



Public Service Commission

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

DATE: February 26, 1997
 TO: Tom Williams, Division of Communications
 FROM: Sonja Jones, Division of Auditing and Financial Analysis *ALM*
 RE: Docket No. 970178-TX, Title Loans of America, Inc., d/b/a Securetel, Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *ms* *182*

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 audited financial statements of Title Loans of America, Inc., d/b/a Securetel (TLA) for the period ending December 31, 1995. As the attached schedule shows, TLA has adequate liquidity and profitability but minimal ownership equity.

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In this matter, TLA is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application and that no 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.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service. The applicant notes that it has been in existence since 1993, is well established, and is presently operating in 12 states. The applicant states that it possesses sufficient financial capability through its existing income, assets, and favorable credit standing. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

cc: Division of Legal Services
 Division of Records and Reporting

DOCUMENT NUMBER-DATE

02406 MAR-56

FPSC-RECORDS/REPORTING

DOCKET NO. 970178
TITLE LOANS OF AMERICA, INC.
d/b/a Securetel
IXC CERTIFICATE
FINANCIAL ANALYSIS

FROM AUDITED FINANCIAL STATEMENTS

	AS OF 12/31/95
CURRENT ASSETS	\$996,904
CURRENT LIABILITIES	742,083
CURRENT RATIO	1.34
CASH	996,904
COMMON EQUITY	2,888,014
TOTAL DEBT	16,930,171
TOTAL INVESTOR CAPITAL	19,818,185
COMMON EQUITY RATIO	15%
NET INCOME	3,173,605
RETURN ON EQUITY	110%