



# Public Service Commission

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

DATE: August 22, 1997  
 TO: Tom Williams, Division of Communications  
 FROM: David J. Draper, Division of Auditing and Financial Analysis *DD*  
 RE: Docket No. 970974-TS, Rifkin/Narragansett South Florida CATV Limited Partnership *ALM*  
 d/b/a Gold Coast Cablevision, Financial Analysis for Certificate Application for Shared  
 Tenant Service

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 audited financial statements of Rifkin/Narragansett South Florida CATV Limited Partnership, d/b/a Gold Coast Cablevision (GCC), for the period ending December 31, 1996. As the attached schedule shows, GCC reports positive net income for the period, but has minimal liquidity and negative common equity.

In this matter, GCC is asking for a certificate to provide Shared Tenant service. For purposes of granting a certificate based on the financial information provided, the financial capability appears minimal. The applicant attests to its financial capability to provide and maintain the proposed telecommunications service. In addition to strong revenue growth the Company has a revolving line of credit with the Union Bank of California in the amount of three-million dollars. 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 (2)

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

DOCKET NO. : 970974  
R/N SOUTH FLORIDA CABLE MANAGEMENT LTD PARTNERSHIP  
d/b/a GOLD COAST CABLE VISION

SHARE TENANT SERVICE  
FINANCIAL ANALYSIS

FROM AUDITED FINANCIAL STATEMENTS

	AS OF 12/31/96
CURRENT ASSETS	\$1,206,371
CURRENT LIABILITIES	3,243,405
CURRENT RATIO	0.37
CASH	331,156
COMMON EQUITY	(10,079,369)
TOTAL DEBT	30,150,000
TOTAL INVESTOR CAPITAL	20,070,631
COMMON EQUITY RATIO	NMF
NET INCOME	761,574
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure