

Decision No. 54885

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
F. J. BURNS DRAYING, a California)	
corporation, for authority to)	Application No. 38959
execute a promissory note and)	
mortgage of chattels.)	
-----)	

OPINION AND ORDER

F. J. Burns Draying, a corporation, has filed this application for authorization to execute a mortgage of chattels and to issue a promissory note in the principal amount of \$28,890 for the purpose of refinancing outstanding indebtedness.

Applicant is engaged in operating a highway common carrier service for the transportation of general commodities, with certain exceptions, between points in Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara counties under the authority of certificates of public convenience and necessity granted by Decision No. 50870, dated December 14, 1954, and Decision No. 51813, dated August 9, 1955. For the year 1956 it reports operating revenues of \$677,222.16 and net profit of \$17,244.39, before providing for federal income taxes.

A balance sheet of applicant at December 31, 1956, condensed from Exhibit D attached to the application, is as follows:

<u>Assets</u>	
Current assets	\$ 55,965.98
Prepaid expenses and deposits	9,998.31
Carrier operating property, less depreciation	98,168.65
Warehouse equipment, less depreciation	12,731.77
Organization expense	4,398.80
Total	<u>\$181,263.51</u>
<u>Liabilities</u>	
Current liabilities	\$ 85,405.98
Equipment obligations	9,465.29
Deferred credits	297.63
Capital stock	74,608.41
Surplus	11,486.20
Total	<u>\$181,263.51</u>

Applicant proposes to issue a note to Pacific National Bank of San Francisco in the amount of \$28,890, including carrying charges of \$1,890, payable in monthly installments of \$1,000 each for 11 months, and \$17,890 at the end of the twelfth month, for the purpose of paying an unsecured obligation incurred for obtaining \$27,000 of working capital. The payment of the note is to be secured by a mortgage of chattels covering equipment set forth in Exhibit C attached to the application.

The Commission has considered this application and is of the opinion that a public hearing is not necessary, 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, except as otherwise authorized, is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. F. J. Burns Draying, on and after the effective date hereof and on or before August 31, 1957, may execute a mortgage of chattels and may issue a note in the principal amount of not exceeding \$28,890 for the purpose, and in accordance with terms, set forth in this application, such mortgage of chattels and note to be in, or substantially in, the same form as those filed in this proceeding.

2. F. J. Burns Draying 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 F. J. Burns Draying has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$29.

Dated at San Francisco, California, this 22nd day of APRIL, 1957.

[Signature]
President
[Signature]
[Signature]

Commissioners

