

1956

ANNUAL REPORT

THE AKRON & BARBERTON BELT
RAILROAD COMPANY

FOR THE YEAR ENDED DECEMBER 31, 1956

OFFICE OF THE SECRETARY
SIX PENN CENTER PLAZA
PHILADELPHIA, PA.

THE AKRON & BARBERTON BELT RAILROAD COMPANY

DIRECTORS

H. M. PHILLIPS	CLEVELAND, OHIO
W. C. BAKER	BALTIMORE, MD.
H. G. WATKINS	AKRON, OHIO
G. C. WHITE	CLEVELAND, OHIO

OFFICERS

PRESIDENT	H. M. PHILLIPS	CLEVELAND, OHIO
VICE-PRESIDENT	W. C. BAKER	BALTIMORE, MD.
SECRETARY	BAYARD H. ROBERTS	PHILADELPHIA, PA.
TREASURER	W. R. GERSTNECKER	PHILADELPHIA, PA.
AUDITOR	H. J. WARD	PHILADELPHIA, PA.
GENERAL COUNSEL	JOHN B. PRIZER	PHILADELPHIA, PA.
SUPERINTENDENT	JOHN F. MILLER	BARBERTON, OHIO
MANAGER, REAL ESTATE	R. D. JORDAN	CLEVELAND, OHIO
VALUATION ENGINEER	SPENCER DANBY	PHILADELPHIA, PA.

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ANNUAL REPORT

OF

THE AKRON & BARBERTON BELT RAILROAD COMPANY

PHILADELPHIA, PA., MARCH 15, 1957

TO THE STOCKHOLDERS:

THE BOARD OF DIRECTORS SUBMITS HERewith REPORT OF THE OPERATIONS OF YOUR RAILROAD FOR THE YEAR ENDED DECEMBER 31, 1956, TOGETHER WITH BALANCE SHEET SHOWING THE FINANCIAL CONDITION OF THE COMPANY AT THE CLOSE OF THE YEAR.

H. M. PHILLIPS,
PRESIDENT.

MILEAGE

	<u>MAIN TRACKS</u>	<u>SIDINGS</u>
OLD BARBERTON BELT LINE	1.75	3.90
FAIRLAWN EXTENSION	6.98	.78
AKRON EXTENSION	12.48	8.51
BARBERTON, OHIO	<u>1.77</u>	<u>6.38</u>
TOTAL, DECEMBER 31, 1956	22.98	19.57
TOTAL, DECEMBER 31, 1955	<u>22.98</u>	<u>19.57</u>

INCOME STATEMENT
YEAR ENDED DECEMBER 31, 1956 COMPARED WITH 1955

	YEAR 1956	YEAR 1955	INCREASE OR DECREASE
OPERATING INCOME:			
RAILWAY OPERATING REVENUES	\$752,220.75	\$658,619.79	I \$93,600.96
RAILWAY OPERATING EXPENSES	531,610.98	545,147.98	D 13,537.00
NET REVENUE FROM RAILWAY OPERATIONS	220,609.77	113,471.81	I 107,137.96
(FEDERAL INCOME TAXES .....	.....	CR. 2,878.94	DCR. 2,878.94
TAX (OTHER RAILWAY TAXES	39,720.08	34,162.00	I 5,558.08
ACCRUALS (UNEMPLOYMENT INSURANCE TAXES	4,296.92	1,332.28	I 2,964.64
(RAILROAD RETIREMENT TAXES	17,952.86	16,655.24	I 1,297.62
TOTAL	61,969.86	49,270.58	I 12,699.28
RAILWAY OPERATING INCOME	158,639.91	64,201.23	I 94,438.68
HIRE OF EQUIPMENT - DEBIT BALANCE	50,439.25	26,881.04	I 23,558.21
JOINT FACILITY RENTS - DEBIT BALANCE	1,000.00	1,000.00	
TOTAL	51,439.25	27,881.04	I 23,558.21
NET RAILWAY OPERATING INCOME	107,200.66	36,320.19	I 70,880.47
NON-OPERATING INCOME:			
MISCELLANEOUS RENT INCOME	6,458.32	5,983.77	I 474.55
INTEREST INCOME .....	.....	76.27	D 76.27
CONTRIBUTIONS FROM OTHER COMPANIES	51,520.86	110,064.00	D 58,543.14
MISCELLANEOUS INCOME	357.53	.....	I 357.53
TOTAL	58,336.71	116,124.04	D 57,787.33
GROSS INCOME	165,537.37	152,444.23	I 13,093.14
DEDUCTIONS FROM GROSS INCOME:			
MISCELLANEOUS RENTS	159.50	110.00	I 49.50
INTEREST ON FUNDED DEBT	41,524.12	41,524.12	
INCOME TRANSFERRED TO OTHER COMPANIES	92,035.99	110,814.27	D 18,778.28
MISCELLANEOUS INCOME CHARGES	2.00	CR. 1.16	I 3.16
TOTAL	133,721.61	152,447.23	D 18,725.62
NET INCOME	31,815.76	DEF. 3.00	I 31,818.76

STATEMENT OF EARNED SURPLUS

	1956	1955	INCREASE
BALANCE, JANUARY 1	\$127,798.51	\$127,798.51	
ADD: NET INCOME FOR THE YEAR	31,815.76	DEF. 3.00	\$31,818.76
MISCELLANEOUS CREDITS	79.15	3.00	76.15
	159,693.42	127,798.51	31,894.91
DEDUCT: MISCELLANEOUS DEBITS	31,894.91	.....	31,894.91
BALANCE, DECEMBER 31	127,798.51	127,798.51	

BALANCE SHEET

ASSETS

	DECEMBER 31, 1956	DECEMBER 31, 1955	INCREASE OR DECREASE
CURRENT ASSETS:			
CASH	\$157,140.58	\$184,217.58	D \$27,077.00
TRAFFIC AND CAR-SERVICE BALANCES	106,723.21	118,498.14	D 11,774.93
NET BALANCE RECEIVABLE FROM AGENTS	7,198.10	4,798.46	I 2,399.64
MISCELLANEOUS ACCOUNTS RECEIVABLE	10,881.56	61,401.39	D 50,519.83
TOTAL CURRENT ASSETS	281,943.45	368,915.57	D 86,972.12
INVESTMENTS:			
ROAD AND EQUIPMENT PROPERTY:			
ROAD	1,716,062.26	1,713,069.13	I 2,993.13
EQUIPMENT	372,221.48	372,221.48	
DONATIONS AND GRANTS	CR. 27,962.23	CR. 25,386.56	ICR. 2,575.67
NET INVESTMENT IN TRANSPORTATION PROPERTY	2,060,321.51	2,059,904.05	I 417.46
ACCRUED DEPRECIATION - ROAD	CR. 44,194.67	CR. 38,961.92	ICR. 5,232.75
ACCRUED DEPRECIATION - EQUIPMENT	CR. 118,023.99	CR. 69,113.33	ICR. 48,910.66
ACCRUED AMORTIZATION OF DEFENSE PROJECTS	CR. 1,909.15	CR. 1,909.15	
TOTAL DEPRECIATION AND AMORTIZATION	CR. 164,127.81	CR. 109,984.40	ICR. 54,143.41
NET INVESTMENT IN TRANSPORTATION PROPERTY LESS RECORDED DEPRECIATION AND AMORTIZATION	1,896,193.70	1,949,919.65	D 53,725.95
MISCELLANEOUS PHYSICAL PROPERTY	1.00	1.00	
TOTAL INVESTMENTS LESS RECORDED DEPRECIATION AND AMORTIZATION	1,896,194.70	1,949,920.65	D 53,725.95
OTHER ASSETS INCLUDING ITEMS IN PROCESS OF ADJUSTMENT	20.00	2,500.00	D 2,480.00
TOTAL	2,178,158.15	2,321,336.22	D 143,178.07

BALANCE SHEET

LIABILITIES

	DECEMBER 31, 1956	DECEMBER 31, 1955	INCREASE OR DECREASE
CURRENT LIABILITIES:			
AUDITED ACCOUNTS AND WAGES PAYABLE	\$41,916.28	\$38,183.98	I \$3,732.30
MISCELLANEOUS ACCOUNTS PAYABLE	39,738.51	62,529.77	D 22,791.26
ACCRUED ACCOUNTS PAYABLE	45.00	8,515.21	D 8,470.21
TAX LIABILITY	33,208.22	30,918.06	I 2,290.16
TOTAL CURRENT LIABILITIES	114,908.01	140,147.02	D 25,239.01
LONG TERM DEBT:			
AMOUNTS PAYABLE TO AFFILIATED COMPANIES:			
ADVANCES BY THE PROPRIETARY COMPANIES:			
FOR SINKING FUND	1,120,842.65	1,120,842.65	
OTHER ADVANCES	692,068.56	812,068.56	D 120,000.00
	1,812,911.21	1,932,911.21	D 120,000.00
DEFERRED LIABILITIES	16,588.31	16,519.47	I 68.84
UNADJUSTED CREDITS	2,412.10	420.00	I 1,992.10
STOCKHOLDERS' EQUITY:			
CAPITAL STOCK (1,000 SHARES, PAR VALUE \$100. PER SHARE)	100,000.00	100,000.00	
SURPLUS:			
EARNED	127,798.51	127,798.51	
UNEARNED	3,540.01	3,540.01	
TOTAL STOCKHOLDERS' EQUITY	231,338.52	231,338.52	
TOTAL	2,178,158.15	2,321,336.22	D 143,178.07

OPERATING EXPENSES

	1956	1955	INCREASE OR DECREASE
<u>MAINTENANCE OF WAY AND STRUCTURES</u>			
SUPERINTENDENCE	\$14,498	\$12,010	I \$2,488
ROADWAY MAINTENANCE	74,260	64,371	I 9,889
MAINTAINING STRUCTURES	538	5,900	D 5,362
RETIREMENTS - ROAD	451	31	I 420
DISMANTLING RETIRED ROAD PROPERTY .....	.....	584	D 584
ROAD PROPERTY - DEPRECIATION	6,329	6,598	D 269
OTHER MAINTENANCE OF WAY EXPENSES	5,749	7,021	D 1,272
TOTAL	101,825	96,515	I 5,310
<u>MAINTENANCE OF EQUIPMENT</u>			
SUPERINTENDENCE	7,003	6,096	I 907
SHOP AND POWER-PLANT MACHINERY	755	.....	I 755
SHOP AND POWER-PLANT MACHINERY - DEPRECIATION	137	137	
LOCOMOTIVE REPAIRS	41,425	10,294	I 31,131
CAR REPAIRS	3,695	5,177	D 1,482
OTHER EQUIPMENT REPAIRS	2,342	1,700	I 642
EQUIPMENT - DEPRECIATION	15,937	16,902	D 965
OTHER EQUIPMENT EXPENSES	492	1,331	D 839
TOTAL	71,786	41,637	I 30,149
<u>TRAFFIC EXPENSES</u>			
	125	166	D 41
<u>TRANSPORTATION</u>			
SUPERINTENDENCE AND DISPATCHING	9,867	9,100	I 767
STATION SERVICE	23,706	16,920	I 6,786
YARD EMPLOYES	232,621	207,471	I 25,150
YARD SWITCHING FUEL	18,021	15,048	I 2,973
MISCELLANEOUS YARD EXPENSES	16,152	14,323	I 1,829
OTHER TRAIN EXPENSES	37	33	I 4
INJURIES TO PERSONS	36,328	128,952	D 92,624
LOSS AND DAMAGE	462	199	I 263
OTHER CASUALTY EXPENSES	7,312	2,917	I 4,395
OTHER RAIL TRANSPORTATION EXPENSES	4,068	3,077	I 991
TOTAL	348,574	398,040	D 49,466
<u>GENERAL</u>			
ADMINISTRATION	8,015	7,649	I 366
OTHER GENERAL EXPENSES	1,286	1,141	I 145
TOTAL	9,301	8,790	I 511
GRAND TOTAL	531,611	545,148	D 13,537

CAR MOVEMENTS

YEAR ENDED DECEMBER 31, 1956

	B. & O. R. R.		P. R. R.		ERIE		A. C. & Y.		TOTAL MOVED FOR PROPRIETORS		INTERNAL *	
	LOADED	EMPTY	LOADED	EMPTY	LOADED	EMPTY	LOADED	EMPTY	LOADED	EMPTY	LOADED	EMPTY
JANUARY	804	558	978	709	902	704	1,617	1,025	4,301	2,996	158	317
FEBRUARY	826	557	958	725	791	658	1,598	1,162	4,173	3,102	108	266
MARCH	806	424	1,083	784	849	732	1,532	1,201	4,270	3,141	129	260
APRIL	750	492	1,455	1,043	828	723	1,399	1,313	4,432	3,571	159	266
MAY	763	521	1,101	1,050	843	527	1,458	1,258	4,165	3,356	140	221
JUNE	831	465	989	794	795	572	1,297	1,159	3,912	2,990	164	283
JULY	725	440	824	589	722	654	1,157	1,065	3,428	2,848	114	170
AUGUST	785	536	1,001	737	779	655	1,275	1,145	3,840	3,073	160	222
SEPTEMBER	775	396	1,254	914	819	740	1,341	1,144	4,189	3,194	156	265
OCTOBER	867	521	1,021	712	875	794	1,462	1,282	4,225	3,309	135	245
NOVEMBER	1,045	751	864	606	744	592	1,389	1,153	4,042	3,102	103	241
DECEMBER	849	601	879	567	850	710	1,519	1,207	4,097	3,085	103	231
TOTAL 1956	9,826	6,262	12,407	9,330	9,797	8,061	17,044	14,114	49,074	37,767	1,629	2,987
TOTAL 1955	8,099	5,720	11,161	8,394	9,237	7,397	17,030	14,199	45,527	35,710	2,218	3,106

* EXCLUDED FROM TOTAL MOVED FOR PROPRIETORS

NET PROFIT FROM OPERATION

AND APPORTIONMENT AMONG THE PROPRIETARY COMPANIES

	B. & O. R. R.	P. R. R.	ERIE	A. C. & Y.	TOTAL PROFIT
NET PROFIT FOR 1956	\$12,208.82	\$10,579.05	\$12,192.63	\$5,534.63	** \$40,515.13
NET PROFIT FOR 1955	8,398.35	947.00	6,075.99	DEF. 14,671.07	# 750.27

NOTE: PROFITS ARE APPORTIONED MONTHLY EQUALLY AMONG THE PROPRIETARY COMPANIES; LOSSES ARE APPORTIONED MONTHLY ON BASIS OF LOADED CARS HANDLED FOR EACH OF THE PROPRIETORS.

** INCLUDES \$79.15 ACCOUNT CREDIT TO MISCELLANEOUS PROFIT AND LOSS.

INCLUDES \$3.00 ACCOUNT CREDIT TO MISCELLANEOUS PROFIT AND LOSS.

CHANGES IN INVESTMENT IN ROAD AND EQUIPMENT PROPERTY DURING THE YEAR 1956

ROAD:

ENGINEERING	D	\$62
LAND FOR TRANSPORTATION PURPOSES	D	250
TIES	I	965
RAILS	I	772
OTHER TRACK MATERIAL	I	2,410
BALLAST	D	5
TRACK LAYING AND SURFACING	I	535
WATER STATIONS	D	<u>1,372</u>
TOTAL ROAD	I	<u>2,992</u>

I - INCREASE D - DECREASE

