

ORIGINAL

Decision No. 17980

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the )  
ROSEVILLE TELEPHONE COMPANY )  
for an order authorizing the issue of ) Application No. 13441.  
stock. )

W. Hanisch, for applicant.

BY THE COMMISSION:

O P I N I O N

Roseville Telephone Company asks permission to issue and sell at par \$12,500.00 par value of its common capital stock and use the proceeds to reimburse its treasury on account of earnings expended for additions and betterments to its telephone properties.

Applicant corporation was organized on or about April 1, 1914, with an authorized capital stock of \$25,000.00 divided into 2,500 shares of the par value of \$10.00 each, all shares being common. Its Articles of Incorporation have been amended from time to time and at present provide for an authorized stock issue of \$100,000.00 divided into 10,000 shares of the par value of \$10.00. The company now reports \$50,000.00 of stock outstanding and has no indebtedness other than current accounts payable.

Attached to the petition filed in this proceeding is a statement showing in detail 1925 and 1926 construction expenditures for additions and betterments amounting to \$12,518.71. W. Hanisch, Manager of Roseville Telephone Company, testified that the expenditures

in such statement had actually been incurred and that they represent the cost of materials and supplies and the labor necessary to acquire and install the telephone equipment and properties referred to in such statement. He also testified that if the company is permitted to issue the \$12,500.00 of stock, such stock will be purchased by the company's present stockholders. It appears that while the company asks permission to use the proceeds to reimburse its treasury, such proceeds will in the main be expended for the extension, replacement and improvement of the company's properties.

Applicant as of December 31, 1926, reports assets and liabilities as follows:-

ASSETS:

Plant and Equipment . . . . .	\$64,378.49
Securities . . . . .	702.50
Cash . . . . .	3,502.08
Due from subscribers and agents . . . . .	1,181.42
Special funds . . . . .	6,962.43
Total . . . . .	<u>\$76,726.92</u>

LIABILITIES:

Capital Stock . . . . .	\$50,000.00
Accrued liabilities not due. . . . .	730.25
Depreciation Reserve . . . . .	13,197.46
Surplus . . . . .	12,799.21
Total . . . . .	<u>\$76,726.92</u>

O R D E R

Roseville Telephone Company having applied to the Railroad Commission for permission to issue and sell \$12,500.00 par value of its common capital stock, a public hearing having been held

before Examiner Fankhauser 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 the Roseville Telephone Company be, and it is hereby, authorized to issue and sell on or before October 1, 1927, for cash at not less than par, \$12,500.00 par value of its common capital stock and use the proceeds obtained from the sale of such stock to reimburse its treasury on account of earnings expended for additions and betterments.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof and that 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 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 8<sup>th</sup> day of February, 1927.

Ernest D. ...  
H. B. ...  
Chas. ...  
Leon ...  
Thos. ...

Commissioners.