



Public Service Commission

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

DATE: September 4, 1997
TO: Tom Williams, Division of Communications *DD*
FROM: David J. Draper, Division of Auditing and Financial Analysis *ALM*
RE: Docket No. 971096-TX, Florida City-Link Communications, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

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 unaudited financial statements of Florida City-Link Communications, Inc (FCL) 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, FCL has adequate liquidity, sufficient common equity and reported a positive net income for the period.

ACK _____
 AFA _____
 APP _____
 CAT _____
 CMU _____
 CTR _____
 EAC _____
 LEG _____
 LRS _____
 OIT _____
 PIR _____
 SPT _____
 WLD _____
 OTH _____

In this matter, FCL is asking for a certificate to provide alternative local exchange telecommunications service. 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 by noting that the Company will maintain capital from internally generated funds. 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

08988 SEP-85

FPSC-RECORDS/REPORTING

DOCKET NO. : 971096
FLORIDA CITY-LINK COMMUNICATIONS, INC.

ALTERNATIVE LOCAL EXCHANGE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 06/30/97
CURRENT ASSETS	\$301,780
CURRENT LIABILITIES	268,248
CURRENT RATIO	1.13
CASH	6,592
COMMON EQUITY	114,867
TOTAL DEBT	25,398
TOTAL INVESTOR CAPITAL	140,265
COMMON EQUITY RATIO	82%
NET INCOME	67,181
RETURN ON EQUITY	58%

NMF = No Meaningful Figure