

Decision No. 28351

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
A. A. HARRINGTON and MARIE LENTZ,)
for permission to sell an undivided)
one half interest in a telephone)
system.)

Application No. 20199

Hawkins & Hawkins, for applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Commission is asked to enter its order authorizing Marie Lentz to sell an undivided one half interest in the Livingston Telephone Company to A. A. Harrington.

It is of record that for a long time prior to July 26, 1934 A. A. Harrington and Charles Henry Lentz were co-partners in the operation of a telephone system out of the town of Livingston, Merced County.

Charles Henry Lentz died on July 26, 1934. At the time of his death he was a resident of Stanislaus County, California, and left a last will and testament. His last will and testament was duly probated in the Superior Court of the State of California in and for the County of Stanislaus and after due proceedings had in said estate, the said court did on the 23rd day of September, 1935, make its order distributing to Marie Lentz all the property of whatsoever kind or character theretofore belonging to Charles Henry Lentz, deceased, and included in the property so distributed was the undivided one half interest of said Charles Henry Lentz in and to the telephone system then owned by the said co-partnership.

Under date of October 4, 1935 A. A. Harrington, the surviving partner, and Marie Lentz, entered into a written agreement subject to the approval of the Railroad Commission of the State of California for the sale by the said Marie Lentz and the purchase by the said A. A. Harrington of all the right, title and interest in and to said telephone system of the said Marie Lentz for the sum of \$4,750.00 payable \$500. cash upon the execution of the contract, and the balance of the purchase price to be paid in monthly installments of \$100. each, with interest at the rate of 6% per annum payable monthly on the unpaid principal. The agreement filed as Exhibit "A" provides that Marie Lentz is to retain title to her interest in the property until the full purchase price is paid.

It seems to us that the agreement of sale constitutes an evidence of indebtedness, the execution of which should be authorized by the Commission.

It appears that the telephone properties have heretofore been under the management of A. A. Harrington and that the transfer of the one half interest in the properties now owned by Marie Lentz to A. A. Harrington will not result in any change in the actual management of the properties.

In Exhibit "C" the assets and liabilities of the Livingston Telephone Company as of October 1, 1935 are reported as follows:-

<u>ASSETS</u>		
Plant and equipment	\$26,114.66	
Less provision for depreciation.....	<u>16,147.87</u>	\$ 9,966.79
Cash on hand and in bank		248.95
Subscribers account receivable	120.72	
Less provision for doubtful accounts	<u>85.28</u>	35.44
Materials and supplies		<u>346.00</u>
Total assets		<u>\$10,597.18</u>

<u>LIABILITIES</u>		
<u>Accounts payable:</u>		
Miscellaneous.....	\$ 15.41	
A. A. Harrington	47.21	
U. S. Internal Revenue Collector.....	<u>33.28</u>	\$ 95.90
<u>Net Worth:</u>		
Partnership Capital Account Jan.1,1935.....	11,758.27	
<u>DEDUCT:</u>		
Net loss for period Jan.1 to Sept.30,1935	1,156.99	
Allowance to partners	<u>100.00</u>	10,501.28
Total liabilities and net worth.....		<u>\$10,597.18</u>

For 1934 the operating revenues of the Livingston Telephone Company are reported at \$5,752.61, and for the nine months ending October 1, 1935 at \$4,188.80.

ORDER

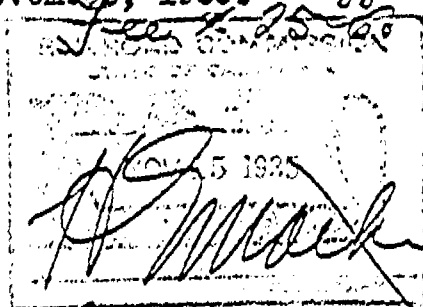
The Commission having been asked to enter its order, as indicated in the foregoing opinion, and having considered applicants' request and being of the opinion that this is not a matter in which a public hearing is necessary and that this application should be granted, subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED that Marie Lentz be, and she is hereby, authorized to sell to A. A. Harrington her undivided one-half interest in the telephone system, referred to in this application, said sale to be made under the terms and conditions of the contract filed in this proceeding as Exhibit "A", provided that the authority herein granted to transfer said undivided one-half interest in said telephone system, shall not be construed as determining the value of said telephone system for any purpose other than the transfer herein authorized.

IT IS HEREBY FURTHER ORDERED that A. A. Harrington be, and he is hereby, authorized to execute an agreement similar in terms to the agreement filed in this proceeding as Exhibit "A".

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when A. A. Harrington has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

DATED at San Francisco, California, this 12th day of November, 1935.



Leon Whitwell
M. J. Carr
[Signature]
Stall K. [Signature]