

RC-613190

BELT RAILWAY COMPANY OF CHICAGO 19799

RC 613190

R-3

Class of Railroads  
Approved by I&A  
B-180230-700000  
Expires 12-31-81

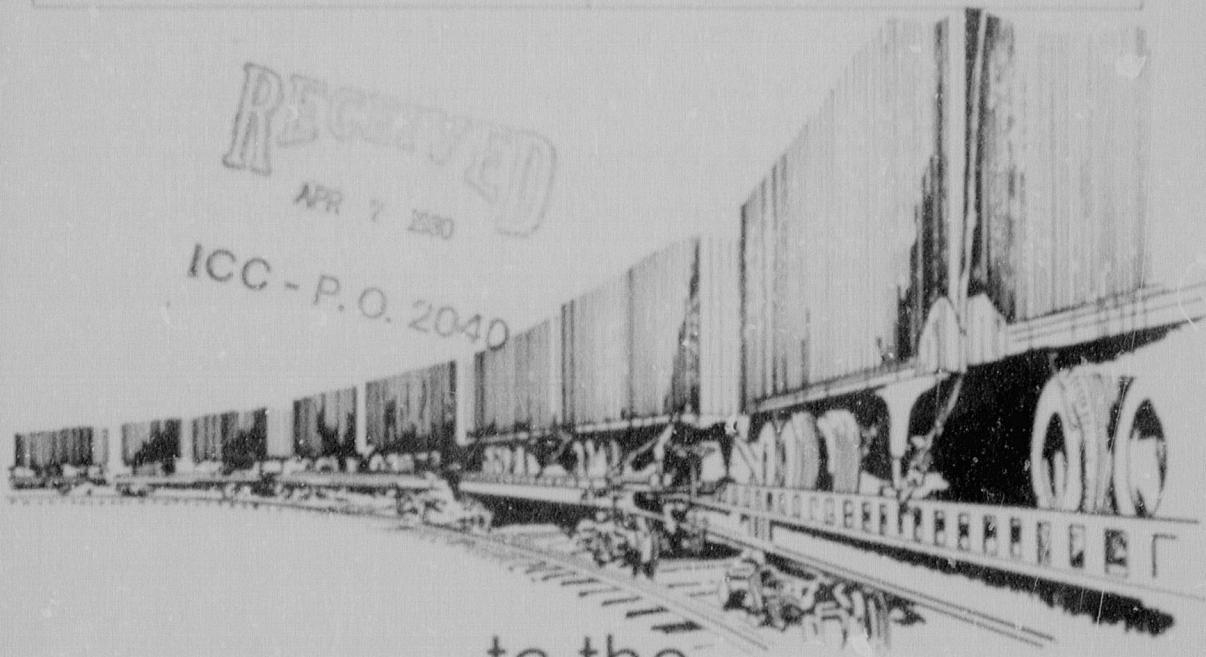
# annual report

070307

BELT RAILWAY COMPANY OF CHICAGO  
6900 SOUTH CENTRAL AVENUE  
CHICAGO, IL 60638

Correct name and address if different than above.

For name and address of reporting carrier  
check listing above or only as shown in full on separate.



to the  
Interstate Commerce Commission  
for the year ended December 31, 1979

# NOTICE

All switching and terminal companies will be designated class III railroads.

Switching and terminal companies are further classified as:

Class I. Exclusively switching. This class of companies includes all those performing switching service only, whether for joint account or for revenue.

Class II. Exclusively terminal. This class of companies includes all companies handling terminal trackage or terminal facilities only. Such as union passenger or freight stations, stockyards, etc., for which a charge is made, whether operated for joint account or for revenue. In case a bridge or ferry is part of the facilities operated by a terminal company, it should be included under this heading.

Class III. Both switching and terminal. Companies which perform both a switching and a terminal service. This class of companies includes all companies whose operations cover both switching and terminal service, as defined above.

Class IV. Bridge and ferry. This class of companies is confined to those whose operations are limited to bridges and ferries exclusively.

Class V. Mixed. Companies performing primarily a switching or a terminal service, but which also conduct a regular freight or passenger traffic. The revenues of this class of companies include, in addition to switching or terminal revenues, those derived from local passenger service, local freight service, participation in through movement of freight or passenger traffic, other transportation operations, and operations other than transportation.

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## 101. IDENTITY OF RESPONDENT

- 1 Give the exact name\* by which the respondent was known in law at the close of the year  
The Belt Railway Company of Chicago
- 2 State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? Annual Report R-2 filed--same name as #1.
- 3 If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made  
No changes made.
- 4 Give the location (including street and number) of the main business office of the respondent at the close of the year  
6200 South Central Avenue, Chicago, IL 60638
- 5 Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

| Line No. | Title of general officer    | Name and office address of person holding office at close of year |
|----------|-----------------------------|---|
| (a)      | (b)                         |   |
| 1        | President                   | R. E. Dowdy Address same as shown in #4 above.                    |
| 2        | Vice president              | R. G. Rubino "  |
| 3        | Secretary                   | G. D. Moriarty "  |
| 4        | Treasurer                   | " "   |
| 5        | Controller or auditor       | R. G. Rubino "  |
| 6        | Attorney or general counsel | R. F. Koproske "  |
| 7        | General manager             | R. E. Dowdy "   |
| 8        | General superintendent      | J. Overbey "  |
| 9        | General freight agent       | W. W. Hullett "   |
| 10       | General passenger agent     | " "   |
| 11       | General land agent          | D. J. Murray "  |
| 12       | Chief engineer              | W. G. Taylor "  |
| 13       |                             |   |

- 6 Give the names and office addresses of the several directors of the respondent at the close of the year, and the dates of expiration of their respective terms.

| Line No. | Name of director | Office address       | Term expires |
|----------|------------------|----------------------|--------------|
| (a)      | (b)              | (c)                  |              |
| 14       |                  |                      |              |
| 15       |                  |                      |              |
| 16       |                  |                      |              |
| 17       |                  | (See data on Page 9) |              |
| 18       |                  |                      |              |
| 19       |                  |                      |              |
| 20       |                  |                      |              |
| 21       |                  |                      |              |
| 22       |                  |                      |              |
| 23       |                  |                      |              |

- 7 Give the date of incorporation of the respondent 11-22-1882; state the character of motive power used diesel
- 8 Class of switching and terminal company Class III - S1
- 10 Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereto, effected during the year. If previously effected, show the partial of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees.

Respondent was organized under the general laws authorizing the formation of railroad companies in the State of Illinois passed in the year 1882.

- 11 State whether or not any contribution or subscription or group of corporate, or not, at the close of the year, the right to elect the major part of the board of directors, managers, or trustees of the respondent, and if so, give the names of all such corporations and state wherein each right was derived through statute or contract such as other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or for express agreements or some other source.

See data on Page 9.

- 12 Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subsequent corporations. Describe also the source of construction of the road of the respondent, and its financing.

See data on Page 9.

\*Use the usual word the whole and only when it is a part of the name, and distinguish between the words railroad and railway and between company and corporation.

## 187. STOCKHOLDERS

Give the names of the 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information in schedule No. 705, the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show each 30 security holders as of the close of the year.

| Line No. | Name of security holder | Address of security holder | Number of votes to which security holder was entitled | NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED |        |       |                                    |  |
|----------|-------------------------|----------------------------|---|---|--------|-------|------------------------------------|--|
|          |                         |                            |   | Stocks  |        |       |                                    |  |
|          |                         |                            |   | Preferred   |        |       | Other securities with voting power |  |
|          |                         |                            |   | Common  | Second | First |                                    |  |
| (a)      | (b)                     | (c)                        | (d)   | (e)   | (f)    | (g)   |                                    |  |
| 1        | AT&SFE Ry. Co.          | Chicago, IL                | 2,400   | 2,400   |        |       |                                    |  |
| 2        |                         |                            |   |   |        |       |                                    |  |
| 3        | BN Inc.                 | St. Paul, MN               | 2,400   | 2,400   |        |       |                                    |  |
| 4        |                         |                            |   |   |        |       |                                    |  |
| 5        | C&O Ry. Co.             | Cleveland, OH              | 2,400   | 2,400   |        |       |                                    |  |
| 6        |                         |                            |   |   |        |       |                                    |  |
| 7        | CRI&P RR Co.            | Chicago, IL                | 2,400   | 2,400   |        |       |                                    |  |
| 8        |                         |                            |   |   |        |       |                                    |  |
| 9        | ConRail Corp.           | Philadelphia, PA           | 4,800   | 4,800   |        |       |                                    |  |
| 10       |                         |                            |   |   |        |       |                                    |  |
| 11       | GTW RR Co.              | Detroit, MI                | 2,400   | 2,400   |        |       |                                    |  |
| 12       |                         |                            |   |   |        |       |                                    |  |
| 13       | ICG RR Co.              | Chicago, IL                | 2,400   | 2,400   |        |       |                                    |  |
| 14       |                         |                            |   |   |        |       |                                    |  |
| 15       | L&N RR Co.              | Louisville, KY             | 4,800   | 4,800   |        |       |                                    |  |
| 16       |                         |                            |   |   |        |       |                                    |  |
| 17       | MP RR Co.               | St. Louis, MO              | 2,400   | 2,400   |        |       |                                    |  |
| 18       |                         |                            |   |   |        |       |                                    |  |
| 19       | NW Ry. Co.              | Roanoke, VA                | 2,400   | 2,400   |        |       |                                    |  |
| 20       |                         |                            |   |   |        |       |                                    |  |
| 21       | Soo Line RR Co.         | Minneapolis, MN            | 2,400   | 2,400   |        |       |                                    |  |
| 22       |                         |                            |   |   |        |       |                                    |  |
| 23       |                         |                            |   |   |        |       |                                    |  |
| 24       |                         |                            |   |   |        |       |                                    |  |
| 25       |                         |                            |   |   |        |       |                                    |  |
| 26       |                         |                            |   |   |        |       |                                    |  |
| 27       |                         |                            |   |   |        |       |                                    |  |
| 28       |                         |                            |   |   |        |       |                                    |  |
| 29       |                         |                            |   |   |        |       |                                    |  |
| 30       |                         |                            |   |   |        |       |                                    |  |

Footnotes and Remarks

## STOCKHOLDERS REPORTS

1. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted 5-13-80  
(date)

☐ No annual report to stockholders is prepared.

## 200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

1. Accumulated deferred income tax charges related to current assets should be included in item 6, prepayments, while those related to non-current assets should be included in item 12, Other Deferred Debits.
2. Item 10, Special Funds and Other Investments and Advances, should be shown net of allowances and adjustments.
3. Amounts reported on line 12, Other Assets, should be shown net of depreciation and amortization.

| Line No.                | Item  | Respondent Only          |                              |
|-------------------------|---|--------------------------|------------------------------|
|                         |   | Balance at Close of Year | Balance at Beginning of Year |
|                         |   | (b)                      | (c)                          |
| CURRENT ASSETS          |   | \$                       | \$                           |
| 1                       | Cash  | 86,490                   | (368,498)                    |
| 2                       | Temporary Cash Investments  | -                        | 1,249,481                    |
| 3                       | Special Deposits  | 4,484                    | 2,518                        |
| 4                       | Accounts Receivable   | 8,208,152                | 6,228,890                    |
| 5                       | Allowance for Uncollectible Accounts                                      | (118,062)                | (131,531)                    |
| 6                       | Prepayments (and working funds)   | 266,645                  | 283,699                      |
| 7                       | Materials and Supplies  | 2,117,103                | 2,436,909                    |
| 8                       | Other Current Assets  | 79,319                   | 50,609                       |
| 9                       | Total Current Assets  | 10,644,131               | 9,752,077                    |
| OTHER ASSETS            |   |                          |                              |
| 10                      | Special Funds and Other Investments and Advances                          | 623,103                  | 786,238                      |
| 11                      | Other Assets (See detail on Page 5)                                       | 689,575                  | 655,411                      |
| 12                      | Other Deferred Debits (See detail on Page 5)                              | 446,569                  | 445,315                      |
| 13                      | Total Other Assets  | 1,759,247                | 1,886,964                    |
| ROAD AND EQUIPMENT      |   |                          |                              |
| 14                      | Road and Equipment Property (See Note 3 on Page 12)                       | 44,980,020               | 44,435,032                   |
| 15                      | Accumulated Depreciation and Amortization                                 | (10,161,785)             | (9,780,148)                  |
| 16                      | Net Road and Equipment  | 34,818,235               | 34,654,884                   |
| 17                      | Total Assets  | 47,227,613               | 46,294,825                   |
| CURRENT LIABILITIES     |   | \$                       | \$                           |
| 18                      | Loans and Notes Payable   | -                        | 240,300                      |
| 19                      | Accounts Payable  | 4,099,994                | 3,787,578                    |
| 20                      | Interest and Dividends Payable  | 395,631                  | 395,174                      |
| 21                      | Taxes Accrued   | 905,087                  | 762,836                      |
| 22                      | Other Current Liabilities   | 59,064                   | 52,313                       |
| 23                      | Equipment Obligations and Other Long-term Debt Due Within One Year        | 715,000                  | 127,000                      |
| 24                      | Total Current Liabilities   | 6,174,776                | 5,365,201                    |
| NON CURRENT LIABILITIES |   |                          |                              |
| 25                      | Funded Debt Unmatured   | 22,340,000               | 23,085,000                   |
| 26                      | Equipment Obligations   | -                        | -                            |
| 27                      | Capitalized Lease Obligations   | -                        | -                            |
| 28                      | Accumulated Deferred Income Tax Credits                                   | -                        | -                            |
| 29                      | Other Long-term Liabilities and Deferred Credits (See detail on Page 12a) | 11,466,015               | 12,084,370                   |
| 30                      | Total Non-current Liabilities   | 33,806,015               | 35,169,370                   |



## 206. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY--Continued

| Line No. | Item   | Respondent Only              |                                  |
|----------|--|------------------------------|----------------------------------|
|          |  | Balance at Close of Year (a) | Balance at Beginning of Year (c) |
|          | SHAREHOLDERS' EQUITY   | \$                           | \$                               |
|          | Capital Stock:   |                              |                                  |
| 31       | Common   | 3,120,000                    | 3,120,000                        |
| 32       | Preferred  | -                            | -                                |
| 33       | Discount on Capital Stock                                      | -                            | -                                |
| 34       | Additional Capital   | 1,396,698                    | 230,000                          |
|          | Retained Earnings:   |                              |                                  |
| 35       | Appropriated   | -                            | -                                |
| 36       | Unappropriated   | 2,724,124                    | 2,410,254                        |
| 37       | Net Unrealized Loss on Noncurrent Marketable Equity Securities | -                            | -                                |
| 38       | Less: Treasury Stock   | -                            | -                                |
| 39       | Net Shareholders' Equity                                       | 7,240,822                    | 5,760,254                        |
| 40       | Total Liabilities and Shareholders' Equity                     | 47,221,613                   | 46,294,825                       |

## NOTES AND REMARKS

Schedule 200 - Other Assets (Line 11):

Amount of unpaid bills due from various carriers subject to Section 77 of the Bankruptcy Act:

|  |           |
|--|-----------|
| Erie Lackawanna Ry. Co. (Filed 6-26-72)                        | \$ 58,815 |
| Chicago, Rock Island & Pacific RR Co. (Filed 3-17-75)          | 239,347   |
| Chicago, Milwaukee, St. Paul & Pacific RR Co. (Filed 12-19-77) | 156,485   |

Amounts due from bankrupt railroads above covering post bankruptcy period bills:

|                         |         |
|-------------------------|---------|
| Erie Lackawanna Ry. Co. | 232,503 |
|-------------------------|---------|

Other items

425

Total Line 11 - Other Assets (Account 741)

\$689,575

Schedule 200 - Other Deferred Debits (Line 12):

Federal and State of Illinois income tax deficiency amount assessed and paid which has been deferred pending final determination of disputed issues (See disclosure on Page 10).

\$221,865

A.F.E. projects and work service charges which cannot be cleared until additional information is received

221,122

Other items

1,582

Total Line 12 - Other Deferred Debits (Account 743)

\$446,569



## 200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none", and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads, (2) particulars concerning obligations for stock purchase options granted to officers and employees, and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts: None

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made: None

3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year: See notes and remarks below:

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund: (Actuarially computed value as of 1-1-79) 951,598

(c) Is any part of pension plan funded? Specify Yes X No

(i) If funding is by insurance, give name of insuring company: Not so funded.

(ii) If funding is by trust agreement (or trustee(s)): Continental Illinois National Bank & Trust Co.

Date of trust agreement or latest amendment: January 1, 1976

If respondent is affiliated in any way with the trustee(s), explain affiliation: Respondent has no other affiliations with the trustee.

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement: None

(e) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify Yes X No

If yes, give number of the shares for each class of stock or other security:

(f) Are voting rights attached to any securities held by the pension plan? Specify Yes X No. If yes, who determines how stock is voted?

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 6101): YES NO X

## NOTES AND REMARKS

## Schedule 200 - Explanatory Notes:

## 3. (a) - Procedure in accounting for pension funds

Respondent adopted a funded pension plan effective January 1, 1976, for which a favorable determination by the District Director of Internal Revenue, Chicago, Illinois, was received on September 17, 1976, to cover eligible employees retiring on or after January 1, 1976. Carrier pays to its plan trustee monthly an amount sufficient to cover both normal and prior service costs based on normal cost plus a thirty-year amortization of prior service costs. Any trustee or administrative costs of the plan are paid by respondent in addition to funding requirements. Accounting for all pension costs are recorded monthly as payments are made to the trust, and is consistent with handling in prior years.

Respondent also has an unfunded supplemental retirement plan which provides benefits to eligible employees having retired on or before December 31, 1975. Accounting for these benefit payments is recorded monthly and such handling is consistent with that in prior years.

Schedule 200 - Explanatory Statements: See data on Page 7.

## 220. RESULTS OF OPERATIONS

## INSTRUCTIONS

1. Furnish the requested information for the respondent pertaining to the results of operations for the year.
2. List dividends from investments accounted for under the cost method on the appropriate line under subsection "Other Income." List dividends accounted for under the equity method on the appropriate line under the "Income from Affiliated Companies" subsection of this schedule.

1. All dollar entries hereunder should be indicated in parentheses.

## NOTES AND REMARKS

Schedule 200 - Explanatory Statements:

- (1) Respondent carries a service interruption policy with the Imperial Insurance Co. Ltd. under which it will be entitled to daily indemnity for certain work stoppage losses at \$17,000 per day. The maximum amount of additional premiums respondent may be obligated to pay in the event such losses are sustained by other railroads is twenty times its daily indemnity, or \$340,000.
- (2) Respondent has no stock purchase options available to its officers and employees.
- (3) No entries have been made for net income or retained income restricted under provisions of mortgages or other arrangements.

Schedule 210 - Results of Operations:

- (1) Accounts of the Company are maintained in conformity with requirements prescribed for Class III railroads (switching and terminal companies) by the Interstate Commerce Commission, which substantially conform with generally accepted accounting principles.

The principal business of the Company is providing railroad terminal and switching facilities and services to domestic railroad corporations and to the shippers of such railroad corporations. A substantial part of the services rendered by the Company is in behalf of its shareholder railroad corporations which under an operating agreement with the Company ("Operating Agreement") have operating rights for the movement of their trains by the Company.

The Company's terminal operations are generally classified either as owner line operations or Company railway operations. The total expenses allocated to owner line operations are billed to the shareholder railroad corporations on an actual cost basis. As prescribed by Section 281 of the Internal Revenue Code and the Operating Agreement, the results of Company railway operations are incorporated in the Company's statement of account with its shareholder railroad corporations. Nonrelated terminal income and expenses of the Company are not included in the statement of account with its shareholder railroad corporations.

## 210. RESULTS &amp; OPERATIONS

| Line No. | Item<br>(a)   | Amount for Current Year<br>(b) |
|----------|---|--------------------------------|
|          | ORDINARY ITEMS  | 1                              |
|          | OPERATING INCOME  |                                |
|          | Railway Operating Income  | 22,584,080                     |
| 1        | Freight   |                                |
| 2        | Passenger   | 99,282                         |
| 3        | Other   | 22,603,362                     |
| 4        | Railway Operating Revenues  | 24,429,061                     |
| 5        | Railway Operating Expenses  | (1,745,699)                    |
| 6        | *Net Revenue from Railway Operations  |                                |
|          | OTHER INCOME  |                                |
| 7        | Dividend income   | 17,771                         |
| 8        | Interest income   | 1,843,248                      |
| 9        | Other income; Other   |                                |
|          | Income from affiliated companies  |                                |
| 10       | Dividends   |                                |
| 11       | Equity in undistributed earnings (losses)   | 1,861,019                      |
| 12       | Total other income (Lines 7-11)   | 2,115,320                      |
| 13       | Total income (Lines 6, 12)  |                                |
|          | OTHER DEDUCTIONS  |                                |
| 14       | Miscellaneous deductions from income  | 75,232                         |
| 15       | Fixed charges   | 1,705,724                      |
| 16       | Income after miscellaneous deductions and fixed charges                               | 334,364                        |
|          | UNUSUAL OR INFREQUENT ITEMS   |                                |
| 17       | Unusual or infrequent items (debit) credit  |                                |
| 18       | Income (loss) from continuing operations (before income taxes) (Line 16 less Line 17) | 124,364                        |
|          | PROVISIONS FOR INCOME TAXES   |                                |
|          | Income taxes on ordinary income:  | 9,494                          |
| 19       | Federal income taxes  | 11,000                         |
| 20       | State income taxes  |                                |
| 21       | Other income taxes  |                                |
| 22       | Provisions for deferring income taxes   | 313,870                        |
| 23       | Income before extraordinary items (Line 18 less Lines 19-22)                          |                                |
|          | EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES  |                                |
| 24       | Extraordinary items (net)   |                                |
| 25       | Income taxes on extraordinary items   |                                |
| 26       | Provisions for deferred taxes - Extraordinary items                                   |                                |
| 27       | Total extraordinary items (Lines 24-26)   |                                |
| 28       | Cumulative effect of changes in accounting principles                                 |                                |
| 29       | (Less applicable income taxes of \$   | 313,870                        |
| 30       | Net income  |                                |



## 212. RESULTS OF OPERATIONS--Continued

| Line No.  | Item   | Amount for Current Year (b) |
|---|--|-----------------------------|
| RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI) |  |                             |
| 31  | Net revenues from railway operations                                     | (1,745,699)                 |
| 32  | Income taxes on ordinary income  | (20,494)                    |
| 33  | Provisions for deferred income taxes                                     | -                           |
| 34  | Income from Lease of Road and Equipment                                  | 488,154                     |
| 35  | Rent for leased Roads and Equipment                                      | 2,473                       |
| 36  | Net Railway Operating Income (Loss)                                      | (1,851,874)                 |
| 37  | Various freight, passenger (Not applicable--switching and terminal only) | -                           |

## NOTES AND REMARKS

## Schedule 101 - Identity of Respondent (Page 2):

| 6. Names of Directors | Office Address   | Term Expires |
|-----------------------|------------------|--------------|
| J. C. Davis           | Chicago, IL      | 5-13-80      |
| E. R. Craven          | " "              | "            |
| R. G. Rayburn         | Cleveland, OH    | "            |
| D. W. Bennett         | Chicago, IL      | "            |
| A. M. Baldwin         | Philadelphia, PA | "            |
| A. B. Cravens         | Chicago, IL      | "            |
| J. M. Burdakin        | Detroit, MI      | "            |
| I. B. Hall            | Chicago, IL      | "            |
| K. C. Dufford         | Louisville, KY   | "            |
| R. D. Spence          | " "              | "            |
| H. S. Vierling        | Chicago, IL      | "            |
| S. F. Dunlap          | Roanoke, VA      | "            |
| D. H. Cavanaugh       | Minneapolis, MN  | "            |

## 11. Board of Directors - (Right to name):

Eleven railroad corporations had, at the close of the year, the right to name the board of directors of the respondent. Such right was derived through:

(a) Agreement dated November 1, 1912, as amended under I.C.C. P.D. 22190 effective January 1, 1967, and, (b) Title held by said railroad corporations to capital stock issued by the respondent. Control is based on capital stock holdings. For the names of such railroad corporations, see Schedule 107, Stockholders on Page 3.

## 12. History of Respondent:

From March 31, 1893, to August 15, 1981, respondent leased and operated the Belt Division of the Chicago and Western Indiana Railroad Company (CWI); when, pursuant to purchase option contained in the lease dated November 1, 1912, respondent purchased all such leased tracks, equipment and other facilities from the CWI (I.C.C. P.D. 22140). Said purchase was financed by issuance of long-term indebtedness, First Mortgage 4 5/8% S. F. Series "A" bonds, issued August 15, 1981, due August 15, 1987, in amount \$37,250,000.



## APPENDIX A

## SCHEDULE 210A. SUPPLEMENTAL INFORMATION FOR SWITCHING AND TERMINAL COMPANIES

| Local Facility  |         |           |                |
|---|---------|-----------|----------------|
| Category  | Debit   |           | Credit         |
| Way and Structures                                      | \$      | 206,659   | \$ 3,730,359   |
| Equipment   |         | 50,378    | 1,625,743      |
| Road  |         | -         | -              |
| Yard  |         | 331,900   | 6,989,913      |
| Other Transportation                                    |         | -         | -              |
| General and Administrative                              |         | 32,689    | 1,254,158      |
|   |         |           |                |
| 2 Depreciation Expense - way and structures - running   | \$      | -         |                |
| Depreciation Expense - way and structures - switching   |         | 205,071   |                |
| Depreciation Expense - way and structures - others      |         | -         |                |
| All other way and structures operating expenses         |         | 3,373,518 |                |
| Total Way and Structures Operating Expenses             |         | 3,578,589 |                |
| Depreciation Expense - locomotives                      |         | 175,581   |                |
| Depreciation Expense - freight cars                     |         | 6,450     |                |
| Depreciation Expense - other equipment (See note below) |         | 45,818    |                |
| 3 *Number of locomotive miles in yard switching service | Freight | 818,908   | Passenger NONE |

\*Number of locomotive miles in yard switching service should be computed in accordance with (25 A report) note 1.

## NOTES AND REMARKS

## Schedule 210A. Supplemental Information:

Line 2. Depreciation Expense - Other equipment includes the following accounts:

|                               |                 |
|-------------------------------|-----------------|
| Account 222 - Shop machinery  | \$ 9,820        |
| Account 222 - Other equipment | 35,998          |
| Total                         | <u>\$45,818</u> |

## General Disclosure Remarks:

Respondent is currently awaiting final settlement of litigation with the United States of America and the Internal Revenue Service for taxable years 1967 and 1969. An agreed stipulation between the parties involved establishing an overpayment of \$411,017 for tax year 1967, and a deficiency of \$7,102 for tax year 1969 was reviewed by the Joint Committee on Internal Revenue Taxation with no exceptions taken; and, an order was entered accordingly in the U. S. Tax Court on February 7, 1980, under Docket No. 3900-74. The case matter was forwarded on March 12, 1980, to the District Director at Kansas City, Missouri, for final processing. It is expected that this final processing will be completed shortly. (Also see note reference to Other Deferred Debits on Page 5).

## 130. ROAD AND EQUIPMENT PROPERTY

1 Give particulars of charges during the year on Road and Equipment property, and improvements on leased property.

2 Gross charges during the year should include disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, extensions of old lines, and for additions and betterments. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in columns (c) and (d), as may be appropriate, depending on the nature of the item. Adjustments in excess of \$100,000 should be explained.

3 Report on line 32 amounts not includable in the primary road accounts.

| Line No. | ITEM                               | Balance at beginning of year (b) | Gross charges during year (c) | Credits for property retired during year (d) | Balance at close of year (e) | Accrued depreciation at close of year (f) |
|----------|------------------------------------|----------------------------------|-------------------------------|--|------------------------------|---|
| 1 (1)    | Equipment                          | 648,675                          | -                             | 850  | 647,825                      | 67,657                                    |
| 2 (2)    | Land for transportation purposes   | 9,563,937                        | -                             | -  | 9,563,937                    | -   |
| 3 (3)    | Other right-of-way expenditures    | -                                | -                             | -  | -                            | -   |
| 4 (4)    | Grading                            | 4,397,917                        | 606                           | -  | 4,398,525                    | 155,365                                   |
| 5 (5)    | Tunnels and subways                | -                                | -                             | -  | -                            | -   |
| 6 (6)    | Bridges, trestles, and culverts    | 1,924,608                        | -                             | -  | 1,924,608                    | 993,741                                   |
| 7 (7)    | Elevated structures                | -                                | -                             | -  | -                            | -   |
| 8 (8)    | Ties                               | 1,033,680                        | 1,700                         | 1,597  | 1,033,983                    | -   |
| 9 (9)    | Rails                              | 3,299,410                        | 192,355                       | 552  | 3,491,213                    | -   |
| 10 (10)  | Other track material               | 2,711,905                        | 108,233                       | 16,295                                       | 2,803,843                    | -   |
| 11 (11)  | Ballast                            | 600,147                          | -                             | 429  | 599,818                      | -   |
| 12 (12)  | Track laying and surfacing         | 1,102,358                        | 4,163                         | 6,232  | 1,100,288                    | -   |
| 13 (13)  | Fences, snowsheds, and signs       | 13,083                           | -                             | -  | 13,083                       | 12,923                                    |
| 14 (14)  | Station and office buildings       | 1,157,867                        | 12,549                        | 9,986  | 1,160,430                    | 628,537                                   |
| 15 (15)  | Roadway buildings                  | 87,891                           | -                             | -  | 87,891                       | 40,459                                    |
| 16 (16)  | Water stations                     | 66,317                           | -                             | -  | 66,317                       | 32,111                                    |
| 17 (17)  | Fuel stations                      | 65,375                           | 5,029                         | -  | 70,404                       | 43,167                                    |
| 18 (18)  | Shops and enginehouses             | 739,668                          | -                             | -  | 739,668                      | 304,754                                   |
| 19 (19)  | Storage warehouses                 | -                                | -                             | -  | -                            | -   |
| 20 (20)  | Wharves and docks                  | 40,370                           | -                             | -  | 40,370                       | 41,126                                    |
| 21 (21)  | Coal and ore wharves               | -                                | -                             | -  | -                            | -   |
| 22 (22)  | TOFC/COFC terminals                | 346,632                          | 4,529                         | -  | 351,161                      | 145,801                                   |
| 23 (23)  | Communication systems              | 1,734,498                        | 149,097                       | -  | 1,883,595                    | 1,309,268                                 |
| 24 (24)  | Signals and interlockers           | 51,016                           | -                             | -  | 51,016                       | 19,637                                    |
| 25 (25)  | Power plants                       | 171,298                          | -                             | -  | 171,298                      | 63,020                                    |
| 26 (26)  | Power transmission systems         | 70,244                           | -                             | -  | 70,244                       | 34,122                                    |
| 27 (27)  | Miscellaneous structures           | 592,981                          | 199,006                       | 4,602  | 787,385                      | 374,267                                   |
| 28 (28)  | Roadway machines                   | 761,729                          | -                             | -  | 761,729                      | 357,882                                   |
| 29 (29)  | Public improvements - Construction | 424,649                          | 15,737                        | -  | 440,386                      | 114,838                                   |
| 30 (30)  | Shop machinery                     | 373,687                          | -                             | -  | 373,687                      | 132,872                                   |
| 31 (31)  | Power plant machinery              | -                                | -                             | -  | -                            | -   |
| 32       | Other (specify and explain)        | 31,984,242                       | 693,005                       | 40,543                                       | 32,636,704                   | 4,859,686                                 |
| 33       | Total Expenditures for Road        | 5,709,574                        | 37,469                        | 18,008                                       | 5,726,955                    | 4,873,654                                 |
| 34 (32)  | Locomotives                        | 234,642                          | 10,488                        | -  | 245,130                      | 184,238                                   |
| 35 (33)  | Freight-train cars                 | -                                | -                             | -  | -                            | -   |
| 36 (34)  | Passenger-train cars               | -                                | -                             | -  | -                            | -   |
| 37 (35)  | Highway revenue equipment          | -                                | -                             | -  | -                            | -   |
| 38 (36)  | Floating equipment                 | -                                | -                             | -  | -                            | -   |
| 39 (37)  | Work equipment                     | 121,158                          | -                             | 2,411  | 118,747                      | 69,463                                    |
| 40 (38)  | Miscellaneous equipment            | 317,280                          | 74,192                        | 44,185                                       | 347,287                      | 154,748                                   |
| 41       | Total Expenditures for Equipment   | 6,382,654                        | 122,149                       | 66,604                                       | 6,439,419                    | 5,102,100                                 |

## 336. ROAD AND EQUIPMENT PROPERTY—Continued

| Line No. | ITEM                          | Balance at beginning of year (b) | Gross charges during year (c) | Credits for property retired during year (d) | Balance at close of year (e) | Accrued depreciation at close of year (f) |
|----------|-------------------------------|----------------------------------|-------------------------------|--|------------------------------|---|
| 42 (76)  | Interest during construction  |                                  |                               |  |                              |   |
| 43 (77)  | Other expenditures - General  |                                  |                               |  |                              |   |
| 44       | Total General Expenditures    | -                                | -                             | -  | -                            | -   |
| 45       | Total                         | 38,366,896                       | 815,154                       | 105,927                                      | 39,076,123                   | 10,161,786                                |
| 46 (80)  | Other elements of investments |                                  |                               |  |                              |   |
| 47 (90)  | Construction work in progress |                                  |                               |  |                              |   |
| 48       | Grand Total                   | 38,366,896                       | 815,154                       | 105,927                                      | 39,076,123                   | 10,161,786                                |

## NOTES AND REMARKS

1. The amount of \$500 is used by respondent as the minimum debit or credit for additions and betterments to property investment accounts as authorized by Mr. John A. Grady, Director, Bureau of Accounts, Interstate Commerce Commission, by letter dated February 29, 1972, file ACA-AH.
2. Depreciation accruals were discontinued in 1977 for Account (13) Fences, snowsheds and signs; and, accruals for Account (23) Wharves and docks were discontinued in 1979; as account assets are fully depreciated. Interstate Commerce Commission, Bureau of Accounts, letter dated April 21, 1976, file ACA-RJL.

| 3. Schedule 200 - Road and Equipment                 | At Close of Year | At Beginning of Year |
|--|------------------|----------------------|
| Property on Page 4 (Line 14):                        |                  |                      |
| 731 - Road   | \$32,633,392     | \$31,980,930         |
| " - Equipment  | 6,429,400        | 6,372,069            |
| 732 - Road   | 3,312            | 3,312                |
| " - Equipment  | 10,019           | 10,285               |
| Total road and equipment                             | \$39,076,123     | \$38,366,896         |
| 737 - Property used in other than carrier operations | 5,902,898        | 6,069,036            |
| Total - Line 14 on Page 4                            | \$44,980,020     | \$44,435,932         |



## NOTES AND REMARKS

Schedule 200 - Other long-term liabilities  
and deferred credits (Page 4 - Line 29):

(A) Amounts payable: Affiliated Companies (See note):

| <u>Name of creditor company</u> | <u>Balance at</u><br><u>close of year</u> | <u>Balance at</u><br><u>beginning of year</u> |
|---------------------------------|---|---|
| 1. AT&T Ry. Co.                 | \$ 1,067,576                              | \$ 950,435                                    |
| 2. BN Inc.                      | 1,372,834                                 | 1,280,826                                     |
| 3. C&O Ry. Co.                  | 1,545,820                                 | 1,523,768                                     |
| 4. CH&P RR Co.                  | 705,732                                   | 671,961                                       |
| 5. ConRail                      | 408,558                                   | 296,435                                       |
| 6. Erie-Lack Ry. Co.            | -   | 874,413                                       |
| 7. Penn Central Transp. Co.     | -   | 292,285                                       |
| 8. QTW RR Co.                   | 338,054                                   | 326,358                                       |
| 9. ICC RR Co.                   | 1,181,772                                 | 1,147,428                                     |
| 10. L&N RR Co.                  | 897,548                                   | 814,704                                       |
| 11. MP RR Co.                   | 488,415                                   | 426,208                                       |
| 12. N&W Ry. Co.                 | 1,434,502                                 | 1,350,317                                     |
| 13. Soo Line RR Co.             | 1,227,334                                 | 1,075,726                                     |
| 14. Unaudited items - Sec. 281  | 766,040                                   | 766,040                                       |
| 15. <u>Total - Account 769</u>  | <u>11,375,205</u>                         | <u>11,726,904</u>                             |

(B) Other account items:

|   |          |          |
|---|----------|----------|
| Unamortized debt discount (Acct. 770.1) | (38,514) | (43,486) |
|---|----------|----------|

Suspense items requiring additional  
 information before proper disposal  
 can be made (Acct. 784)

|                                   |                     |                     |
|-----------------------------------|---------------------|---------------------|
|                                   | <u>129,324</u>      | <u>330,952</u>      |
| <u>Total - (Line 29 - Page 4)</u> | <u>\$11,466,015</u> | <u>\$12,084,370</u> |

NOTE. Amounts payable to affiliated companies represent obligations of the respondent covering advances made to respondent, pursuant to provisions of Agreement dated November 15, 1960, between the respondent and the affiliated companies, as required by respondent to meet its sinking fund obligations of the First Mortgage Bond of Trust dated August 15, 1962; together with obligations of the respondent covering advances made to respondent pursuant to Operating Agreement made as of September 1, 1962, covering amounts required by respondent for capital improvements.

Such amounts advanced to respondent are unsecured indebtedness which will be repaid when funds are available or as otherwise provided pursuant to provisions of the Operating Agreement made as of September 1, 1962. Interest at six percent per annum is accrued and paid on these amounts as provided in the Operating Agreement stated above. Unaudited items will be adjusted when final determination is made of the income tax litigation involving tax years 1967 and 1969 (See disclosure statement on Page 107).

Pursuant to the terms of the Operating Agreement, if a shareholder railroad corporation fails to properly pay same payable by it under such agreement, or ceases to be the beneficial owner of at least 2,400 shares of the Company's capital stock, any and all benefits under the Operating Agreement shall be terminated. During 1972, the Company transferred \$1,156,795 to paid-in surplus, representing advances received in prior years from the former shareholder railroad corporations.



## 350. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show on columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and on columns (d) and (f) show the depreciation base used in computing the depreciation charges for the month of December, in columns (e) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 28 and 36 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the *cost* thereof are included in the cost for equipment and account Nos. 218 and 221. It should include the cost of equipment owned and leased to others, when the rents therefrom are included in the cost for equipment accounts Nos. 218 and 221. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of composite rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show, in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account Nos. 207 and 221.

4. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes non-depreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

6. Discontinuance in the respective sections of this schedule may be omitted if either total road leased from others or total equipment of leased from others represents less than 5% of total road owned or total equipment owned, respectively.

| Line No. | Account  | OWNED AND USED       |                  |                                 | LEASED FROM OTHERS   |                  | Annual composite rate (percent) |
|----------|--|----------------------|------------------|---------------------------------|----------------------|------------------|---------------------------------|
|          |  | Depreciation base    |                  | Annual composite rate (percent) | Depreciation base    |                  |                                 |
|          |  | At beginning of year | At close of year |                                 | At beginning of year | At close of year |                                 |
|          |  | (a)                  | (b)              |                                 | (c)                  | (d)              |                                 |
|          |  | \$                   | \$               | %                               | \$                   | \$               | %                               |
|          | <b>ROAD</b>                                    |                      |                  |                                 |                      |                  |                                 |
| 1        | (1) Engineering                                | 454,401              | 454,293          | .65                             |                      |                  |                                 |
| 2        | (3) Grading                                    | 4,233,762            | 4,234,170        | .10                             | 12,903               | 12,903           | .20                             |
| 3        | (4) Other right-of-way expenditures            |                      |                  |                                 |                      |                  |                                 |
| 4        | (5) Tunnels and subways                        |                      |                  |                                 |                      |                  |                                 |
| 5        | (6) Bridges, trestles, and culverts            | 1,858,327            | 1,858,327        | 1.30                            | 15                   | 15               | 1.30                            |
| 6        | (7) Elevated structures                        |                      |                  |                                 |                      |                  |                                 |
| 7        | (13) Fences, snowsheds, and signs (*)          | 12,944               | 12,944           | 3.30                            |                      |                  |                                 |
| 8        | (16) Station and office buildings              | 1,137,726            | 1,149,567        | 2.70                            |                      |                  |                                 |
| 9        | (17) Roadway buildings                         | 86,747               | 87,455           | 2.55                            |                      |                  |                                 |
| 10       | (18) Water stations                            | 64,728               | 64,728           | 2.10                            |                      |                  |                                 |
| 11       | (19) Fuel stations                             | 63,439               | 68,468           | 2.30                            |                      |                  |                                 |
| 12       | (20) Shops and enginehouses                    | 718,837              | 718,837          | 1.65                            |                      |                  |                                 |
| 13       | (22) Storage warehouses                        |                      |                  |                                 |                      |                  |                                 |
| 14       | (23) Wharves and docks (*)                     | 39,115               | 39,115           | 3.00                            |                      |                  |                                 |
| 15       | (24) Coal and ore wharves                      |                      |                  |                                 |                      |                  |                                 |
| 16       | (25) Oil C/O D/C terminals                     |                      |                  |                                 |                      |                  |                                 |
| 17       | (26) Communications systems                    | 331,917              | 356,255          | 3.50                            |                      |                  |                                 |
| 18       | (27) Signals and interlocks                    | 1,651,448            | 1,800,545        | 2.71                            |                      |                  |                                 |
| 19       | (29) Power plants                              | 53,460               | 53,460           | 1.30                            |                      |                  |                                 |
| 20       | (31) Power transmission systems                | 168,077              | 168,077          | 3.61                            |                      |                  |                                 |
| 21       | (33) Miscellaneous structures                  | 68,229               | 68,229           | 2.90                            |                      |                  |                                 |
| 22       | (37) Roadway machines                          | 590,077              | 784,559          | 6.65                            |                      |                  |                                 |
| 23       | (39) Public improvements—<br>Construction      | 739,800              | 739,980          | .35                             |                      |                  |                                 |
| 24       | (44) Shop machinery                            | 420,835              | 436,391          | 2.30                            |                      |                  |                                 |
| 25       | (45) Power plant machinery                     | 368,537              | 368,537          | 2.45                            |                      |                  |                                 |
| 26       | All other road accounts                        |                      |                  |                                 |                      |                  |                                 |
| 27       | Amortization (other than depreciable property) |                      |                  |                                 |                      |                  |                                 |
| 28       | Total road                                     | 13,062,406           | 13,464,137       | 1.60                            | 12,918               | 12,918           | .20                             |
|          | <b>EQUIPMENT</b>                               |                      |                  |                                 |                      |                  |                                 |
| 29       | (52) Locomotives                               | 5,696,010            | 5,732,847        | 3.88                            |                      |                  |                                 |
| 30       | (53) Freight-train cars                        | 227,499              | 237,987          | 2.72                            |                      |                  |                                 |
| 31       | (54) Passenger-train cars                      |                      |                  |                                 |                      |                  |                                 |
| 32       | (55) Highway revenue equipment                 |                      |                  |                                 |                      |                  |                                 |
| 33       | (56) Floating equipment                        |                      |                  |                                 |                      |                  |                                 |
| 34       | (57) Work equipment                            | 120,535              | 117,423          | 2.17                            |                      |                  |                                 |
| 35       | (58) Miscellaneous equipment                   | 317,233              | 147,241          | 10.00                           |                      |                  |                                 |
| 36       | Total equipment                                | 6,361,277            | 6,435,498        | 3.43                            | -                    | -                | -                               |
| 37       | GRAND TOTAL                                    | 19,423,683           | 19,899,635       | XXXXXX                          | 12,918               | 12,918           | XXXXXX                          |

(\*) See Note 2 - Page 12.

# THE IMPORTANT CHANGES DURING THE YEAR

Hereunder state the following matters, summarizing the statements in accordance with the inquiries, and if no changes of the character below mentioned occurred during the year, state that fact. Changes in mileage should be stated to the nearest hundredth of a mile. If any changes reported in this schedule occurred under authority granted by the Commission in accordance with convenience and necessity, issued under paragraph (1)(B) or (2)(C) of section 1 of the Interstate Commerce Act or otherwise, specify, and if such authority should in each case be made by check number or otherwise, so may be appropriate.

1. All portions of road put in operation or abandoned, giving for each the length of road, and for dates of beginning operations or of abandonment.
2. All other important physical changes, including but not limited to new tracks, etc.
3. All leaseholds acquired or surrendered, giving for dates, the length of term, the names of parties, the rates, and for other conditions.
4. All agreements for trackage rights acquired or surrendered, giving for dates, the length of term, the names of parties, the rates, and for other conditions.
5. All consolidations, mergers, and reorganizations effected, giving particulars.
6. All stocks issued, giving for purposes for which issued, the names of stocks, and the amounts issued, and describing all the actual consideration received, giving for amounts and for values, give similar information concerning all stocks retired in 1979.
7. All bonded debt issued, giving for purposes for which issued, the names of securities and the amounts issued, and describing all the actual consideration received, giving for amounts and for values, also give particulars concerning any bonded debt paid or otherwise retired, stating for date acquired, (b) date retired or cancelled, (c) par value of amount retired.
8. All other important financial changes.
9. All changes in and all additions to franchise rights, describing fully for the actual consideration given therefor, and stating (b) the parties from whom acquired, if no consideration was given, state that fact.
10. In case the respondent has not yet begun operation, and no construction has been started, during the year, state fully the reasons therefor.
11. All additional sources of information elsewhere provided for which the respondent was asked to furnish in its report.

(4) Supplemental agreement to extend for a period of five years, beginning November 1, 1978, and ending October 31, 1983, the trackage agreement under which respondent has operated over portions of the lines of The Baltimore and Ohio Chicago Terminal Railroad Company from a connection with the line of respondent near Argo, IL, northerly to a connection with the Proviso Yard tracks of the Chicago and North Western Railway Company, a distance of approximately ten miles, all in Cook County, IL. Approved and decided on July 3, 1979, by the Interstate Commerce Commission under Finance Docket No. 22284 (Sub. No. 1).

(4) Pursuant to wire agreement dated October 18, 1979, and respondent's letter of acceptance dated November 15, 1979, the Kansas City Terminal Railway Company as Directed Rail Carrier (DRC) of the Chicago, Rock Island & Pacific Railroad Company (Rock Island), assumed all obligations of Rock Island under the terms and conditions of respondent's Amended Operating Agreement dated September 1, 1962, as supplemented (excluding stock ownership and voting rights), effective 12:01 A. M., October 5, 1979, and continuing until the expiration of the period provided for under Directed Service Order No. 1998 and Section 11125 of the Interstate Commerce Act.

(7) Funded Debt Unmatured (See Note 12 - History of Respondent on Page 9).

- (a) First Mortgage and Debt of Trust, Series "A," Bankers Trust Co. of N. Y.
- (b) Date of issue: August 15, 1962
- (c) Date of maturity: August 15, 1987
- (d) Interest rate per annum: 4 5/8%
- (e) Interest due dates: 2/15 and 8/15.
- (f) Total actually issued \$37,250,000
- (g) Total nominally issued None
- (h) Rescinded and cancelled 14,165,000
- (i) Rescinded and held by respondent 30,000
- (j) Actually outstanding at close of year 23,055,000

If returns under items 1 and 2 include any first main track owned by respondent representing past construction or present plans, state the following particulars:

Miles of road constructed N/A

Miles of road abandoned N/A

The next Miles of road constructed is intended to show the mileage of first main track used to extend respondent's lines, and should not include tracks abandoned and tracks used to shorten the distance between two points without serving any new territory.

## T10. INVENTORY OF EQUIPMENT

## INSTRUCTIONS

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (c) give the number of units of equipment purchased, built in company shops, or otherwise acquired.
3. Units leased to others for a period of one year or more are reportable in column (c). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (e). Units rented from others for a period less than one year should not be included in column (c). Units installed during the year and subsequently leased to others for a year or more should be shown as added in column (c), as retired in column (d), and included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the basic number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with booster controls for independent operating at terminals.
5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from external conductive. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "Electric" unit includes all units which receive electric power from an overhead contact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other self-powered unit" includes all units other than diesel or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives but which draw their power from the "mother" unit, e.g., boosters, slugs, etc.
7. Column (h) should show aggregate capacity for all units reported in column (g), as follows: For locomotive units, report the manufacturers rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes), or tractive effort of steam locomotive units; for freight train cars report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

## UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

| Line No.         | Item                                     | Units in service of respondent at beginning of year | Units installed during year | Number retired during year | Units at close of year |                    |  |  |                  |
|------------------|--|---|-----------------------------|----------------------------|------------------------|--------------------|--|--|------------------|
|                  |  |   |                             |                            | Owned and used         | Leased from others | Total in service of respondent (e + f) | Aggregate capacity of units reported in col. (h) | Leased to others |
|                  | (a)                                      | (b)   | (c)                         | (d)                        | (e)                    | (f)                | (g)                                    | (h)  | (i)              |
| LOCOMOTIVE UNITS |  |   |                             |                            |                        |                    |  |  |                  |
| 1                | Diesel-Freight A units                   |   |                             |                            |                        |                    |  | (h.p.)   |                  |
| 2                | Diesel-Freight B units                   |   |                             |                            |                        |                    |  |  |                  |
| 3                | Diesel-Passenger A units                 |   |                             |                            |                        |                    |  |  |                  |
| 4                | Diesel-Passenger B units                 |   |                             |                            |                        |                    |  |  |                  |
| 5                | Diesel-Multiple purpose A units          |   |                             |                            |                        |                    |  |  |                  |
| 6                | Diesel-Multiple purpose B units          |   |                             |                            |                        |                    |  |  |                  |
| 7                | Diesel Switching A units                 | 41  |                             |                            | 35                     | 6                  | 41                                     | 65,600   |                  |
| 8                | Diesel Switching B units                 | 7   |                             |                            | 7                      |                    | 7                                      | 8,400  |                  |
| 9                | Total (lines 1-6)                        | 48  | -                           | -                          | 42                     | 6                  | 48                                     | XXXXXX   | -                |
| 10               | Electric Locomotives                     |   |                             |                            |                        |                    |  |  |                  |
| 11               | Other self-powered units                 |   |                             |                            |                        |                    |  |  |                  |
| 12               | Total (lines 9, 10 and 11)               | 48  | -                           | -                          | 42                     | 6                  | 48                                     | XXXXXX   | -                |
| 13               | Auxiliary units                          |   |                             |                            |                        |                    |  |  |                  |
| 14               | Total Locomotive Units (lines 12 and 13) | 48  | -                           | -                          | 42                     | 6                  | 48                                     | XXXXXX   | -                |



## UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS—Cont.

| Line No. | Item  | Units in service of respondent at beginning of year<br>(b7) | Units installed during year<br>(c7) | Number retired during year<br>(d7) | Units at close of year |                            |  |  |                          |
|----------|---|---|-------------------------------------|------------------------------------|------------------------|----------------------------|--|--|--------------------------|
|          |   |   |                                     |                                    | Owned and used<br>(e7) | Leased from others<br>(f7) | Total in service of respondent (e + f)<br>(g7) | Aggregate capacity of units reported in col. (g)<br>(h7) | Leased to others<br>(i7) |
|          | FREIGHT TRAINCARS   |   |                                     |                                    |                        |                            |  | Tons   |                          |
| 15       | Plain Box Cars - 40' (B100-129)   |   |                                     |                                    |                        |                            |  |  |                          |
| 16       | Plain Box Cars - 50' (B200-229; B300-329)   |   |                                     |                                    |                        |                            |  |  |                          |
| 17       | Equipped Box Cars (All Code A)  |   |                                     |                                    |                        |                            |  |  |                          |
| 18       | Plain Gondola Cars (G092-192; G401-492)   |   |                                     |                                    |                        |                            |  |  |                          |
| 19       | Equipped Gondola Cars (All Codes C and E)   |   |                                     |                                    |                        |                            |  |  |                          |
| 20       | Covered Hopper Cars (L 151-154; 251-254; 351-354; 451-454; 551-554; 651-654; 751-754)   |   |                                     |                                    |                        |                            |  |  |                          |
| 21       | Open Top Hopper Cars - General Service (All Code H)   |   |                                     |                                    |                        |                            |  |  |                          |
| 22       | Open Top Hopper Cars - Special Service (All Codes J and K)  |   |                                     |                                    |                        |                            |  |  |                          |
| 23       | Refrigerator Cars - Non Mechanical (R 100, 101, 102, 103, 105, 106, 107, 108, 109, 113, 114, 115, 116, R 200, 201, 202, 203, 205, 206, 207, 208, 209, 213, 214, 215, 216) |   |                                     |                                    |                        |                            |  |  |                          |
| 24       | Refrigerator Cars - Mechanical (R 104, 110, 112, 117, 118, R 204, 210, 211, 212, 217, 218)  |   |                                     |                                    |                        |                            |  |  |                          |
| 25       | Flat Cars - TOFC/COFC (F 071-078 F 871-978)   |   |                                     |                                    |                        |                            |  |  |                          |
| 26       | Flat Cars - Multi-level (All Code V)  |   |                                     |                                    |                        |                            |  |  |                          |
| 27       | Flat Cars - General Service (F 101-109, F 201-209)  |   |                                     |                                    |                        |                            |  |  |                          |
| 28       | Flat Cars - Other (F 11-149, 211-289, 301-389, 401-540)   |   |                                     |                                    |                        |                            |  |  |                          |
| 29       | Tank Cars - Under 22,000 Gallons (T-0, T-1, T-2, T-3, T-4, T-5)   |   |                                     |                                    |                        |                            |  |  |                          |
| 30       | Tank Cars - 22,000 Gallons and over (T-6, T-7, T-8, T-9)  |   |                                     |                                    |                        |                            |  |  |                          |
| 31       | All Other Freight Cars (F 191-199, 241-299, 391-399, L 000-048, L 471, L 090-L 090, All "L" with second number, 6, 1, 161, L 764)   |   |                                     |                                    |                        |                            |  |  |                          |
| 32       | Total (Lines 15-31)   | None  | -                                   | -                                  | -                      | -                          | None   | -  | -                        |
| 33       | Caboose (All 76)  | 28  | -                                   | -                                  | 28                     | -                          | 28   | XXXXXX   | -                        |
| 34       | Total (Lines 32-33)   | 28  | -                                   | -                                  | 28                     | -                          | 28   | XXXXXX   | -                        |



## 728. TRACKS

(1) Show, by State, total mileage of tracks owned and operated by respondent: Illinois 358.61

(2) Show, by State, mileage of tracks owned but not operated by respondent: First main track, None

second and additional main tracks, None industrial tracks, None

yard track and sidings, 10.36 total, all tracks, 10.36 (3)

(4) Road is completed from (Line Haul Railways only)? - to - Total distance, -

or less

(5) Road located at (Switching and Terminal Companies only)? Chicago, Illinois

(6) Gauge of track 4 ft. 8 1/2 in.

(7) Weight of rail See below lb. per yard

(8) Kind and number per mile of cross-ties Treated hardwood 2,978 per mile

(9) State number of miles electrified: First main track - second and additional main tracks -

passing tracks, crossovers, and turn-outs - yard switching tracks -

(10) Ties applied in replacement during year: Number of cross-ties, 26,604 average cost per tie, \$ 14.17 number of feet

(11) R.M. of switch and bridge ties, 245,070 average cost per M feet (R.M.), \$ 458.96

(12) Rail applied in replacement during year: Tons (2,000 pounds), 3,433 Weight per year, See below average

cost per ton, \$ 243.95

Insert names of places

(13) Mileage should be stated to the nearest whole mile.

## (6) Weight of rail:

| Pounds per yard | Miles of all tracks |
|-----------------|---------------------|
| 115             | 127.49              |
| 112             | 6.08                |
| 105             | 8.10                |
| 100             | 181.00              |
| 50              | 1.01                |
| 85              | .29                 |
| 80              | 22.69               |
| 75              | 11.73               |
| 65              | 1.02                |
| Total           | 359.41              |

## (10) Weight of rail applied in replacement in 1979:

| New or second-hand | Weight per yard (lbs.) | Net tons replaced |
|--------------------|------------------------|-------------------|
| New                | 115                    | 798               |
| S.H.               | 115                    | 2,353             |
| New                | 100                    | 4                 |
| S.H.               | 100                    | 278               |
| Total              |                        | 3,433             |

## (6) Miles of tracks operated at close of year:

|                          |        |
|--------------------------|--------|
| Owned by respondent      | 358.89 |
| Leased from CP&W Ry. Co. | .52    |
| Total (All in Illinois)  | 359.41 |

## (11) Changes during the year - Increases in mileage

| Line No. | Class | Miles of running tracks, passing tracks, crossovers, etc. |                       |                          |                        | Miles of yard switching tracks | Total | Remarks |
|----------|-------|---|-----------------------|--------------------------|------------------------|--------------------------------|-------|---------|
|          |       | Miles of Road   | Miles of second mains | Miles of all other mains | Miles of passing, etc. |                                |       |         |
| 1        |       |   |                       |                          |                        |                                |       |         |
| 2        |       |   |                       |                          |                        |                                |       |         |
| 3        |       |   |                       |                          |                        |                                |       |         |
| 4        |       |   |                       |                          |                        |                                |       |         |
| Total    |       |   |                       |                          |                        |                                |       |         |
| 5        | Incr. |   |                       |                          |                        |                                | None  |         |

## Decreases in mileage

|       |       |  |  |  |  |     |     |  |
|-------|-------|--|--|--|--|-----|-----|--|
| 6     | 1     |  |  |  |  | .12 | .12 |  |
| 7     |       |  |  |  |  |     |     |  |
| 8     |       |  |  |  |  |     |     |  |
| 9     |       |  |  |  |  |     |     |  |
| Total |       |  |  |  |  |     |     |  |
| 10    | Decr. |  |  |  |  | .12 | .12 |  |

NOTE: (Class 1) Line owned by respondent.  
 (Class 2) Line owned by proprietary companies.  
 (Class 3) Line operated under lease for a specific sum.  
 (Class 4) Line operated under contract or agreement for contingent rent.  
 (Class 5) Line operated under trackage rights.



## VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondent. It should be verified, also, by the oath of the president or other chief officer of the respondent, unless the respondent states on the last preceding page of this report that such chief officer has no control over the accounting of the respondent. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

## OATH

(To be made by the officer having control of the accounting of the respondent)

State of Illinois  
County of Cook  
R. G. Rubino makes oath and says that he is Vice President & Controller  
(Insert here the name of the affiant) (Insert here the official title of the affiant)  
of The Belt Railway Company of Chicago  
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Interstate Commerce Commission, effective during the said period; that he has carefully examined the said report, and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including January 1, 1979, to and including December 31, 1979

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and  
county above named, this 31<sup>st</sup> day of March 1980  
My commission expires June 2, 1982

(Signature of officer authorized to administer oaths)

## SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of Illinois  
County of Cook  
B. E. Dowdy makes oath and says that he is President & General Manager  
(Insert here the name of the affiant) (Insert here the official title of the affiant)  
of The Belt Railway Company of Chicago  
(Insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operation of its property during the period of time from and including JANUARY 1, 1979, to and including December 31, 1979

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and  
county above named, this 31<sup>st</sup> day of MARCH 1980  
My commission expires June 2, 1982

(Signature of officer authorized to administer oaths)