

Ted J. Thomas
Chairman
(501) 682-5806

Kimberly A. O'Guinn
Commissioner
(501) 682-5809

Justin Tate
Commissioner
(501) 682-5809

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



July 22, 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 April 2020 through June 2020.

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 black ink, appearing to read "Ted J. Thomas".

Ted J. Thomas
Chairman

TJT/cdc
Attachments

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JUL 23 2020

BUREAU OF PUBLIC UTILITIES
REGULATION

Arkansas Extension of Telecommunications Facilities Fund

Quarterly Financial Activity

April - June 2020 *

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 2020</u>
<u>Revenues / Assessments</u>					
AHCF	\$83,332.00	\$124,998.00	\$0.00	\$0.00	\$208,330.00
Grant True-up Receipts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous	\$2,520.28	\$0.00	\$0.00	\$0.00	\$2,520.28
Interest Income	\$2,076.32	\$2,299.36	\$0.00	\$0.00	\$4,375.68
Total Revenue	\$87,928.60	\$127,297.36	\$0.00	\$0.00	\$215,225.96

<u>Disbursements</u>					
Grant Request Approvals	\$24,740.94	\$140,069.78	\$0.00	\$0.00	\$164,810.72
Grant True-Up Approvals	\$7,588.28	\$2,976.51	\$0.00	\$0.00	\$10,564.79
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	(\$333,336.00)	\$0.00	\$0.00	\$0.00	(\$333,336.00)
Total Disbursements	(\$298,016.77)	\$146,036.30	\$0.00	\$0.00	(\$151,980.47)

Operating Surplus / (Deficit)	\$385,945.37	(\$18,738.94)	\$0.00	\$0.00	\$367,206.43
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Fund Balance as of:	2nd Quarter	Accounts	
2020 Opening Fund Balance **	\$2,889,088.89	Investment 1	\$2,737,382.34
		Investment 2	\$518,912.98
YTD Operating Surplus / Deficit	\$367,206.43	Investment 3	\$0.00
Closing Fund Balance	\$3,256,295.32		\$3,256,295.32

<u># of Grant Requests</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2020</u>
Grants	1	3	0	0	4
True-Ups	1	1	0	0	2
Denied / Withdrawn	1	0	0	0	1
Pending	0	0	0	0	0
Total	3	4	0	0	7
# of New Customers	2	3	0	0	5

* Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st, 2nd, 3rd & 4th Quarter 2020

**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
 April - June 2020

Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(i))

Initial Grants					
ARETF App #	Company Name	Amount	Customer Name	Senator	Representative
2020-002	Northern Arkansas Telephone Company	\$71,315.90	Jeanette Totten	Scott Filppo	Jack Fortner
2020-003	Northern Arkansas Telephone Company	\$1,976.00	Beth Kuhfuss	Scott Filppo	Jack Fortner
2020-004	Southwest Arkansas Telephone Cooperative	\$66,777.88	Clint Kyles	Jimmy Hickey	Lane Jean
		\$0.00			
		\$0.00			
		\$0.00			
		\$0.00			
		\$0.00			
		<u>\$140,069.78</u>			

Grant True-Up Activity			
ARETF App #	Company Name	Amount	Customer Name
2019-030TU	Southwest Arkansas Telephone Cooperative	\$2,976.51	Melinda Basurto
		<u>\$2,976.51</u>	

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

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st Quarter 2020

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 Statement by Company
April - June 2020

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

GRANT PAYMENTS	Initial Grants				Year-to-date
	1Q2020	2Q2020	3Q2020	4Q2020	
CenturyLink of Arkansas	\$24,740.94	\$0.00	\$0.00	\$0.00	\$24,740.94
Northern Arkansas Telephone Company	\$0.00	\$73,291.90	\$0.00	\$0.00	\$73,291.90
Southwest Arkansas Telephone Cooperative	\$0.00	\$66,777.88	\$0.00	\$0.00	\$66,777.88
	\$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	\$24,740.94	\$140,069.78	\$0.00	\$0.00	\$164,810.72

GRANT TRUE-UP PAYMENTS	Grant True-Up Activity				Year-to-date
	1Q2020	2Q2020	3Q2020	4Q2020	
Southwest Arkansas Telephone Cooperative	\$7,588.28	\$2,976.51	\$0.00	\$0.00	\$10,564.79
	\$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	\$7,588.28	\$2,976.51	\$0.00	\$0.00	\$10,564.79

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 2nd Quarter 2020

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 2020</u>	<u>Y-T-D 2019</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$124,998.00
Grant True-up Receipts		\$2,520.28
Miscellaneous		\$0.00
Interest Income	\$644.11	\$2,720.43
Total Revenue	<u><u>\$42,310.11</u></u>	<u><u>\$130,238.71</u></u>
<u>Disbursements</u>		
Grant Request Approvals	\$71,315.90	\$96,056.84
Grant True-Up Approvals	\$2,976.51	\$10,564.79
External Audit Fees		\$0.00
Program Administration Fees	\$996.67	\$3,986.68
Miscellaneous		(\$333,336.00)
Total Disbursements	<u><u>\$75,289.08</u></u>	<u><u>(\$222,727.69)</u></u>
Operating Surplus / (Deficit)	(\$32,978.97)	\$352,966.40

Fund Balance as of:	<u>April 2020</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$2,889,088.89	Investment 1 \$2,723,402.38
		Investment 2 \$518,652.91
YTD Operating Surplus / Deficit	\$352,966.40	Investment 3 \$0.00
Closing Fund Balance	<u><u>\$3,242,055.29</u></u>	<u><u>\$3,242,055.29</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>May 2020</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	\$2,520.28
Miscellaneous	\$0.00	\$0.00
Interest Income	\$733.12	\$3,453.55
Total Revenue	<u><u>\$42,399.12</u></u>	<u><u>\$172,637.83</u></u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$96,056.84
Grant True-Up Approvals	\$0.00	\$10,564.79
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$996.67	\$4,983.35
Miscellaneous	\$0.00	(\$333,336.00)
Total Disbursements	<u><u>\$996.67</u></u>	<u><u>(\$221,731.02)</u></u>
Operating Surplus / (Deficit)	\$41,402.45	\$394,368.85

Fund Balance as of:	<u>May 2020</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$2,889,088.89	Investment 1 \$2,764,672.68
		Investment 2 \$518,785.06
YTD Operating Surplus / Deficit	\$394,368.85	Investment 3 \$0.00
Closing Fund Balance	<u><u>\$3,283,457.74</u></u>	<u><u>\$3,283,457.74</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>June 2020</u>	<u>Y-T-D 2019</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$208,330.00
Grant True-up Receipts	\$0.00	\$2,520.28
Miscellaneous	\$0.00	\$0.00
Interest Income	\$922.13	\$4,375.68
Total Revenue	<u>\$42,588.13</u>	<u>\$215,225.96</u>
<u>Disbursements</u>		
Grant Request Approvals	\$68,753.88	\$164,810.72
Grant True-Up Approvals	\$0.00	\$10,564.79
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$996.67	\$5,980.02
Miscellaneous	\$0.00	(\$333,336.00)
Total Disbursements	<u>\$69,750.55</u>	<u>(\$151,980.47)</u>
Operating Surplus / (Deficit)	(\$27,162.42)	\$367,206.43

Fund Balance as of:	<u>June 2020</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$2,889,088.89	Investment 1 \$2,737,382.34
		Investment 2 \$518,912.98
YTD Operating Surplus / Deficit	\$367,206.43	Investment 3 \$0.00
Closing Fund Balance	<u>\$3,256,295.32</u>	<u>\$3,256,295.32</u>