operating Surplus / Deficit	(\$52,714.86)	Investment 3 \$0.00
Closing Fund Balance	<u>\$3,102,676.33</u>	<u>\$3,102,676.33</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>May 2019</u>	<u>Y-T-D 2019</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$0.00	\$166,664.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,436.92	\$7,133.50
Total Revenue	<u>\$1,436.92</u>	<u>\$173,797.50</u>
 <u>Disbursements</u>		
Grant Request Approvals	\$26,160.53	\$247,249.29
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$996.67	\$4,983.35
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$27,157.20</u>	<u>\$252,232.64</u>
 Operating Surplus / (Deficit)	 (\$25,720.28)	 (\$78,435.14)

Fund Balance as of:	<u>May 2019</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$3,155,391.19	Investment 1 \$2,560,134.08
		Investment 2 \$516,821.97
YTD Operating Surplus / Deficit	(\$78,435.14)	Investment 3 \$0.00
Closing Fund Balance	<u>\$3,076,956.05</u>	<u>\$3,076,956.05</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>June 2019</u>	<u>Y-T-D 2019</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$0.00	\$166,664.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,381.98	\$8,515.48
Total Revenue	\$1,381.98	\$175,179.48
<u>Disbursements</u>		
Grant Request Approvals	\$42,194.59	\$289,443.88
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$996.67	\$5,980.02
Miscellaneous	\$0.00	\$0.00
Total Disbursements	\$43,191.26	\$295,423.90
Operating Surplus / (Deficit)	(\$41,809.28)	(\$120,244.42)

Fund Balance as of:	<u>June 2019</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$3,155,391.19	Investment 1 \$2,518,154.89
		Investment 2 \$516,991.88
YTD Operating Surplus / Deficit	(\$120,244.42)	Investment 3 \$0.00
Closing Fund Balance	\$3,035,146.77	\$3,035,146.77