

60301

Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
ARTHUR R. ALTNOW, an individual
doing business as LODI TRUCK
SERVICE, for authority to execute
promissory notes, a chattel mortgage,
and deeds of trust.

Application No. 42400

O P I N I O N

This application was filed on June 23, 1960, for an order of the Commission authorizing Arthur R. Altnow, doing business as Lodi Truck Service, to execute deeds of trust and a mortgage of chattels and to issue three notes in the aggregate face amount of \$140,100.

Applicant is a highway common carrier operating generally between San Francisco, Stockton, Sacramento and Los Angeles and intermediate points. He reports that a tax deficiency of \$55,926.25, plus interest from March 1, 1960, has been assessed against him after extended negotiations and that he has made arrangements with Bank of America National Trust and Savings Association to borrow funds to meet this obligation, to refinance and consolidate existing bank borrowings, to liquidate equipment obligations and to pay miscellaneous expenses and fees.

The proposed borrowings will be represented by three notes: one to be in the amount of \$59,000, payable in one monthly installment of \$1,465, and thereafter in monthly installments of \$1,425, with interest at a 4% discount rate

and secured by mortgage of chattels; the second to be in the amount of \$48,600, payable in monthly installments of \$552 with interest at the rate of 6-1/2% per annum on decreasing balances and secured by a deed of trust on certain properties in Lodi; and the third to be in the amount of \$32,500, payable in monthly installments of \$370 with interest at the rate of 6-1/2% per annum on decreasing balances and secured by a deed of trust on certain properties in San Leandro. The monthly payments on the three notes will aggregate \$2,347.

Applicant's financial statements show that he has financed his operations primarily with proprietary capital, his balance sheet as of December 31, 1959, showing total assets of \$439,724, total liabilities of \$158,510 and net worth of \$281,214. The income statement for 1959 shows revenues of \$814,327 and net income, before depreciation charges, of \$52,022.

Analysis of the financial statements indicates that applicant does not have sufficient cash resources to meet his obligations but that he does have assets and earnings sufficient to support the borrowings and to service the proposed notes. We find and conclude, therefore, that the proposed note issues are for proper purposes, that the money, property or labor to be procured or paid for by such issues are reasonably required for the purposes specified herein, and that such purposes, except for the payment of taxes and interest, are not, in whole or in part, reasonably chargeable to operating expenses or to income. We will enter our order granting the application.

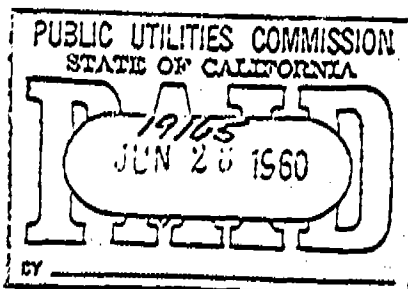
O R D E R

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary,

IT IS HEREBY ORDERED as follows:

1. Arthur R. Altnow, doing business as Lodi Truck Service, and his wife, may execute a mortgage of chattels and deeds of trust and may issue three notes in the aggregate face amount of not to exceed \$140,100 for the purposes specified herein, such documents to be in, or substantially in, the same form as those filed in this proceeding.
2. Arthur R. Altnow, doing business as Lodi Truck Service, 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 Arthur R. Altnow, doing business as Lodi Truck Service, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$141.

Dated at San Francisco, California, this
28th day of June, 1960.



[Signature] President
[Signature]
[Signature]
Theodore Jensen Commissioners