



Public Service Commission

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

DATE: September 8, 1997
 TO: Tom Williams, Division of Communications
 FROM: Pete Lester, Division of Auditing and Financial Analysis *PL ALM APC*
 RE: Docket No. 971043-TS, JABS Real Estate Management Corporation, 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 unaudited financial statements of JABS Real Estate Management Corporation (JABS) for the period ending June 30, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, JABS has adequate liquidity, ownership equity, and profitability.

CK _____ In this matter, JABS is asking for a certificate to provide shared tenant service. Staff notes the
 FA _____ limited nature of the application. Under the minimal requirements of the statute, the application
 PP _____ appears adequate.

CAF _____ The applicant attests to its financial capability to provide and maintain the proposed
 CMU _____ telecommunications service by noting its banking reference, its shareholders' combined net worth
 CTR _____ exceeding \$2 million, and that it has retained an equipment and maintenance vendor. Based on
 EAG _____ this showing, the applicant appears to meet the financial capability standard of Section 364.337,
 LEG _____ Florida Statutes.

LIN _____ cc: Division of Legal Services
 OPC _____ Division of Records and Reporting (2) /

RCH _____
 SEC 1 _____
 WAS _____
 OTH _____

DOCUMENT NUMBER - DATE

09151 SEP 10 97

FPSC-RECORDS/REPORTING

DOCKET NO. 971043-TS
JABS REAL ESTATE MANAGEMENT COMPANY
SHARED TENANT SERVICE CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

	YEAR ENDED JUNE 30, 1997
CURRENT ASSETS	37,537
CURRENT LIABILITIES	9,671
CURRENT RATIO	3.88
CASH	2,112
COMMON EQUITY	54,122
TOTAL DEBT	49,512
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	103,634
COMMON EQUITY RATIO	52%
NET INCOME	34,005 *
RETURN ON EQUITY	63%

* JANUARY 1 THRU JUNE 30, 1997