



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: April 9, 1996  
 TO: Tom Williams, Division of Communications  
 FROM: Sonja Jones, Division of Auditing and Financial Analysis *ST* *ALM*  
 RE: Docket No. 960213-TX, Florida Public Telecommunications Association, Inc.,  
 Financial Analysis for Certificate Application for Alternative Local Exchange  
 Telecommunications Service *mmg* *TR*

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Also Section 364.01 (3) and (4) states that:

(3) The Legislature finds that the competitive provision of telecommunications service, including local exchange telecommunications service, is in the public interest.  
and

(4)(d) The Commission shall exercise its exclusive jurisdiction in order to: (d) Promote competition by encouraging new entrants into telecommunications markets

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of Florida Public Telecommunications Association, Inc. (FPTA) for the period ending December 31, 1994. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, FPTA has adequate equity and income but minimal liquidity.

ACK \_\_\_\_\_  
 ATA \_\_\_\_\_  
 APP \_\_\_\_\_ In this matter, FPTA is asking for a certificate to provide alternative local exchange  
 CPE \_\_\_\_\_ telecommunications service. Staff notes the limited nature of the application and that no  
 CMU \_\_\_\_\_ customer provided funds appear to be at risk. For purposes of granting a certificate based  
 on the financial information provided, the financial capability appears adequate.

CTR \_\_\_\_\_  
 EAG \_\_\_\_\_ cc: Division of Legal Services  
 LEG \_\_\_\_\_ Division of Records and Reporting

LIF \_\_\_\_\_  
 OFC \_\_\_\_\_  
 RCH \_\_\_\_\_  
 SEC 1 \_\_\_\_\_  
 WAS \_\_\_\_\_  
 OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE  
 04246 APR 12 96  
 FPSC-RECORDS/REPORTING

• DOCKET NO. 960213-TX  
• FLORIDA PUBLIC TELECOMMUNICATIONS ASSOCIATION, INC.  
• LEC CERTIFICATE  
FINANCIAL ANALYSIS

FROM 1994 IRS FORM 990 FINANCIAL STATEMENTS

AS  
OF  
12/31/94

CURRENT ASSETS	\$1,939
CURRENT LIABILITIES	6,396
CURRENT RATIO	0.30
CASH	1,939
COMMON EQUITY	21,077
TOTAL DEBT	0
NET INVESTOR CAPITAL	21,077
COMMON EQUITY RATIO	100%
INCOME *	21,077
RETURN ON EQUITY	100%

INCOME \* = Revenues - Expenses

From Form 990: Return of Organization Exempt from Income Tax