

Ted J. Thomas
Chairman
(501) 682-5806

Elana C. Wills
Commissioner
(501) 682-5809

Kimberly A. O'Guinn
Commissioner
(501) 682-5809

ARKANSAS
PUBLIC SERVICE COMMISSION
UTILITIES DIVISION

1000 Center Street
P.O. Box 400
Little Rock, Arkansas 72203-0400
<http://www.Arkansas.gov/psc>



Donna Gray
Executive Director
(501) 682-1794

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AR Public Srv Commission
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October 23, 2018

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 July 2018 through September 2018.

Arkansas Code Annotated §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 Clark Cotten, Manager - Telecommunications and Quality of Service at 501-682-5714.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ted J. Thomas".

Ted J. Thomas
Chairman

TJT/bt
Attachments

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Arkansas Extension of Telecommunications Facilities Fund
 Quarterly Financial Activity
 July -September 2018 *
 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 2018
Revenues / Assessments					
A/CCLP	\$83,332.00	\$124,998.00	\$124,998.00	\$0.00	\$333,328.00
Grant True-up Receipts	\$802.97	\$0.00	\$0.00	\$0.00	\$802.97
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Income	\$3,060.46	\$3,513.94	\$3,517.01	\$0.00	\$10,091.41
Total Revenue	\$87,195.43	\$128,511.94	\$128,515.01	\$0.00	\$344,222.38

Disbursements					
Grant Request Approvals	\$8,126.84	\$20,024.58	\$202,293.92	\$0.00	\$230,445.34
Grant True-Up Approvals	\$0.00	\$0.00	\$4,005.19	\$0.00	\$4,005.19
External Audit Fees	\$0.00	\$0.00	\$8,175.00	\$0.00	\$8,175.00
Program Administration Fees	\$2,990.01	\$2,990.01	\$2,990.01	\$0.00	\$8,970.03
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Disbursements	\$11,116.85	\$23,014.59	\$217,464.12	\$0.00	\$251,595.56

Operating Surplus / (Deficit)	\$76,078.58	\$105,497.35	(\$88,949.11)	\$0.00	\$92,626.82
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Fund Balance as of:	3rd Quarter	Accounts	
2018 Opening Fund Balance **	\$2,964,951.72	Investment 1	\$2,542,130.82
		Investment 2	\$515,447.72
YTD Operating Surplus / Deficit	\$92,626.82	Investment 3	\$0.00
Closing Fund Balance	\$3,057,578.54		\$3,057,578.54

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Y-T-D 2018
# of Grant Requests					
Grants	2	3	6	0	11
True-Ups	1	0	1	0	2
Denied / Withdrawn	0	0	0	0	0
Pending	0	0	0	0	0
Total	3	3	7	0	13
# of New Customers	2	3	6	0	11

* Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 1st, 2nd, 3rd & 4th Quarter 2018

**See item Arkansas AREFFF 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
 July - September 2018
 Prepared for the Arkansas Public Service Commission by Arkansas Rural Strategies, LLC.

GRANT PAYMENTS	Initial Grants				Year-to-date
	1Q2018	2Q2018	3Q2018	4Q2018	
CenturyLink of Arkansas	\$5,570.01	\$20,024.58	\$30,172.89	\$0.00	\$55,767.48
Yelcot Telephone Company	\$2,556.83	\$0.00	\$0.00	\$0.00	\$2,556.83
Southwest Arkansas Telephone Cooperative	\$0.00	\$0.00	\$171,803.93	\$0.00	\$171,803.93
Northern Arkansas Telephone Company	\$0.00	\$0.00	\$317.10	\$0.00	\$317.10
	\$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	\$8,126.84	\$20,024.58	\$202,293.92	\$0.00	\$230,445.34

GRANT TRUE-UP PAYMENTS	Grant True-Up Activity				Year-to-date
	1Q2018	2Q2018	3Q2018	4Q2018	
Yelcot Telephone Company	(\$802.97)	\$0.00	\$0.00	\$0.00	(\$802.97)
Arkansas Telephone Company	\$0.00	\$0.00	\$2,851.25	\$0.00	\$2,851.25
Southwest Arkansas Telephone Cooperative	\$0.00	\$0.00	\$1,153.94	\$0.00	\$1,153.94
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL GRANT TRUE-UP PAYMENTS	(\$802.97)	\$0.00	\$4,005.19	\$0.00	\$3,202.22

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 3rd Quarter 2018
 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 Grant Application Activity
 July - September 2018
 Quarterly Report to the Legislative Council (Section 23-17-404(e)(8)(D)(I))

Initial Grants					
ARETFE App #	Company Name	Amount	Customer Name	Senator	Representative
2018-007	CenturyLink of Arkansas	\$6,237.89	Diana Kinyon	Bart Hester	Dan Douglas
2018-008	Southwest Arkansas Telephone Cooperative	\$45,006.00	Bill Knudtson	Jimmy Hickey	Lane Jean
2018-009	CenturyLink of Arkansas	\$4,722.20	Maryena Mills	Missy Irvin	Scott Baltz
2018-010	Southwest Arkansas Telephone Cooperative	\$126,797.93	Shannon Bearden	Jimmy Hickey	Lane Jean
2018-011	CenturyLink of Arkansas	\$19,212.80	Charlie Stone	Linda Collins-Smith	Scott Baltz
2018-012	Northern Arkansas Telephone Company	\$317.10	Curtis Milam	Scott Filipo	Jack Fortner
		\$0.00			
		\$0.00			
		<u>\$202,293.92</u>			

Grant True-Up Activity			
ARETFE App #	Company Name	Amount	Customer Name
2017-014TU	Arkansas Telephone Company	\$2,851.25	Joe Verez
2017-009TU	Southwest Arkansas Telephone Cooperative	\$1,153.94	Landon Bryant
		\$4,005.19	

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

Prepared by Arkansas Rural Strategies, LLC from the Monthly reports for the 3rd Quarter 2018

See Item Arkansas ARETFE Docket No. 02-080-A. Arkansas Rural Strategies, LLC assumed responsibility July 1, 2017. Balance reflects transfers from predecessor and current activity.

2018-09 September Statement of Account.xlsx

**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>September 2018</u>	<u>Y-T-D 2018</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$0.00	\$333,328.00
Grant True-up Receipts	\$0.00	\$802.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,195.75	\$10,091.41
Total Revenue	<u><u>\$1,195.75</u></u>	<u><u>\$344,222.38</u></u>
<u>Disbursements</u>		
Grant Request Approvals	\$151,050.03	\$230,445.34
Grant True-Up Approvals	\$0.00	\$4,005.19
External Audit Fees	\$4,565.00	\$8,175.00
Program Administration Fees	\$996.67	\$8,970.03
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u><u>\$156,611.70</u></u>	<u><u>\$251,595.56</u></u>
Operating Surplus / (Deficit)	(\$155,415.95)	\$92,626.82

Fund Balance as of:		
2018 Opening Fund Balance	<u>September 2018</u>	<u>Accounts</u>
	\$2,964,951.72	Investment 1 \$2,542,130.82
YTD Operating Surplus / Deficit	\$92,626.82	Investment 2 \$515,447.72
Closing Fund Balance	<u><u>\$3,057,578.54</u></u>	Investment 3 \$0.00
		<u><u>\$3,057,578.54</u></u>

THIS REPORT IS BEING FILED WITH UNAUDITED FINANCIAL INFORMATION AND IS FOR MANAGEMENT PURPOSES ONLY

**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>August 2018</u>	<u>Y-T-D 2018</u>
<u>Revenues / Assessments</u>		
ARHCF Support	\$41,666.00	\$333,328.00
Grant True-up Receipts	\$0.00	\$802.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,156.39	\$8,895.66
Total Revenue	<u><u>\$42,822.39</u></u>	<u><u>\$343,026.63</u></u>
<u>Disbursements</u>		
Grant Request Approvals	\$0.00	\$79,395.31
Grant True-Up Approvals	\$0.00	\$4,005.19
External Audit Fees	\$0.00	\$3,610.00
Program Administration Fees	\$996.67	\$7,973.36
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u><u>\$996.67</u></u>	<u><u>\$94,983.86</u></u>
Operating Surplus / (Deficit)	\$41,825.72	\$248,042.77

Fund Balance as of:	<u>August 2018</u>	<u>Accounts</u>
2018 Opening Fund Balance	\$2,964,951.72	Investment 1 \$2,697,716.18
		Investment 2 \$515,278.31
YTD Operating Surplus / Deficit	\$248,042.77	Investment 3 \$0.00
Closing Fund Balance	<u><u>\$3,212,994.49</u></u>	<u><u>\$3,212,994.49</u></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>July 2018</u>	<u>Y-T-D 2018</u>
<u>Revenues / Assessments</u>		
ARRHCF Support	\$83,332.00	\$291,662.00
Grant True-up Receipts	\$0.00	\$802.97
Miscellaneous	\$0.00	\$0.00
Interest Income	\$1,164.87	\$7,739.27
Total Revenue	<u>\$84,496.87</u>	<u>\$300,204.24</u>
<u>Disbursements</u>		
Grant Request Approvals	\$51,243.89	\$79,395.31
Grant True-Up Approvals	\$4,005.19	\$4,005.19
External Audit Fees	\$3,610.00	\$3,610.00
Program Administration Fees	\$996.67	\$6,976.69
Miscellaneous	\$0.00	\$0.00
Total Disbursements	<u>\$59,855.75</u>	<u>\$93,987.19</u>
Operating Surplus / (Deficit)	\$24,641.12	\$206,217.05

Fund Balance as of:		
2018 Opening Fund Balance	<u>July 2018</u>	<u>Accounts</u>
	\$2,964,951.72	Investment 1 \$2,656,065.45
		Investment 2 \$515,103.32
YTD Operating Surplus / Deficit	\$206,217.05	Investment 3 \$0.00
Closing Fund Balance	<u>\$3,171,168.77</u>	<u>\$3,171,168.77</u>

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