

Decision No. 36972

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of SANTA MARIA BUS LINE for an
order authorizing issue of stock.

Application No. 25829

BY THE COMMISSION:

ORIGINALO P I N I O N

The Santa Maria Bus Line asks permission to issue at par 400 shares (\$20,000 par value) of its capital stock and use the money to pay indebtedness.

The Santa Maria Bus Line is a corporation organized, on or about September 1, 1942, under the laws of California. It has an authorized stock issue of 400 shares, each having a par value of \$50.

In Exhibit C attached to the applicant's petition, it reports its assets and liabilities as of August 31, 1943, as follows:

| <u>Assets</u> | | |
|--|------------------|-----------------|
| Cash | \$ | \$ 8,870.96 |
| Accounts Receivable | | 7,766.39 |
| Buildings, Buses, Office Furniture and Fixtures | | 55,336.76 |
| Cost | 73,436.73 | |
| Less Depreciation Reserve | <u>17,599.97</u> | |
| Prepayments | | <u>3,093.77</u> |
| Total Assets | | 75,567.88 |

| <u>Liabilities</u> | | |
|-----------------------|--|------------------|
| Accounts Payable | | \$ 5,298.27 |
| Notes Payable | | 2,500.00 |
| Due Finance Companies | | 30,645.70 |
| Customers' Deposits | | 16.00 |
| Accrued Expenses | | 1,227.46 |
| Capital invested | | 20,000.00 |
| Surplus | | <u>15,880.45</u> |
| Total Liabilities | | 75,567.88 |

The capital invested represents advances by the following:

| | |
|-------------------|-------------|
| William Williford | \$ 5,000.00 |
| E. E. Rubel | 5,000.00 |
| A. T. Ericson | 5,000.00 |
| Rubel Motor Co. | 5,000.00 |

The \$20,000 advanced by said parties was used to pay in part the cost of 8 Dodge passenger buses, acquired in 1942 at a cost of \$45,644.56. The stock which applicant desires to issue will be issued to said parties in cancellation of the amounts due them.

O R D E R

The Commission having considered the request of Santa Maria Bus Line and it being of the opinion that this is not a matter on which a hearing is necessary; that the money, property, or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required by applicant for the purpose herein stated; that the expenditures for said purpose are not in whole or in part reasonably chargeable to operating expenses or to income, and that this application should be granted subject to the provisions of this Order, therefore,

IT IS HEREBY ORDERED that Santa Maria Bus Line, be, and it is hereby authorized to issue at not less than par, after the date hereof and on or before June 30, 1944, 400 shares of its capital stock to the following parties:

- (a) 100 shares to William Williford
- (b) 100 shares to E. E. Rubel
- (c) 100 shares to A. T. Ericson
- (d) 100 shares to Rubel Motor Co.

The proceeds realized from the issue of said shares of stock or said shares of stock shall be delivered to said parties in

cancellation of the \$20,000 advanced by them to Santa Maria Bus Line.

IT IS HEREBY FURTHER ORDERED that Santa Maria Bus Line shall within sixty (60) days after the issue of said shares of stock file a report with the Commission in compliance with the Commission's General Order No. 24-A, which order in so far as applicable is made a part of this Order.

Dated at San Francisco, California, this 4th day of April, 1944.

Richard L. Ketchum
James F. Quinn
Francis D. Havens
Francis O. Carr
James H. Russell
 Commissioners