



# Public Service Commission

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

DATE: December 8, 1998  
 TO: Tommy Williams, Division of Communications  
 FROM: Eva P. Samaan, Division of Auditing and Financial Analysis *ALM*  
 RE: Docket No. 981782-TI, AirTIME Technologies, Inc. Financial Analysis *APC* for Certificate Application for Intrastate Interexchange Telecommunications Service

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 AirTIME Technologies, Inc. (ATI) for the period ending August 31, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, ATI has no liquidity, insufficient common equity and reported a net loss for the period.

ACK \_\_\_\_\_  
 AFA \_\_\_\_\_  
 APP \_\_\_\_\_ In this matter, ATI 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 minimal.  
 CAF \_\_\_\_\_  
 CMU \_\_\_\_\_  
 CTR \_\_\_\_\_  
 EAC \_\_\_\_\_ Although an analysis of the financial statements reveals the applicant is in a minimal financial position, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service. ATI has available funds through Complete Control Technologies, Inc., its affiliate, as well as, First Union Bank, Southwest Cellular Inc., and through a line of credit of \$15,000 with Prepaid Cellular Services. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.  
 LEG \_\_\_\_\_  
 LIN \_\_\_\_\_  
 OPC \_\_\_\_\_  
 RCH \_\_\_\_\_

cc: Division of Legal Services  
Division of Records and Reporting (2)

DOCUMENT NUMBER-DATE

13942 DEC 10 98

FPSC-RECORDS/REPORTING

SEC \_\_\_\_\_  
WAS \_\_\_\_\_  
RTH \_\_\_\_\_

DOCKET NO. 981782  
AirTIME TECHNOLOGIES, INC.

IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS AS OF 08/31/98.

CURRENT ASSETS	(\$2,253)
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	0
COMMON EQUITY	(9,916)
TOTAL DEBT	18,868
TOTAL INVESTOR CAPITAL	8,952
COMMON EQUITY RATIO	NMF
NET INCOME	(10,416)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure