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Chairman
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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>



October 20, 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 July 2020 through September 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, Director - Telecommunications and 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

Arkansas Extension of Telecommunications Facilities Fund
Quarterly Financial Activity
July - August 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	\$124,998.00	\$0.00	\$333,328.00
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	\$2,841.02	\$0.00	\$7,216.70
Total Revenue	\$87,928.60	\$127,297.36	\$127,839.02	\$0.00	\$343,064.98

<u>Disbursements</u>					
Grant Request Approvals	\$24,740.94	\$140,069.78	\$46,805.12	\$0.00	\$211,615.84
Grant True-Up Approvals	\$7,588.28	\$2,976.51	\$0.00	\$0.00	\$10,564.79
External Audit Fees	\$0.00	\$0.00	\$4,855.00	\$0.00	\$4,855.00
Program Administration Fees	\$2,990.01	\$2,990.01	\$2,990.01	\$0.00	\$8,970.03
Miscellaneous	(\$333,336.00)	\$0.00	\$0.00	\$0.00	(\$333,336.00)
Total Disbursements	(\$298,016.77)	\$146,036.30	\$54,650.13	\$0.00	(\$97,330.34)

Operating Surplus / (Deficit)	\$385,945.37	(\$18,738.94)	\$73,188.89	\$0.00	\$440,395.32
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Fund Balance as of:	<u>3rd Quarter</u>	<u>Accounts</u>	
2020 Opening Fund Balance **	\$2,889,088.89	Investment 1	\$2,810,178.74
		Investment 2	\$519,305.47
YTD Operating Surplus / Deficit	\$440,395.32	Investment 3	\$0.00
Closing Fund Balance	<u>\$3,329,484.21</u>		<u>\$3,329,484.21</u>

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2020</u>
<u># of Grant Requests</u>					
Grants	1	3	3	0	7
True-Ups	1	1	0	0	2
Denied / Withdrawn	1	0	0	0	1
Pending	0	0	0	0	0
Total	3	4	3	0	10
# of New Customers	2	3	3	0	8

* Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st, 2nd, 3rd & 4th 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 Grant Application Activity
 July - September 2020
 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>
2020-005	Southwest Arkansas Telephone Cooperative	\$30,729.78	Rebecca Pipkin	Jimmy Hickey	Lane Jean
2020-006	Yelcot Telephone Company	\$8,507.57	Bryan Christian	Scott Filippo	Jack Fortner
2020-007	Yelcot Telephone Company	\$7,567.77	Scarlett Fagan	Missy Irvin	Lane Jean
		\$0.00			
		\$0.00			
		\$0.00			
		\$0.00			
		\$0.00			
		<u>\$46,805.12</u>			

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

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

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st 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 Statement by Company

July - September 2020

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

<u>GRANT PAYMENTS</u>	Initial Grants				<u>Year-to-date</u>
	<u>1Q2020</u>	<u>2Q2020</u>	<u>3Q2020</u>	<u>4Q2020</u>	
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	\$30,729.78	\$0.00	\$97,507.66
Yelcot Telephone Company	\$0.00	\$0.00	\$16,075.34	\$0.00	\$16,075.34
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<u>TOTAL GRANT PAYMENTS</u>	<u>\$24,740.94</u>	<u>\$140,069.78</u>	<u>\$46,805.12</u>	<u>\$0.00</u>	<u>\$211,615.84</u>

<u>GRANT TRUE-UP PAYMENTS</u>	Grant True-Up Activity				<u>Year-to-date</u>
	<u>1Q2020</u>	<u>2Q2020</u>	<u>3Q2020</u>	<u>4Q2020</u>	
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
<u>TOTAL GRANT TRUE-UP PAYMENTS</u>	<u>\$7,588.28</u>	<u>\$2,976.51</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$10,564.79</u>

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 2nd 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
Statement of Fund Performance**

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

Monthly Activity For	<u>July 2020</u>	<u>Y-T-D 2019</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$249,996.00
Grant True-up Receipts	\$0.00	\$2,520.28
Miscellaneous	\$0.00	\$0.00
Interest Income	\$963.15	\$5,338.83
Total Revenue	<u><u>\$42,629.15</u></u>	<u><u>\$257,855.11</u></u>
<u>Disbursements</u>		
Grant Request Approvals	\$30,729.78	\$195,540.50
Grant True-Up Approvals	\$0.00	\$10,564.79
External Audit Fees	\$4,855.00	\$4,855.00
Program Administration Fees	\$996.67	\$6,976.69
Miscellaneous	\$0.00	(\$333,336.00)
Total Disbursements	<u><u>\$36,581.45</u></u>	<u><u>(\$115,399.02)</u></u>
Operating Surplus / (Deficit)	\$6,047.70	\$373,254.13

Fund Balance as of:	<u>July 2020</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$2,889,088.89	Investment 1 \$2,743,297.82
		Investment 2 \$519,045.20
YTD Operating Surplus / Deficit	\$373,254.13	Investment 3 \$0.00
Closing Fund Balance	<u><u>\$3,262,343.02</u></u>	<u><u>\$3,262,343.02</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>August 2020</u>	<u>Y-T-D 2019</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$291,662.00
Grant True-up Receipts	\$0.00	\$2,520.28
Miscellaneous	\$0.00	\$0.00
Interest Income	\$955.29	\$6,294.12
Total Revenue	<u>\$42,621.29</u>	<u>\$300,476.40</u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$195,540.50
Grant True-Up Approvals	\$0.00	\$10,564.79
External Audit Fees	\$0.00	\$4,855.00
Program Administration Fees	\$996.67	\$7,973.36
Miscellaneous	\$0.00	(\$333,336.00)
Total Disbursements	<u>\$996.67</u>	<u>(\$114,402.35)</u>
Operating Surplus / (Deficit)	\$41,624.62	\$414,878.75

Fund Balance as of:	<u>August 2020</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$2,889,088.89	Investment 1 \$2,784,790.19
		Investment 2 \$519,177.45
YTD Operating Surplus / Deficit	\$414,878.75	Investment 3 \$0.00
Closing Fund Balance	<u>\$3,303,967.64</u>	<u>\$3,303,967.64</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>September 2020</u>	<u>Y-T-D 2019</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$333,328.00
Grant True-up Receipts	\$0.00	\$2,520.28
Miscellaneous	\$0.00	\$0.00
Interest Income	\$922.58	\$7,216.70
Total Revenue	<u>\$42,588.58</u>	<u>\$343,064.98</u>
<u>Disbursements</u>		
Grant Request Approvals	\$16,075.34	\$211,615.84
Grant True-Up Approvals	\$0.00	\$10,564.79
External Audit Fees	\$0.00	\$4,855.00
Program Administration Fees	\$996.67	\$8,970.03
Miscellaneous	\$0.00	(\$333,336.00)
Total Disbursements	<u>\$17,072.01</u>	<u>(\$97,330.34)</u>
Operating Surplus / (Deficit)	\$25,516.57	\$440,395.32

Fund Balance as of:	<u>September 2020</u>	<u>Accounts</u>
2019 Opening Fund Balance	\$2,889,088.89	Investment 1 \$2,810,178.74
		Investment 2 \$519,305.47
YTD Operating Surplus / Deficit	\$440,395.32	Investment 3 \$0.00
Closing Fund Balance	<u>\$3,329,484.21</u>	<u>\$3,329,484.21</u>