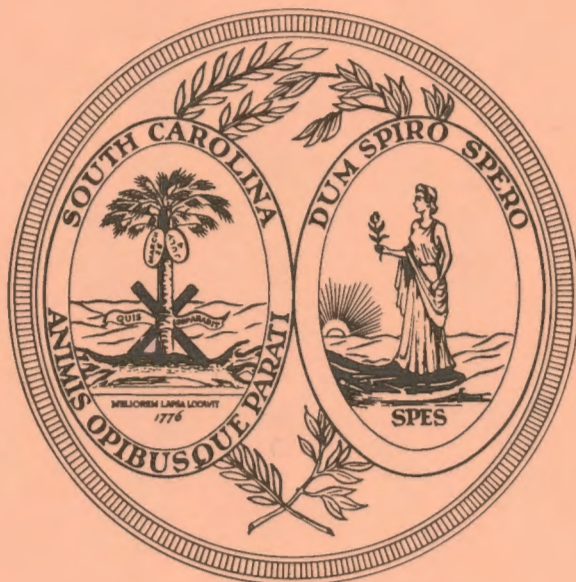


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DIVISION OF PUBLIC RAILWAYS



ANNUAL REPORT 1993

Printed Under The Direction Of The
State Budget And Control Board

S. C. STATE ARCHIVE

JUN 07 1994

STATE DOCUMENTS

DIVISION OF PUBLIC RAILWAYS

S.C. DEPARTMENT OF COMMERCE
POST OFFICE BOX 279
CHARLESTON, SOUTH CAROLINA
29402-0279
TEL. (803) 727-2067 FAX (803) 727-2005

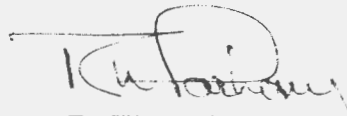
The Honorable Carroll A. Campbell, Jr.
Governor of South Carolina

Members of the General Assembly
State of South Carolina

Gentlemen:

Transmitted herewith is the Annual Report of the Division of Public
Railways for the fiscal year ended December 31, 1993.

Respectfully submitted,



R. W. Parham
Director

RWP\cp

DIVISION OF PUBLIC RAILWAYS

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DIVISION OF PUBLIC RAILWAYS

John A. Warren, Director..... S. C. Department of Commerce

Wayne L. Sterling, Executive Director..... S. C. Department of Commerce

ADMINISTRATIVE

Director.....R. W. Parham

Manager, Administration and Finance.....W. Q. Hutchinson

Manager, Operations.....E. B. Way, Jr.

OFFICES

540 East Bay Street
P. O. Box 279
Charleston, South Carolina 29402

STATUTORY AUTHORITY

Act No. 456 of 1969

ESTABLISHED:

1969, operational August 1, 1973

SUBSEQUENT RELATED ACTS:

1974; Act No. 1197.....signed into law July 8, 1974
1975; Act No. 232.....signed into law June 4, 1975
1978; Act No. 600.....effective July 18, 1978
1979; Act No. 199.....Part II; 13, July 30, 1979
1993; Act No. 181.....signed into law July 1, 1993

MISSION

The Division of Public Railways is a "common carrier" by railroad. By operating and controlling "common carrier" railroads, the Public Railways comes under the regulation and jurisdiction of the Interstate Commerce Commission in accordance with Subtitle IV of Title 49, United States Code. In accordance with the State Code of Laws (3-1-1330) the Public Railways functions as a corporate body with the Director of Commerce fulfilling the function of the Board of Directors, employing a full-time staff and sufficient personnel necessary to operate four short line railroads.

One of the four railroads, i.e., the East Cooper and Berkeley Railroad Company (ECBR), is located in Berkeley County, SC. Operations at ECBR began in November, 1978. The ECBR was built to stimulate industrial development in the southern part of Berkeley County. No State General Fund revenues are used in connection with operations of the ECBR, nor have any State Bond funds or other State appropriated money been used in connection with construction of the ECBR.

Two railroads are located in Charleston County. The Port Utilities Commission of Charleston, SC (PUCC) is located in Charleston, SC. The PUCC was established in 1890 as a private enterprise. It was built to provide railroad freight switching service between the Charleston waterfront dock facilities and the railroads which served Charleston. During the 1920's, the City of Charleston purchased the railroad and the related dock facilities to protect the future export-import shipping business which would move through the Port of Charleston. This was the beginning of public ownership of the PUCC.

During the late 1930's and early 1940's, the U. S. Army improved dock and rail facilities at North Charleston, SC. After World War II, some of these facilities were turned over to the City of Charleston, which later transferred the port operations to the State. The Port Terminal Railroad of SC (PTSC) provides railroad switching services between the North Charleston waterfront and dock facilities and the point of interchange with CSX Transportation and Norfolk Southern. The PTSC became a "common carrier" by railroad in August, 1956.

Consistent with its primary objectives, the Public Railways since January of 1981 has operated the ECBR, PUCC and PTSC for which it is responsible without subsidy, totally independent of public funds, State or Federal.

On March 1, 1985, action was taken by the Public Railways in the form of a Resolution which created a subsidiary, Tangent Transportation Company Inc., for the purpose of providing a vehicle for the management, operation and maintenance of rail segments abandoned by the major trunk-line railroads within the State of South Carolina. The Commission incurred no financial liability or responsibility for Tangent, or any railroad it may contract to operate as a result of this action. Tangent, in turn, is subject to the same conditions as defined in the enabling legislation which created the Public Railways and amendments thereto, i.e., any contractual arrangement to operate abandoned or additional rail segments must contain the necessary guarantees by a fiscally responsible entity, including political subdivisions of the State, as well as industry or combinations thereof, which eliminate the possibility of Tangent sustaining a financial loss resulting from said contractual arrangement.

In addition to the primary objectives listed above, the Public Railways, to the extent it is able to do so with its existing staff, is available to other political subdivisions of the State to assist them in maintaining existing marginal rail service in the event abandonment appears to be imminent. It also provides further technical assistance in connection with the acquisition, operation and maintenance of rail properties which might be acquired by political subdivisions of the State which might be forced to assume that responsibility in connection with the maintenance of rail service threatened by the abandonment process.

The primary objective of the Public Railways is to support in every way possible the efforts of the State Development Board and the State Ports Authority in their activities to promote the sound economic growth and development of the State of South Carolina.

DIVISION OF PUBLIC RAILWAYS
CONSOLIDATED INCOME STATEMENT
1993

OPERATING REVENUE

Freight	\$1,680,074
Switching	1,086,098
Storage	4,310
Demurrage	11,460
Use of Engine	<u>153,317</u>
Total Operating Revenue	2,935,259
Operating Expense	<u>2,188,837</u>
Net Operating Revenue	746,422

TAXES

Railroad Retirement Taxes	253,254
Railroad Unemployment Taxes	9,831
State Retirement Taxes	<u>77,712</u>
Total Taxes	340,797
Operating Revenue	405,625

OTHER INCOME

Interest Income	197,509
Miscellaneous Income	80,581
Contractual Service Income	20,156
Documental Service Income	29,510
Property Rental	133,419
Technical Assistance	36,000
Land Use and Processing Fees	69,759
Management Fee	180,000
Traffic Deficiencies Income	<u>491,601</u>
Total Other Income	1,238,535

DEDUCTIONS FROM INCOME

Hire of Freight Cars	80,534
Rent for Leased Road and Equipment	55,031
Interest Expense	156,731
Depreciation of Non-Oper. Property	24,233
Contribution to Charleston Defense Fund	<u>49,646</u>
Total Deductions from Income	366,175
Net Income	<u><u>\$1,277,985</u></u>

PORT UTILITIES COMMISSION
INCOME STATEMENT
1993

OPERATING REVENUE

Switching	\$434,255
Demurrage	9,240
Use of Engine	<u>15,880</u>
Total Operating Revenue	459,375
Operating Expense	<u>476,570</u>
Net Operating Revenue	(17,195)

TAXES

Railroad Retirement Taxes	72,687
Railroad Unemployment Taxes	2,815
State Retirement Taxes	<u>20,961</u>
Total Taxes	96,463
Operating Income	(113,658)

OTHER INCOME

Interest Income	82,018
Miscellaneous Income	39,535
Contractual Service Income	9,900
Documental Service Income	25,435
Technical Assistance	18,000
Management Fee	<u>90,000</u>
Total Other Income	264,888

DEDUCTIONS FROM INCOME

Interest Expense	383
Depreciation of Non-Oper. Property	12,116
Hire of Freight Cars	314
Contribution to Charleston Defense Fund	<u>24,823</u>
Total Deductions from Income	37,636
Net Income	<u><u>\$113,594</u></u>

PORT TERMINAL RAILROAD OF S. C.
INCOME STATEMENT
1993

OPERATING REVENUE

Switching	\$651,843
Storage	4,310
Demurrage	220
Use of Engine	<u>142</u>
Total Operating Revenue	656,515
Operating Expenses	<u>430,070</u>
Net Operating Revenue	226,445

TAXES

Railroad Retirement Taxes	69,290
Railroad Unemployment Taxes	2,871
State Retirement Taxes	<u>21,774</u>
Total Taxes	93,935
Operating Income	132,510

OTHER INCOME

Interest Income	82,018
Miscellaneous Income	39,386
Contractual Service Income	9,900
Documental Service Income	4,075
Property Rental	123,285
Technical Assistance	18,000
Management Fee	90,000
Land Use Fee - SPA	<u>69,309</u>
Total Other Income	435,973

DEDUCTIONS FROM INCOME

Interest Expense	544
Depr. of Non-Oper. Property	12,117
Contribution to Charleton Defense Fund	<u>24,823</u>
Total Deductions from Income	37,484
Net Income	<u><u>\$530,999</u></u>

EAST COOPER AND BERKELEY RAILROAD COMPANY
INCOME STATEMENT
1993

OPERATING REVENUE

Freight	\$ 973,907
Use of Engine	<u>137,295</u>
Total Operating Revenue	1,111,202
Operating Expense	<u>817,865</u>
Net Operating Revenue	293,337

TAXES

Railroad Retirement Taxes	97,794
Railroad Unemployment Taxes	3,630
State Retirement Taxes	<u>32,079</u>
Total Taxes	133,503
Operating Income	159,834

OTHER INCOME

Interest Income	20,410
Miscellaneous Income	489
Traffic Deficiencies Income	<u>491,601</u>
Total Other Income	512,500

DEDUCTIONS FROM INCOME

Hire of Freight Cars	12,420
Rent for Leased Road and Equipment	17,698
Interest on Unfunded Debt	<u>155,804</u>
Total Deductions from Income	185,922
Net Income	<u>\$ 486,412</u>

TANGENT TRANSPORTATION COMPANY, INC.
 PORT ROYAL RAILROAD
 INCOME STATEMENT
 1993

OPERATING REVENUE

Freight	\$706,167
Demurrage	<u>2,000</u>
Total Operating Revenue	708,167
Operating Expense	<u>464,332</u>
Net Operating Revenue	243,835

TAXES

Railroad Retirement Taxes	13,483
Railroad Unemployment Taxes	515
State Retirement Taxes	<u>2,898</u>
Total Taxes	16,896
Operating Income	226,939

OTHER INCOME

Interest Income	13,063
Miscellaneous Income	1,171
Contractual Service Income	356
Property Rental	10,134
Processing Fees	<u>450</u>
Total Other Income	25,174

DEDUCTIONS FROM INCOME

Hire of Freight Cars	67,800
Rent for Equipment	<u>37,333</u>
Total Deductions from Income	105,133
Net Income	<u><u>\$146,980</u></u>

DIVISION OF PUBLIC RAILWAYS
CONSOLIDATED OPERATING EXPENSE
1993

MAINTENANCE OF WAY AND STRUCTURES

Superintendence	\$37,745
Roadway Maintenance	180,497
Maintaining Structures	16,074
Road Property-Depreciation	65,836
Amortization	10,718
Other Maintenance of Way Expense	<u>171,581</u>
Total	482,451

MAINTENANCE OF EQUIPMENT

Superintendence	37,957
Locomotive Repair	52,099
Equipment Depreciation	75,840
Other Equipment Expense	<u>47,618</u>
Total	213,514

TRANSPORTATION

Superintendence	63,094
Yard Employees	487,152
Yard Switching Fuel	11,740
Miscellaneous Yard Expense	165,834
Train Fuel	21,343
Other Casualty Expense	8,900
Other Rail Transportation Expense	<u>82,694</u>
Total	840,757

GENERAL

Administration	422,342
Insurance	73,773
Other General Expense	<u>156,000</u>
Total	652,115
Total Operating Expense	<u><u>\$2,188,837</u></u>

DIVISION OF PUBLIC RAILWAYS
CONSOLIDATED BALANCE SHEET
1993

ASSETS

Cash and Cash Equivalents	\$ 6,637,614
Accounts Receivable - Trade	1,287,488
Accrued Interest Receivable	23,780
Inventories	222,374
Prepayments	<u>33,328</u>
Total Current Assets	8,204,584
Property, Plant & Eqmt., Less Depreciation	<u>6,683,589</u>
Total Assets	<u><u>\$14,888,173</u></u>

LIABILITIES AND FUND EQUITY

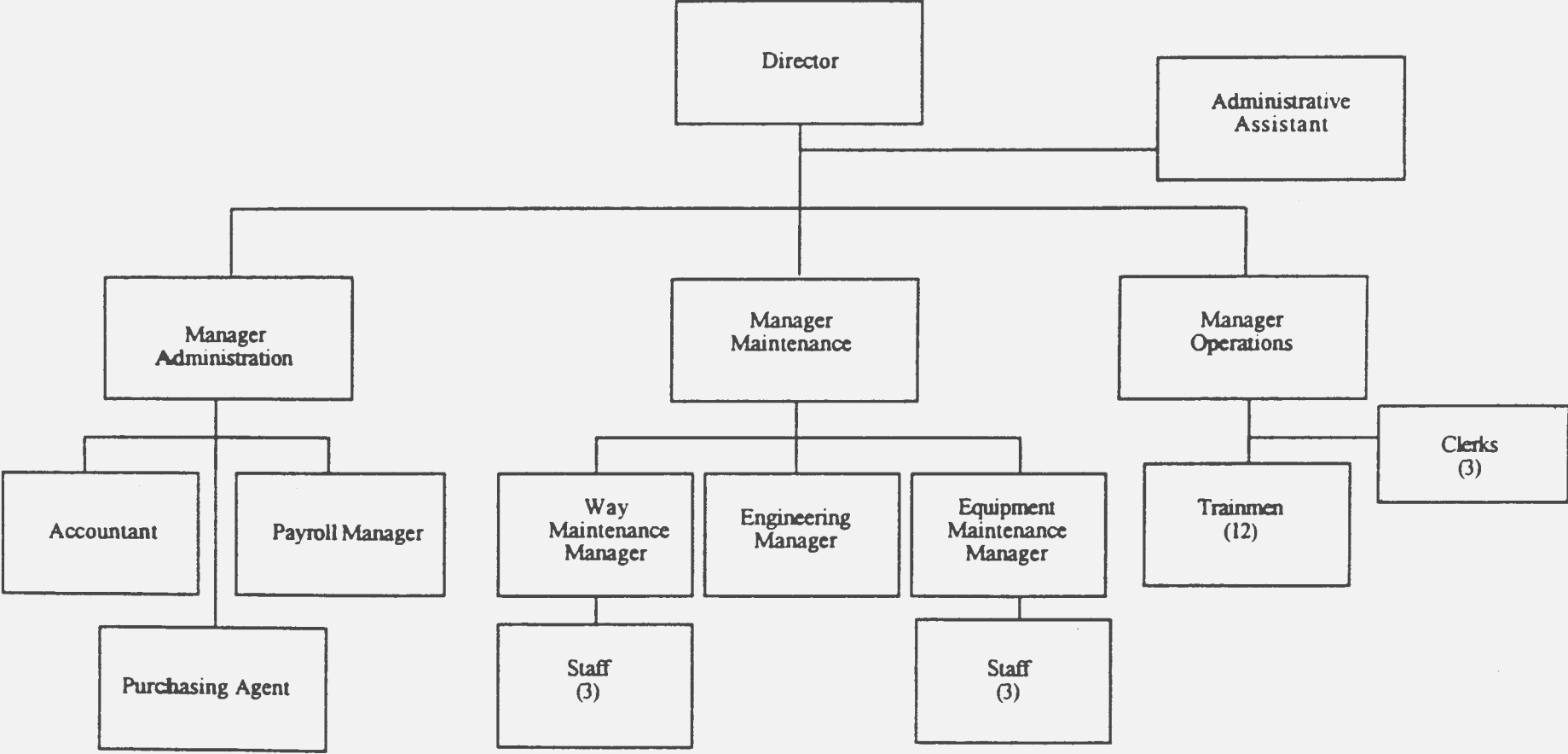
Current Liabilities:	
Accounts Payable	533,053
Payroll Taxes - Withheld & Accrued	25,488
Accrued Interest Payable	37,917
Accrued Annual Leave	167,935
Notes Payable - Current	31,469
Other Current Liabilities	<u>44,156</u>
Total Current Liabilities	840,018
Notes Payable - Long Term	<u>2,343,929</u>
Total Liabilities	3,183,947
Fund Equity:	
Contributed Capital	1,760,066
Retained Earnings:	
Working Capital Contingency Reserve	550,000
Unreserved, Unappropriated	<u>9,394,160</u>
Total Retained Earnings	9,944,160
Total Fund Equity	<u>11,704,226</u>
Total Liabilities and Fund Equity	<u><u>\$14,888,173</u></u>

DIVISION OF PUBLIC RAILWAYS

LIST OF DOCUMENTS PUBLISHED

1. Switching Tariff - ICC SCPC 8001
(Contains local freight rates, rules and charges governing switching and other terminal charges or allowances.)
2. Switching Tariff - ICC PRYL 8000
(Contains local freight rates, rules and charges governing switching and other terminal charges or allowances.)
3. Division Basis Tariff 585-ECB
(Contains rate divisions on classes and commodities)
4. Division Basis Tariff 611-PRYL
(Contains rate division on classes and commodities)
5. Public Railways is a participating carrier in approximately 875 price circulars, railroad and national tariffs, including Demurrage Tariff RPS 6004-P.
6. *State of South Carolina Rail Plan*
7. Public Railways *Operating and Safety Rules*, pursuant to CFR 49 sections 200 - 399.
8. *Public Railways Emergency Response Guide*
9. Public Railways is a participating carrier in the *Emergency Handling of Hazardous Materials in Surface Transportation*.

**SOUTH CAROLINA DEPARTMENT OF COMMERCE
PUBLIC RAILWAYS DIVISION
ORGANIZATION CHART**



(Note: These are not Classified State Positions)

Total Number of Documents Printed

79

Cost Per Unit

\$ 2.51

Printing Cost - S.C. State Budget & Control Board (up to 255 copies)

\$ 198.24

Printing Cost - Individual Agency (requesting over 255 copies and /or halftones)

\$ -

Total Printing Cost

\$ 198.24

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