

ORIGINAL

Decision No. 43130

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

INLAND WAREHOUSE AND TRUCKING
COMPANY, a CorporationApplication
No. 30459for an Order Authorizing the Borrowing
of Funds and Securing the Payment of
the Same.O P I N I O N

Inland Warehouse and Trucking Company, a corporation, has applied to the Public Utilities Commission for an order authorizing it to borrow money as hereinafter set forth.

The application shows that Inland Warehouse and Trucking Company is now, and for some time has been, engaged in the warehouse business in San Bernardino and Riverside and in the trucking business in connection therewith. In its financial report to the Commission for the year 1948, it reported its warehouse operating revenues at \$24,109.82 and its non operating revenues at \$33,662.30, a total of \$57,772.12 with a net loss for the year of \$9,996.49. It reported its assets and liabilities as of December 31, 1948, as follows:

Assets

Property and equipment		\$79,067.09
Current assets-		
Cash and deposits	\$5,373.55	
Accounts receivable	4,695.50	
Materials and supplies	100.00	
Prepayments	<u>1,282.96</u>	
Total current assets		<u>11,452.01</u>
Total		<u>\$90,519.10</u>

Liabilities

Capital stock		\$17,500.00
Long-term debt		42,897.36
Current liabilities-		
Notes payable	\$16,600.00	
Accounts payable	5,215.88	
Accrued liabilities	<u>1,808.57</u>	
Total current liabilities		23,624.45
Reserve for depreciation		10,100.94
Profit and loss (debit balance)		<u>(3,603.65)</u>
	Total	<u>\$90,519.10</u>

Heretofore, as of May 5, 1946, applicant executed a deed of trust covering its properties and issued a note in favor of Bank of America National Trust and Savings Association, in the principal amount of \$45,000 with interest at the rate of 5% per annum, said principal amount being payable in monthly installments of \$450.00 with final payment on March 5, 1951. A copy of the note was filed with the Commission as Exhibit "1" in amended Application No. 28767, and a copy of the deed of trust as Exhibit "2" in the same proceeding. The principal amount of the note has been reduced to \$27,900.

Applicant owns and operates a warehouse building in San Bernardino and, in addition, leases from Alfred M. Lewis, Inc. a warehouse building located at 10th and Pachappa Streets in Riverside, under the terms of a five year lease agreement terminating on June 14, 1952, and providing for monthly rental of \$1,188.00. Applicant reports that the premises so leased by it are occupied at present by Firestone Tire and Rubber Company on a month to month tenancy at a rental sufficient to cover its monthly rentals under the lease agreement, but that prior to the occupancy by Firestone Tire and Rubber Company the premises had been vacant for a period of four months and that it was compelled to borrow the sum of \$5,000 from Bank of America National Trust and Savings Association on an unsecured short-

term note to enable it to meet its requirements under the lease. In addition, applicant reports that it has past due current accounts payable of approximately \$3,000.

Applicant now desires to borrow \$3,000 from Bank of America National Trust and Savings Association to pay its current obligations and to provide working capital, and also \$5,000 to refund said \$5,000 unsecured note. The payment of the new notes will be secured by the deed of trust presently outstanding. It is proposed that such two sums, aggregating \$8,000, will be added to the present unpaid balance of \$27,900 now secured by said deed of trust and will be payable in monthly installments of \$450.00 plus 5% interest, such installments to begin when final payment has been made on the \$27,900 indebtedness.

Under the program thus proposed, applicant will consolidate its obligations under the one loan with no increase in the amount of the monthly payments. The order herein will authorize the issue of a note or notes for \$8,000 to be secured by the present deed of trust.

O R D E R

The Public Utilities Commission having considered the above entitled application, and being of the opinion that a public hearing thereon is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for through the issue of notes as authorized herein is reasonably required by Inland Warehouse and Trucking Company for the purposes specified herein, and that such purposes, except as otherwise ordered and permitted, are

not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. Inland Warehouse and Trucking Company, after the effective date hereof and on or before October 31, 1949, may issue its promissory note or notes, in the principal amount of not exceeding \$8,000, for the purpose of paying or refunding outstanding indebtedness and of maintaining and improving its business and properties, said notes to be payable as indicated in the preceding opinion and to be secured by the deed of trust presently outstanding.

2. Applicant shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.00.

Dated at San Francisco, California, this 19th day of July 1949.

R. Z. [Signature]
Justice F. [Signature]
[Signature]
[Signature]
[Signature]
Commissioners

