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COLORADO & SOUTHERN RAILROAD CO.

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R-1

CLASS I RAILROADS

APPROVED BY GAO

B-180230 (R0470)

EX-101 31-81

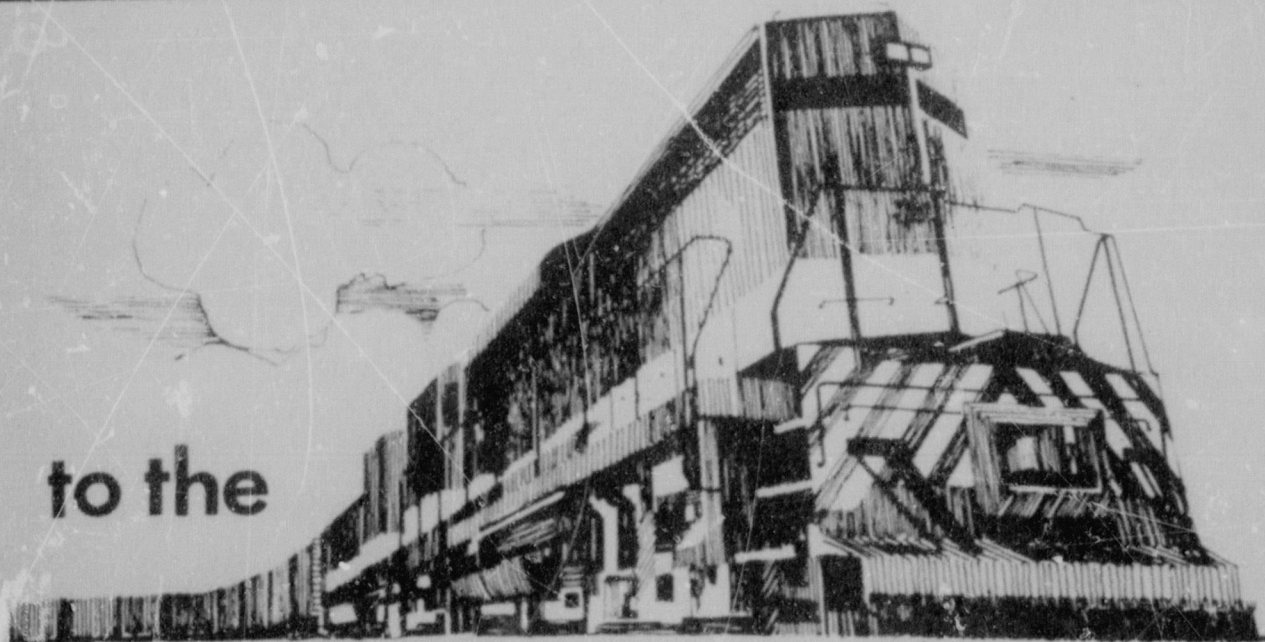
UNIT SERVICES

Annual report

RC000327 COLORADO SOUT 1 0 1 132100
CS COLORADO & SOUTHERN RY CO.
P.O. BOX 5144
DENVER CO 80217

Correct name and address if different than shown.

Full name and address of reporting carrier.
(Use mailing label on original, copy in full on duplicate.)



to the

Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1978

NOTICE

1. This Form for annual report should be filled out in triplicate and two copies returned to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C. 20423, by March 31, of the year following that for which the report is made. One copy should be retained in respondent's files. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act:

Sec. 20. (1) The Commission is hereby authorized to require annual, periodical, or special reports from carriers, lessors, * * * (as defined in this section), to prescribe the manner and form in which such reports shall be made, and to require from such carriers, lessors, * * * specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary, classifying such carriers, lessors, * * * as it may deem proper for any of these purposes. Such annual reports shall give an account of the affairs of the carrier, lessor, * * * in such form and detail as may be prescribed by the Commission.

(2) Said annual reports shall contain all the required information for the period of twelve months ending on the 31st day of December in each year, unless the Commission shall specify a different date, and shall be made out under oath and filed with the Commission as its office in Washington within three months after the close of the year for which report is made, unless additional time be granted in any case by the Commission.

(7)(b) Any person who shall knowingly and willfully make, cause to be made, or participate in the making of, any false entry in any annual or other report required under this section to be filed, * * * or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment: * * *

(7)(c) Any carrier or lessor, * * * or any officer, agent, employee or representative thereof, who shall fail to make and file an annual or other report with the Commission within the time fixed by the Commission, or to make specific and full, true, and correct answer to any question within thirty days from the time it is lawfully required by the Commission so to do, shall forfeit to the United States the sum of one hundred dollars for each and every day it shall continue to be in default with respect thereto.

(8) As used in this section * * * the term "carrier" means a common carrier subject to this part, and includes a receiver or trustee of such carrier; and the term "lessor" means a person owning a railroad, a water line, or a pipe line, leased to and operated by a common carrier subject to this part, and includes a receiver or trustee of such lessor, * * *

The respondent is further required to send to the Bureau of Accounts immediately upon preparation, two copies of its latest annual report to stockholders. See schedule B, page 2.

2. The instructions in this Form should be carefully observed, and each question should be answered fully and accurately, whether it has been answered in a previous annual report or not. Except in cases where they are specifically authorized, cancellations, arbitrary check marks, and the like should not be used either as partial or as entire answers to inquiries. If any inquiry, based on a preceding inquiry in the present report form is, because of the answer rendered to such preceding inquiry, inapplicable to the person or corporation in whose behalf the report is made, such notation as "Not applicable; see page _____, schedule (or line) number _____" should be used in answer thereto, giving precise reference to the portion of the report showing the facts which make the inquiry inapplicable. Where the word "none" truly and completely states the fact, it should be given as the answer to any particular inquiry or any particular portion of an inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations may be used in stating dates.

3. Every annual report should, in all particulars, be complete in itself, and references to the returns of former years should not be made to take the place of required entries except as herein otherwise specifically directed or authorized.

4. If it be necessary or desirable to insert additional statements, typewritten or other, in a report, they should be legibly made on durable paper and, wherever practicable, on sheets not larger than a size of the Form. Inserted sheets should be securely attached, preferably at the inner margin, attachment by pins or clips is insufficient.

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parenthesis.

6. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.

7. Railroad corporations, mainly distinguished as operating companies and lessor companies, are for the purpose of report to the Interstate Commerce Commission divided into classes. An operating company is one whose officers direct the business of transportation and whose books contain operating as well as financial accounts; and, a lessor company, the property of which being leased to and operated by another company, is one that maintains a separate legal existence and keeps financial but not operating accounts. In making reports, lessor companies use Annual Report Form R-4.

Operating companies (including switching and terminal) are broadly classified, with respect to their operating revenues, according to the following general definitions:

Class I companies are those having annual operating revenues of \$50,000,000, or more. For this class, Annual Report Form R-1 is provided.

Class II companies are those having annual operating revenues less than \$50,000,000 but in excess of \$10,000,000. For this class, Annual Report Form R-2 is provided.

Class III companies are those having annual operating revenues of \$10,000,000, or less. For this class, Annual Report Form R-3 is provided.

In applying this classification to any switching or terminal company which is operated as a joint facility of owning or tenant railroads, the sum of the annual railway operating revenues, the joint facility rent income, and the returns to joint facility credit accounts in operating expenses, shall be used in determining its class.

Switching and terminal companies are further classified as:

Class S1. Exclusively switching. This class of companies includes all those performing switching service only, whether for joint account or for revenue.

Class S2. Exclusively terminal. This class of companies includes all companies furnishing 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 S3. 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 S4. Bridge and ferry. This class of companies is confined to those whose operations are limited to bridges and ferries exclusively.

Class S5. M&T. 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.

8. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the meanings below stated:

Commission means the Interstate Commerce Commission. Respondent means the person or corporation in whose behalf the report is made. The Year means the year ended December 31 for which the report is made. The Close of the Year means the close of business on December 31 of the year for which the report is made, or, in case the report is made for a shorter period than one year, it means the close of the period covered by the report. The Beginning of the Year means the beginning of business on January 1 of the year for which the report is made, or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. The Preceding Year means the year ended December 31 of the year next preceding the year for which the report is made. The Uniform System of Accounts for Railroad Companies means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.

ANNUAL REPORT

OF

THE COLORADO AND SOUTHERN RAILWAY COMPANY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1978

Name, official title, telephone number, and office address of officer in charge of correspondence with the Commission regarding this report:

(Name) D. A. RAINEY (Title) Asst Vice President & Controller

(Telephone number) (303) 458-7200 Ext 2435
(Area code) (Telephone number)

(Office address) Post Office Box 5144 Denver, Colorado 80217
(Street and number, city, State, and ZIP code)

SPECIAL NOTICE

The attention of the respondent is directed below to certain particulars, if any, in which this report form differs from the corresponding form for the preceding year. It should be understood that mention is not made of necessary substitutions of dates or, in general, such other things as simple modifications intended to make requirements clearer, other minor adjustments, and typographical corrections.

This form is revised to (1) improve the disclosure of information for both ratemaking and financial reporting purposes, (2) eliminate unnecessary reporting, and (3) conform with the new Uniform System of Accounts for Railroads, effective January 1, 1978. Other significant modifications include revisions to conform with reporting under generally accepted accounting principles and the rearrangement of schedules in a more orderly fashion to make them easier to complete and use.

Revisions to this report resulted from the following Commission's decisions copies of which were served on all railroads:

<u>Docket</u>	<u>Title</u>	<u>Decision Date</u>
36141	Corporate Disclosure Regulations	5/13/77 1/19/78 3/23/78
36367	Revision to the Uniform System of Accounts for Railroads	6/13/77
36604	Accounting for leases	10/12/77
36557	Reporting Railroad Track Maintenance	4/14/78
36725	Revision to the Annual Report Forms for Class I and Class II Railroads	7/18/78
36767	Accounting for Certain Government Transfers by Railroads and Motor Carriers of Passengers	6/30/78

ESTIMATE OF REPORTING BURDEN

In order to monitor carrier reporting burden and to satisfy GAO requirements pursuant to Section 409 of Public Law 93-153, it is requested that you voluntarily furnish your best estimate of the number of hours required to complete this report.

In making this estimate, please include the number of hours attributable to preparing the report and for any special compilations contained in this report that would not generally be maintained or used by management for purposes other than reporting to this Commission.

Total hours (Estimated) 615

TABLE OF CONTENTS

SCHEDULE NO.	PAGE	SCHEDULE NO.	PAGE
Schedules Omitted by Respondent	A	1	Supporting Schedule: Equipment
Identity of Respondent	B	2	Specialized Service Subschedule - Transportation
Voting Powers and Elections	C	3	Remunerations from National Railroad Passenger Corporation
Comparative Statement of Financial Position	200	5	Miscellaneous Rent Income
Comparative Results of Operations	210	9	Miscellaneous Rents (Expense)
Retained Earnings - Unappropriated	220	11	Separately Operated Properties - Profit or Loss
Retained Earnings - Appropriated	221	12	Analysis of Federal Income Taxes
Transfers from Government Authorities	225	13	Railway Tax Accruals
Capital Stock	230	14	Items in Selected Income and Retained Earnings Accounts for the Year
Statement of Changes in Financial Position	240	17	Payments for Services Rendered by Other Than Employees and Affiliates
Changes in Working Capital	241	18	Contingent Assets and Liabilities
Working Capital Information	245	20	Guaranties and Suretyships
Items in Selected Current Asset Accounts	300	22	Mileage Operated at Close of Year
Compensating Balances and Short-Term Borrowing Arrangements	301	24	Mileage Owned but not Operated by Respondent at Close of Year
Investments and Advances Affiliated Companies	310	26	Miles of Road at Close of Year - By States and Territories (Single Track) (For Other Than Switching and Terminal Companies)
Investments in Common Stocks of Affiliated Companies	310A	28	Miles of Tracks at Close of Year - By States and Territories (For Switching and Terminal Companies Only)
Special Funds and Other Investments	315	30	Changes During the Year
Securities, Advances, and Other Intangibles Owned or Controlled Through Nonreporting Subsidiaries	319	32	Inventory of Equipment
Property Used in Other Than Carrier Operations	325	34	Unit Cost of Equipment Installed During Year
Other Assets and Other Deferred Debits	329	36	Highway Motor Vehicle Operations
Road and Equipment Property Owned	330	38	Highway Motor Vehicle Enterprises in Which the Respondent had a Direct or Indirect Financial Interest During the Year
Improvements on Leased Property	330A	40	Track and Traffic Conditions
Accumulated Depreciation - Road and Equipment Owned and Used	332	42	Ties Laid in Replacement
Investment in Railroad Property Used in Transportation Service (By Company)	335A	43	Ties Laid in Additional Tracks and in New Lines and Extensions
Investment in Railway Property Used in Transportation Service (By Property Accounts)	335B	44	Rails Laid in Replacement
Other Elements of Investment	339	45	Rails Laid in Additional Tracks and in New Lines and Extensions
Depreciation Base and Rates - Road and Equipment Leased to Others	340	46	Weight of Rail
Accumulated Depreciation - Road and Equipment Leased to Others	342	47	Summary of Track Maintenance
Depreciation Base and Rates - Road and Equipment Owned and Used and Leased from Others	350	49	Ten-Year Summary of Track Maintenance
Depreciation Base and Rates - Improvements to Road and Equipment Leased from Others	351	50	Deferred Maintenance - Tracks
Accumulated Depreciation - Improvements to Road and Equipment Leased from Others	352	51	Switching and Terminal Traffic and Car Statistics
Accrued Liability - Leased Property	355	52	Consumption of Fuel by Motive-Power Units
Capitalized Capital Leases	361	53	Grade Crossings - A - Railroad With Railroad
Noncapitalized Capital Leases	362	54	Grade Crossings - B - Railroad With Highway
Operating Leases	363	55	Grade Separations
Lessee Disclosure	364	62	Contracts, Agreements, Etc.
Items in Selected Current Liability Accounts	370	63	Competitive Bidding - Clayton Antitrust Act
Other Long Term Liabilities and Other Deferred Credits	379	64	Compensation of Officers, Directors, Etc.
Railway Operating Expenses	410		Verification
Way and Structures	412		Memoranda
Rent for Leased Roads and Equipment	413		
Rents for Interchanged Freight Train Cars and Other Freight Carrying Equipment	414		

A. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.

2. Show below the pages excluded and indicate the schedule number and title in the space provided below.

3. If no schedules were omitted indicate "NONE".

Page	Schedule No.	Title
20	301	Compensating Balances and Short-Term Borrowing Arrangements.
26-27	315	Special Funds and Other Investments
28-29	319	Securities, Advances, and Other Intangibles owned or controlled through Non-Reporting Subsidiaries
42	340	Depreciation Base and Rates - Road and Equipment leased to Others
43	342	Accumulated Depreciation - Road and Equipment leased to Others.
47	355	Accrued Liability - Leased Property
54	379	Other Long-Term Liabilities and Other Deferred Credits
67-71	419	Remunerations from National Railroad Passenger Corp
74	445	Separately Operated Properties - Profit or Loss
86	-	Notes and Remarks
98	716	Highway Motor-Vehicle Enterprises in Which the Respondent Had a Direct or Indirect Financial Interest During the Year
106	745	Switching and Terminal Traffic and Car Statistics
112	850	Competitive Bidding - Clayton AntiTrust Act

B. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any *changes* of the nature referred to under inquiry 4 on this page have taken place during the year covered by this report, they should be explained in detail.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report The Colorado and Southern Railway Company
2. Date of incorporation December 19, 1898
3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
Organized under Section 298 (Page 180) et seq General Laws of State of Colorado
1877 (being Section 1 (Page 651) et seq of Chapter 139, Vol 4, 1935 Colorado
Statutes Annotated.) Charter renewed in 1948 for 50 years under Section 58 and 59,
Chapter 41, Volume 2, 1935 Colorado Statutes Annotated.
4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars.
No changes during year
5. Class of switching and terminal company Nat applicable
 [See section No. 7 on inside of front cover]

STOCKHOLDERS REPORTS

6. 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 April 15, 1979
 (date)

☐ No annual report to stockholders is prepared.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 100 per share; first preferred, \$ 100 per share; second preferred, \$ 100 per share; debenture stock, \$ - per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings? yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? NO If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing Do not close stock books - latest record December 22, 1978
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 480,000 votes, as of December 22, 1978 for paymt of dividends (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 225 stockholders.
9. Give the names of the thirty 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 the names and addresses of the thirty 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 such thirty 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		
				Common	Second	First
(a)	(b)	(c)	(d)	(e)	(f)	
* 1	Citibank N.A.	New York, N.Y.	358 563	284 386	61 421	12 756
2	Furlington Northern Inc	St. Paul, MN.	79 941	16 466	12 014	51 461
3	Bruce Cumming	Green Valley, AZ.	8 630	2 984	1 010	4 636
4	Mrs. Fannye Gottlieb, Trustee					
5	UTA 6-12-72 FBO Mrs. F.B. Gottlieb	PalmSprgs, CA	2 610	-	600	2 010
6	Norte & Company	New York, N.Y.	1 825	64	390	1 371
7	Roy B. David	Tulsa, Oklahoma	1 470	-	50	1 420
8	Wayne Hummer & Company	Chicago, Illinois	1 390	100	1 200	90
9	John A. Gulick, TR, John A.					
10	Gulick Trust, 10-30-74	Tulsa Oklahoma	1 167	840	127	200
11	Miss Carolyn L. Koch	Ft. Lauderdale, FLA.	1 000	-	600	400
12	Frederick W. Koch	Victoria, Australia	1 000	-	600	400
13	John Joseph Koch	Ft. Lauderdale, Fla.	1 000	-	600	400
14	Fell & Wolfe Oil Co	Tulsa, Oklahoma	885	340	25	526
15	Harold M. Parker	Tulsa, Oklahoma	810	700	110	-
16	William J. Marshall	Evanston, Illinois	700	-	-	700
17	Harold M. Parker, Trustee UDI					
18	dtd 6-9-71 M/B Harold M. Parker	Tulsa, Oklahoma	679	-	569	110
19	Robert O. Alert	Tulsa, Oklahoma	590	-	390	200
20	Paul Wilson	Stroud, Oklahoma	570	300	-	270
21	Albert J. O'Rourke & Helen					
22	D. O'Rourke	Tulsa, Oklahoma	550	200	300	50
23	Eli Frank	Bronx, N.Y.	490	490	-	-
24	Merrill, Lynch, Pierce, Fenner					
25	Smith, Inc	New York, N.Y.	470	170	150	150
26	E.F. Hutton & Company Inc	New York, N.Y.	462	-	400	62
27	Grace V. Czeskleba, Trustee					
28	C.B. Czeskleba Testamentary	Trust Tulsa, Okla	448	226	222	-
29	Marvel Alert	Tulsa, Oklahoma	400	100	-	300
30	Hare & Company	New York, N.Y.	400	-	-	400

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 438,536
 votes cast.
11. Give the date of such meeting. May 18, 1978
12. Give the place of such meeting. Denver, Colorado

NOTES AND REMARKS

- *1. As Corporate Trustee under F/R/M dated 2-1-21 as Supplemental of Burlington Northern Inc (Successor by merger effective 3-2-70 to Chicago, Burlington & Quincy Railroad Company)
- | 2. Top 30 Position | Type of Voting Rights |
|---|--|
| 1. Citibank, N.A. | Burlington Northern Inc has sole voting rights |
| 4. Mrs. Fannye Gottlieb Trustee | Has sole voting rights |
| 5. Norte & Company | Joseph C. Galdi, President of Galdi Securities Corp has sole voting rights |
| 7. Wayne Hummer & Company | No reply to our letter |
| 8. John A. Gulick, Trustee | Has sole voting rights |
| 15. Harold M. Parker, Trustee | Has sole voting rights |
| 20. Merrill, Lynch, Pierce, Fenner and Smith, Inc | No reply to our letter |
| 21. E. F. Hutton and Company, Inc | Has no voting right but will not reveal identity of beneficial owners |
| 22. Grace V. Czeskleba, Trustee | Has sole voting rights |
| 24. Hare and Company | No reply to our letter |
| 25. Paine, Webber, Jackson, & Curtis | No reply to our letter |
| 28. Robert N. Bynum and Robert Bynum, Trustee | Has shared voting rights |

Page 3 (concluded)

Paine, Webber, Jackson, & Curtis	New York, N.Y.	400	-	400	-
Mrs. Matilda Langenbrunner	St. Paul, MN.	390	-	100	290
Jack A. Jossem	Lake Worth, Fla	381	-	-	381
Robert N. Bynum & Robert Bynum					
Trustee for Robert N. Bynum Trust dated 8/1/72	Tulsa, OK	350	350	-	-
Juanita W. Rutherford	Chicago, Illinois	333	-	-	333
John A. Manley	Scarsdale, N. Y.	326	-	-	326

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
in Thousands

Line No.	Account No.	Title (r)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Asset</u>	\$	\$
1	701	Cash	328	(92)
2	702	Temporary Cash Investments (Sch. 300)	1 200	5 525
3	703	Special Deposits (Sch. 300)		
		Accounts Receivable		
4	705	- Interline and Other Balances	107	1 146
5	706	- Customers	2 251	990
6	707, 704	- Other	852	167
7	709, 708	- Accrued Accounts Receivables	8 059	7 125
8	708.5	- Receivables from Affiliated Companies	6 176	3 977
9	709.5	- Less: Allowance for Uncollectible Accounts		
10	711, 714, 710	Prepayments (and working funds) (Sch. 300)	265	513
11	712	Materials and Supplies	3 504	2 452
12	713	Other Current Assets (Sch. 300)	8	35
13		Total Current Assets	22 750	21 838
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	308	223
15	721, 721.5	Investments and Advances, Affiliated Companies (Sch. 310)	31 226 9 210	10 055
16	737, 738	Property used in other than Carrier Operations (less depreciation)	3 399	2 283
		\$ (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	10 034	12 619
18	743, 744	Other Deferred Debits (Sch. 329)	518	320
19		Total Other Assets	52 493 23 469	25 500
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	49 041	46 520
21		Equipment	76 239	78 108
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(33 613)	(31 635)
24		Net road and Equipment	91 667	92 993
25		Total Assets	167 112 137 886	140 331

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Begin- ning of Year (c)
		<u>Current Liabilities</u>	\$	\$
26	751	Loans and Notes Payable (Sch. 370)	510	3 705
27	752	Accounts Payable; Interline and Other Balances	989	890
28	753, 754	Other Accounts Payable	701	641
29	755, 756	Interest and Dividends Payable	10 850	13 528
30	757	Payables to Affiliated Companies	9 673	6 222
31	759	Accrued accounts Payable (Sch. 370)	1 549	1 468
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	169	333
33	763	Other Current Liabilities (Sch. 370)	2 756	2 837
34	764	Equipment obligations and other long-term debt due within one year	27 197	29 624
35		Total Current Liabilities		
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured	14 497	14 579
37	766	Equipment obligations	18 779	21 453
38	766.5	Capitalized Lease Obligations	3 087	3 160
39	768	Debt in default	12 211	6 837
40	769	Accounts payable; Affiliated Companies	(85)	(117)
41	770.1, 770.2	Unamortized debt premium		
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities	10 044	10 059
44	786	Accumulated deferred income tax credits	3 093	2 571
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	61 626	58 542
46		Total Noncurrent Liabilities		
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)	48 000	48 000
48		Common Stock	31 000	31 000
49		Preferred Stock	17 000	17 000
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings:		
52	797	Appropriated (221)		16 884
53	798	Unappropriated (220)	81089 4 063	11542(12 719)
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock	77089 40 063	76436 52 165
56		Net Stockholders Equity	167912 137 886	11542 140 331
57		Total Liabilities and Shareholders Equity		

NOTES AND REMARKS

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 contracts, 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. (Dollars in thousands)

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. _____ Note 2 - Page 8

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. _____ \$ 1 772

(c) Is any part of pension plan funded? Specify. Yes ☒ No ☐ N/A

(i) If funding is by insurance, give name of insuring company _____

(ii) If funding is by trust agreement, list trustee(s) _____ First Trust Company of Saint Paul

Date of trust agreement or latest amendment _____ March 2, 1970 (as amended January 19, 1976)

If respondent is affiliated in any way with the trustee(s), explain affiliation _____ Not affiliated

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement _____ Note 3 - Page 8

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify _____

Yes ☒ No ☐

If yes, give number of the shares for each class of stock or other security: _____ Note 4 - Page 8A

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (116 Stat. 610). YES ☐ NO ☒

5. State separately amounts of deferred maintenance and delayed capital improvements as reported to the Commission in Ex Parte No. 305 as of close of year: _____

(a) Deferred maintenance _____ Note 1 - Page 8

\$ 1 692

(b) Delayed capital improvements _____ Note 1 - Page 8

\$ 1 362

Continued on following page

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES (Concluded)

Marketable Equity Securities - to be completed by companies with \$10.0 million or more in gross operating revenues.

(a) Changes in Valuation Accounts

Not Applicable

	Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current Yr.) Current Portfolio				XXXXX
as of / / Noncurrent Portfolio			XXXXX	\$
(Previous Yr.) Current Portfolio			XXXXX	XXXXX
as of / / Noncurrent Portfolio			XXXXX	XXXXX

(b) At / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$	\$
Noncurrent		

(c) A net unrealized gain (loss) of \$ on the sale of marketable equity securities was included in net income for (year). The cost of securities sold was based on the (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to their filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

NOTE: / / - date - Balance sheet date of the current year unless specified as previous year.

NOTES AND REMARKS

Note 1: Refers to Explanatory Note 5(a)(b)

Reporting of Deferred maintenance and Delayed Capital Improvements is accomplished on blank forms provided by the I.C.C. with captions preprinted. The Company distinguishes between "deferred maintenance" reporting thus called for and delayed maintenance expenditures needed to improve service and increase capacity. Respondent's maintenance policy is to maintain its physical plant, including track structure, at a level which will allow it to carry out its obligations as a common carrier and to upgrade and modernize plant and facilities to enable it to meet competition and provide for future traffic requirements.

Note 2: Refers to Explanatory Note 3(a)

The accounting for pension funds and recording in the accounts the current and past service pension costs is consistent with prior years data except that the amortization base for past service cost was changed from 40 years to 15 years effective January 1, 1977 based on the recommendation of the actuary. As in past years, data is based on an annual actuarial valuation.

Note 3: Refers to Explanatory Note 3(d)

Burlington Northern Inc
 Fort Worth & Denver Railway Company
 (includes Joint Texas Division)
 Lake Superior Terminal & Transfer Ry Co
 BNL Development Corporation

Walla Walla Valley Railway Company
 Lemhi Telephone Company
 BN Transport Inc
 Burlington Northern Air Freight Inc
 Northern Airmotive Inc
 Western Fruit Express Company

The allocation of charges necessary for funding the pension will be made in such manner and at such times as the Employers shall determine.

Road Initials: C&S Year 1978

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

NOTES AND REMARKS (concluded)

Note 4: Refers to Explanatory Note: 3(e)(i)

Trailer Train Co.

Reg. Bonds of Conditional Sales
Agreement and Equipment Trust
Certificates

Face Amount \$410 (000)

American Rail Box Car Co.
(100% owned by Trailer Train Co.)Reg. Bonds of Conditional Sales
Agreements

Face Amount \$830 (000)

Note 5:

Respondent carries a services interruption policy with the Imperial Insurance Company, Limited, under which it will be entitled to \$46 734 daily indemnity for certain work stoppage losses. In the event such losses are sustained by other railroads holding similar policies, respondent may be obligated to pay the maximum amount of twenty times the daily indemnity.

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210. RESULTS OF OPERATIONS

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained.

3. List dividends from investments accounted for under the

cost method on the appropriate line for Account No. 513, "Dividend income." List dividends accounted for by the equity method on the appropriate dividend line under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Report dollars in thousands.

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)	Freight-Related Revenues & Expenses (d)	Passenger-Related Revenues & Expenses (e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$ 62 802	\$	\$ 62 802	\$
2	(102) Passenger **				
3	(103) Passenger-Related				
4	(104) Switching	1 387	Comparable	1 387	
5	(105) Water Transfers				
6	(106) Demurrage	724	Figures	724	
7	(110) Incidental	3		3	
8	(121) Joint Facility-Credit	66	Not	66	
9	(122) Joint Facility-Debit	433		433	
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	64 549	Required	64 549	
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations				
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	64 549		64 549	
14	(531) Railway operating expenses	67 295		67 295	
15	*Net revenue from railway operations	(2 746)		(2 746)	
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	15			
17	(510) Miscellaneous rent income	1 863			
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income				
20	(514) Interest income	394			
21	(516) Income from sinking and other funds	35			
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	555			
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)	5 765			
27	Total other income (lines 16-26)	8 627			
28	Total income (lines 15, 27)	5 881			
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations				
30	(535) Taxes on property used in other than carrier operations	47			
31	(543) Miscellaneous rent expense	2			
32	(544) Miscellaneous taxes	28			
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges	185			
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	262			
39	Income available for fixed charges (lines 28, 38)	5 619			

210. RESULTS OF OPERATIONS - Continued

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES	\$	\$
(546) Interest on funded debt:			
40 (a) Fixed interest not in default		2 289	
41 (b) Interest in default			
42 (547) Interest on unfunded debt		41	
43 (548) Amortization of discount on funded debt		2 350	
44 Total fixed charges (lines 40-43)		3 289	
45 Income after fixed charges (lines 39, 44)			
	OTHER DEDUCTIONS		
(546) Interest on funded debt:			
46 (c) Contingent interest			Comparable
	UNUSUAL OR INFREQUENT ITEMS		
47 (555) Unusual or infrequent items (debit) credit			Figures
48 Income (loss) for continuing operations (before income taxes)		3 289	Not
	PROVISIONS FOR INCOME TAXES		
(556) Income taxes on ordinary income:			
49 Federal income taxes		11	Required
50 State income taxes			
51 Other income taxes			
52 (557) Provision for deferred income taxes		(97)	
53 Income from continuing operations		3 375	
	DISCONTINUED OPERATIONS		
54 (560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			
55 (562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56 (570) Extraordinary items (Net)			
57 (590) Income taxes on extraordinary items			
58 (591) Provision for deferred taxes - Extraordinary items			
59 Total extraordinary items (lines 56-58)			
60 (592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)			
61 Net income		3 375	
	*Reconciliation of net railway operating income (NROI)		
62 Net revenues from railway operations		(2 746)	
63 (556) Income taxes on ordinary income		11	
64 (557) Provision for deferred income taxes		(97)	
65 Income from lease of road and equipment			
66 Rent for leased roads and equipment			
67 Net railway operating income		(2 660)	
	**Report hereunder the charges to the revenue accounts representing payments made to others for:		
68 Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates \$ -			
(a) Of the amount reported for "Net revenue from railway operations", 0 % (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOFC trailers or otherwise. The percentage reported is (Check one): Actual () Estimated ()			
69 Switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement \$ 1 170			
Substitute highway motor service in lieu of line-haul rail service performed under tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):			
70 (a) Payments for transportation of person		\$ -	
71 (b) Payments for transportation of freight shipments		\$ -	
NOTE - Gross charges for protective services to perishable freight, without deduction for any proportion thereof credited to Account No. 101, "Freight" (not required from switching and terminal companies)			
72 Charges for service for the protection against heat		\$ 16	
73 Charges for service for the protection against cold		\$ -	

220. RETAINED EARNINGS-UNAPPROPRIATED

1. Show hereunder the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b), Schedule 210.

6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c). (Dollars in thousands)

Line No.	Item	Retained earnings- Unappropriated	Equity in undistributed earnings (losses) of affiliated companies
	(a)	(b)	(c)
1	Balances at beginning of year _____	\$ (12 719)	\$ 24 261
2	(601.5) Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3	(602) Credit balance transferred from earnings _____		5 765
4	(603) Appropriations released _____	16 884	
5	(606) Other credits to retained earnings _____	72	
6	Total _____	16 956	5 765
	DEBITS		
7	(612) Debit balance transferred from income _____	2 390	
8	(616) Other debits to retained income _____	27	
9	(620) Appropriations for sinking and other reserve funds _____		
10	(621) Appropriations for other purposes _____	77	
11	(623) Dividends: Common stock _____	680	
12	Preferred stock ¹ _____		
13	Total _____	3 174	
14	Net increase (decrease) during year (Line 6 minus line 13) _____	13 782	5 765
15	Balances at close of year (Lines 1, 2 and 14) _____	1 063	30 026
16	Balance from line 15(c) _____	30 026	XXXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	31 089	XXXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606 _____	None	XXXXXX
19	Account 616 _____	None	XXXXXX

NOTE: See Schedule 460, for analysis for Retained Earnings Accounts.

¹ If any dividends have not been declared on cumulative preferred stock give cumulative undeclared dividends at beginning of year and end of year.

221. RETAINED EARNINGS—APPROPRIATED

Give an analysis in the form called for below of account No. 797, "Retained earnings—Appropriated." (Dollars in thousands)

Line No.	Class of appropriation (a)	Credits during year (b)	Debits during year (c)	Balance at close of year (d)
1	Additions to property through retained income	\$	\$ 1 505	\$ -
2	Funded debt retired through retained income		13 719	-
3	Sinking fund reserves			
4	Incentive per diem funds			
5	Miscellaneous fund reserves			
6	Other appropriations (specify):			
7	Appropriated for Retirement of Denver Union			
8	Terminal Railway Company Bonds		660	-
9				
10	Addition to Working Capital		1 000	-
11				
12				
13				
14				
15				
16	TOTAL		16 884	-

225. TRANSFERS FROM GOVERNMENT AUTHORITIES

This schedule should include particulars of all transfers from Federal, state or municipal authorities received during the year. The amount of transfer received shall be distributed among columns (c), (d), and (e) in accordance with General Instruction 1-15 of the Uniform System of Accounts for Railroad Companies.

Line No.	Description (a)	Amount (b)	Applied to current operations (c)	Deferred to future periods (d)	Applied to contributed capital (e)
1	Source and description of transfers	\$	\$	\$	\$
2					
3			None		
4					
5					
6					
7	Total received during year				
8	Cumulative total of Government transfers—beginning of year		XXXXX	XXXXX	XXXXX
9	Cumulative total of Government transfers—end of year		XXXXX	XXXXX	XXXXX

230. CAPITAL STOCK

PART I. CAPITAL STOCK

1. Disclose in column (a), the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
2. Present in column (b) the par or stated value of each issue. If none, so state.
3. Disclose in columns (c), (d), (e) and (f) the required information concerning the number of shares authorized, issued, in treasury and outstanding for the various issues.
4. For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They

are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent under such circumstances as required them to be considered as held alive, and not canceled or retired, they are considered to be nominally outstanding.

5. If stock is being held subject to an exchange for the outstanding securities of constituent companies, then include such stock as outstanding stock, and disclose the details in footnotes.

6. Report dollars in thousands.

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares				Book Value at End of Year	
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g)	In Treasury (h)
1	Common	31 000	310 000			310 000	31 000	
2								
3								
4	Preferred First	8 500	85 000			85 000	8 500	
5	Second	8 500	85 000			85 000	8 500	
6								
7								
8								
9								
10	TOTAL	XXXXX	480 000			480 000	48 000	

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

1. The purpose of this part is to disclose capital stock changes during year.
2. Column (a) presents the items to be disclosed.
3. Columns (b), (d) and (f) require disclosures of the number of preferred, common and treasury stock, respectively, applicable to the items presented in column (a).
4. Columns (c), (e) and (g) requires the applicable disclosure of the book values of preferred, common and treasury stock.

5. Disclose in column (h) the additional paid-in capital realized from changes in capital stock during year.

6. Unusual circumstances arising from changes in capital stock changes shall be fully explained in footnotes to this schedule.

7. Report dollars in thousands.

Line No.	Items (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital (h)
		Number of Shares (b)	Amount (c)	Number of Shares (d)	Amount (e)	Number of Shares (f)	Amount (g)	
11	Balance at beginning of year		\$		\$		\$	\$
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired			None				
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year							

¹ By footnote state the purpose of the issue and authority.

240. STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an application of funds for invest-

ment in property provided by the issue of securities. Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

Report dollars in thousands.

Line No.	Description (a)	Current year (b)	Prior year (c)
	SOURCES OF WORKING CAPITAL		
	Working capital provided by operations:		
1	Net income (loss) before extraordinary items	3 375	5 222
	Add expenses not requiring outlay of working capital; (subtract) credits not generating working capital:		
2	Retirement of nondepreciable property	69	31
3	Loss (gain) on sale or disposal of tangible property	-	299
4	Depreciation and amortization expenses	2 962	2 930
5	Net increase (decrease) in deferred income taxes	(97)	105
6	Net decrease (increase) in parent's share of subsidiary's undistributed income for the year	(5 765)	(2 146)
7	Net increase (decrease) in noncurrent portion of estimated liabilities	544	648
	Other (specify):		
8	Salvage from Property sold or retired	422	288
9			
10			
11			
12			
13	Total working capital from operations before extraordinary items	1 510	7 377

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Continued

Road Initials:

C&S

Year 19 78

15

Line No.	Description (a)	Current year (b)	Prior year (c)
SOURCES OF WORKING CAPITAL - Continued			
14	Add funds generated by reason of discontinued operations, extraordinary items, prior period adjustments, and changes in accounting principles _____	\$ _____	\$ _____
15	Total working capital from operations _____	1 510	7 377
Working capital from sources other than operating:			
16	Proceeds from issuance of long-term liabilities _____		
17	Proceeds from sale/disposition of carrier operating property _____		
18	Proceeds from sale/disposition of other tangible property _____	-	110
19	Proceeds from sale/repayment of investments advances _____	-	306
20	Net decrease in sinking and other special funds _____		
21	Proceeds from issue of capital stock _____		
Other (specify):			
22	Intercompany Items FW&D	1 992	-
23	Intercompany Items BN	5 414	-
24			
25			
26		7 406	416
27	Total working capital from sources other than operating _____	8 916	7 793
28	Total sources of working capital _____		

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Concluded

Line No.	Description (a)	Current year (b)	Prior year (c)
	APPLICATION OF WORKING CAPITAL	\$	\$
29	Amount paid to acquire/retire long-term liabilities		
30	Cash dividends declared	757	757
31	Purchase price of carrier operating property	1 128	3 056
32	Purchase price of other tangible property		
33	Purchase price of long-term investments and advances	3 609	3 368
34	Net increase in sinking or other special funds	-	394
35	Purchase price of acquiring treasury stock		
	Other (specify):		
36	Intercompany Items FW&D	-	4 011
37	Intercompany Items BN	-	374
38	Miscellaneous Deferred Liabilities	83	845
39			
40			
41			
42			
43			
44			
45	Total application of working capital	5 577	12 805
46	Net increase (decrease) in working capital	3 339	(5 012)

241. CHANGES IN WORKING CAPITAL

Compute the net changes in each element of working capital.
(Thousand-dollar Reporting Rule)

Line No.	Item (a)	Current year (b)	Prior year (c)	Increase (Decrease) (d)
1	Cash and temporary investments	\$ 1 528	\$ 5 433	\$ (3 905)
2	Net receivables	17 445	13 405	4 040
3	Prepayments	265	513	(248)
4	Materials and supplies	3 504	2 452	1 052
5	Other current assets not included above	8	35	(27)
6	Notes payable and matured obligations	-	-	-
7	Accounts payable	24 272	26 454	2 182
8	Current equipment obligations and other debt	2 756	2 837	81
9	Other current liabilities not included above	169	333	164
10	Net increase (decrease) in working capital	(4 447)	(7 786)	3 339

245. WORKING CAPITAL INFORMATION

1. Report below the information requested with respect to the referenced accounts.
2. Give the amount of issues from stock during the year for lines 1 thru 5 as it pertains to account 712, "Material and supplies".
3. Report on lines 6 and 7 only the amount applicable to common-carrier transportation service included in accounts 707 and 754.
4. Report on lines 8 and 9 the amount included in account balances for 761 and 556 which represent state income taxes. (Do not include taxes levied in lieu of property taxes).
5. Report dollars in thousands.

Line No.	Item (a)	Amount (b)
1	Construction and additions and betterments _____	\$ 2 231
2	Common-carrier operating purposes _____	1 138
3	Used by other than respondent's lessor companies _____	1 851
4	Total _____	5 220
5	Portion of balance in the material and supplies account at end of year that represents scrap and obsolete material _____	(31)
6	Account 707. Accounts receivable; other _____	852
7	Account 754. Accounts payable; other _____	336
8	Account 761. State and other income taxes accrued _____	(3)
9	Account 556. Income taxes on ordinary income _____	-

NOTES AND REMARKS

300. ITEMS IN SELECTED CURRENT ASSET ACCOUNTS

If the amount in the captioned selected current asset accounts (Accounts 702, 703, 704, 708, 709, 710, 711, 712, and 713) exceeds 5% of total current assets, report the three largest items in the account or combined accounts and any other items exceeding

5% of current assets. Give a brief description of each item listed. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote. (Dollars in thousands.)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	702	TEMPORARY CASH INVESTMENTS	\$
2		Colorado National Bank Repurchase Agreements	1 200
3			
4			
5	708	ACCRUED ACCOUNTS RECEIVABLE	
6		Anticipated Bills - Joint Facilities	3 559
7		Bills Collectible	1 639
8			
9			
10	709	ACCRUED ACCOUNTS RECEIVABLE	
11		Unreported Foreign Forwarded Traffic	2 843
12		Unreported Intermediate Traffic	3 082
13		Estimated Amounts Due from Individuals and Companies	
14		and other Railroads	2 086
15			
16			
17	712	MATERIAL AND SUPPLIES	
18		Rail Stock	1 245
19		Various store, fuel, postage, stationery and tie stock	2 259
20			
21			
22			
23			
24			
25			
26			
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GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A and 315

1. Schedules 310 and 315 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated and nonaffiliated companies held by respondent at close of year. Specifically, the disclosures should include the investments in the obligations of Federal, state and local governments, and the obligation of individuals. Also, disclose the investments made, disposed of, and written down during the year, and the applicable dividends and interest credited to income as a result of those investments. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing Account No. 721 "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:

- (A) Stocks:
 - (1) Carriers - active.
 - (2) Carriers - inactive.
 - (3) Noncarriers - active.
 - (4) Noncarriers - inactive.
- (B) Bonds (including U.S. Government Bonds):
- (C) Other secured obligations:
- (D) Unsecured notes:
- (E) Investment advances:

3. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

4. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

Symbol	Kind of Industry
I	Agriculture, forestry, and fisheries
II	Mining
III	Construction
IV	Manufacturing
V	Wholesale and retail trade
VI	Finance, insurance, and real estate
VII	Transportation, communications, and other public utilities
VIII	Services
IX	Government
X	All other

5. By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

6. Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

8. Combine, in one amount, investments in which the original cost or present equity in total assets is less than \$10,000.

9. Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.

10. Do not include the value of securities issued or assumed by respondent.

11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

12. Report dollars in thousands.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking funds"; 716, "Capital funds"; 721, "Investments advances in affiliated companies"; and 717, "Other funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 21, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged,

or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." Abbreviations in common use in standard financial publications may be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of control
	(a)	(b)	(c)	(d)	(e)
1	721	A-1	VII	Denver Union Terminal Railway	# 16 2/3
2	"		"	Fort Worth and Denver Railway	99.9
3	"		"	Galveston Terminal Railway	50.0
4	"		"	Pueblo Union Dep't & Railroad	# 25.0
5	"		"	Pullman Company	-
6				Total A-1	
7				Total Class A	
8	721	B-1	VII	Ft Worth and Denver Railway	
9				Total B-1	
10				Total Class B	
11	721	E-1	VII	Ft Worth and Denver Railway	
12	"		"	Ft Worth and Denver Railway	
13	"		"	Ft Worth and Denver Railway	
14	"		"	Ft Worth and Denver Railway	
15	"		"	Denver Union Terminal Railway	
16	"		"	Galveston Terminal Railway	
17	"		"	Pueblo Union Depot	
18				Total E-1	
19				Total Class E	
20				# (d) Pledged with First National City Bank	
21				of New York, Trustee under General Mortgage	
22					
23					
24					
25				Column (e) Particulars of Joint Control on Page 79	
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40				GRAND TOTAL	

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets is less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliated which do not report to the Interstate Commerce Commission, and are jointly owned, give names and extent of control or other entities by footnote.

12. Report dollars in thousands.

Investments and advances				Disposed of; Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance	Additions	Deductions (if other than sale explain)	Closing balance				
(f)	(g)	(h)	(i)	(j)	(k)	(l)	
\$ 5	\$ -	\$ -	\$ 5	\$	\$	\$	1
2 365	-	-	2 365				2
15	-	-	15				3
10	-	-	10				4
13	-	-	13				5
2 408	-	-	2 408				6
2 408	-	-	2 408				7
1 408	1 467	2 875	-	(2 875)		12	8
1 408	1 467	2 875	-	(2 875)		12	9
1 408	1 467	2 875	-	(2 875)		12	10
1 377		1 377	-	(1 377)		54	11
-	2 137		2 137			96	12
1 875		-	1 875				13
1 870		95	1 775				14
647		97	550				15
342	5	10	337				16
128			128				17
6 239	2 142	1 579	6 802	(1 377)		150	18
6 239	2 142	1 579	6 802	(1 377)		150	19
							20
							21
							22
							23
							24
							25
							26
							27
							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							38
							39
10 055	3 609	4 454	9 210	(4 252)		150	40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of control (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17				NONE	
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Concluded

Investments and advances				Disposed of, Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance (f)	Additions (g)	Deductions (if other than sale explain) (h)	Closing balance (i)	(j)	(k)	(l)	
\$	\$	\$	\$	\$	\$	\$	1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
							15
							16
							17
			NONE				18
							19
							20
							21
							22
							23
							24
							25
							26
							27
							28
							29
							30
							31
							32
							33
							34
							35
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							40

310A. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721, Investments in Affiliated Companies.

2. Enter in column (c) the amount necessary to retroactively adjust those investments. (See instruction 5-2, Uniform System

of Accounts.)

3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.

4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date

of acquisition.

5. For definitions of "carrier" and "noncarrier," see general instructions.

(DOLLARS IN THOUSANDS)

Line No.	Name of issuing company and description of security held.	Balance at beginning of year	Adjustment for investments equity method	Equity in undistributed earnings (losses) during year	Amortization during year	Adjustment for investments disposed of or written down during year	Balance at Close of year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Carriers: (List specifics for each company)	\$	\$	\$	\$	\$	\$
2	Fort Worth and Denver Railway Company	24 678		5 765			30 443
3	Galveston Terminal Railway Company	(452)					(452)
4							
5	Pueblo Union Depot and Railroad Company	35					35
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27		24 261		5 765			30 026

Road Initials

C&S

Year 19 78

NOTES AND REMARKS

325. PROPERTY USED IN OTHER THAN CARRIER OPERATIONS

1. This schedule may be omitted unless (a) gross property used in other than carrier operations is more than 5% of total assets, or (b) net profit from noncarrier operations for the year amounts to 10% or more of income before extraordinary items.

2. Show separately (a) the three properties with the greatest asset value, and (b) the three properties with greatest revenues. Show also each property whose gross value exceeds 5% of total assets or whose net profit from noncarrier operations exceed 10% of income before extraordinary items. Other items may be combined on one line.

3. If any of the individual items of property shown in column (a) were acquired in consideration of stocks, bonds, and other evidence of debt, or in exchange for other property, enter in column (c) only the amount at which carried in respondent's books and in a footnote give a full description of the consideration actually paid. Also if the actual money cost to respondent is different from that shown in column (c), give particulars in a footnote.

4. In section B include in column (f) the gross amount of revenue or income included in account 506; in column (g), the gross amount of expenses (including depreciation) charged to accounts

Line No.	Item (Kind and location of property, and nature of business, if any) (a)	A. INVESTMENT (ACCOUNT 737)			
		Year of acquisition (b)	Charges during the year (c)	Credits during the year (d)	Balance of close of year (See ins. 3) (e)
1	All other items	Various	\$ 72	\$	\$ 2 366
2	Equipment Transferred	Various	1 905		1 905
3	Accounting Series 171				
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22	Total	X X X X	1 977		4 271

NOTES AND REMARKS

325. PROPERTY USED IN OTHER THAN CARRIER OPERATIONS—Continued

506 and 534; in column (h), the amount of taxes charged to accounts 535 and 544 for the year; and in column (i), the net profit or loss of columns (f) minus (g) and (h).

5. Any differences between the total of column (h) and the totals of accounts 535 and 544, and differences between the total of column (i) and the net total of accounts 506, 534, 535, and 544, of such accounts in Schedule 210, "Results of Operations", should be explained in a footnote.

6. In section C give an analysis of accumulated depreciation in account 738 for each item shown in column (a). Show in column

(n) the percentage or composite rate used by the respondent for computing the amount of depreciation credited to the account during the year. Any adjustments of importance included in columns (j) and (k) should be fully explained in a footnote.

7. The word "item" as herein used means a unit or composite of an investment in or operation of property such as a power plant, a mine, an amusement park, etc., together with ancillary property or operations.

8. Report dollars in thousands.

B. REVENUES, INCOME, EXPENSES AND TAXES CREDITED AND DEBITED TO ACCOUNTS 506, 534, 535 AND 544 DURING THE YEAR				C. ACCUMULATED DEPRECIATION (ACCOUNT 738)				Rate	Line No.
Revenues or income (f)	Expenses (g)	Taxes (h)	Net profit for year (L loss) (i)	Credits during the year (j)	Debits during the year (k)	Balance at close of year (l)	Base (m)	(n)	
\$ 16	\$ 1	\$ 75	\$ (60)	\$ 1	\$	\$ 12	\$ 35	2.0%	1
				860		860	1 905	2.54	2
									3
									4
									5
									6
									7
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									9
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									11
									12
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									17
									18
									19
									20
									21
16	1	75	(60)	861		872	1 940	X XXX	22

NOTES AND REMARKS

329. OTHER ASSETS AND OTHER DEFERRED DEBITS

If the amount in either the captioned Accounts 739, 741, 743, 744 "Other assets" account or the "Other deferred debit" account exceeds 5% of total assets, then report the three largest items in those respective amounts. Also report any single item exceeding 5%

of total assets. Give a brief description of each item. In case the character of any item is not fully disclosed by the entries in the columns here under, make a full explanation in a footnote. (Dollars in thousands.)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	741	OTHER ASSETS	\$
2		Offset settlement due from Ft Worth and Denver Ry Company	8 707
3		U.S. Treasury - disputed income tax items	650
4		Colorado and Wyoming Per Diem - Middle Division	602
5			
6			
7			
8			
9			
10			
11			
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15			
16			
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45			

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330 AND 330A

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in account No. 731, "Road and Equipment Property," and account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. If account No. 732 for road or for equipment is less than 5% of account No. 731 at the beginning and end of year, the corresponding portion of Schedule 330A may be omitted. The balances, by primary accounts, should, insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (h) is the aggregate of columns (b) to (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of accounts 731 and 732 for the respective periods; if not, full explanation should be made in a footnote.

2. In column (c) are to be shown disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged," of the Uniform System of Accounts for Railroad Companies, for such items.

3. In column (d) is to be shown the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.

4. In columns (c) and (e), should be included all entries covering expenditures for additions and betterments, as defined, whether replacing other property or not.

5. In column (f) should be entered all credits representing property sold, abandoned, or otherwise retired.

6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially

included; also the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.

7. If during the year an individual charge of \$100,000 or more was made to account No. 2, "Land for transportation purposes," state in a footnote the cost, location, area, and other details which will identify the property.

8. Report on line 34 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving termini and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.

10. If an amount of less than \$2000 is used as the minimum debit or credit for additions and betterments to property investment accounts as provided for in Instruction 2-2, of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

11. Show dollars in thousands.

NOTES AND REMARKS

SCHEDULE 350

* Depreciation base for Account 1 includes non-depreciable property

@ Depreciation accruals have been discontinued on Account 18 per authority Mr. Paolo's letter dated October 31, 1962, File D-I; Account 31, per authority Mr. Paolo's letter dated July 28, 1967, File ACU-J and Account 13 per authority Mr. Paolo's letter dated April 29, 1968, File ACU-J

/ Rate includes lease of 10 locomotives capitalized under Order 36604 and amortized over 15 year life.

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Line No.	Account (a)	(Dollars in thousands) (b)	Balance at beginning of year (c)	Expenditures during the year for original road and equipment, and road extensions (d)	Expenditures during the year for purchase of existing lines, reorganizations, etc.
1	(1) Engineering	\$ 835	\$	\$	
2	(2) Land for transportation purposes	1 741			
3	(3) Grading	6 532			
4	(4) Other right-of-way expenditures	14			
5	(5) Tunnels and subways				
6	(6) Bridges, trestles, and culverts	4 753			
7	(7) Elevated structures				
8	(8) Ties	2 620			
9	(9) Rails	6 165			
10	(10) Other track material	5 692			
11	(11) Ballast	1 704			
12	(12) Track laying and surfacing	2 109			
13	(13) Fences, snowsheds, and signs	261			
14	(16) Station and office buildings	1 114			
15	(17) Roadway buildings	19			
16	(18) Water stations	4			
17	(19) Fuel stations	36			
18	(20) Shops and enginehouses	579			
19	(22) Storage warehouses				
20	(23) Wharves and docks				
21	(24) Coal and ore wharves				
22	(25) TOFC/COFC terminals	21			
23	(26) Communication systems	437			
24	(27) Signals and interlockers	540			
25	(29) Power plants				
26	(31) Power-transmission systems	35			
27	(35) Miscellaneous structures	41			
28	(37) Roadway machines	1 371			
29	(39) Public improvements—Construction	856			
30	(44) Shop machinery				
31	(45) Power-plant machinery				
32	Other (specify and explain)				
33	Total expenditures for road	37 479			
34	(52) Locomotives	30 535			
35	(53) Freight-train cars	46 919			
36	(54) Passenger-train cars				
37	(55) Highway revenue equipment				
38	(56) Floating equipment				
39	(57) Work equipment	138			
40	(58) Miscellaneous equipment	496			
41	Total expenditures for equipment	78 088			
42	(76) Interest during construction	1 259			
43	(77) Other expenditures—General	274			
44	Total general expenditures	1 533			
45	Total	117 100			
46	(80) Other elements of investment	7 429			
47	(90) Construction work in progress				
48	Grand Total	124 529			

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(e)	(f)	(g)	(h)	
\$ 20	\$ 2	\$ 18	\$ 853	1
10		10	1 751	2
74	1	73	6 605	3
			14	4
				5
178	5	173 175	4 926	6
				7
58	7	51	2 671	8
718	16	702	6 867	9
947	30	917	6 609	10
46	1	45	1 749	11
170	7	163	2 272	12
2		2	263	13
16	11	5	1 119	14
			19	15
			4	16
			36	17
1		1	580	18
				19
				20
1	(3)	4	25	21
11		11	448	22
11		11	551	23
				24
			35	25
			41	26
253	4	249	1 620	27
34		34	890	28
				29
				30
				31
2 550	81	2 469	39 948	32
			30 535	33
(1 586)	374	(1 960)	44 959	34
				35
				36
				37
	2	(3)	136	38
119	26	93	589	39
(1 467)	402	(1 869)	76 219	40
	2	(2)	1 257	41
	1	(1)	273	42
	3	(3)	1 530	43
1 083	486	597	117 697	44
45		45	7 474	45
				46
1 128	486	642	125 171	47
				48

330A. IMPROVEMENTS ON LEASED PROPERTY (See Instruction)

Line No.	Account (Dollars in thousands)	Balance at beginning of year	Expenditures during the year for original road and equipment, and road extensions	Expenditures during the year for purchase of existing lines, reorganizations, etc.
	(a)	(b)	(c)	(d)
1	(1) Engineering	\$	\$	\$
2	(2) Land for transportation purposes			
3	(3) Grading			
4	(4) Other right-of-way expenditures			
5	(5) Tunnels and subways			
6	(6) Bridges, trestles, and culverts			
7	(7) Elevated structures			
8	(8) Ties			
9	(9) Rails			
10	(10) Other track material			
11	(11) Ballast			
12	(12) Track laying and surfacing			
13	(13) Fences, snowsheds, and signs			
14	(16) Station and office buildings	79		
15	(17) Roadway buildings			
16	(18) Water stations			
17	(19) Fuel stations			
18	(20) Shops and enginehouses			
19	(22) Storage warehouses			
20	(23) Wharves and docks			
21	(24) Coal and ore wharves			
22	(25) TOFC/COFC terminals			
23	(26) Communication systems			
24	(27) Signals and interlockers			
25	(29) Power plants			
26	(31) Power-transmission systems			
27	(35) Miscellaneous structures			
28	(37) Roadway machines			
29	(39) Public improvements—Construction			
30	(44) Shop machinery			
31	(45) Power-plant machinery			
32	Other (specify and explain)	79		
33	Total expenditures for road	20		
34	(52) Locomotives			
35	(53) Freight-train cars			
36	(54) Passenger-train cars			
37	(55) Highway revenue equipment			
38	(56) Floating equipment			
39	(57) Work equipment			
40	(58) Miscellaneous equipment			
41	Total expenditures for equipment	20		
42	(76) Interest during construction			
43	(77) Other expenditures—General			
44	Total general expenditures			
45	Total	99		
46	(80) Other elements of investment			
47	(90) Construction work in progress	99		
48	Grand Total			

330A. IMPROVEMENTS ON LEASED PROPERTY—Continued

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(e)	(f)	(g)	(h)	
\$	\$	\$	\$	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
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				46
				47
				48

332. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT - OWNED AND USED

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated depreciation; road and equipment property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credit - Equipment" accounts and Other Rents - Credit - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" account and "Other Rents - Debit - Equipment" accounts (See Schedule 342 for the accumulated depreciation relating to road and equipment owned but not used by respondent.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on line 27.

6. Thousand dollar Reporting Rule.

Line No.	Account	Balance at beginning of year	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year
			Charges to operating expenses	Other credits	Retirements	Other debits	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ROAD						
1	(1) Engineering	496	7		2		501
2	(3) Grading	258	7				265
3	(4) Other, right-of-way	1	-				1
4	(5) Tunnels and subways	3 667	66		5		3 728
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures	234	-				234
7	(13) Fences, snow sheds, and signs	424	23		11		436
8	(16) Station and office buildings	12	1				13
9	(17) Roadway buildings	4	-				4
10	(18) Water stations	24	1				25
11	(19) Fuel stations	365	13				378
12	(20) Shops and enginehouses						
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves	4	1		(3)		8
16	(25) TOFC/COFC terminals	148	6				154
17	(26) Communication systems	295	10				305
18	(27) Signals and interlockers						
19	(29) Power plants	33	-				33
20	(31) Power-transmission systems	40	-				40
21	(35) Miscellaneous structures	471	54		1		524
22	(37) Roadway machines	110	9				119
23	(39) Public improvements—Construction						
24	(44) Shop machinery*						
25	(45) Power-plant machinery*						
26	All other road accounts						
27	Amortization (other than defense projects)	6 586	198		16		6 768
28	Total road						
	EQUIPMENT						
29	(52) Locomotives	14 032	1 451				15 483
30	(53) Freight-train cars	10 267	1 188		872		10 383
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment	66	-		1		65
34	(57) Work equipment	156	53		26		193
35	(58) Miscellaneous equipment	24 521	2 692		899		26 314
36	Total equipment	31 107	2 890		915		33 082
37	GRAND TOTAL						

335A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of property owned or leased by the respondent and used in the respondent's transportation service. Such property includes: (a) the investment reported in accounts 731, "Road and equipment property", and 732, "Improvements on leased property", of the respondent less any 731 or 732 property leased to others for their exclusive use of road, tracks, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from the respondent's 731 or 732 property; (b) the investment of other companies' 731 or 732 property (including operating and lease railroads) used by the respondent when the lease is for exclusive use or control of roads, tracks, or bridges (including equipment or other railway property covered by the contract). This includes leased equipment from operating railroads under separate distinct contracts and the investment of other carriers in property jointly used by the respondent.

2. In column (a), classify each company in this schedule as respondent (R), lessor railroad (L), inactive or proprietary company (P), and other leased properties (O).

3. In columns (a) to (e), inclusive, first show the data requested for the respondent (R), next the data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of the respondent. Show a total for each class of company. Then show, as deductions, data for transportation property leased to carriers and others.

4. In column (c), line haul carriers report the miles of road used in line-haul service, and switching and terminal companies should report the miles of all tracks owned.

5. In column (d), show the amount applicable in accounts 731 and 732 on the books of the companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to the deductions made by the owners in their reports. If separate value is not available, explanations should be given. Differences between the amounts in column (d) of this schedule and the amounts shown in column (c), line 33, on the asset side of the comparative general balance sheet of each individual railway should be explained in a footnote. Book value included in accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of the respondent in the securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 percent or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in accounts 735, 736, and 785, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where the reserves therefor are recorded.

7. Report dollars in thousands.

Line No.	Class (Sec. Ins. 2)	Name of company	Miles of road owned (See Ins. 4)	Investments in property (See Ins. 5)	Depreciation and amortization of defense projects (See Ins. 6)
	(a)	(b)	(c)	(d)	(e)
1	R	The Colorado and Southern Railway Co	575.98	\$ 125 280	\$ 33 592
2					
3	O	Deduct - Leased to Others	31.27	1 474	-
4					
5					
6					
7					
8					
9					
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11					
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15					
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30					
31					
32					
33					
34					
35					
36					
37					
38					
39		TOTAL	544.71	123 806	33 592

335B. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE (By Property Accounts)

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.

2. The amounts for respondent and for each group or class of companies and properties on line 50 herein, should correspond with the amounts for each class of company and properties shown in schedule 335. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in the schedule.

3. Report on line 32 amounts representing capitalization of rentals for leased property based on 6 percent per year where property is not classified by accounts by non-carrier owners, or where

cost of property leased from other carriers is not ascertainable. Identify non-carrier owners, and briefly explain methods of estimating value of property of non-carriers or property of other carriers.

4. Report on line 33 amounts not includible in the accounts shown, or in line 32. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Commission for exceptions to prescribe accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

5. Report dollars in thousands.

Line No.	Account (a)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)
		\$ 853	\$	\$	\$ (53)
1	(1) Engineering	1 751			(9)
2	(2) Land for transportation purposes	6 605			(331)
3	(3) Grading	14			-
4	(4) Other right-of-way expenditures	4 928			(264)
5	(5) Tunnels and subways	2 671			(90)
6	(6) Bridges, trestles, and culverts	6 867			(313)
7	(7) Elevated structures	6 609			(188)
8	(8) Ties	1 749			(88)
9	(9) Rails	2 272			(67)
10	(10) Other track material	261			(11)
11	(11) Ballast	1 208			(1)
12	(12) Track laying and surfacing	19			(1)
13	(13) Fences, snowsheds, and signs	4			-
14	(16) Station and office buildings	36			-
15	(17) Roadway buildings	580			-
16	(18) Water stations				-
17	(19) Fuel stations				-
18	(20) Shops and enginehouses				-
19	(22) Storage warehouses				-
20	(23) Wharves and docks				-
21	(24) Coal and ore wharves	25			-
22	(25) TOFC/COFC terminals	448			-
23	(26) Communication systems	551			-
24	(27) Signals and interlockers	35			-
25	(29) Power plants	41			-
26	(31) Power-transmission systems	1 620			-
27	(35) Miscellaneous structures	890			(2)
28	(37) Roadway machines				-
29	(39) Public improvements—Construction				-
30	(44) Shop machinery				-
31	(45) Power-plant machinery				-
32	Leased property capitalized rentals (explain)				-
33	Other (specify & explain)				(1 418)
34	Total expenditures for road	40 037			-
35	(52) Locomotives	30 555			-
36	(53) Freight-train cars	44 959			-
37	(54) Passenger-train cars				-
38	(55) Highway revenue equipment				-
39	(56) Floating equipment	136			-
40	(57) Work equipment	589			-
41	(58) Miscellaneous equipment	76 239			-
42	Total expenditures for equipment	1 257			(46)
43	(76) Interest during construction	273			(10)
44	(77) Other expenditures—General	1 530			(56)
45	Total general expenditures	117 806			(1 474)
46	Total	7 474			-
47	(80) Other elements of investment				-
48	(90) Construction work in progress				-
49	Grand Total	125 280			(1 474)

339. OTHER ELEMENTS OF INVESTMENT

1. Give particulars and explanation of all entries in account No. 80, "Other elements of investment," during the year.

2. In column (b) show the account number to which the entries in column (c) were credited and the account number to which the

entries in column (d) were charged. If more than one contra account is involved in an item, the amount applicable to each account and total for the item should be shown.

(Dollars in thousands)

Line No.	Item (a)	Contra account number (b)	Charges during the year (c)	Credits during the year (d)
1	To clear from Account 80 prior years	616	\$ 73	\$ 27
2	1976-1978 (Year 1977 will adjust in 1979) and			
3	197.2 % of 1978 estimated retirements per			
4	authority Mr. Paolo's letter of October 30,			
5	1964 file AA-DB			
6				
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38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49	TOTALS	X X X	73	27
50	NET CHANGES	X X X	73	27
51				

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

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (e) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) 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 rents therefor are included in the rent for equipment and account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefor are included in the rent for equipment accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component 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. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable 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) effected.

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

Line No.	(Dollars in thousands) Account (a)	OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
	ROAD	\$	\$	%	\$	\$	%
1	(1) Engineering	835	852	.79	*		
2	(3) Grading	320	320	2.10			
3	(4) Other right-of-way expenditures	7	7	1.80			
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	4 470	4 618	1.46			
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	251	252	2.00	@		
8	(16) Station and office buildings	1 076	1 080	2.18			
9	(17) Roadway buildings	17	17	3.33			
10	(18) Water stations	4	4	3.33	@		
11	(19) Fuel stations	34	34	2.80			
12	(20) Shops and enginehouses	550	551	2.45			
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals	21	25	2.59			
17	(26) Communications systems	430	442	1.50			
18	(27) Signals and interlockers	518	529	1.90			
19	(29) Power plants						
20	(31) Power transmission systems	33	33	1.96	@		
21	(35) Miscellaneous structures						
22	(37) Roadway machines	1 371	1 613	3.76			
23	(39) Public improvements—Construction	569	569	1.57			
24	(44) Shop machinery						
25	(45) Power plant machinery						
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road	10 506	10 946	1.95			
	EQUIPMENT						
29	(52) Locomotives	30 534	30 534	17.04	-f		
30	(53) Freight-train cars	46 917	46 863	2.54			
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment	496	550	10.21			
35	(58) Miscellaneous equipment						
36	Total equipment	77 947	77 947	3.46			
37	GRAND TOTAL	88 453	88 893	XXXXXXX			

351. DEPRECIATION BASE AND RATES-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Show in column (b) for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in column (c) show the depreciation base used in computing the depreciation charges for the month of December; in column (d) show the composite rates used in computing the depreciation charges for the month of December; and on lines 29 and 37 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. This schedule should include only improvements to leased property charged to account 732, "Improvements on leased property." The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component 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 charges in rates were effective during the year, give full particulars in a footnote.

2. All improvements to 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. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

4. 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.

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

Line No.	(Dollars in thousands) Account (a)	Depreciation base		Annual composite rate (percent) (d)
		At beginning of year (b)	At close of year (c)	
	ROAD	\$	\$	%
1	(1) Engineering			
2	(3) Grading			
3	(4) Other right-of-way expenditures			
4	(5) Tunnels and cuttings			
5	(6) Bridges, trestles and culverts			
6	(7) Elevated structures			
7	(13) Fences, snow sheds, and signs	79	89	2.18
8	(16) Station and office buildings			
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(22) Storage warehouses			
14	(23) Wharves and docks			
15	(24) Coal and ore wharves			
16	(25) TOFC/COFC terminals			
17	(26) Communications systems			
18	(27) Signals and interlockers			
19	(29) Power plants			
20	(31) Power transmission systems			
21	(35) Miscellaneous structures			
22	(37) Roadway machines			
23	(39) Public improvements-Construction			
24	(44) Shop machinery			
25	(45) Power plant machinery			
26	All other road accounts			
27	Amortization (other than defense projects)	79	89	2.18
28	Total road			
	EQUIPMENT	20	20	4.41
29	(52) Locomotives			
30	(53) Freight-train cars			
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment			
35	(58) Miscellaneous equipment	20	20	4.41
36	Total equipment			
37	GRAND TOTAL	99	109	XXX

352. ACCUMULATED DEPRECIATION-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Enter the required information concerning debits and credits to Account 733, "Accumulated depreciation-improvements on leased property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.

2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained.

4. Show in column (e) the debits to the reserve arising from retirements.

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

6. Thousand dollar Reporting Rule.

Line No.	Account	Balance at beginning of year	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year
			Charges to others	Other credits	Retirements	Other debits	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(3) Grading						
3	(4) Other right-of-way expen.						
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings	15	2		-		17
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(22) Storage warehouse						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals						
17	(26) Communication systems						
18	(27) Signals and interlockers						
19	(29) Power plants						
20	(31) Power-transmission systems						
21	(35) Miscellaneous structures						
22	(37) Roadway machines						
23	(39) Public improvements-Construction						
24	(44) Shop machinery						
25	(45) Power-plant machinery						
26	All other road accounts	15	2		-		17
27	Total road						
	EQUIPMENT	3	1		-		4
28	(52) Locomotives						
29	(53) Freight-train cars						
30	(54) Passenger-train cars						
31	(55) Highway revenue equipment						
32	(56) Floating equipment						
33	(57) Work equipment						
34	(58) Miscellaneous equipment	3	1		-		4
35	Total equipment						
36	GRAND TOTAL	18	3		-		21

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360. LEASES—GENERAL INSTRUCTIONS AND DEFINITIONS**A. General Instructions**

Disclose in the following schedules the required information concerning leases of the respondent:

- Schedule 361 — Capitalized Capital Leases
- 362 — Noncapitalized Capital Leases
- 363 — Operating Leases
- 364 — Lessee Disclosures

Under Docket No. 36604, "Accounting for Leases," the Commission established guidelines for capitalizing all leases entered into after 1/1/77, which meet the criteria of a capital lease. (See 49 CFR 1201, Instruction 2-26.) These leases shall be properly disclosed in Schedule 361, "Capitalized Capital Leases." However, for all leases in effect on 12/31/76, respondents may either capitalize these leases immediately or phase in the capitalization requirements through 12/31/80. Thereafter, all capital leases must be capitalized. Noncapitalized capital leases, if any, for this reporting year shall properly be disclosed in Schedule 362, "Noncapitalized Capital Leases."

A general description of the lessee's leasing arrangements shall be included to effect full and complete disclosures. Among the items to be disclosed are:

- The basis on which contingent rental payments are determined.
- The existence and terms of renewal or purchase options and escalation clauses.
- Restrictions imposed by lease agreements, such as those concerning dividends, additional debt, and further leasing.

These and other disclosures shall be included in Schedule 364 and attachments thereto, if necessary.

B. Definitions

(1) **Capital Leases** are those leases which meet one or more of the following four criteria:

- The lease transfers ownership of the property to the lessee by the end of the lease term.
- The lease contains a bargain purchase option.
- The lease term is equal to 75 percent or more of the estimated economic life of the property, and
- The present value at the beginning of the lease term of the minimum lease payments equals or exceeds 90 percent of the fair value of the leased property to the lessor at the inception of the lease less any related investment tax credit retained by the lessor.

(2) **Operating leases** are those leases which do not meet any of the four criteria pertaining to capital leases.

(3) **Minimum lease payments** are the payments that the lessee is obligated to make or can be required to make in connection with the leased property. Executory costs such as insurance, maintenance and taxes in connection with the leased property shall be excluded from minimum lease payments.

(4) **Present value minimum lease payments** are lease payments that the lessee is obligated to make or can be required to make, exclusive of executory cost. Moreover, these payments are reduced by amounts representing interest, calculated at the companies' incremental borrowing rate or the implicit rate computed by the lessor.

(5) **Noncancelable lease/sublease** is one that has an initial or remaining term of one year or more and is noncancelable, or is cancelable only upon the occurrence of some remote contingency or upon the payment of a substantial penalty.

(6) **Contingent rentals**, for the purposes of this report, are rentals paid during the reporting year which depend on some factor other than the passage of time such as rentals based on usage or sales.

361. CAPITALIZED CAPITAL LEASES

PART I. PRESENT VALUE OF MINIMUM LEASE PAYMENTS

Disclose total lease payments for the years shown. Then, disclose amounts representing (1) executory costs and (2) interest to derive the present value of minimum lease payments. An

explanation indicating how the rate of interest was derived for computing present value shall be included in Schedule 364. Report dollars in thousands.

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later Years (g)	Total (h)
1	Lease payments	\$ 182	\$ 321	\$ 461	\$ 461	\$ 461	\$ 2 996	\$ 4 882
	Less: Executory costs:							
2	- Taxes							
3	- Maintenance							
4	- Insurance							
5	- Other							
6	Total executory costs (2-5)	-	-	-	-	-	-	-
7	Minimum lease payments (1, 6)	182	321	461	461	461	2 996	4 882
8	Less: Amount representing interest	182	321	322	186	168	543	1 722
9	Present value of minimum lease payments (line 7, 8)	-0-	-0-	139	275	293	2 453	3 160

PART II. TOTAL RENTAL EXPENSES

Complete this part if gross rental expense in the most recent reporting year exceeds one percent of operating revenue. Otherwise, show total rental expenses reduced by rentals received from sub-

leases for the current year. Also, show amounts expected to be received on all noncancelable sublease rentals for the year beginning after the current year as required.

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
10	Present value of minimum lease payments from Part I above	\$	XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
11	Contingent rentals	N/A	XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
12	Minimum noncancelable sublease rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
13	Net rental expense		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX

PART III. CLASSES OF CAPITAL LEASES

Complete this part only if the present values of the minimum lease commitments are more than five percent of the sum of the long-term debt due after one year. Otherwise, show the present values of minimum lease commitments in the aggregate for the major classes of proper-

ties presented. Subtract amounts representing the accumulated amortization to derive at "Net capitalized lease assets."

Line No.	Classes of leased property (a)	Present value	
		Current year (b)	Prior year (c)
14	Structures	\$	\$
15	Revenue equipment		
16	Shop and garage equipment		
17	Service cars and equipment	3 087	3 160
18	Noncarrier operating property		
19	Other (Specify)		
20			
21	Gross capitalized assets	3 087	3 160
22	Less: Accumulated amortization	448	224
23	Net capitalized lease assets	2 639	2 936

Road Initials

C&S

Year 19 78

49

362. NONCAPITALIZED CAPITAL LEASES

PART I. PRESENT VALUE OF MINIMUM LEASE PAYMENTS

Disclose total lease payments for the years shown. Then, disclose amounts representing (1) executory costs and (2) interest to derive the present values of minimum lease payments. An ex-

planation indicating how the rate of interest was derived for computing present value shall be included in Schedule 364. Report dollars in thousands.

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
1	Lease payments	\$	\$	\$	\$	\$	\$	\$
	Less: Executory costs:							
2	- Taxes							
3	- Maintenance							
4	- Insurance		NOT APPLICABLE					
5	- Other							
6	Total executory costs (2-5)							
7	Minimum lease payments (1-6)							
8	Less: Amount representing interest							
9	Present value of minimum lease payments (line 7, 8)							

PART II. TOTAL RENTAL EXPENSES

Complete this part if gross rental expense in the most recent reporting year exceeds one percent of operating revenue. Otherwise, show total rental expenses reduced by rentals from sub-

leases for the current year. Also, show amounts expected to be received on all noncancelable sublease rentals for the year beginning after the current year as required.

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
10	Present value of minimum lease payments from Part I above	\$	\$	\$	\$	\$	\$	\$
11	Contingent rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
12	Minimum noncancelable sublease rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
13	Net rental expense		XXXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
			NOT APPLICABLE					

362. NONCAPITALIZED CAPITAL LEASES—Continued

PART III. INCOME IMPACT

1. If the impact on net income is less than three percent of the average net income for the most recent three years, a statement to this effect will suffice to complete this schedule. Otherwise, show the impact on net income for each period for which an income statement is presented if all noncapitalized financing leases were capitalized, related assets were amortized on a straight-line

basis and interest cost was accrued on the basis of the outstanding lease liability. The amounts of amortization and interest cost shall be separately identified.

2. In calculating average net income, loss-years should be excluded. If losses were incurred in each of the most recent three years, the average loss shall be used for purposes of this test.

Line No.	Item (a)	Current year (b)	Prior year (c)
14	Amortization of lease rights	\$	\$
15	Interest	NOT APPLICABLE	
16	Rent expense		
17	Income tax expense		
18	Impact (reduction) on net income		

PART IV. CLASSES OF CAPITAL LEASES

1. Complete this part only if the present values of the minimum lease commitments are more than five percent of the sum of the long-term debt due after one year. Otherwise, show the present

value of minimum lease commitments in the aggregate for the major classes of properties presented.

Line No.	Classes of leased property (a)	Present value	
		Current year (b)	Prior year (c)
19	Structures	\$	\$
20	Revenue equipment	NOT APPLICABLE	
21	Shop and garage equipment		
22	Service cars and equipment		
23	Noncarrier operating property		
24	Other: (Specify)		
25			
26			

363. OPERATING LEASES

PART I. FUTURE MINIMUM RENTAL PAYMENTS

1. Disclose the total minimum lease payments required, reduced by sublease rentals, for the years shown relating to operating leases.

Line No.	Items (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
1	Minimum lease payments required	\$ 2 700	\$ 2 696	\$ 2 696	\$ 2 696	\$ 2 696	\$ 27 811	\$ 41 295
2	Minimum noncancelable sublease rentals							
3	Net minimum lease payments	2 700	2 696	2 696	2 696	2 696	27 811	41 295

PART II. TOTAL RENTAL

1. Show the composition of total rental expense for all operating leases for the current and preceding years. See Schedule 360 for definitions of the terms.

Line No.	Expenses (a)	Current year (b)	Prior year (c)
4	Minimum lease payments required	\$ 2 700	\$ 2 926
5	Contingent rentals		
6	Less: Sublease rentals		
7	Total rental expense	2 700	2 926

364. LESSEE DISCLOSURE

Complete this schedule only if gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Relate in general terms: (a) the basis for calculating rental payments if dependent upon factors other than the lapse of time; (b) existence and terms of renewal or purchase options, escalation clauses, etc.; (c) the nature and amount of related guarantees made or obligations assumed; (d) restrictions on paying dividends, incurring additional debt, further leasing, etc.; and, (e) any other information necessary to assess the effect of lease commitments upon the financial position, results of operations, and changes in financial position of the lessee.

Line No.	
1	(a) Lapse of Time Only
2	
3	
4	
5	
6	
7	
8	
9	(b) 44% of lease contracts have renewal options upon written notice within
10	various specified times
11	22% of lease contracts have option to purchase only
12	34% (remaining) have no options
13	
14	
15	
16	
17	(c)
18	
19	
20	
21	
22	
23	
24	
25	(d)
26	
27	
28	
29	
30	
31	
32	
33	(e)
34	
35	
36	
37	
38	
39	
40	

370. ITEMS IN SELECTED CURRENT LIABILITY ACCOUNTS

1. For accounts Nos. 751, "Loans and notes payable", 759, "Accrued accounts payable", and 763, "Other current liabilities", if the total of any such account exceeds 5% of total current liabilities, report the three largest items, and any other items which exceeds 5% of current liabilities.

2. Show character of loans and notes, with name of creditor

(or class of creditors), dates of issue and maturity, and appropriate description for each class of accrued accounts payable and for the other current liabilities.

3. Make full disclosure of the character of each item reported.
(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	759	Anticipated Vouchers - Joint Facilities	\$ 4 030
2		Estimated Car Service	1 669
3		Estimated Car Repairs	1 423
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
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410. RAILWAY OPERATING EXPENSES

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and allocate the common operating expenses in accordance with the Commission's rules governing the separation of such expenses between freight and passenger services.

Line No.	Name of railway operating expense account	Freight				Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General		
	(a)	(b)	(c)	(d)	(e)	(f)	(h)
		\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES:						
	ADMINISTRATION:						
1	Track	286	2	49	5	342	342
2	Bridge and Building	20	1	-	1	22	22
3	Signal	14	-	-	-	14	14
4	Communication	23	1	4	-	28	28
5	Other	149	4	52	18	223	223
	REPAIR AND MAINTENANCE:						
6	Roadway - Running	82	8	106	3	199	199
7	Roadway - Switching	12	3	(2)	-	13	13
8	Tunnels and Subways - Running	-	-	-	-	-	-
9	Tunnels and Subways - Switching	-	-	-	-	-	-
10	Bridges and Culverts - Running	186	184	1	12	383	383
11	Bridges and Culverts - Switching	26	(1)	-	-	25	25
12	Ties - Running	N/A	956	N/A	N/A	956	956
13	Ties - Switching	N/A	-	N/A	N/A	-	-
14	Rail - Running	N/A	1 206	N/A	N/A	1 206	1 206
15	Rail - Switching	N/A	2	N/A	N/A	2	2
16	Other Track Material - Running	N/A	643	N/A	N/A	643	643
17	Other Track Material - Switching	N/A	(2)	N/A	N/A	(2)	(2)
18	Ballast - Running	N/A	162	N/A	N/A	162	162
19	Ballast - Switching	N/A	-	N/A	N/A	-	-
20	Track laying and surfacing - Running	1 700	2	158	190	2 050	2 050
21	Track laying and surfacing - Switching	116	-	(3)	-	113	113
22	Road Property Damaged - Running	-	-	2	-	2	2
23	Road Property Damaged - Switching	-	-	-	-	-	-
24	Road Property Damaged - Other	-	-	-	-	-	-
25	Signals and Interlockers - Running	4	16	116	8	144	144
26	Signals and Interlockers - Switching	6	7	18	1	32	32
27	Communications Systems	10	16	132	11	169	169
28	Electric Power Systems	-	-	-	-	-	-
29	Highway Grade Crossings - Running	141	59	33	1	234	234
30	Highway Grade Crossings - Switching	9	7	1	-	17	17
31	Station and Office Buildings	45	4	74	-	123	123
32	Shop Buildings - Locomotives	5	1	2	-	8	8
33	Shop Buildings - Freight Cars	-	-	1	-	1	1
34	Shop Buildings - Other Equipment	2	1	-	-	3	3

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Materials, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		\$	\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES - Continued							
	REPAIR AND MAINTENANCE - Continued	-	-	-	-	-		-
101	Locomotive Servicing Facilities							
102	Miscellaneous Buildings and Structures	51	1	19	1	72		72
103	Coal Terminals	-	-	-	-	-	N/A	-
104	Ore Terminals	-	-	-	-	-	N/A	-
105	Other Marine Terminals	-	-	-	-	-	N/A	-
106	TOFC/COFC - Terminals	-	-	-	-	-	N/A	-
107	Motor Vehicle Loading and Distribution Facilities	-	-	-	-	-	N/A	-
108	Facilities for Other Specialized Service Operations	-	-	-	-	-	N/A	-
109	Roadway Machines	142	324	21	3	490		490
110	Small Tools and Supplies	3	139	-	-	142		142
111	Snow Removal	31	-	-	1	32		32
112	Fringe Benefits - Running	N/A	N/A	N/A	467	467		467
113	Fringe Benefits - Switching	N/A	N/A	N/A	45	45		45
114	Fringe Benefits - Other	N/A	N/A	N/A	246	246		246
115	Casualties and Insurance - Running	N/A	N/A	N/A	173	173		173
116	Casualties and Insurance - Switching	N/A	N/A	N/A	12	12		12
117	Casualties and Insurance - Other	N/A	N/A	N/A	15	15		15
118	Lease Rentals - Debit - Running	N/A	N/A	(1)	N/A	(1)		(1)
119	Lease Rentals - Debit - Switching	N/A	N/A	2	N/A	2		2
120	Lease Rentals - Debit - Other	N/A	N/A	46	N/A	46		46
121	Lease Rentals - (Credit) - Running	N/A	N/A	(38)	N/A	(38)		(38)
122	Lease Rentals - (Credit) - Switching	N/A	N/A	(11)	N/A	(11)		(11)
123	Lease Rentals - (Credit) - Other	N/A	N/A	(154)	N/A	(154)		(154)
124	Joint Facility Rent - Debit - Running	N/A	N/A	415	N/A	415		415
125	Joint Facility Rent - Debit - Switching	N/A	N/A	1 488	N/A	1 488		1 488
126	Joint Facility Rent - Debit - Other	N/A	N/A	-	N/A	-		-
127	Joint Facility Rent - (Credit) - Running	N/A	N/A	(141)	N/A	(141)		(141)
128	Joint Facility Rent - (Credit) - Switching	N/A	N/A	(218)	N/A	(218)		(218)
129	Joint Facility Rent - (Credit) - Other	N/A	N/A	-	N/A	-		-
130	Other Rents - Debit - Running	N/A	N/A	-	N/A	-		-
131	Other Rents - Debit - Switching	N/A	N/A	-	N/A	-		-
132	Other Rents - Debit - Other	N/A	N/A	-	N/A	-		-
133	Other Rents - (Credit) - Running	N/A	N/A	(1)	N/A	(1)		(1)
134	Other Rents - (Credit) - Switching	N/A	N/A	-	N/A	-		-
135	Other Rents - (Credit) - Other	N/A	N/A	-	N/A	-		-
136	Depreciation - Running	N/A	N/A	N/A	72	72		72
137	Depreciation - Switching	N/A	N/A	N/A	11	11		11
138	Depreciation - Other	N/A	N/A	N/A	117	117		117
139	Joint Facility - Debit - Running	N/A	N/A	4 222	N/A	4 222		4 222
140	Joint Facility - Debit - Switching	N/A	N/A	1 598	N/A	1 598		1 598
141	Joint Facility - Debit - Other	N/A	N/A	(2)	N/A	(2)		(2)
142	Joint Facility - (Credit) - Running	N/A	N/A	(19)	N/A	(19)		(19)
143	Joint Facility - (Credit) - Switching	N/A	N/A	(137)	N/A	(137)		(137)
144	Joint Facility - (Credit) - Other	N/A	N/A	-	N/A	-		-
145	Dismantling Retired Road Property - Running	3	-	7	-	10		10
146	Dismantling Retired Road Property - Switching	-	-	-	-	-		-
147	Dismantling Retired Road Property - Other	-	-	3	-	3		3
148	Other - Running	-	22	-	58	80		80
149	Other - Switching	-	-	-	(5)	(5)		(5)
150	Other - Other	-	4	2	13	19		19
151	Total Way and Structures	3 066	3 772	7 855	1 479	16 172		16 172

410. RAILWAY OPERATING EXPENSE - Continued

Road Initials

C&S

Year 19 78

Line No.	Name of railway operating expense account	Freight				Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General		
	(a)	(b)	(c)	(d)	(e)	(f)	(h)
		\$	\$	\$	\$	\$	\$
	EQUIPMENT:						
	LOCOMOTIVES						
201	Administration	-	-	-	4	4	4
202	Repair and Maintenance	-	1	5 318	-	5 319	5 319
203	Machinery Repair	-	4	-	-	4	4
204	Equipment Damaged	-	-	163	-	163	163
205	Fringe Benefits	N/A	N/A	N/A	-	-	-
206	Other Casualties and Insurance	N/A	N/A	N/A	106	106	106
207	Lease Rentals - Debit	N/A	N/A	1 395	N/A	1 395	1 395
208	Lease Rentals - (Credit)	N/A	N/A	-	N/A	-	-
209	Joint Facility Rent - Debit	N/A	N/A	-	N/A	-	-
210	Joint Facility Rent - (Credit)	N/A	N/A	-	N/A	-	-
211	Other Rents - Debit	N/A	N/A	3 234	N/A	3 234	3 234
212	Other Rents - (Credit)	N/A	N/A	(2 378)	N/A	(2 378)	(2 378)
213	Depreciation	N/A	N/A	N/A	1 452	1 452	1 452
214	Joint Facility - Debit	N/A	N/A	-	N/A	-	-
215	Joint Facility - (Credit)	N/A	N/A	-	N/A	-	-
216	Repairs Billed to Others - (Credit)	N/A	N/A	(1 686)	N/A	(1 686)	(1 686)
217	Dismantling Retired Property	-	-	-	-	-	-
218	Other	-	2	-	-	2	2
219	Total Locomotives	-	7	6 046	1 562	7 615	7 615
	FREIGHT CARS						
220	Administration	7	-	-	-	N/A	7
221	Repair and Maintenance	-	24	4 367	2	4 393	4 393
222	Machinery Repair	-	-	-	-	N/A	-
223	Equipment Damaged	1	-	1 405	-	1 406	1 406
224	Fringe Benefits	N/A	N/A	N/A	3	3	3
225	Other Casualties and Insurance	N/A	N/A	N/A	169	169	169
226	Lease Rentals - Debit	N/A	N/A	1 187	N/A	1 187	1 187
227	Lease Rentals - (Credit)	N/A	N/A	(12)	N/A	(12)	(12)
228	Joint Facility Rent - Debit	N/A	N/A	-	N/A	-	-
229	Joint Facility Rent - (Credit)	N/A	N/A	-	N/A	-	-
230	Other Rent - Debit	N/A	N/A	8 513	N/A	8 513	8 513
231	Other Rents - (Credit)	N/A	N/A	(5 918)	N/A	(5 918)	(5 918)
232	Depreciation	N/A	N/A	N/A	1 188	1 188	1 188
233	Joint Facility - Debit	N/A	N/A	649	N/A	649	649
234	Joint Facility - (Credit)	N/A	N/A	(58)	N/A	(58)	(58)
235	Repairs Billed to Others - (Credit)	N/A	N/A	(232)	N/A	(232)	(232)
236	Dismantling Retired Property	-	-	-	-	N/A	-
237	Other	-	-	62	-	62	62
238	Total Freight Cars	8	24	5 903	1 357	11 357	11 357

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