

ORIGINAL

Decision No. 45301

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

Farmers Public Warehouse and  
Hi and Dry Warehouse, Inc.  
to issue secured promissory note.

Application  
No. 32049

O P I N I O N

Farmers Public Warehouse and Hi and Dry Warehouse, Inc. has filed this application for authority to execute a deed of trust and to issue a note in the principal amount of \$110,000 for the purpose of paying indebtedness and of financing the cost of additional facilities.

Applicant is a California corporation organized on June 10, 1949. Under authority granted by Decision No. 43839, dated February 20, 1950, it issued its capital stock in the amount of \$58,800 and a note in favor of The Anglo California National Bank of San Francisco in the principal amount of \$75,000 for the purpose of financing the acquisition and improvement of certain properties, including a public utility warehouse and rice dryer and bulk storage facilities located at Marysville and at Sutter, and thereafter undertook the operation of such facilities. It reports, for its operations prior to May 31, 1950, operating revenues of \$30,581 and net income of \$4,177 and for the period from June 1 to December 31, 1950, operating revenues of \$120,930 and net income of \$26,651. Its assets and liabilities as of December 31, 1950, are shown in Exhibit D attached to the application, as follows:

Assets

Fixed capital-		
Real estate	\$ 2,450.00	
Buildings and equipment	145,843.83	
Automobiles and trucks	12,475.84	
Furniture and fixtures	986.48	
	<u>161,756.15</u>	
Less- depreciation reserves	17,999.48	
Net fixed capital		\$143,756.67
Current assets		
Cash	12,390.77	
Accounts receivable	26,296.64	
Inventories	1,550.00	
Prepaid expenses	<u>177.59</u>	
Total current assets		<u>40,415.00</u>
Total Assets		<u>\$184,171.67</u>

Liabilities

Note to The Anglo California National Bank	\$ 60,000.00
Other notes and contracts payable	22,947.35
Current liabilities	1,594.45
Capital stock	58,800.00
Surplus	<u>30,829.87</u>
Total Liabilities	<u>\$184,171.67</u>

The note authorized by Decision No. 43839 has been reduced to \$60,000. Applicant now desires to issue to The Anglo California National Bank of San Francisco a new note for \$110,000 in order to liquidate the present indebtedness and to provide the sum of \$50,000 to finance in part the cost, reported at \$51,960, of a plant for bulk storage of beans at its present site at Sutter. It reports that there is a growing demand in the area served by it for additional facilities of this nature and it believes that it will be to the interest of the growers for it to construct the same.

The sum to be thus borrowed will be represented by a note payable over a period of five years with interest at the rate of 5% per annum. A copy of the form of the note and a copy of the form of the deed of trust to secure its payment have been

filed in the proceeding as Exhibit B.

A review of the application indicates that applicant will have need of the proceeds to be received through the issue of the note for the purposes indicated. Accordingly, an order will be entered.

### O R D E R

The Commission having considered the above entitled matter and being of the opinion that a public hearing 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 purposes specified, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Farmers Public Warehouse and Hi and Dry Warehouse, Inc., after the effective date hereof and on or before September 30, 1951, may issue a promissory note in the principal amount of \$110,000 and may execute a deed of trust, in substantially the same form as the note and deed of trust filed in this proceeding as Exhibit B, for the purpose of paying indebtedness and of financing the cost of the additional facilities referred to in this decision.

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 fee prescribed by Section 57 of the Public Utilities Act, which fee is \$50.00.

Dated at San Francisco, California, this 30<sup>th</sup> day of January 1951.

R. E. Dunderman  
Justice J. Calver  
Harold P. Kula  
Connected to Public

Commissioners

