

Ted J. Thomas
Chairman
(501) 682-5806

Elana C. Wills
Commissioner
(501) 682-5809

Lamar B. Davis
Commissioner
(501) 682-5809

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



July 30, 2015

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 2015.

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 of 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 dark ink, appearing to read "Ted J. Thomas", written over a horizontal line.

Ted J. Thomas
Chairman

TJT/ms
Attachments

RURAL TELCOM SOLUTIONS, LLC

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

LARRY FRAZIER - MANAGER

479-495-5881

July 30, 2015

**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

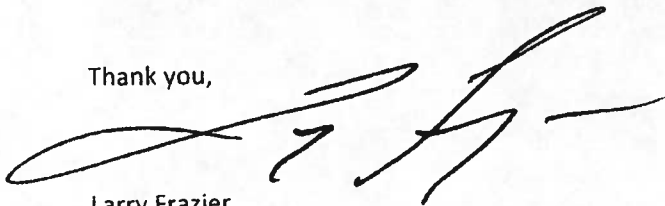
Dear Secretary,

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 2015.
- (*) A Statement of the Arkansas Extension of Telecommunications Facilities Fund disbursements by Company for the 2nd quarter of 2015.
- (*) A statement of grant application activity for the 2nd quarter of 2015.
- (*) A statement of grant financial activity for the 2nd quarter of 2015.

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

Thank you,



Larry Frazier
Rural Telcom Solutions, LLC
Administrator

July 30, 2015

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 2015 through June 2015.

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 2015 - June 2015

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

	Initial Grants				Year-to-date
	1Q2015	2Q2015	3Q2015	4Q2015	
GRANT PAYMENTS					
Southwest Arkansas Telephone Coop., Inc.	\$118,500.09	\$20,356.60	\$0.00	\$0.00	\$138,856.69
Northern Ar Telephone Company	\$364.80	\$0.00	\$0.00	\$0.00	\$364.80
Madison County Telephone Company	\$0.00	\$8,975.55	\$0.00	\$0.00	\$8,975.55
CenturyLink	\$0.00	\$10,140.34	\$0.00	\$0.00	\$10,140.34
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL GRANT PAYMENTS	\$118,864.89	\$39,472.49	\$0.00	\$0.00	\$158,337.38

	Grant True-Up Activity				Year-to-date
	1Q2015	2Q2015	3Q2015	4Q2015	
GRANT TRUE-UP PAYMENTS					
Northern Ar Telephone Company	\$0.00	\$2,899.47	\$0.00	\$0.00	\$2,899.47
	\$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	\$2,899.47	\$0.00	\$0.00	\$2,899.47

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 2nd Quarter 2015

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 2015 - June 2015
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>
2015-003	Madison County Telephone Company	\$8,975.55	Leo Higdon	Bryan King	Bill Gossage
2015-004	Southwest Arkansas Telephone Cooperative	\$20,356.60	Mike Ware	Bruce Maloch	Matthew Shepherd
2015-005	CenturyLink	\$10,140.34	Heather Wagner	David Burnett	Dave Wallace
		<u>\$39,472.49</u>			

Grant True-Up Activity			
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>
2014-001TU	Northern Ar Telephone Company	\$2,683.86	Guy Nichols
2015-002TU	Northern Ar Telephone Company	\$215.61	Dale Dorman
		<u>\$2,899.47</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 2nd Quarter 2015

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 2015 - June 2015 *

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

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Y-T-D 2015
Revenues / Assessments					
AICCLP	\$124,998.00	\$166,664.00	\$0.00	\$0.00	\$291,662.00
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	\$1,423.54	\$1,587.99	\$0.00	\$0.00	\$3,011.53
Total Revenue	\$126,421.54	\$168,251.99	\$0.00	\$0.00	\$294,673.53

Disbursements					
Grant Request Approvals	\$118,864.89	\$39,472.49	\$0.00	\$0.00	\$158,337.38
Grant True-Up Approvals	\$0.00	\$2,899.47	\$0.00	\$0.00	\$2,899.47
External Audit Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
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	\$123,514.89	\$47,021.96	\$0.00	\$0.00	\$170,536.85

Operating Surplus / (Deficit)	\$2,906.65	\$121,230.03	\$0.00	\$0.00	\$124,136.68
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Fund Balance as of:
2015 Opening Fund Balance **

2nd Quarter	Accounts	
\$2,110,473.67	Investment 1	\$1,222,761.11
	Investment 2	\$508,448.00
	Investment 3	\$503,401.24
\$124,136.68		\$2,234,610.35
\$2,234,610.35		

YTD Operating Surplus / Deficit
Closing Fund Balance

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Y-T-D 2013
# of Grant Requests					
Grants	2	3	0	0	5
True-Ups	0	2	0	0	2
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
Total	2	5	0	0	7
# of New Customers	2	3	0	0	5

* Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st, 2nd, 3rd & 4th Quarter 2015

**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

April 2015Y-T-D 2015**Revenues / Assessments**

ARHCF Support	\$83,332.00	\$208,330.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$502.84	\$1,926.38
Total Revenue	<u>\$83,834.84</u>	<u>\$210,256.38</u>

Disbursements

Grant Request Approvals	\$8,975.55	\$127,840.44
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>\$10,525.55</u>	<u>\$134,040.44</u>

Operating Surplus / (Deficit)

\$73,309.29

\$76,215.94

Fund Balance as of:

2015 Opening Fund Balance

April 2015

\$2,110,473.67

Accounts

Investment 1	\$1,175,433.20
Investment 2	\$508,023.39
Investment 3	\$503,233.02
	<u>\$2,186,689.61</u>

YTD Operating Surplus / Deficit

\$76,215.94

Closing Fund Balance

\$2,186,689.61

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	May 2015	Y-T-D 2015
<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	\$528.40	\$2,454.78
Total Revenue	<u>\$42,194.40</u>	<u>\$252,450.78</u>
<u>Disbursements</u>		
Grant Request Approvals	\$30,496.94	\$158,337.38
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$7,750.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$32,046.94</u>	<u>\$166,087.38</u>
Operating Surplus / (Deficit)	\$10,147.46	\$86,363.40

Fund Balance as of:

2015 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

May 2015

\$2,110,473.67

\$86,363.40

\$2,196,837.07**Accounts**

Investment 1

\$1,185,284.95

Investment 2

\$508,239.13

Investment 3

\$503,312.99

\$2,196,837.07

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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

June 2015

Y-T-D 2015

Revenues / Assessments

ARHCF Support	\$41,666.00	\$291,662.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$556.75	\$3,011.53
Total Revenue	<u>\$42,222.75</u>	<u>\$294,673.53</u>

Disbursements

Grant Request Approvals	\$0.00	\$158,337.38
Grant True-Up Approvals	\$2,899.47	\$2,899.47
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$9,300.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$4,449.47</u>	<u>\$170,536.85</u>

Operating Surplus / (Deficit)

\$37,773.28

\$124,136.68

Fund Balance as of:

2015 Opening Fund Balance

June 2015

\$2,110,473.67

Accounts

Investment 1	\$1,222,761.11
Investment 2	\$508,448.00
Investment 3	\$503,401.24
	<u>\$2,234,610.35</u>

YTD Operating Surplus / Deficit

\$124,136.68

Closing Fund Balance

\$2,234,610.35