

**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>



November 4, 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 July 2015 through September 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 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", written over a horizontal line.

Ted J. Thomas  
Chairman

TJT/kw  
Attachments

**RURAL TELCOM SOLUTIONS, LLC.**

**2200 EAST 8<sup>TH</sup> STREET  
PO BOX 608  
DANVILLE, AR 72833**

**LARRY FRAZIER - MANAGER**

**479-495-5881**

October 29, 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

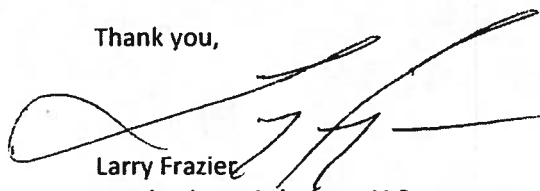
Dear Secretary,

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 July, August, and September 2015.
- (\*) A Statement of the Arkansas Extension of Telecommunications Facilities Fund disbursements by Company for the 3rd quarter of 2015.
- (\*) A statement of grant application activity for the 3rd quarter of 2015.
- (\*) A statement of grant financial activity for the 3rd quarter of 2015.

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

Thank you,



Larry Frazier  
Rural Telcom Solutions, LLC  
Administrator

**Arkansas Extension of Telecommunications Facilities Fund**

**Quarterly Statement by Company**

**July 2015 - September 2015**

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

	<b>Initial Grants</b>				
<b>GRANT PAYMENTS</b>	<b><u>1Q2015</u></b>	<b><u>2Q2015</u></b>	<b><u>3Q2015</u></b>	<b><u>4Q2015</u></b>	<b><u>Year-to-date</u></b>
Southwest Arkansas Telephone Coop., Inc.	\$118,500.09	\$20,356.60	\$60,105.20	\$0.00	\$198,961.89
Northern Ar Telephone Company	\$364.80	\$0.00	\$9,098.30	\$0.00	\$9,463.10
Madison County Telephone Company	\$0.00	\$8,975.55	\$0.00	\$0.00	\$8,975.55
CenturyLink	\$0.00	\$10,140.34	\$15,226.89	\$0.00	\$25,367.23
Central Arkansas Telephone Cooperative	\$0.00	\$0.00	\$40,706.32	\$0.00	\$40,706.32
<b><u>TOTAL GRANT PAYMENTS</u></b>	<b><u>\$118,864.89</u></b>	<b><u>\$39,472.49</u></b>	<b><u>\$125,136.71</u></b>	<b><u>\$0.00</u></b>	<b><u>\$283,474.09</u></b>

	<b>Grant True-Up Activity</b>				
<b>GRANT TRUE-UP PAYMENTS</b>	<b><u>1Q2015</u></b>	<b><u>2Q2015</u></b>	<b><u>3Q2015</u></b>	<b><u>4Q2015</u></b>	<b><u>Year-to-date</u></b>
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
<b><u>TOTAL GRANT TRUE-UP PAYMENTS</u></b>	<b><u>\$0.00</u></b>	<b><u>\$2,899.47</u></b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>	<b><u>\$2,899.47</u></b>

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 3rd 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**  
**July 2015 - September 2015**  
**Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(i))**

ARETFF App #	Company Name	Initial Grants		Senator	Representative
		Amount	Customer Name		
2015-006	Central Arkansas Telephone Cooperative	\$28,860.97	Jessica Harris	Alan Clark	Laurie Rushing
2015-007	CenturyLink	\$15,226.89	Greg Johnson	Lowell Johnson	Joe Jett
2015-008	Northern Arkansas Telephone Company	\$4,848.60	Randall Quick	Scott Flippo	Kelley Linck
2015-009	Southwest Arkansas Telephone Cooperative	\$60,105.20	Paula Mack	Larry Teauge	Brent Talley
2015-010	Central Arkansas Telephone Cooperative	\$11,845.35	Mike Bingham	Alan Clark	Laurie Rushing
2015-011	Northern Arkansas Telephone Company	\$4,249.70	Dina Paine	Scott Flippo	Kelley Linck
		\$125,136.71			

		<b>Grant True-Up Activity</b>	
<b><u>ARETFF App #</u></b>	<b><u>Company Name</u></b>	<b><u>Amount</u></b>	<b><u>Customer Name</u></b>
		<b>\$0.00</b>	

<u>ARETFF App #</u>	<u>Company Name</u>	<u>Grants Denied / Returned / Withdrawn</u>	
		<u>Amount</u>	<u>Customer Name</u>
		\$0.00	
		\$0.00	
		\$0.00	

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 3rd Quarter 2015

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

## Arkansas Extension of Telecommunications Facilities Fund

## Quarterly Financial Activity

July 2015 - September 2015 \*

## 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 2015</u>
<b><u>Revenues / Assessments</u></b>					
AICCLP	\$124,998.00	\$166,664.00	\$124,998.00	\$0.00	\$416,660.00
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	\$1,590.55	\$0.00	\$4,602.08
Total Revenue	<u>\$126,421.54</u>	<u>\$168,251.99</u>	<u>\$126,588.55</u>	<u>\$0.00</u>	<u>\$421,262.08</u>
<b><u>Disbursements</u></b>					
Grant Request Approvals	\$118,864.89	\$39,472.49	\$125,136.71	\$0.00	\$283,474.09
Grant True-Up Approvals	\$0.00	\$2,899.47	\$0.00	\$0.00	\$2,899.47
External Audit Fees	\$0.00	\$0.00	\$7,785.00	\$0.00	\$7,785.00
Program Administration Fees	\$4,650.00	\$4,650.00	\$4,650.00	\$0.00	\$13,950.00
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Disbursements	<u>\$123,514.89</u>	<u>\$47,021.96</u>	<u>\$137,571.71</u>	<u>\$0.00</u>	<u>\$308,108.56</u>
Operating Surplus / (Deficit)	<u>\$2,906.65</u>	<u>\$121,230.03</u>	<u>(\$10,983.16)</u>	<u>\$0.00</u>	<u>\$113,153.52</u>
Fund Balance as of:	<u>3rd Quarter</u>	<u>Accounts</u>			
2015 Opening Fund Balance **	\$2,110,473.67	Investment 1			\$1,210,901.90
		Investment 2			\$509,070.24
YTD Operating Surplus / Deficit	<u>\$113,153.52</u>	Investment 3			<u>\$503,655.05</u>
Closing Fund Balance	<u>\$2,223,627.19</u>				<u>\$2,223,627.19</u>
	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2013</u>
<b><u># of Grant Requests</u></b>					
Grants	2	3	6	0	11
True-Ups	0	2	0	0	2
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
Total	<u>2</u>	<u>5</u>	<u>6</u>	<u>0</u>	<u>13</u>
# of New Customers	2	3	6	0	11

\* Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st, 2nd, 3rd &amp; 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	July 2015	Y-T-D 2015
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$41,666.00	\$333,328.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$516.87	\$3,528.40
Total Revenue	<u>\$42,182.87</u>	<u>\$336,856.40</u>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$48,936.46	\$207,273.84
Grant True-Up Approvals	\$0.00	\$2,899.47
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$10,850.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$50,486.46</u>	<u>\$221,023.31</u>
<b>Operating Surplus / (Deficit)</b>	<b>(\$8,303.59)</b>	<b>\$115,833.09</b>

**Fund Balance as of:**

2015 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

July 2015	Accounts
\$2,110,473.67	Investment 1 \$1,214,156.09
	Investment 2 \$508,663.92
\$115,833.09	Investment 3 \$503,486.75
<u>\$2,226,306.76</u>	<u>\$2,226,306.76</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	August 2015	Y-T-D 2015
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$41,666.00	\$374,994.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$558.03	\$4,086.43
Total Revenue	<u>\$42,224.03</u>	<u>\$379,080.43</u>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$71,950.55	\$279,224.39
Grant True-Up Approvals	\$0.00	\$2,899.47
External Audit Fees	\$4,235.00	\$4,235.00
Program Administration Fees	\$1,550.00	\$12,400.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$77,735.55</u>	<u>\$298,758.86</u>
<b>Operating Surplus / (Deficit)</b>	<b>(\$35,511.52)</b>	<b>\$80,321.57</b>

**Fund Balance as of:**  
2015 Opening Fund Balance

YTD Operating Surplus / Deficit  
Closing Fund Balance

August 2015	Accounts
\$2,110,473.67	Investment 1 \$1,178,343.04
	Investment 2 \$508,879.93
\$80,321.57	Investment 3 \$503,572.27
<u>\$2,190,795.24</u>	<u>\$2,190,795.24</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	September 2015	Y-T-D 2015
<b><u>Revenues / Assessments</u></b>		
ARHCF Support	\$41,666.00	\$416,660.00
Grant True-up Receipts	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00
Interest Income	\$515.65	\$4,602.08
<b>Total Revenue</b>	<b>\$42,181.65</b>	<b>\$421,262.08</b>
<b><u>Disbursements</u></b>		
Grant Request Approvals	\$4,249.70	\$283,474.09
Grant True-Up Approvals	\$0.00	\$2,899.47
External Audit Fees	\$3,550.00	\$7,785.00
Program Administration Fees	\$1,550.00	\$13,950.00
Miscellaneous	\$0.00	\$0.00
<b>Total Disbursements</b>	<b>\$9,349.70</b>	<b>\$308,108.56</b>
<b>Operating Surplus / (Deficit)</b>	<b>\$32,831.95</b>	<b>\$113,153.52</b>

**Fund Balance as of:**

2015 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

**September 2015**

\$2,110,473.67

\$113,153.52

\$2,223,627.19

**Accounts**

Investment 1 \$1,210,901.90

Investment 2 \$509,070.24

Investment 3 \$503,655.05

\$2,223,627.19