



# Public Service Commission

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

**DATE:** February 20, 1996  
**TO:** Tom Williams, Division of Communications  
**FROM:** Sonja Jones, Division of Auditing and Financial Analysis *ALM*  
**RE:** Docket No. 960161-TS, Strategic Technologies, Inc., Financial Analysis *APC*  
 Certificate Application for Shared Tenant Service *182*

Section 364.339 (2), Florida Statutes, requires the following:

The commission shall grant certificates to telecommunications companies upon showings that the applicants have sufficient technical, financial, and managerial capabilities to provide shared tenant services.

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 Strategic Technologies, Inc. (STI) for the period ending November 30, 1995. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, STI has minimal liquidity, adequate ownership equity, and negative net income.

Considering the unaudited financial statements and the company's financial condition, staff could not recommend that STI collect deposits or rates subject to refund without posting a bond or letter of credit. However, in this matter, STI is asking for a certificate to provide shared tenant service. Staff notes the limited nature of the application and that no customer provided funds are at risk. Under the minimal requirements of the statute, the application appears adequate.

cc: Division of Legal Services  
Division of Records and Reporting

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DOCKET NO. 960161-TS  
STRATEGIC TECHNOLOGIES, INC.  
Shared Tenant Service Certificate  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

AS  
OF  
11/30/95

CURRENT ASSETS	\$8,174
CURRENT LIABILITIES	61,010
CURRENT RATIO	0.13
CASH	0
COMMON EQUITY	4,793,200
TOTAL DEBT	0
NET INVESTOR CAPITAL	4,793,200
COMMON EQUITY RATIO	100%
NET INCOME (LOSS)	(1,612)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure