



# Public Service Commission

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

**DATE:** February 7, 2000  
**TO:** Nancy Pruitt, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis *PL ALM*  
**RE:** Docket No. 991888-TX, Consumer Credit Assistance, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *ag*

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 Consumer Credit Assistance, Inc. (CCA) for the period ending December 6, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, CCA has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, CCA is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application. 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 it has over \$1 million on deposit at a bank and it has leased its commercial space for nearly 7 years. 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)

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DOCUMENT NUMBER-DATE

01786 FEB-98

FPSC-RECORDS/REPORTING

DOCKET NO. 991888-T)  
CONSUMER CREDIT ASSISTANCE, INC.  
ALEC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS  
CONSUMER CREDIT SERVICES, WHICH IS THE  
SAME COMPANY AS CONSUMER CREDIT  
ASSISTANCE, INC.

	<u>AS OF</u> <u>12/06/1999</u>
CURRENT ASSETS	\$1,633,423
CURRENT LIABILITIES	51,032
CURRENT RATIO	32.01
CASH	1,455,737
COMMON EQUITY	1,896,314
TOTAL DEBT	313,923
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	2,210,237
COMMON EQUITY RATIO	86%
NET INCOME	1,098,314
RETURN ON EQUITY	58%