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Decision No. 6167.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF  
THE STATE OF CALIFORNIA.

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In the Matter of the Application of )  
the MARTINEZ-BENICIA FERRY & TRANS- ) Application Number 4056.  
PORTATION COMPANY to issue stock. )

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Mastick & Partridge by John S. Partridge,  
for applicant.

EDGERTON, Commissioner.

O P I N I O N.

MARTINEZ-BENICIA FERRY & TRANSPORTATION COMPANY asks authority to issue \$21,240 par value of its common stock to reimburse its treasury because of earnings invested in property. After such reimbursement, the company intends to distribute the stock pro rata amongst its stockholders as a stock dividend.

MARTINEZ-BENICIA FERRY & TRANSPORTATION COMPANY was incorporated on January 25, 1912, with an authorized stock issue of \$50,000 divided in 5,000 shares of the par value of \$10.00 each. Of this stock, \$28,760 was issued at par and is now outstanding. Applicant operates a ferry between the town of Martinez, Contra Costa County, and the town of Benicia, Solano County.

On December 31, 1917, applicant reported its assets and liabilities to the Railroad Commission as follows:

ASSET ACCOUNTS:

Steamers, slips, aprons and tanks,.....	\$106,216.27
Cash,.....	4,272.80
Prepaid Rent,.....	<u>6,800.00</u>
<u>TOTAL ASSET ACCOUNTS,.....</u>	<u>\$117,289.07</u>

LIABILITY ACCOUNTS:

Stock Outstanding,.....	\$ 28,760.00
Miscellaneous Accounts Payable,.....	332.35
Reserve for Accident Insurance,.....	3,500.00
Surplus,.....	<u>84,696.72</u>
<u>TOTAL LIABILITY ACCOUNTS, ..</u>	<u>\$117,289.07</u>

The original cost of the steamer -"City of Seattle"- is reported at \$19,553.30; that of the "City of Martinez" at \$71,033.28, while the cost of the slips, aprons and tanks is reported at \$24,733.51. In its petition, applicant reports the value of the "City of Seattle" on May 31, 1918, at \$9,553.30; that of the "City of Martinez" at \$63,929.95, and the value of the slips, aprons and tanks at \$7,877.70, making a total of \$81,360.95 as compared with an original cost of \$115,320.29. Applicant reports that the difference between the original cost and the value as of May 31, 1918, represents amounts charged off to depreciation.

For the two years ending December 31, 1917, applicant has reported revenues and expenses as follows:

I t e m	1 9 1 7	1 9 1 6
Operating Revenues,.....	\$95,320.08	\$ 54,610.32
Operating Expenses,.....	49,677.04	31,701.02
Net Operating Revenue,.....	45,643.04	22,909.30
Other Income,.....	407.70	80.80
Gross Corporate Income,.....	46,050.74	22,990.10
Deductions,.....	--	--
Net Corporate Income for Year,...	46,050.74	22,990.10
Add:- Surplus beginning of Year,.....	36,178.51	13,188.41
Other Miscellaneous Additions to Surplus,.....	5,343.47	--
Total Accumulated Surplus and Additions,.....	87,572.72	36,178.51
Deduct:- Dividends Paid,.....	2,876.00	--
Accumulated Surplus End of Year, ..	84,696.72	36,178.51

The testimony and statements filed by applicant, show that it has invested in property, from earnings, a sum in excess of \$21,240.

I herewith submit the following form of Order:

O R D E R.

MARTINEZ-BENICIA FERRY & TRANSPORTATION COMPANY having applied to the Railroad Commission for authority to issue stock, a public hearing having been held and the Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required for the purpose specified in the order and that the expenditures for such purpose are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that MARTINEZ-BENICIA FERRY & TRANSPORTATION COMPANY be, and it is hereby granted authority to issue at not less than par on or before July 31, 1919, \$21,240 par value of its common capital stock for the

purpose of reimbursing its treasury because of earnings invested in fixed capital, provided that after the reimbursement of the treasury, said stock be distributed amongst the present stockholders of the Martinez-Benicia Ferry & Transportation Company pro rata in accordance with the holdings of stock by said stockholders, and provided further, that within thirty (30) days after the issue of the stock herein authorized, applicant file with the Railroad Commission a statement showing the names of the stockholders to whom said stock was issued, the number of shares issued to each and the total number of shares held by said stockholders after the distribution of the stock herein authorized to be issued.

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

26<sup>th</sup>

day of February, 1919.

Edwin O. Edwards

W. H. ...

Irving ...

Commissioners.