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ORIGINAL

Decision No. 12504.

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

In the Matter of the Application of)
ROSEVILLE TELEPHONE COMPANY)
for an order authorizing the issue)
of stock.)

Application No. 9250.

W. Hanisch, for Applicant.

SEAVEY, Commissioner.

OPINION.

In this application, as amended, ROSEVILLE TELEPHONE COMPANY asks permission to issue and sell at par $17,150.00 of its common capital stock and to use the proceeds to reimburse its treasury on account of earnings invested in properties, to pay indebtedness and to finance the cost of additions and betterments.

Roseville Telephone Company was organized on or about April 1, 1914, with an authorized capital stock of $25,000. divided into 2500 shares of the par value of $10.00 each, all shares being common. It appears that applicant recently has instituted legal proceedings to amend its Articles of Incorporation so as to provide for an authorized issue of $50,000.00 of stock, all of which will be common. At present the company reports $25,000.00 of stock outstanding. It has no bonded indebtedness and as of July 21, 1923, its current liabilities are reported at $2,107.21.

Applicant reports that it has expended from income for extensions, additions and betterments the sum of $10,647.12. A detailed statement of these expenditures is on file in this proceeding. The

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$10,647.12 is represented by the company's reserve for accrued depreciation and surplus. Applicant further reports that it has incurred indebtedness in the sum of $2,107.21 because of the construction of additions and betterments, and that it should immediately expend $4,400. more for the following purposes:

Subscribers' stations	$1,000.00
Aerial cable	3,000.00
Additions to switchboard for forty lines	400.00
Total	$4,400.00

It is for the purpose of reimbursing its treasury, pay indebtedness and pay for the additional improvements that applicant asks permission to issue and sell $17,150.00 of common stock. All money obtained from the sale of stock must be used to acquire and construct additional properties, improve applicant's service, or pay indebtedness.

Roseville Telephone Company is engaged in the business of supplying telephone service in and about the City of Roseville, Placer County, reporting about 800 subscribers. It reports gross revenues for the year 1920 as $15,703.18, for 1921 as $18,760.62 and for 1922 as $18,521.98. After paying operating expenses, taxes and miscellaneous deductions from income, it reports net profit for 1920 as $1,168.18, for 1921 as $2,450.08 and for 1922 as $958.10.

I believe the application should be granted and herewith submit the following form of Order.

O R D E R.

ROSEVILLE TELEPHONE COMPANY having applied to the Railroad Commission for permission to issue and sell stock, a public hearing having been held and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant, and that this application should be granted as herein provided; therefore-

IT IS HEREBY ORDERED, that ROSEVILLE TELEPHONE COMPANY be, and it is hereby, authorized to issue and sell, for cash, at not less than par $17,150.00 of its common capital stock for the purpose of reimbursing its treasury, paying indebtedness and financing the cost of the extensions, additions and betterments referred to in the foregoing opinion and described in this application. All money obtained from the sale of the stock must be used to acquire and construct additional properties, improve applicant's service or pay indebtedness referred to in this application.

The authority herein granted is subject to further conditions as follows:

(1).....Within sixty days from the date of this order, Roseville Telephone Company shall file with the Commission a certified copy of its amended Articles of Incorporation.

(2).....Roseville Telephone Company shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file, on or before the twenty-fifth day of each month a verified report, as required by the Commissions General Order Number 24, which order, in so far as applicable, is made a part of this order.

(3).....The authority herein granted will become effective when applicant has filed with the Commission a certified copy of its amended Articles of Incorporation. The authority to issue stock will expire on April 30, 1924.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 18th day of August, 1923.

C L Seavey

Irving Martin

Egerton Shore

J F Whittle

Commissioners.