



Public Service Commission

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

DATE: February 15, 2000
TO: Nancy Pruitt, Division of Communications
FROM: Eva P. Samaan, Division of Auditing and Financial Analysis
RE: Docket No. 000025-TI, TotalAccess.Com. Inc., Financial Analysis 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 TotalAccess.Com. Inc. (TAC) for the period ending June 30, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, TAC has minimal liquidity, negative common equity and reported a net loss for the period.

In this matter, TAC 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.

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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. TAC's President and shareholder, Joseph J. Monterosso, states that he will provide the company with additional funding as necessary for expanding its services in Florida. 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

02242, FEB 18 8

FPSC-RECORDS/REPORTING

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS AS OF 06/30/99

CURRENT ASSETS	\$1,213,930
CURRENT LIABILITIES	5,074,482
CURRENT RATIO	0.24
CASH	572,951
COMMON EQUITY	(3,774,707)
LONG-TERM DEBT	6,355
TOTAL INVESTOR CAPITAL	(3,768,352)
COMMON EQUITY RATIO	100%
NET INCOME /LOSS	(4,826,505)
RETURN ON EQUITY	NMF

NMF= Non-meaningful figure