

Decision No. 44312

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 FOSTER TRANSPORTATION, INCORPORATED, )  
 for an order authorizing refinancing )  
 in the amount of \$10,818.41 at 5% )  
 for three years, on a promissory note )  
 and chattel mortgage on nine buses. )  
 ----- )  
 Application  
 No. 31479

O P I N I O N

This is an application for an order authorizing Foster Transportation, Incorporated, to execute a mortgage of chattels and to issue a promissory note in the principal amount of \$10,818.41.

Applicant is engaged in giving local bus service in and about Alhambra. Its annual reports to the Commission for the last three years show its revenues and expenses as follows:

	<u>1947</u>	<u>1948</u>	<u>1949</u>
Operating revenues	\$90,834	\$105,744	\$103,742
Expenses -			
Operation and maintenance	67,913	81,907	83,028
Depreciation	10,962	12,938	9,614
Taxes and licenses	8,531	10,010	8,825
Rents	(1,072)	(1,257)	177
Total	<u>86,334</u>	<u>103,598</u>	<u>101,644</u>
Net operating revenues	<u>4,500</u>	<u>2,146</u>	<u>2,098</u>
Interest	2,680	2,786	2,346
Other income charges - net	(3)	-	104
Net income or (loss)	<u>\$ 1,823</u>	<u>\$ (640)</u>	<u>\$ (352)</u>

Applicant reports its assets and liabilities, as of December 31, 1949, as follows:



finds it a hardship to continue meeting such payments, and that presently it is unable to pay its accumulated parts expense account. The new note it proposes to issue will be in favor of Crown Body & Coach Corporation and will provide for monthly payments of \$300.51, with interest on the total amount at the rate of 5% per annum.

The issue of the note, as proposed, will improve applicant's cash position. Accordingly, an order will be entered.

ORDER

The Commission having considered the above entitled matter 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 the note herein authorized is reasonably required by applicant for the purpose specified herein, and that, except as otherwise permitted, such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Foster Transportation, Incorporated, after the effective date hereof and on or before July 31, 1950, may execute a mortgage of chattels and issue a promissory note in the principal amount of not exceeding \$10,818.41, in substantially the same form as the mortgage of chattels and note filed in this proceeding as Exhibit A, for the purpose set forth in the application.

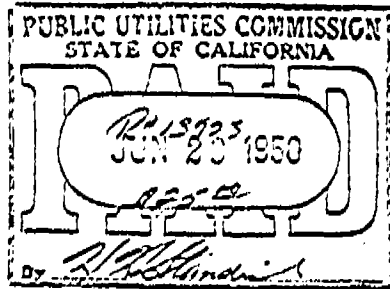
2. Applicant shall file with the Commission a report as required by General Order No. 24-A, which order, insofar as

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 twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 20<sup>th</sup> day of June, 1950.

R. Z. Dunning



Leopold L. Lowell

Harold F. Hule

Fernando Patten  
Commissioners