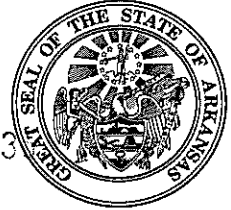


Ted J. Thomas  
Chairman  
(501) 682-5806

Elana C. Wills  
Commissioner  
(501) 682-5809

Kimberly A. O'Guinn  
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>



August 8, 2018

Chairmen  
Arkansas Legislative Council  
State Capitol Building, Room 315  
Little Rock, AR 72201

Dear Chairmen:

Attached is the quarterly report concerning operation of the Arkansas Extension of Telecommunications Facilities fund (ARETFF) for the period April 2018 through June 2018.

Arkansas Code Annotated § 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 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-Telecommunications and Quality of Service at 501-682-5714.

Sincerely

A handwritten signature in black ink, appearing to read "Ted J. Thomas", written over a horizontal line.

Ted J. Thomas  
Chairman

TJT/bt  
Attachments

Arkansas Extension of Telecommunications Facilities Fund

Quarterly Statement by Company

April - June 2018

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	\$5,570.01	\$20,024.58	\$0.00	\$0.00	\$25,594.59
Yelcot Telephone Company	\$2,556.83	\$0.00	\$0.00	\$0.00	\$2,556.83
	\$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>\$8,126.84</b>	<b>\$20,024.58</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$28,151.42</b>

GRANT TRUE-UP PAYMENTS	Grant True-Up Activity				Year-to-date
	1Q2018	2Q2018	3Q2018	4Q2018	
Yelcot Telephone Company	(\$802.97)	\$0.00	\$0.00	\$0.00	(\$802.97)
	\$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
<b>TOTAL GRANT TRUE-UP PAYMENTS</b>	<b>(\$802.97)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$802.97)</b>

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 2nd Quarter 2018

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 2018  
 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
2018-001	Yelcot Telephone Company	\$2,556.83	Keli Hicks	Missy Irvin	Jack Fortner
2018-002	CenturyLink of Arkansas	\$5,570.01	Ben Stokes	Blake Johnson	Joe Jett
2018-004	CenturyLink of Arkansas	\$2,278.82	Matthew Burns		Joe Farrer
2018-005	CenturyLink of Arkansas	\$11,009.91	Jill Peterson		Douglas House
2018-006	CenturyLink of Arkansas	\$6,735.85	Rebecca Bontriger	Linda Collins-Smith	Joe Jett
		\$0.00			
		\$0.00			
		\$0.00			
		<u>\$28,151.42</u>			

Grant True-Up Activity			
ARETFF App #	Company Name	Amount	Customer Name
2017-0167U	Yelcot Telephone Company	(\$802.97)	Lola Warren
		<u>(\$802.97)</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 2018

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**  
**April -June 2018 \***  
**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 2018</u>
<b>Revenues / Assessments</b>					
AICCLP	\$83,332.00	\$124,998.00	\$0.00	\$0.00	\$208,330.00
Grant True-up Receipts	\$802.97	\$0.00	\$0.00	\$0.00	\$802.97
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Income	\$3,060.46	\$3,513.94	\$0.00	\$0.00	\$6,574.40
<b>Total Revenue</b>	<b>\$87,195.43</b>	<b>\$128,511.94</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$215,707.37</b>

<b>Disbursements</b>					
Grant Request Approvals	\$8,126.84	\$20,024.58	\$0.00	\$0.00	\$28,151.42
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	\$2,990.01	\$0.00	\$0.00	\$5,980.02
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Disbursements</b>	<b>\$11,116.85</b>	<b>\$23,014.59</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$34,131.44</b>

<b>Operating Surplus / (Deficit)</b>	<b>\$76,078.58</b>	<b>\$105,497.35</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$181,575.93</b>
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<b>Fund Balance as of:</b>	<u>2nd Quarter</u>	<u>Accounts</u>	
2018 Opening Fund Balance **	\$2,964,951.72	Investment 1	\$2,631,599.26
		Investment 2	\$514,928.39
YTD Operating Surplus / Deficit	\$181,575.93	Investment 3	\$0.00
Closing Fund Balance	<u>\$3,146,527.65</u>		<u>\$3,146,527.65</u>

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2018</u>
<b># of Grant Requests</b>					
Grants	2	3	0	0	5
True-Ups	1	0	0	0	1
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>6</b>
<b># of New Customers</b>	<b>2</b>	<b>3</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 2018

\*\*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 2018</u>	<u>Y-T-D 2018</u>
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$83,332.00	\$166,664.00
Grant True-up Receipts	\$0.00	\$802.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,008.21	\$4,068.67
<b>Total Revenue</b>	<b>\$84,340.21</b>	<b>\$171,535.64</b>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$0.00	\$8,126.84
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
<b>Total Disbursements</b>	<b>\$996.67</b>	<b>\$12,113.52</b>
<b>Operating Surplus / (Deficit)</b>	<b>\$83,343.54</b>	<b>\$159,422.12</b>

<b>Fund Balance as of:</b>	<u>April 2018</u>	<u>Accounts</u>
2018 Opening Fund Balance	\$2,964,951.72	Investment 1 \$2,609,789.51
		Investment 2 \$514,584.33
YTD Operating Surplus / Deficit	\$159,422.12	Investment 3 \$0.00
Closing Fund Balance	<b>\$3,124,373.84</b>	<b>\$3,124,373.84</b>

**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 2018</u>	<u>Y-T-D 2018</u>
<b><u>Revenues / Assessments</u></b>		
ARRHCF Support	\$41,666.00	\$208,330.00
Grant True-up Receipts	\$0.00	\$802.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,285.25	\$5,353.92
<b>Total Revenue</b>	<b><u>\$42,951.25</u></b>	<b><u>\$214,486.89</u></b>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$0.00	\$8,126.84
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
<b>Total Disbursements</b>	<b><u>\$996.67</u></b>	<b><u>\$13,110.19</u></b>
<b>Operating Surplus / (Deficit)</b>	<b>\$41,954.58</b>	<b>\$201,376.70</b>

<b>Fund Balance as of:</b>	<u>May 2018</u>	<u>Accounts</u>
2018 Opening Fund Balance	\$2,964,951.72	Investment 1 \$2,651,569.27
		Investment 2 \$514,759.15
YTD Operating Surplus / Deficit	\$201,376.70	Investment 3 \$0.00
Closing Fund Balance	<u>\$3,166,328.42</u>	<u>\$3,166,328.42</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 2018</u>	<u>Y-T-D 2018</u>
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$0.00	\$208,330.00
Grant True-up Receipts	\$0.00	\$802.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,220.48	\$6,574.40
Total Revenue	<u>\$1,220.48</u>	<u>\$215,707.37</u>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$20,024.58	\$28,151.42
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	<u>\$21,021.25</u>	<u>\$34,131.44</u>
<b>Operating Surplus / (Deficit)</b>	<b>(\$19,800.77)</b>	<b>\$181,575.93</b>

<b>Fund Balance as of:</b>	<u>June 2018</u>	<u>Accounts</u>
2018 Opening Fund Balance	\$2,964,951.72	Investment 1 \$2,631,599.26
		Investment 2 \$514,928.39
YTD Operating Surplus / Deficit	\$181,575.93	Investment 3 \$0.00
Closing Fund Balance	<u>\$3,146,527.65</u>	<u>\$3,146,527.65</u>