

ORIGINAL

Decision No. 67545

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

INGLEWOOD CITY LINES, a
Corporation,

for authority to issue its
promissory note and to secure
the same by a lien in the form
of a Deed of Trust on applicant's
real property, and for further
authority to use the proceeds of
the loan evidenced by said
promissory note for certain
corporate purposes, all as
herein set forth.

Application No. 46754
Filed June 23, 1964

O P I N I O N

This is an application for an order of the Commission authorizing Inglewood City Lines to issue a promissory note in the principal amount of \$62,000 and to execute a deed of trust.

Applicant is a California corporation engaged in business as a common carrier of passengers by means of motor coaches in and about the City of Inglewood. The application shows that the carrier has financed its investment in operating property, in part, by issuing two previously authorized 6% secured notes in the face amounts of \$40,000 and \$43,875, with outstanding balances of principal amounting to \$29,547.75.

at May 15, 1964, and \$8,775 at May 31, 1964, respectively. The company's April 30, 1964 balance sheet, attached to the application, shows that common stock equity of \$106,161 represented 70% of total capital.

The carrier proposes to borrow \$62,000 from Fox Hills Savings and Loan Association in order to obtain funds (a) for refinancing said previously authorized indebtedness, (b) to pay accrued interest thereon, (c) to pay an open account balance of approximately \$8,900 remaining on the purchase of three buses from El Paso City Lines, (d) to pay an unsecured short-term promissory note to its president in the approximate amount of \$4,700, and (e) to augment its working capital. The contemplated borrowing will be evidenced by a promissory note in the principal amount of \$62,000, bearing interest at the rate of 6% per annum and requiring payment of principal and interest in monthly installments of \$524 or more. Repayment of the debt will be secured by a deed of trust.

The Commission has considered this matter and finds that: (1) the proposed note issue is for proper purposes; (2) the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purposes specified herein; and (3) such purposes, except as otherwise authorized for payment of interest, are not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings, we conclude that the application should be granted. A public hearing is not necessary.

ORDER

IT IS ORDERED that:

1. Inglewood City Lines, on or after the effective date hereof and on or before September 30, 1964, may execute a deed of trust and may issue a promissory note in the principal amount of not to exceed \$52,000, in the form, under the terms and for the purposes set forth in this proceeding.

2. Inglewood City Lines shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Inglewood City Lines has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 21st day of JULY, 1964.

Frederick B. Hallock
President
John E. ...
George H. ...
William W. ...
Commissioners

