

**ORIGINAL**

Decision No. 48703

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 INGLEWOOD CITY LINES, a corporation, )  
 for authority to issue its promissory )  
 note and to secure the same by a lien )  
 of deed of trust on applicant's real )  
 property, and to use the proceeds of )  
 said loan for corporate purposes, as )  
 herein set forth. )  
 ----- )

Application  
No. 34398

O P I N I O N

This is an application filed by Inglewood City Lines, a corporation, for authorization to execute a deed of trust and to issue a note in the principal amount of \$16,000 for the purpose of financing the cost of improvements.

Applicant is engaged in business as a common carrier of passengers by means of motor coaches in and about the City of Inglewood. In this application it reports that it desires to enlarge and modernize its terminal facilities and that it proposes to construct a frame and stucco addition to its present building, to be used for accounting offices, and to construct a frame and stucco structure, 36 feet by 49 feet in dimension, to provide an operators' room, improved sanitary facilities for the personnel and improved shop facilities. The estimated costs of the improvements are \$16,000.

Applicant proposes to borrow the funds necessary to construct these improvements from Bank of America National Trust and Savings Association and to issue in evidence of the borrowing its promissory note, payable in installments of \$250 a month, with interest at the rate of 6% per annum.

A review of applicant's financial statements on file with

the Commission shows its operating revenues during 1952 at \$254,873.13 and its net income at \$17,442.44, and for the first three months of 1953 its operating revenues at \$64,610.41 and its net profit at \$1,948.69. Its financial position as reflected by its balance sheet of March 31, 1953, is as follows:

Assets

Current assets -		
Cash and working funds	\$ 22,993.77	
Accounts receivable	1,190.16	
Materials and supplies	8,418.67	
Special deposits	<u>1,250.00</u>	
Total current assets		\$ 33,852.60
Carrier operating property -		
Cost	210,966.13	
Depreciation reserve	<u>95,398.03</u>	
Net carrier operating property		115,568.10
Intangible capital		6,815.57
Deferred debits		<u>6,971.83</u>
Total		<u>\$163,208.10</u>

Liabilities and Capital

Current liabilities -		
Accounts payable	\$ 27,680.64	
Accrued taxes	10,624.22	
Miscellaneous items	868.79	
Equipment obligations due within one year	<u>14,919.24</u>	
Total current liabilities		\$ 54,092.89
Long-term debt		48,510.24
Preferred stock		24,000.00
Common stock and surplus -		
Common stock	32,600.00	
Surplus	<u>4,004.97</u>	
Total common stock and surplus		<u>36,604.97</u>
Total		<u>\$163,208.10</u>

Upon considering this matter we are of the opinion that applicant will have need for the funds to be received from its proposed borrowing for the purpose indicated, that its assets and earnings should be ample to support the proposed issue, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

An order granting applicant's request 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 and that the application should be granted, as herein provided; therefore,

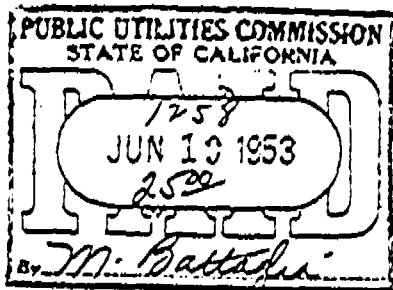
IT IS HEREBY ORDERED as follows:

1. Inglewood City Lines may execute a deed of trust, on or before December 31, 1953, and may issue its promissory note in the principal amount of not exceeding \$16,000, for the purpose of financing the cost of improvements to its facilities, which deed of trust and note shall be in, or substantially in, the same form as those filed in this proceeding as Exhibit 2.

2. Applicant shall file with the Commission monthly 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 1904(b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 16<sup>th</sup> day of June, 1953.



A. J. [Signature]  
President  
Justin F. [Signature]  
Harold P. [Signature]  
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Commissioners