



Public Service Commission

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

DATE: March 8, 1999

TO: Tommy Williams, Division of Communications

FROM: Eva P. Samaan, Division of Auditing and Financial Analysis *ED ALM*

RE: Docket No. 990116-TI, RJM Card Services, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC*

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 RJM Card Services, Inc. (RJM) 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, RJM has adequate liquidity and sufficient common equity, but as a new company it has no income to report at the present time.

ACK _____

AFA _____

APP _____

CAF _____

CMU _____

CTR _____

EAG _____

LEG _____

LIV _____

QTC _____

REC _____

WFO _____

WIS _____

WTR _____

In this matter, RJM is asking for a certificate to provide IXC 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. The company has established a credit facility in the amount of \$100,000 with International Finance Bank for the purposes of funding its telecommunications card services business. 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

03138 MAR 11 89

FPSC-RECORDS/REPORTING

DOCKET NO. 990116-
RJM CARD SERVICES, INC.

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS AS OF 12/31/98

CURRENT ASSETS	\$16,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	16,000
COMMON EQUITY	20,000
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	20,000
COMMON EQUITY RATIO	100%
NET INCOME	0
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure