

ORIGINAL

Decision No. 48876

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
Harold R. Geister and Melvin A. Geister	:	
partners doing business as Marin County	)	Application
Storage & Trucking Co. for authority to	:	No. 34538
execute a note and deed of trust.	)	
-----	:	

O P I N I O N

Harold R. Geister and Melvin A. Geister, applicants herein, are engaged in business under the name of Marin County Storage & Trucking Company as radial highway common carriers, city carriers and household goods carriers and in addition as public utility warehousemen in San Rafael. In this application they seek authorization to execute a deed of trust and to issue a note in the principal amount of \$28,000 for the purpose of refinancing outstanding indebtedness and of providing the cost of construction.

Applicants conduct their public warehouse operations in leased premises. They now desire to construct their own facilities and are contemplating the erection, at a cost of \$32,000, of a steel frame building to be located on real property now owned by them, which real property presently is encumbered by a deed of trust securing the payment of a \$7,500 note authorized by Decision No. 47248, dated June 9, 1952, in Application No. 33439. They propose to provide a portion of the funds needed for the proposed improvements from their personal resources and to obtain approximately \$20,500 from Bank of San Rafael.

The application shows that applicants intend to issue a new note for \$28,000 to take up the presently outstanding indebtedness of \$7,500 and to provide the new money. The new note will be payable in monthly installments of \$311, with interest at the rate of 6% per annum.

In Exhibit 2 applicants report their balance sheet showing their financial position as of December 31, 1952, as follows:

Assets

Cash		\$ 1,284.95
Accounts receivable		9,971.73
Depreciable assets -		
Trucks and equipment	\$32,628.89	
Less depreciation	<u>10,930.05</u>	21,698.84
Land		<u>10,327.57</u>
	Total	<u>\$43,283.09</u>

Liabilities

Accounts payable		\$ 3,593.24
Notes and mortgages payable		15,497.54
Partners' capital		<u>24,192.31</u>
	Total	<u>\$43,283.09</u>

Exhibit 3 shows applicants' income from all sources during 1952 at \$54,044.43 and their net profit at \$11,689.74, before deduction for income taxes. In arriving at the net profit, applicants have taken depreciation charges in the amount of \$5,610.10 and have incurred rent expense of \$8,100.

A review of the application indicates that applicants will have need for the moneys to be represented by the issue of the note for the purposes indicated. Accordingly, an order will be entered granting their requests.

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 by the issue of the note herein authorized is reasonably required by applicants for the purposes specified herein, 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. Harold R. Geister and Melvin A. Geister may issue a promissory note, on or before December 31, 1953, in the principal amount of \$28,000 for the purposes set forth in this application, and may execute a deed of trust to secure the payment of the same, which note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding.

2. Applicants 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 applicants have 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 28th day of July, 1953.

*R. I. [Signature]*  
 President

*Justin J. Casner*

*Harold R. Geister*

*Melvin A. Geister*

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

