



Public Service Commission

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

DATE: August 30, 1999
TO: Tommy Williams, Division of Communications
FROM: Eva P. Samaan, Division of Auditing and Financial Analysis
RE: Docket No. 991033-TI, AL-CALL, INC., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

Handwritten initials: ALM, APC, JWB

Section 364.337 (3), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications 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 Alma Telecom, Inc., parent company of AL-CALL, INC . (ACI) for the period ending December 31, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, ACI has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, ACI is asking for a certificate to provide IXC 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.

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The applicant attests to its financial capability to provide and maintain the proposed telecommunications service. Alma Telecom, Inc., the holding company for ACI, will provide additional financing of up to \$1 million to support the company's operations. 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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REC-RECORDS/REPORTING

DOCKET NO. 991033-11
ALMA TELECOM, INC.

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS AS OF 12/31/98

CURRENT ASSETS	\$609,491
CURRENT LIABILITIES	339,369
CURRENT RATIO	1.80
CASH	178,344
COMMON EQUITY	11,906,184
LONG-TERM DEBT	0
TOTAL INVESTOR CAPITAL	11,906,184
COMMON EQUITY RATIO	100%
NET INCOME	4,997,286
RETURN ON EQUITY	42%

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
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Public Service Commission

August 4, 1999

John Becci, Senior Consultant
John Staurulakis Incorporated
6315 Seabrook Road
Seabrook, Maryland 20706

Re: Docket No. 991033-TI

Dear Mr. Becci:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by AL-CALL, INC., which was filed with this office on August 4, 1999 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (850) 413-6078 or FAX (850) 413-6079.

Please make notes as well that Commission Rule 25-22.005(7), F.A.C., requires certificated companies to notify the Commission of any changes in name, telephone, address, or contact person. Should your application be granted by the Commission, you will be expected to comply with this rule by advising us of any changes as they occur.

Division of Records and Reporting
Florida Public Service Commission