

Decision No. 38823

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of FOSTER TRANSPORTATION COMPANY)
for an order authorizing purchase)
of two new Ford Transit 27-Passen-)
ger Buses over a five year period)
to replace two Ford 29-passenger)
Buses after excessively hard)
usage on Douglas war contract.)
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Application
No. 27346

ORIGINALOPINION AND ORDER

This is an application for an order of the Railroad Commission authorizing Foster Transportation Company to execute a conditional sales contract providing for the payment of \$16,161.36.

The transportation company is a partnership, consisting of Charles M. Foster, Charles H. Foster and George E. Foster, engaged in the local bus service for the transportation of passengers in and about Alhambra. They report their operating revenues at \$54,923 in 1943, at \$59,502 in 1944 and at \$66,060 in 1945 and their profit for the year at \$8,706 in 1943, at \$4,153 in 1944 and at \$7,801 in 1945. Their assets and liabilities as of December 31, 1945, are reported as follows:

Assets

Plant and equipment	\$35,108.58
Cash	61.42
Accounts receivable	253.06
Prepayments	1,113.76
Total	<u>\$36,536.81</u>

Liabilities

Accounts payable	\$ 2,252.48
Accrued liabilities	77.76
Contract payable	10,920.04
Reserve for depreciation	15,570.11
Proprietors' account	7,716.42
Total	<u>\$36,536.81</u>

As of December 31, 1945, the company reported nine buses in service. In order to maintain its service it is necessary for it to replace two 29-passenger Ford buses, one a 1937 model with a 1942 body and the other a 1942 model. Accordingly, it has made arrangements to purchase two new Ford 27-passenger buses from Crown Body & Coach Corporation.

The agreed price for the two vehicles is \$12,929.08 with carrying charges of \$3,232.28, making a total of \$16,161.36. No down payment is required, the amount being repayable in sixty consecutive monthly installments of approximately \$269 each, with final payment due February 15, 1951. A copy of the proposed contract has been filed in this proceeding as Exhibit "B".

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the request should be granted, as herein provided, that the money, property or labor to be procured or paid for is reasonably required for the purpose specified herein, therefore,

IT IS HEREBY ORDERED that Charles M. Foster, Charles H. Foster and George E. Foster, copartners, doing business under the firm name and style of Foster Transportation Company, Inc and they hereby are authorized to execute, on or before June 30, 1946, a conditional sales contract in the aggregate principal amount of not exceeding \$16,161.36, payable as indicated herein, for the purpose of financing the cost of two Ford transit buses, provided,

1. That the authority herein granted will become effective when applicants have paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars, and,

2. That on or before July 31, 1946, applicants shall file with the Commission a copy of the conditional sales contract as actually executed.

Dated at San Francisco California, this 2nd day of April, 1946.

Harold Anderson
Justin F. Crueser
Francis D. Gray
Samuel H. Powell
Harold H. Hulse
Commissioners

