

Doyle Webb
Chairman
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Justin Tate
Commissioner
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July 24, 2023

Chairman Jeff Wardlaw
Arkansas Legislative Council
State Capitol Building, Room 315
Little Rock, AR 72201

Dear Chairman Wardlaw:

Attached is the quarterly report concerning operation of the Arkansas Extension of Telecommunications Facilities Fund (ARETFF) for the period April 2023 through June 2023.

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 Elana Foley, Director of Telecommunications and Consumer Services, at 501-682-5658.

Sincerely,

A handwritten signature in blue ink that reads "Doyle Webb". The signature is fluid and cursive, with a long horizontal stroke at the end.

Doyle Webb
Chairman

DW/EF
Attachment

Arkansas Extension of Telecommunications Facilities Fund

Quarterly Financial Activity

April - June 2023 *

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 2023</u>
Revenues / Assessments					
AHCF	\$124,998.00	\$124,998.00	\$0.00	\$0.00	\$249,996.00
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	\$6,127.11	\$6,740.22	\$0.00	\$0.00	\$12,867.33
Total Revenue	\$131,125.11	\$131,738.22	\$0.00	\$0.00	\$262,863.33

Disbursements					
Grant Request Approvals	\$128,011.66	\$94,809.54	\$0.00	\$0.00	\$222,821.20
Grant True-Up Approvals	\$0.00	\$12,288.47	\$0.00	\$0.00	\$12,288.47
External Audit Fees	\$17,390.00	\$0.00	\$0.00	\$0.00	\$17,390.00
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	\$148,391.67	\$110,088.02	\$0.00	\$0.00	\$258,479.69

Operating Surplus / (Deficit)	(\$17,266.56)	\$21,650.20	\$0.00	\$0.00	\$4,383.64
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Fund Balance as of:	<u>2nd Quarter</u>	<u>Accounts</u>	
2023 Opening Fund Balance **	\$4,219,955.99	Investment 1	\$3,700,669.39
		Investment 2	\$523,670.24
YTD Operating Surplus / Deficit	\$4,383.64	Investment 3	\$0.00
Closing Fund Balance	\$4,224,339.63		\$4,224,339.63

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2023</u>
# of Grant Requests					
Grants	5	1	0	0	6
True-Ups	0	2	0	0	2
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
Total	5	3	0	0	8
# of New Customers	5	1	0	0	6

* Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st, 2nd, 3rd & 4th Quarter 2023

**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 2023

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

<u>GRANT PAYMENTS</u>	Initial Grants				
	<u>1Q2023</u>	<u>2Q2023</u>	<u>3Q2023</u>	<u>4Q2023</u>	<u>Year-to-date</u>
Southwest Ar Telephone Cooperative	\$105,629.38	\$94,809.54	\$0.00	\$0.00	\$200,438.92
Yelcot Telephone Company	\$2,719.00	\$0.00	\$0.00	\$0.00	\$2,719.00
Madison County Telephone Company	\$19,663.28	\$0.00	\$0.00	\$0.00	\$19,663.28
	\$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
TOTAL GRANT PAYMENTS	\$128,011.66	\$94,809.54	\$0.00	\$0.00	\$222,821.20

<u>GRANT TRUE-UP PAYMENTS</u>	Grant True-Up Activity				
	<u>1Q2023</u>	<u>2Q2023</u>	<u>3Q2023</u>	<u>4Q2023</u>	<u>Year-to-date</u>
Southwest AR Telephone Cooperative	\$0.00	\$12,288.47	\$0.00	\$0.00	\$12,288.47
Yelcot Telephone Company	\$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	\$12,288.47	\$0.00	\$0.00	\$12,288.47

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st Quarter 2023

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>June 2023</u>	<u>Y-T-D 2023</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$249,996.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$2,244.60	\$12,867.33
Total Revenue	\$43,910.60	\$262,863.33
 <u>Disbursements</u>		
Grant Request Approvals	\$94,809.54	\$222,821.20
Grant True-Up Approvals	\$2,869.20	\$12,288.47
External Audit Fees	\$0.00	\$17,390.00
Program Administration Fees	\$996.67	\$5,980.02
Miscellaneous	\$0.00	\$0.00
Total Disbursements	\$98,675.41	\$258,479.69
 Operating Surplus / (Deficit)	 (\$54,764.81)	 \$4,383.64

Fund Balance as of:

2022 Opening Fund Balance

YTD Operating Surplus / Deficit
Closing Fund Balance

<u>June 2023</u>	<u>Accounts</u>	
\$4,219,955.99	Investment 1	\$3,700,669.39
	Investment 2	\$523,670.24
	Investment 3	\$0.00
<u>\$4,383.64</u>		
<u>\$4,224,339.63</u>		<u>\$4,224,339.63</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 2023</u>	<u>Y-T-D 2023</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$208,330.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$2,292.44	\$10,622.73
Total Revenue	<u>\$43,958.44</u>	<u>\$218,952.73</u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$128,011.66
Grant True-Up Approvals	\$9,419.27	\$9,419.27
External Audit Fees	\$0.00	\$17,390.00
Program Administration Fees	\$996.67	\$4,983.35
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$10,415.94</u>	<u>\$159,804.28</u>
Operating Surplus / (Deficit)	\$33,542.50	\$59,148.45

Fund Balance as of:			
2022 Opening Fund Balance	<u>May 2023</u>	<u>Accounts</u>	
	\$4,219,955.99	Investment 1	\$3,755,670.82
		Investment 2	\$523,433.62
YTD Operating Surplus / Deficit	\$59,148.45	Investment 3	\$0.00
Closing Fund Balance	<u>\$4,279,104.44</u>		<u>\$4,279,104.44</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>April 2023</u>	<u>Y-T-D 2023</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	\$2,203.18	\$8,330.29
Total Revenue	<u>\$43,869.18</u>	<u>\$174,994.29</u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$128,011.66
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$17,390.00
Program Administration Fees	\$996.67	\$3,986.68
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$996.67</u>	<u>\$149,388.34</u>
Operating Surplus / (Deficit)	\$42,872.51	\$25,605.95

Fund Balance as of:	<u>April 2023</u>	<u>Accounts</u>	
2022 Opening Fund Balance	\$4,219,955.99	Investment 1	\$3,722,372.71
		Investment 2	\$523,189.23
YTD Operating Surplus / Deficit	\$25,605.95	Investment 3	\$0.00
Closing Fund Balance	<u>\$4,245,561.94</u>		<u>\$4,245,561.94</u>