

Colette D. Honorable
Chairman
(501) 682-1455

Olan W. Reeves
Commissioner
(501) 682-1453

Elana C. Wills
Commissioner
(501) 682-1451

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



July 19, 2013

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 2013 through June 2013.

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 "Colette D. Honorable", written over a faint, larger version of the same signature.

Colette D. Honorable
Chairman

CDH/ks
Attachments

RURAL TELCOM SOLUTIONS, LLC.

810 DAN ARK CIRCLE

PO BOX 608

DANVILLE, AR 72833

LARRY FRAZIER - MANAGER

479-495-5881

July 18, 2013

**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 2013.
- (*) A Statement of the Arkansas Extension of Telecommunications Facilities Fund disbursements by Company for the 2nd Quarter of 2013.
- (*) A statement of grant application activity for the 2nd Quarter of 2013.
- (*) A statement of grant financial activity for the 2nd Quarter of 2013.

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

Thank you,



Larry Frazier
Rural Telcom Solutions, LLC
Administrator

July 18, 2013

Arkansas Public Service Docket 02-080-A

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 2013 through June 2013.

Ark. Code Ann. § 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 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 Bill Dennis, Manager-Telecommunications and Quality of Service at 501-682-5695.

Arkansas Extension of Telecommunications Facilities Fund

Quarterly Statement by Company

April 2013 - June 2013

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

<u>GRANT PAYMENTS</u>	Initial Grants				<u>Year-to-date</u>
	<u>1Q2013</u>	<u>2Q2013</u>	<u>3Q2013</u>	<u>4Q2013</u>	
Windstream Arkansas	\$19,354.85	\$7,649.47	\$0.00	\$0.00	\$27,004.32
Arkansas Telephone Company	\$0.00	\$30,367.59	\$0.00	\$0.00	\$30,367.59
<u>TOTAL GRANT PAYMENTS</u>	<u>\$19,354.85</u>	<u>\$38,017.06</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$57,371.91</u>

<u>GRANT TRUE-UP PAYMENTS</u>	Grant True-Up Activity				<u>Year-to-date</u>
	<u>1Q2013</u>	<u>2Q2013</u>	<u>3Q2013</u>	<u>4Q2013</u>	
Southwest Ar Telephone Cooperative	\$8,823.05	\$0.00	\$0.00	\$0.00	\$8,823.05
<u>TOTAL GRANT TRUE-UP PAYMENTS</u>	<u>\$8,823.05</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$8,823.05</u>

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 2nd Quarter 2013

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 Grant Application Activity
April 2013 - June 2013
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>
2013-003	Arkansas Telephone Company	\$30,367.59	George Neal	Jason Rapert	Robert Dale
2013-004	Windstream Arkansas	\$7,649.47	Elaine Jones	Bryan King	Bill Gossage

\$38,017.06

Grant True-Up Activity					
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>	<u>Senator</u>	<u>Representative</u>
2012-13	Ritter Communications	(\$7,253.21)	Home Oil	David Burnett	Charlotte Wagner

(\$7,253.21)

Grants Denied / Returned / Withdrawn					
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>	<u>Senator</u>	<u>Representative</u>
	None	\$0.00			
		\$0.00			
		<u>\$0.00</u>			

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 2nd Quarter 2013

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 2013 - June 2013 *
Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(i))

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>Y-T-D 2013</u>
<u>Revenues / Assessments</u>			
AICCLP	\$114,404.00	\$120,143.00	\$234,547.00
Grant True-up Receipts	\$0.00	\$7,253.21	\$7,253.21
Miscellaneous	\$0.00	\$0.00	\$0.00
Interest Income	\$1,287.21	\$1,358.61	\$2,645.82
Total Revenue	\$115,691.21	\$128,754.82	\$244,446.03

<u>Disbursements</u>			
Grant Request Approvals	\$19,354.85	\$38,017.06	\$57,371.91
Grant True-Up Approvals	\$8,823.05	\$0.00	\$8,823.05
External Audit Fees	\$0.00	\$0.00	\$0.00
Program Administration Fees	\$4,650.00	\$4,650.00	\$9,300.00
Miscellaneous	\$0.00	\$0.00	\$0.00
Total Disbursements	\$32,827.90	\$42,667.06	\$75,494.96

Operating Surplus / (Deficit)	\$82,863.31	\$86,087.76	\$168,951.07
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Fund Balance as of:	<u>2nd Quarter</u>	<u>Accounts</u>	
2013 Opening Fund Balance **	\$1,688,578.53	Investment 1	\$852,770.29
		Investment 2	\$503,394.97
YTD Operating Surplus / Deficit	\$168,951.07	Investment 3	\$501,364.34
Closing Fund Balance	\$1,857,529.60		\$1,857,529.60

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>Y-T-D 2013</u>
<u># of Grant Requests</u>			
Grants	2	2	4
True-Ups	1	1	2
Denied / Withdrawn	0	0	0
Pending	0	0	0
Total	3	3	6
 # of New Customers	 2	 2	 4

* Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st & 2nd Quarter 2013

**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 Telcom Solutions, LLC

Monthly Activity For	<u>April 2013</u>	<u>Y-T-D 2013</u>
<u>Revenues / Assessments</u>		
AICCLP	\$41,456.00	\$155,860.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$468.20	\$1,755.41
Total Revenue	<u>\$41,924.20</u>	<u>\$157,615.41</u>
<u>Disbursements</u>		
Grant Request Approvals	\$30,367.59	\$49,722.44
Grant True-Up Approvals	\$0.00	\$8,823.05
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$6,200.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$31,917.59</u>	<u>\$64,745.49</u>
Operating Surplus / (Deficit)	\$10,006.61	\$92,869.92

Fund Balance as of:

2013 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

<u>April 2013</u>	<u>Accounts</u>	
\$1,688,578.53	Investment 1	\$777,255.29
	Investment 2	\$502,996.36
\$92,869.92	Investment 3	\$501,196.80
<u>\$1,781,448.45</u>		<u>\$1,781,448.45</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 2013</u>	<u>Y-T-D 2013</u>
<u>Revenues / Assessments</u>		
AICCLP	\$41,589.00	\$197,449.00
Grant True-up Receipts	\$7,253.21	\$7,253.21
Miscellaneous	\$0.00	\$0.00
Interest Income	\$458.50	\$2,213.91
Total Revenue	<u>\$49,300.71</u>	<u>\$206,916.12</u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$49,722.44
Grant True-Up Approvals	\$0.00	\$8,823.05
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$7,750.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$1,550.00</u>	<u>\$66,295.49</u>
Operating Surplus / (Deficit)	\$47,750.71	\$140,620.63

Fund Balance as of:

2013 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

<u>May 2013</u>	<u>Accounts</u>	
\$1,688,578.53	Investment 1	\$824,714.01
	Investment 2	\$503,205.96
\$140,620.63	Investment 3	\$501,279.19
<u>\$1,829,199.16</u>		<u>\$1,829,199.16</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 2013</u>	<u>Y-T-D 2013</u>
<u>Revenues / Assessments</u>		
AICCLP	\$37,098.00	\$234,547.00
Grant True-up Receipts	\$0.00	\$7,253.21
Miscellaneous	\$0.00	\$0.00
Interest Income	\$431.91	\$2,645.82
Total Revenue	<u>\$37,529.91</u>	<u>\$244,446.03</u>
<u>Disbursements</u>		
Grant Request Approvals	\$7,649.47	\$57,371.91
Grant True-Up Approvals	\$0.00	\$8,823.05
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$9,300.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$9,199.47</u>	<u>\$75,494.96</u>
Operating Surplus / (Deficit)	\$28,330.44	\$168,951.07

Fund Balance as of:	<u>June 2013</u>	<u>Accounts</u>
2013 Opening Fund Balance	\$1,688,578.53	Investment 1 \$852,770.29
		Investment 2 \$503,394.97
YTD Operating Surplus / Deficit	\$168,951.07	Investment 3 \$501,364.34
Closing Fund Balance	<u>\$1,857,529.60</u>	<u>\$1,857,529.60</u>