

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>



April 19, 2016

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 January through March 2016.

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 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

April 19, 2016

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 January, February, and March 2016.
- (*) A Statement of the Arkansas Extension of Telecommunications Facilities Fund disbursements by Company for the 1st quarter of 2016.
- (*) A statement of grant application activity for the 1st quarter of 2016.
- (*) A statement of grant financial activity for the 1st quarter of 2016.

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

Thank you,



Larry Frazier
Rural Telcom Solutions, LLC
Administrator

April 19, 2016

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 January 2016 through March 2016.

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

January 2016 - March 2016

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

	Initial Grants				
GRANT PAYMENTS	1Q2016	2Q2016	3Q2016	4Q2016	Year-to-date
Centurylink of Arkansas	\$60,812.76	\$0.00	\$0.00	\$0.00	\$60,812.76
	\$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	\$60,812.76	\$0.00	\$0.00	\$0.00	\$60,812.76

	Grant True-Up Activity				
GRANT TRUE-UP PAYMENTS	1Q2016	2Q2016	3Q2016	4Q2016	Year-to-date
Southwest Ar Telephone Cooperative	(\$13,276.97)	\$0.00	\$0.00	\$0.00	(\$13,276.97)
	\$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	(\$13,276.97)	\$0.00	\$0.00	\$0.00	(\$13,276.97)

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st Quarter 2016

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
January 2016 - March 2016
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>
2016-001	Centurylink of Arkansas	\$49,016.21	Sarah Redus-Pace	Scott Baltz	Linda Collins-Smith
2016-002	Centurylink of Arkansas	\$1,274.64	Jesse Dutton	Bill Gossage	Bryan King
2016-003	Centurylink of Arkansas	\$2,459.51	Michael Robberson	Bill Gossage	Bryan King
2016-004	Centurylink of Arkansas	\$8,062.40	Percilla Mahan	Scott Baltz	Linda Collins-Smith
		<u>\$60,812.76</u>			

Grant True-Up Activity			
<u>ARETFF App #</u>	<u>Company Name</u>	<u>Amount</u>	<u>Customer Name</u>
2015-009TU	Southwest Ar Telephone Cooperative	(\$13,276.97)	Paula Mack
		<u>(\$13,276.97)</u>	

Grants Denied / Returned / Withdrawn			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

Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st Quarter 2016

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****January 2016 - March 2016 *****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 2016</u>
<u>Revenues / Assessments</u>					
AICCLP	\$124,998.00	\$0.00	\$0.00	\$0.00	\$124,998.00
Grant True-up Receipts	\$13,276.97	\$0.00	\$0.00	\$0.00	\$13,276.97
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Income	\$1,818.19	\$0.00	\$0.00	\$0.00	\$1,818.19
Total Revenue	\$140,093.16	\$0.00	\$0.00	\$0.00	\$140,093.16

Disbursements

Grant Request Approvals	\$60,812.76	\$0.00	\$0.00	\$0.00	\$60,812.76
Grant True-Up Approvals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Program Administration Fees	\$4,650.00	\$0.00	\$0.00	\$0.00	\$4,650.00
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Disbursements	\$65,462.76	\$0.00	\$0.00	\$0.00	\$65,462.76

Operating Surplus / (Deficit)

	\$74,630.40	\$0.00	\$0.00	\$0.00	\$74,630.40
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Fund Balance as of:

2016 Opening Fund Balance **

YTD Operating Surplus / Deficit

Closing Fund Balance

<u>1st Quarter</u>	<u>Accounts</u>	
\$2,320,582.86	Investment 1	\$1,380,833.10
	Investment 2	\$510,219.87
\$74,630.40	Investment 3	\$504,160.29
\$2,395,213.26		\$2,395,213.26

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Y-T-D 2016</u>
<u># of Grant Requests</u>					
Grants	4	0	0	0	4
True-Ups	1	0	0	0	1
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
Total	5	0	0	0	5
# of New Customers	4	0	0	0	4

* Prepared by Rural Telcom Solutions, LLC from the Monthly reports for the 1st, 2nd, 3rd & 4th Quarter 2016

**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>January 2016</u>	<u>Y-T-D 2016</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$41,666.00
Grant True-up Receipts	\$13,276.97	\$13,276.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$537.57	\$537.57
Total Revenue	<u>\$55,480.54</u>	<u>\$55,480.54</u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$0.00
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$1,550.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$1,550.00</u>	<u>\$1,550.00</u>
Operating Surplus / (Deficit)	\$53,930.54	\$53,930.54

Fund Balance as of:

2015 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

January 2016

\$2,320,582.86

\$53,930.54

\$2,374,513.40Accounts

Investment 1

\$1,360,681.69

Investment 2

\$509,842.65

Investment 3

\$503,989.06

\$2,374,513.40

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	February 2016	Y-T-D 2016
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$83,332.00
Grant True-up Receipts	\$0.00	\$13,276.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$554.59	\$1,092.16
Total Revenue	<u>\$42,220.59</u>	<u>\$97,701.13</u>
<u>Disbursements</u>		
Grant Request Approvals	\$49,016.21	\$49,016.21
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$3,100.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$50,566.21</u>	<u>\$52,116.21</u>
Operating Surplus / (Deficit)	(\$8,345.62)	\$45,584.92

Fund Balance as of:

2015 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

February 2016

\$2,320,582.86

\$45,584.92

\$2,366,167.78

Accounts

Investment 1 \$1,352,068.17

Investment 2 \$510,024.94

Investment 3 \$504,074.67

\$2,366,167.78

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>March 2016</u>	<u>Y-T-D 2016</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$124,998.00
Grant True-up Receipts	\$0.00	\$13,276.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$726.03	\$1,818.19
Total Revenue	<u>\$42,392.03</u>	<u>\$140,093.16</u>
<u>Disbursements</u>		
Grant Request Approvals	\$11,796.55	\$60,812.76
Grant True-Up Approvals	\$0.00	\$0.00
External Audit Fees	\$0.00	\$0.00
Program Administration Fees	\$1,550.00	\$4,650.00
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$13,346.55</u>	<u>\$65,462.76</u>
Operating Surplus / (Deficit)	\$29,045.48	\$74,630.40

Fund Balance as of:

2015 Opening Fund Balance

YTD Operating Surplus / Deficit

Closing Fund Balance

<u>March 2016</u>	<u>Accounts</u>
\$2,320,582.86	Investment 1 \$1,380,833.10
	Investment 2 \$510,219.87
\$74,630.40	Investment 3 \$504,160.29
<u>\$2,395,213.26</u>	<u>\$2,395,213.26</u>