

RC-615350

MUNCIE AND WESTERN RAILROAD CO.

1979

RC 615350

Q

R-3

Class of Railroad

annual report

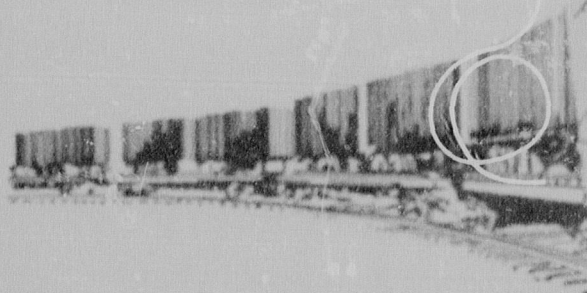
RECEIVED

APR 3 1980

ICC - P.O. 2040

070307

	MuncieWest 5 Mail - Muncie and Western Railroad Company 1425 East 12th Street Muncie, Indiana 47302
Original name and address of addressee (if different from sender)	For name and address of receiving carrier, add mailing label or original copy of label or duplicate



ATCH #1 357 FILED OFF 407
- MF ICC - reg. off 405
Patch S.D. 1804

Level 2

Q 1A, 15615350

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

NOTICE

All switching and terminal companies are to be classified class III railroads.

Switching and terminal companies are to be classified as:

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

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

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

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

TABLE OF CONTENTS

	Schedule No.	Page
Identity of Respondents	101	2
Stockholders	107	3
Comparative Statement of Financial Position	200	4
Results of Operations	210	7
Supplemental Information for Switching and Terminal Companies	210A	10
Road and Equipment Property	300	11
Important Changes During the Year	705	13
Inventory Equipment	710	14
Trucks	720	16

131. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year
Muncie and Western Railroad Company
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? **YES - Muncie and Western Railroad Company**
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made
None
4. Give the location (including street and number) of the main business office of the respondent at the close of the year
1425 East 12th. Street - Muncie, Indiana 47302
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are representatives who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer	Name and office address of person holding office at close of year
1	President & Treasurer	A. M. BRACKEN Muncie, Indiana
2	Vice president	E. F. BALL Muncie, Indiana
3	Secretary	J. W. FISHER Muncie, Indiana
4	Treasurer	
5	Controller or auditor	
6	Attorney or general counsel	
7	General manager	E. R. COX Muncie, Indiana
8	General superintendent	
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief engineer	
13	Asst. Secretary	FRANK C. AUSTIN Muncie, Indiana

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

Line No.	Name of director	Office address	Term expires
14	A. M. BRACKEN	Muncie, Indiana	June 20, 1960
15	E. F. BALL	Muncie, Indiana	June 20, 1960
16	J. W. FISHER	Muncie, Indiana	June 20, 1960
17			
18			
19			
20			
21			
22			
23			

7. Give the date of incorporation of the respondent **May 12, 1903** State the character of motive power used **Diesel-Electric**
8. Class of switching and terminal company **Class III S1**
9. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereto effected during the year. If previously effected, show the year(s) of the reports setting forth details. If in bankruptcy, give dates of declaration and dates of beginning of receivership or trusteeship and of appointment of receiver or trustee.

General Railroad Laws of Indiana

11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent, and if so, give the names of all such corporations and state whether such right was derived through its title to capital stock or other securities owned or owned by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source. **No corporation or organization had the right to name the major part of the Board of Directors, Managers, or Trustees.**
12. Give hereunder a history of the respondent from its incorporation to date, showing all consolidations, mergers, reorganizations, etc., and if consolidated or merged corporations give the particulars for all constituent and subsequent corporations. Describe also the course of construction of the road of the respondent, and its financing. **No consolidations, mergers, reorganization etc.**

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

100. STOCKHOLDERS

Cover the names of the 50 largest 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 (within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give in a footnote the particulars of the trust. In the case of voting trust agreements give, as supplemental information in schedule No. 70A, the names and addresses of the 50 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 each year, show such 50 security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED				
			Number of votes to which security holder was entitled	Stocks		Other securities with voting power	
				Common	Preferred	First	Other
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	A. M. BRACKEN	Muncie, Indiana	599	599			None
2							
3	J. W. PIERCE	Muncie, Indiana	201	201			None
4							
5	EDMOND P. BALL	Muncie, Indiana	200	200			None
6							
7	WILLIAM H. BALL	Indianapolis, Ind.	200	200			None
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Footnotes and Remarks

STOCKHOLDERS REPORT

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

Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted

(date)

☒ No annual report to stockholders is prepared.

20. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

1. Accumulated deferred income tax charges related to current assets should be included in item 6, prepayments, while those related to non-current assets should be included in item 13, Other Deferred Debits.
2. Item 10, Special Funds and Other Investments and Advances, should be shown net of allowances and adjustments.
3. Amounts reported on line 12, Other Assets, should be shown net of depreciation and amortization.

Line No.	Item (a)	Dependent Only	
		Balance at Close of Year (b)	Balance at Beginning of Year (c)
	CURRENT ASSETS	\$	\$
1	Cash	11,891	15,953
2	Temporary Cash Investments		
3	Special Deposits		
4	Accounts Receivable	117	247
5	Less: Allowance for Uncollectible Accounts		
6	Prepayments (and working funds)		
7	Materials and Supplies		
8	Other Current Assets	2,075	1,775
9	Total Current Assets	14,083	17,975
	OTHER ASSETS		
10	Special Funds and Other Investments and Advances		
11	Other Assets		
12	Other Deferred Debits		
13	Total Other Assets		
	ROAD AND EQUIPMENT		
14	Road and Equipment Property	212,546	212,546
15	Accumulated Depreciation and Amortization	(102,536)	(102,074)
16	Net Road and Equipment	110,010	110,472
17	Total Assets	124,093	128,447
	CURRENT LIABILITIES		
18	Loans and Notes Payable	21,000	21,000
19	Accounts Payable	2,165	2,947
20	Interest and Dividends Payable		
21	Taxes Accrued	2,049	1,368
22	Other Current Liabilities		
23	Equipment Obligations and Other Long-term Debt Due Within One Year		
24	Total Current Liabilities	25,214	25,315
	NON CURRENT LIABILITIES		
25	Funded Debt Unmatured		
26	Equipment Obligations		
27	Capitalized Lease Obligations		
28	Accumulated Deferred Income Tax Credits		
29	Other Long-term Liabilities and Deferred Credits		
30	Total Non-current Liabilities		

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

Line No.	Item	Respondent Only	
		Balance at Close of Year 1993	Balance at Beginning of Year 1993
	SHAREHOLDERS' EQUITY	\$	\$
	Capital Stock:	50,000	50,000
31	Common		
32	Preferred		
33	Discount on Capital Stock		
34	Additional Capital		
	Retained Earnings:		
35	Appropriated		
36	Unappropriated	48,879	53,112
37	Net Unrealized Loss on Noncurrent Marketable Equity Securities		
38	Less: Treasury Stock		
39	Net Shareholders' Equity	98,879	103,112
40	Total Liabilities and Shareholders' Equity	194,093	128,447

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION : EXPLANATORY NOTES

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

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

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carry-over on January 1 of the year following that for which the report is made \$ 152,125

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

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund NONE

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

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

(ii) If funding is by trust agreement, list trust(s)

Date of trust agreement or latest amendment

If respondent is affiliated in any way with the trust(s), explain affiliation

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

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

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

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

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

219. RESULTS OF OPERATIONS

INSTRUCTIONS

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.
2. List dividends from investments accounted for under the cost method on the appropriate line, under subsection "Other Income." List dividends accounted for under the equity method on the appropriate line under the "Income from Affiliated Companies" subsection of that schedule.
3. All contra entries hereunder should be indicated in parenthesis.

210. RESULTS OF OPERATIONS

Line No.	Item (a)	Amount for Current Year (b)
	ORDINARY ITEMS	
	OPERATING INCOME	
	Railway Operating Income	
		2,080
1	Freight	
2	Passenger	
3	Other	
4	Railway Operating Revenues	7,088
5	Railway Operating Expenses	5,729
6	*Net Revenue from Railway Operations	(3,641)
	OTHER INCOME	
7	Dividend income	
8	Interest income	
9	Other income, Other: Rents	5,045
	Income from affiliated companies	
10	Dividends	
11	Equity in undistributed earnings (losses)	
12	Total other income (Lines 7-11)	5,045
13	Total income (Lines 6, 12)	1,404
	OTHER DEDUCTIONS	
14	Miscellaneous deductions from income	2,192
15	Fixed charges	1
16	Income after miscellaneous deductions and fixed charges	(789)
	UNUSUAL OR INFREQUENT ITEMS	
17	Unusual or infrequent items (debit) credit	
18	Income (loss) from continuing operations (before income taxes) (Line 16 less Line 17)	(789)
	PROVISIONS FOR INCOME TAXES	
	Income taxes on ordinary income	
19	Federal income taxes	
20	State income taxes	
21	Other income taxes	3,445
22	Provisions for deferring income taxes	
23	Income before extraordinary items (Line 18 less Lines 19-22)	(4,234)
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES	
24	Extraordinary items (net)	
25	Income taxes on extraordinary items	
26	Provisions for deferred taxes - Extraordinary items	
27	Total extraordinary items (Lines 24-26)	
28	Cumulative effects of changes in accounting principles	
29	(Less) applicable income taxes of 3	
30	Net income	(4,234)

218. RESULTS OF OPERATIONS—Continued

Line No.	Item	Amount for Current Year (th)
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)		
31	Net revenues from railway operations	2,088
32	Income taxes on ordinary income	
33	Provisions for deferred income taxes	
34	Income from Lease of Road and Equipment	5,045
35	Rent for leased Roads and Equipment	
36	Net Railway Operating Income	(2957) 7,133
37	Revenue freight Ton miles	

APPENDIX A

SCHEDULE 110A. SUPPLEMENTAL INFORMATION FOR SWITCHING AND TERMINAL COMPANIES

1.	Joint Facility		
	Category	Debit	Credit
	Way and structures		
	Equipment		
	Road		
	Yard		
	Other Transportation		

2. Depreciation Expense - way and structures - running
 Depreciation Expense - way and structures - switching
 Depreciation Expense - way and structures - others
 All other way and structures operating expenses
 Total Way and Structures Operating Expenses

Depreciation Expense - locomotives
 Depreciation Expense - freight cars
 Depreciation Expense - other equipment

3. *Number of locomotive miles in yard switching service: Freight Passenger

*Number of locomotive-miles in yard switching service should be computed in accordance with OS-A report note F.

336. ROAD AND EQUIPMENT PROPERTY

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

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

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

Line No.	ITEM	Balance at beginning of year	Gross charges during year	Credits for property retired during year	Balance at close of year	Accrued depreciation at close of year
(a)	(b)	(c)	(d)	(e)	(f)	
1 (1)	Engineering	1,287			1,287	
2 (2)	Land for transportation purposes	1,287			1,287	
3 (3)	Other right-of-way expenditures					
4 (4)	Grading	5,491			5,491	
5 (5)	Tunnels and subways					
6 (6)	Bridges, trestles, and culverts					
7 (7)	Elevated structures					
8 (8)	Ties	16,612			16,612	
9 (9)	Rails	17,676			17,676	
10 (10)	Other track material	19,825			19,825	
11 (11)	Ballast	2,551			2,551	
12 (12)	Track laying and surfacing	7,613			7,613	
13 (13)	Fences, snow sheds, and signs					
14 (14)	Station and office buildings					
15 (15)	Roadway buildings					
16 (16)	Water stations					
17 (17)	Fuel stations					
18 (18)	Shops and enginehouses					
19 (19)	Storage warehouses					
20 (20)	Wharves and docks					
21 (21)	Coal and ore wharves					
22 (22)	TOFC/COFC terminals					
23 (23)	Communication systems	1,378			1,378	
24 (24)	Signals and interlockers					
25 (25)	Power plants					
26 (26)	Power transmission systems					
27 (27)	Miscellaneous structures					
28 (28)	Roadway machines					
29 (29)	Public improvements - Construction	1,567			1,567	
30 (30)	Shop machinery					
31 (31)	Power plant machinery					
32	Other (specify and explain)					
33	Total Expenditures for Road	75,267			75,267	
34 (32)	Locomotives	98,446			98,446	
35 (33)	Freight train cars					
36 (34)	Passenger train cars					
37 (35)	Highway revenue equipment					
38 (36)	Floating equipment					
39 (37)	Work equipment					
40 (38)	Miscellaneous equipment	2,306			2,306	
41	Total Expenditures for Equipment	100,752			100,752	

330. ROAD AND EQUIPMENT PROPERTY--Continued

Line No.	ITEM	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)	Accrued depreciation at close of year (f)
	(a)	(b)	(c)	(d)	(e)	(f)
42 (76)	Interest during construction	1,022			1,022	
43 (77)	Other expenditures - General	637			637	
44	Total General Expenditures	1,659			1,659	
45	Total					
46 (80)	Other elements of investments	36,868			36,868	
47 (90)	Construction work in progress					
48	Grand Total	212,546			212,546	

705. IMPORTANT CHANGES DURING THE YEAR

Hereunder state the following matters, numbering the statements as prescribed with the inquiries, and if any changes of the character below indicated occurred during the year state that fact. Changes in mileage should be stated to the nearest hundredth of a mile. If any changes reportable in this schedule occurred under authority granted by the Commission in certificates of convenience and necessity issued under paragraphs (12) or (17) of section 1 of the Interstate Commerce Act or otherwise, specify in brackets to which authority should be referred to make its check number or otherwise, as may be appropriate:

1. All portions of road put in operation or abandoned, giving for each one the length in miles and feet down to beginning operations or of abandonment.
2. All other important physical changes, including herein all new tracks built.
3. All branch-lets acquired or surrendered, giving for each the length in miles, feet down to parties, feet cents, and feet other conditions.
4. All agreements for trackage rights acquired or surrendered, giving for each the length in miles, feet down to parties, feet cents, and feet other conditions.
5. All consolidations, mergers, and reorganizations effected, giving particulars.
6. All stock issued, giving for purposes for which issued the names of stocks, and for amounts issued, and describing (a) the actual consideration received, giving for amounts and (b) value, give similar information concerning all stocks retired or any.
7. All bonded debt issued, giving for purposes for which issued the names of securities and for amounts issued, and describing (a) the actual consideration received, giving for amounts and (b) value, also give particulars concerning any bonded debt paid or otherwise retired, stating for date acquired, the date retired or canceled, the par value of amounts retired.
8. All other important financial changes.
9. All changes in and all additions to trackage rights, describing fully for the actual consideration given therefor, and stating for the parties from whom acquired; if no consideration was given state that fact.
10. If the respondent has not yet begun operation, and no construction has been started or during the year state fully the reasons therefor.
11. All additional matters in fact and otherwise provided for which the respondent was duty to include in its report.

In cases under items 1 and 2 include any foot main track owned by respondent representing new construction or permanent abandonment give the following particulars:

Miles of road constructed

Miles of road abandoned

The word "Miles of road constructed" is intended to show the mileage of foot main track laid to extend respondent's road, and should not include tracks sidings and tracks laid to shorten the distance between two points, without serving any new territory.

720. TRACKS

(1) Show, by State, total mileage of tracks owned and operated by respondent: 5.72 Indiana

(2) Show, by State, mileage of tracks owned but not operated by respondent. First main track: None
 second and additional main tracks: None industrial tracks: none
 yard track and sidings: None total all tracks: None (1)

(3) Road is completed from (Low Haul Railway only): None to None Total distance: None miles

(4) Road located at (Switching and Terminal Companies only): Muncie - Indiana

(5) Gauge of track: 4 ft 8 1/2 in

(6) Weight of rail: 70 to 100 lb. per yard
 Crossed ties 6"XB"XB'6" - 2640 lbs. per mile

(7) Kind and number per mile of crossings: Crossovers

(8) State number of notes electrified. First main track: None second and additional main tracks: None
 passing tracks, cross-overs, and turn-outs: None yard switching tracks: None

(9) Ties applied in replacement during year. Number of crossings: None average cost per tie: \$ None number of feet (B.M.) of switch and bridge ties: None average cost per M. feet (B.M.): \$ None

(10) Rail applied in replacement during year. Ties (2,000 per mile): None Weight per year: None average cost per ton: \$ None

*Insert names of places.

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

Correspondence: Dr. J. A. J. H. van't Hof-Grootenboer, Department of Clinical Chemistry, University Hospital Groningen, P.O. Box 30.001, 3000 RB Groningen, The Netherlands.

VERIFICATION

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

OATH

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

State of **Indiana**

County of **Delaware**

A. M. BRACKEN

Knows him the name of the officer

swears that and says that he is

President & Treasurer

Knows him the official title of the officer

of **Muncie and Western Railroad Company**

Knows him the name and title of the respondent

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

of said term and including **January 1, 1979** to and including **December 31, 1979**

A. M. Bracken

Subscribed and sworn to before me, a

Notary Public

in and for the State and **Delaware**

county above named, this

1st

day of

April

1980

My commission expires **6-6-82**

Elmer R. Cox
Elmer R. Cox

Signature of officer authorized to administer oaths

SUPPLEMENTAL OATH

(To be the president or other chief officer of the respondent)

State of **Indiana**

County of **Delaware**

EDMUND F. BALL

Knows him the name of the officer

swears that and says that he is

VICE-PRESIDENT

Knows him the official title of the officer

of **Muncie and Western Railroad Company**

Knows him the name and title of the respondent

that he has carefully examined the foregoing report that he believes that all statements of fact contained in the said report are true and that the said report is a correct and complete statement of the business and affairs of the above named respondent and the operation of its property during

the period of said term and including **January 1, 1979** to and including **December 31, 1979**

Edmund F. Ball

Subscribed and sworn to before me, a

Notary Public

in and for the State and **Delaware**

county above named, this

1st

day of

April

1980

My commission expires **6-6-82**

Elmer R. Cox
Elmer R. Cox

Signature of officer authorized to administer oaths