

Decision No. 51534

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of)
 WILBUR O. WHITE and THELMA B. WHITE,)
 husband and wife (doing business)
 under the fictitious firm name and)
 style of SACRAMENTO VALLEY MILLING)
 COMPANY) for an Order Authorizing)
 Execution of a Promissory Note and)
 a Deed of Trust and Mortgage of)
 Chattels to Secure said Note.)
 -----)

Application
No. 36976

O P I N I O N

Wilbur O. White and Thelma B. White, applicants herein doing business as Sacramento Valley Milling Company, are engaged in the wholesale and retail buying and selling of feed, seed, grain, fertilizer and insecticide and other agricultural products and in the public utility warehouse business at Williams and Ord Bend. In this application they seek authorization to execute a deed of trust and a mortgage of chattels and to issue a note in the total amount of \$50,000.

Applicants report that they intend to acquire or construct additional warehouse and other facilities at both locations at a total estimated cost of \$51,992.26, and that they desire to borrow \$50,000 of the amount from Anglo California National Bank, the borrowing to be represented by a note payable in equal annual installments of \$5,000 commencing May 1, 1956, with interest at the rate of 5% per annum, the payment to be secured by a deed of trust and a mortgage of chattels.

Financial statements filed with the Commission show that the greater part of applicants' revenue is derived from their

nonutility operations. For the eight months ended February 28, 1955, they report gross revenues of \$255,359, of which \$20,272 is derived from storage operations. They report total net profit for the period of \$64,256, after making provision for depreciation of \$20,855. Their financial position at the close of February of this year is indicated in the following condensed balance sheet:

Assets

Fixed assets -		
Cost of land and properties	\$315,279	
Less-depreciation reserve	<u>102,011</u>	
Net fixed assets		\$213,268
Other assets		11,105
Current assets -		
Cash	12,314	
Notes and accounts receivable	18,300	
Other current assets	<u>15,667</u>	
Total current assets		<u>46,281</u>
Total		<u>\$270,654</u>

Liabilities and Capital

Long-term debt	\$ 28,489
Current liabilities	25,378
Proprietorship capital	<u>216,787</u>
Total	<u>\$270,654</u>

From a review of the application and of the financial statements it appears clear that applicants do not have sufficient cash on hand to meet the cost of the new facilities but that their assets and earnings are ample to warrant an order approving the additional borrowing.

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,

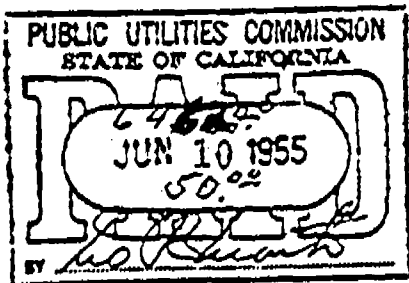
IT IS HEREBY ORDERED as follows:

1. Wilbur O. White and Thelma B. White, on and after the effective date hereof and on or before October 31, 1955, may execute a deed of trust and a mortgage of chattels and may issue a note in the amount of \$50,000 for the purposes set forth in this application, said deed of trust, mortgage of chattels and note to be in, or substantially in, the same form as those filed in this proceeding.

2. Wilbur O. White and Thelma B. White 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 applicants have paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California, this 7th day of June, 1955.



[Signature]
President
[Signature]
[Signature]
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Commissioners