

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>



July 20, 2017

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 (ETFF) for the period April through June 2017.

Arkansas Code Annotated § 23-17-404(e) (8) (D) (1) 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 the Arkansas General Assembly Members whose constituents benefited from the approved grants. Year-to-date data has been provided for all approved grants. ETFF financial information is also provided for each month, the quarter and year-to-date.

Questions concerning operation of the ETFF or the quarterly report may be referred to Bill Dennis, Manager – Telecommunications and Quality of Service at 501-682-5695.

Sincerely

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

Ted J. Thomas
Chairman

TJT/bt
Attachments

RURAL TELCOM SOLUTIONS, LLC.

2200 EAST 8TH STREET
PO BOX 608
DANVILLE, AR 72833

Kala Mitchell - MANAGER

479-495-5881

July 14, 2017

Re: Arkansas Extension of Telecommunications Facilities Fund
Arkansas PSC Docket No. 02-080-A

Secretary of the Commission
Arkansas Public Service Commission
1000 Center Street
Little Rock, AR 72201

Dear Secretary,

Enclosed are the following documents for filing in the above captioned docket:

- (*) Suggested language to submit to the Chairman of the appropriate committees to accompany the transmittal of the quarterly report of the Arkansas Extension of Telecommunications Facilities Fund.
- (*) Monthly Status Reports for the Arkansas Extension of Telecommunications Facilities Fund for the activity months of April, May, and June 2017.
- (*) A Statement of the Arkansas Extension of Telecommunications Facilities Fund disbursements, by Company, for the 2nd quarter of 2017.
- (*) A statement of grant application activity for the 2nd quarter of 2017.
- (*) A statement of grant financial activity for the 2nd quarter of 2017.

Please contact me if you have any questions regarding the enclosed materials.

Thank you,



Kala Mitchell
Rural Telcom Solutions, LLC
Administrator

Arkansas Extension of Telecommunications Facilities Fund

Quarterly Statement by Company

April 2017 - June 2017

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

GRANT PAYMENTS	Initial Grants				Year-to-date
	1Q2017	2Q2017	3Q2017	4Q2017	
Centurylink of Arkansas	\$81,361.10	\$1,605.40	\$0.00	\$0.00	\$82,966.50
Southwest AR Telephone Cooperative, Inc.	\$19,022.00	\$14,028.00	\$0.00	\$0.00	\$33,050.00
Northern Arkansas Telephone Company	\$0.00	\$460.20	\$0.00	\$0.00	\$460.20
Mountain View Telephone Company	\$0.00	\$11,289.14	\$0.00	\$0.00	\$11,289.14
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL GRANT PAYMENTS	\$100,383.10	\$27,382.74	\$0.00	\$0.00	\$127,765.84

GRANT TRUE-UP PAYMENTS	Grant True-Up Activity				Year-to-date
	1Q2017	2Q2017	3Q2017	4Q2017	
Centurylink of Arkansas	(\$3,259.29)	\$0.00	\$0.00	\$0.00	(\$3,259.29)
Southwest AR Telephone Cooperative, Inc.	\$0.00	\$48.50	\$0.00	\$0.00	\$48.50
Mountain View Telephone Company	\$0.00	\$871.90	\$0.00	\$0.00	\$871.90
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL GRANT TRUE-UP PAYMENTS	(\$3,259.29)	\$920.40	\$0.00	\$0.00	(\$2,338.89)

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st Quarter 2017

See Item Arkansas ARETF Docket No. 02-080-A. Rural Telcom Solutions, LLC assumed responsibility January 1, 2012. Balance reflects transfers from predecessor and current activity.

Arkansas Extension of Telecommunications Facilities Fund
Quarterly Grant Application Activity
April 2017 - June 2017
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>
2017-006	Northern Arkansas Telephone Company	\$460.20	Bob Bohm	Scott Flippo	David Branscum
2017-007	Centurylink of Arkansas	\$1,605.40	Kim & Mark Goings	Linda Collins-Smith	Scott Baltz
2017-008	Mountain View Telephone Company	\$11,289.14	Betty Walker	Missy Irvin	Michelle Gray
2017-009	Southwest AR Telephone Cooperative	\$14,028.00	Landon Bryant	Jimmy Hickey, Jr.	Lane Jean
		<u>\$27,382.74</u>			

Grant True-Up Activity			
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>
2017-003TU	Southwest AR Telephone Cooperative, Inc.	\$989.42	Charlene Russo
2016-022TU	Southwest AR Telephone Cooperative, Inc.	(\$940.92)	Clark Hicks
2017-008TU	Mountain View Telephone Company	\$871.90	Betty Walker
		<u>\$920.40</u>	

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 Rural Telcom Solutions, LLC from the Monthly reports for the 1st Quarter 2017

See item Arkansas ARETFF Docket No. 02-080-A. Rural Telcom Solutions, LLC assumed responsibility January 1, 2012. Balance reflects transfers from predecessor and current activity.

Arkansas Extension of Telecommunications Facilities Fund
Quarterly Financial Activity
April 2017 - June 2017 *
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 2017</u>
Revenues / Assessments					
AICCLP	\$124,998.00	\$124,998.00	\$0.00	\$0.00	\$249,996.00
Grant True-up Receipts	\$3,259.29	\$940.92	\$0.00	\$0.00	\$4,200.21
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Income	\$2,751.21	\$2,775.43	\$0.00	\$0.00	\$5,526.64
Total Revenue	\$131,008.50	\$128,714.35	\$0.00	\$0.00	\$259,722.85

Disbursements					
Grant Request Approvals	\$100,383.10	\$27,382.74	\$0.00	\$0.00	\$127,765.84
Grant True-Up Approvals	\$0.00	\$1,861.32	\$0.00	\$0.00	\$1,861.32
External Audit Fees	\$0.00	\$4,580.00	\$0.00	\$0.00	\$4,580.00
Program Administration Fees	\$4,650.00	\$4,650.00	\$0.00	\$0.00	\$9,300.00
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Disbursements	\$105,033.10	\$38,474.06	\$0.00	\$0.00	\$143,507.16

Operating Surplus / (Deficit)	\$25,975.40	\$90,240.29	\$0.00	\$0.00	\$116,215.69
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Fund Balance as of:	<u>2nd Quarter</u>	<u>Accounts</u>	
2017 Opening Fund Balance **	\$2,664,899.66	Investment 1	\$1,712,944.73
		Investment 2	\$512,968.66
YTD Operating Surplus / Deficit	\$116,215.69	Investment 3	\$555,201.96
Closing Fund Balance	<u>\$2,781,115.35</u>		<u>\$2,781,115.35</u>

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2017</u>
# of Grant Requests					
Grants	5	4	0	0	9
True-Ups	2	2	0	0	4
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
Total	7	6	0	0	13
# of New Customers	5	4	0	0	9

* Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st, 2nd, 3rd & 4th Quarter 2017

**See item Arkansas ARETFF Docket No. 02-080-A. Rural Telcom Solutions, LLC assumed responsibility January 1, 2012. 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 Rural Telecom Solutions, LLC

Monthly Activity For	<u>April 2017</u>	<u>Y-T-D 2017</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$166,664.00
Grant True-up Receipts	\$940.92	\$4,200.21
Miscellaneous	\$0.00	\$0.00
Interest Income	\$858.74	\$3,609.95
Total Revenue	<u>\$43,465.66</u>	<u>\$174,474.16</u>
<u>Disbursements</u>		
Grant Request Approvals	\$460.20	\$100,843.30
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$6,200.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$2,010.20</u>	<u>\$107,043.30</u>
Operating Surplus / (Deficit)	\$41,455.46	\$67,430.86

Fund Balance as of:	<u>April 2017</u>	<u>Accounts</u>
2017 Opening Fund Balance	\$2,664,899.66	Investment 1 \$1,664,646.36
		Investment 2 \$512,625.92
YTD Operating Surplus / Deficit	\$67,430.86	Investment 3 \$555,058.24
Closing Fund Balance	<u>\$2,732,330.52</u>	<u>\$2,732,330.52</u>

**Arkansas Extension of Telecommunications Facilities Fund
Statement of Fund Performance**

Prepared for the Arkansas Public Service Commission by Rural Telcom Solutions, LLC

Monthly Activity For	<u>May 2017</u>	<u>Y-T-D 2017</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$208,330.00
Grant True-up Receipts	\$0.00	\$4,200.21
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,005.85	\$4,615.80
Total Revenue	<u>\$42,671.85</u>	<u>\$217,146.01</u>
<u>Disbursements</u>		
Grant Request Approvals	\$1,605.40	\$102,448.70
Grant True-Up Approvals	\$989.42	\$989.42
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$7,750.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$4,144.82</u>	<u>\$111,188.12</u>
Operating Surplus / (Deficit)	\$38,527.03	\$105,957.89

Fund Balance as of:	<u>June 2017</u>	<u>Accounts</u>
2017 Opening Fund Balance	\$2,664,899.66	Investment 1 \$1,702,923.96
		Investment 2 \$512,800.07
YTD Operating Surplus / Deficit	\$105,957.89	Investment 3 \$555,133.52
Closing Fund Balance	<u>\$2,770,857.55</u>	<u>\$2,770,857.55</u>

**Arkansas Extension of Telecommunications Facilities Fund
 Statement of Fund Performance**

Prepared for the Arkansas Public Service Commission by Rural Telcom Solutions, LLC

Monthly Activity For	<u>June 2017</u>	<u>Y-T-D 2017</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$249,996.00
Grant True-up Receipts	\$0.00	\$4,200.21
Miscellaneous	\$0.00	\$0.00
Interest Income	\$910.84	\$5,526.64
Total Revenue	<u>\$42,576.84</u>	<u>\$259,722.85</u>
<u>Disbursements</u>		
Grant Request Approvals	\$25,317.14	\$127,765.84
Grant True-Up Approvals	\$871.90	\$1,861.32
External Audit Fees	\$4,580.00	\$4,580.00
Program Administration Fees	\$1,550.00	\$9,300.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$32,319.04</u>	<u>\$143,507.16</u>
Operating Surplus / (Deficit)	\$10,257.80	\$116,215.69

Fund Balance as of:	<u>July 2017</u>	<u>Accounts</u>
2017 Opening Fund Balance	\$2,664,899.66	Investment 1 \$1,712,944.73
		Investment 2 \$512,968.66
YTD Operating Surplus / Deficit	\$116,215.69	Investment 3 \$555,201.96
Closing Fund Balance	<u>\$2,781,115.35</u>	<u>\$2,781,115.35</u>