

Decision No. 52015

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )	
EVELYN O. SIMMONDS, doing business as :	
WEST BERKELEY EXPRESS AND DRAYING CO., )	Application
for authority to execute a promissory :	No. 37307
note and a deed of trust on certain )	
real property. :	
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O P I N I O N

This is an application for an order authorizing Evelyn O. Simmonds to execute a deed of trust and to issue a note in the principal amount of \$35,000 for the purpose of refinancing outstanding indebtedness, making down payments on additional equipment, and providing working capital.

Applicant is engaged in operating the West Berkeley Express and Draying Co. as a highway common carrier for the transportation of general commodities, with certain exceptions, between Antioch, San Francisco Bay Area, San Jose, and certain intermediate points, and also between points and places in the "San Francisco-East Bay Cartage Zone." She reports a present obligation to Bank of America National Trust and Savings Association, other than for equipment obligations, in the sum of approximately \$11,000, consisting of short-term loans incurred for funds necessary for conducting the business.

In order to repay approximately \$10,000 of the short-term loans, to make down payments on proposed purchases of equipment consisting of four pickup and delivery trucks and two line-haul tractors, and to provide working capital, applicant has made arrangements to

execute a deed of trust and to issue a note to Bank of America National Trust and Savings Association in the amount of \$35,000 payable in monthly installments of \$350, including interest at the rate of five per cent per annum on the monthly decreasing balances.

In her 1954 annual report applicant reports operating revenues for the year in the amount of \$348,127 and a net loss of \$1,336, after deducting depreciation charges; however, in the amount of \$20,847. For the first seven months of 1955, applicant reports operating revenues of \$233,812; and a net loss of \$1,006, after deducting \$11,582 for depreciation. The application shows applicant's financial position at July 31, 1955, which is summarized as follows:

Assets

Current assets -		
Cash	\$ 424.56	
Accounts receivable	7,241.78	
Prepaid expenses	11,828.31	
Inventories	2,858.89	
Deposit with Transport Clearings	<u>2,500.00</u>	
Total current assets		\$24,853.54
Carrier operating property -		
Cost	\$170,178.90	
Depreciation reserve	<u>110,524.70</u>	
Net carrier operating property		59,654.20
Franchise		8,200.21
Deferred debits		<u>663.16</u>
Total		<u>\$93,371.11</u>

Liabilities and Capital

Current liabilities -		
Notes and accounts payable	\$ 39,554.77	
Accrued liabilities	5,791.45	
Equipment obligations due within one year	<u>16,730.72</u>	
Total current liabilities		\$62,076.94
Equipment obligations due after one year		<u>3,869.64</u>
Total liabilities		65,946.58
Proprietor's investment		<u>27,424.53</u>
Total		<u>\$93,371.11</u>

Applicant states that the additional working capital will make possible the reduction in current liabilities, bringing them into balance with current assets, enabling her to operate in a much more desirable financial manner. She anticipates that the additional equipment, plus economies already instituted, will make possible the conversion of the existing small loss into a profit for the full year of 1955. The depreciation accruals should be more than ample to meet the payments on the note.

Upon a review of this matter we are of the opinion that an order should be entered granting applicant's request.

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 applicant 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. Evelyn O. Simmonds, on and after the effective date hereof and on or before December 31, 1955, may execute a deed of trust in, or substantially in, the same form as that filed in this proceeding as Exhibit D, and may issue her promissory note in the principal amount of not exceeding \$35,000 in, or substantially in, the same form as that filed in this proceeding as Exhibit C, for the purposes specified in the application.

2. Evelyn O. Simmonds 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 fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$35.

Dated at San Francisco California, this 1<sup>st</sup> day of October, 1955.

[Signature]  
President

[Signature]  
[Signature]

[Signature]  
Commissioners

