



ANNUAL REPORT OF CLASS II AND III RAILROADS  
 NORTH DAKOTA PUBLIC SERVICE COMMISSION  
 SFN 14356 (03-03)

File No.

Business Name <i>Dakota Missouri Valley &amp; Western</i>	For Year Ended <i>2011</i>
Business Address <i>3501 E. Rosser Ave., Bismarck, ND 58501</i>	Business Telephone Number <i>(701) 223-9282</i>

Instructions: Complete this form in duplicate and return the original to the ND Public Service Commission, 600 E Boulevard Ave., Dept. 408, Bismarck ND 58505-0480. Return it no later than the 15<sup>th</sup> day of the fourth month following the close of the year for which this report is filed.

RECEIVED

General Information

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1. Provide the names and addresses of owners, partners, or top five corporate officers.

PUBLIC SERVICE COMMISSION

Name	Address
<i>Harry Wood</i>	<i>3501 E. Rosser Ave., Bismarck, ND 58501</i>
<i>Jeff Wood</i>	<i>" "</i>
<i>Dennis Ming</i>	<i>" "</i>
<i>Derrick Bosch</i>	<i>" "</i>

2. Provide the names and addresses of owners, partners, or stockholders with 20% or more ownership of the company.

Name	Address
<i>Harry Wood</i>	<i>3501 E. Rosser Ave., Bismarck, ND 58501</i>
<i>Diana Kirk</i>	<i>" "</i>

I certify that to the best of my knowledge and believe that this is a true and correct report.

Name <i>Derrick Bosch</i>	Signature <i>Derrick Bosch</i>
Title <i>CFO</i>	Date <i>3/19/12</i>

File No.

## Company Statements

## 3. Condensed Balance Sheet (system)

Asset Side	Balance at End of Year	Liability and Equity Side	Balance at End of Year
Current Assets	5,161,758	Current Liabilities	4,750,093
Other Assets/Deferred Charges	4,701,269	Non-Current Liabilities	11,519,931
Transportation Property - Net	28,613,940	Stockholders' Equity	22,206,942
<b>Total Assets</b>	<b>38,476,968</b>	<b>Total Liabilities and Equity</b>	<b>38,476,968</b>

Balance sheet Attached

## 4. Condensed Operating Statement (system)

	Balance at End of Year
Railway Operating Revenues (from revenue schedule below)	
Less: Railway Operating Expenses (from schedule A - attached)	Income Statement Attached
Net Income from Railway Operations	
Less: Net Rentals	
Railway Income Tax Accruals	
<b>Net Railway Operating Income</b>	

## Additional Data and Statistics

## 5. Railway Operating Revenues

	North Dakota Intrastate	System Wide
Freight	15,399,801	17,110,890
Switching	1,520,170	1,520,170
Demurrage		
Incidental		
<b>Total</b>	<b>16,919,971</b>	<b>18,631,060</b>

	North Dakota Intrastate	System Wide
6. Miles of road owned and operated at year end	424	553
7. Miles of road operated under trackage rights	51	51
8. Miles of road discontinued during the year		
9. Expenditures for maintenance of way during the year		6,014,756

## 10. Operating Statistics

	System Wide
Gross Ton Miles	219,892,521
Train Miles	70,958
Car Miles	3,371,703
Car Days	54,638
Road Locomotive Hours	21,287
Yard Locomotive Switching Hours	1064
Trailer/Container Days	0

## 11. Equipment Inventory

	Owned	Leased
Road Locomotive Units	22	
Yard Locomotive Units	1	
Freight Cars		
Covered Hopper		102
Open Hopper	25	
Other	91	
Trailers/Containers		

File No.

**Schedule A  
Railway System Operating Expenses**

*See Attached Income Statement*

Maintenance of Way & Structures      →      →      →      →      →      →      →      →     

Maintenance of Equipment:

Locomotives →      →      →      →      →      →      →     

Freight Cars →      →      →      →      →      →      →     

Trailers & Containers →      →      →      →      →      →      →     

Other →      →      →      →      →      →      →     

Total Maintenance of Equipment      →      →      →      →      →      →      →      →     

Transportation:

Train & Engine Crews →      →      →      →      →      →     

Yard Crews →      →      →      →      →      →     

Locomotive Fuel:

Train Operations →      →     

Yard Operations →      →     

Total Locomotive Fuel      →      →      →      →     

Other Transportation:

Train Operations      →      →      →     

Yard Operations      →      →      →     

Total Other Transportation      →      →      →     

Total Transportation      →      →      →      →      →      →      →      →     

General Administration & Overhead:

Central Office Personnel      →      →      →      →      →     

Property Taxes      →      →      →      →      →     

Fringe Benefits      →      →      →      →      →     

Other      →      →      →      →      →     

Total Other General Administration & Overhead      →      →      →      →      →      →     

**Total System Expenses**      →      →      →      →      →      →      →      →

File No.

**Schedule B**  
**System Revenue Freight Handled During the Year**

Description	Originating		Terminating		Bridge and Overhead Traffic	
	Carloads	Tons	Carloads	Tons	Carloads	Tons
Wheat (except durum)	3397	441,610				
Durum	4291	557,830				
Barley	238	30,940				
Sunflowers	43	5,590				
Corn	7535	979,550				
Flax	122	15,860				
Oats						
Rye						
Soybeans	4146	538,980				
Other Grain and Oilseeds	585	76,050				
Wheat Flour						
Malt						
Dairy Products						
Fertilizer			358	46,540		
Cement					56	7280
Coal						
Petroleum & Petroleum Products	1926	250,380	438	56,940		
Chemicals			36	4,680		
Lumber			168	21,840		
Machinery			4	520		
Livestock						
Miscellaneous*	3924	510,120	2087	248,110		
<b>Totals</b>	<b>26,207</b>	<b>3,406,910</b>	<b>3091</b>	<b>378,630</b>	<b>56</b>	<b>7280</b>

\*List below any commodity that accounts for more than 1% of total carloads or tons:

CAR#	Tons	CAR#	Tons
Ethanol - 1582	205,660	Crude - 1831	238,030
DDG - 631	82,030	Mats - 459	59,670
Flyesh - 1400	182,000	Cement - 510	66,300
Lime - 539	79,070		
Fuel - 411	53,430		
Fert. - 349	45,370		

File No.

Schedule C  
ND Revenue Freight Handled During the Year

Description	Originating		Terminating		Bridge and Overhead Traffic	
	Carloads	Tons	Carloads	Tons	Carloads	Tons
Wheat (except durum)	3340	434,200				
Durum	1867	242,710				
Barley	238	30940				
Sunflowers	43	5590				
Corn	7456	969,280				
Flax	122	15860				
Oats						
Rye						
Soybeans	4145	538,850				
Other Grain and Oilseeds	458	59,540				
Wheat Flour						
Malt						
Dairy Products						
Fertilizer			358	46,540		
Cement					56	7280
Coal						
Petroleum & Petroleum Products	1926	250,380	438	56,940		
Chemicals			36	4680		
Lumber			73	9490		
Machinery			4	520		
Livestock						
Miscellaneous*	3924	510,120	2084	248,020		
<b>Totals</b>	<b>23,519</b>	<b>2,547,350</b>	<b>2993</b>	<b>366,190</b>	<b>56</b>	<b>7280</b>

\*List below any commodity that accounts for more than 1% of total carloads or tons:

Ethanol - 1582 - 205,660	Fuel - 411 - 53,430
DDG - 631 - 82,030	Mats - 459 - 59,670
Flyash - 1400 - 182,000	Cement - 510 - 66,300
Lime - 539 - 70070	
Fert. - 349 - 45,370	
Crude - 183 - 238,030	

**DMVW RAILROAD INC.**  
**Balance Sheet**  
**December 31, 2011**

	Current Year		Prior Year
	<b>ASSETS</b>		
<b>Current Assets</b>			
BNC OPERATING	\$ (423,151.39)	\$	33,272.35
BNC PAYROLL	136.06		114,753.32
BNC TAG ACCT	680,000.00		691,130.02
BNC MONEY MARKET	0.00		250,138.01
BNC BC/BS CHECKING	48,603.45		665.04
BNC REPO ACCT	1,500,340.44		1,500,627.68
US BANK ACCT	496,311.63		885,539.25
A/R - CPRS - FREIGHT	1,293,472.47		1,273,109.70
A/R - INSURANCE CLAIM	131,784.22		558,804.45
A/R - MISCELLANEOUS	1,343,438.85		380,537.98
A/R - FIRST UNION	0.00		1,305.16
PREPAID INSURANCE	90,822.43		69,236.21
PREPAID EXPENSES	0.00		13,845.00
	<hr/>		<hr/>
<b>Total Current Assets</b>	<b>5,161,758.16</b>		<b>5,772,964.17</b>
<b>Property and Equipment</b>			
2011 RAIL PROJECT MATERIAL	1,138,342.50		1,009,703.88
LAND	103,279.00		103,279.00
BUILDINGS & IMPROVEMENTS	2,322,469.29		2,197,469.29
TRACK & STRUCTURS	22,183,715.63		21,947,468.23
WORK EQUIPMENT	3,662,273.00		3,848,600.19
LOCOMOTIVES	2,642,394.00		2,752,742.14
RAIL CARS	7,887,610.00		7,887,610.00
RADIO EQUIPMENT	231,936.14		205,890.88
TRANSPORTATION EQUIPMENT	800,045.00		838,288.86
OFFICE EQUIPMENT	291,874.06		283,958.05
ACCUMULATED DEPRECIATION	(12,649,998.00)		(11,125,336.00)
	<hr/>		<hr/>
<b>Total Property and Equipment</b>	<b>28,613,940.62</b>		<b>29,949,674.52</b>
<b>Other Assets</b>			
PREPAID INTEREST	41,923.45		78,323.97
LOAN FEES	66,790.50		66,790.50
ACCUM AMORT - LOAN FEES	(39,271.00)		(29,587.00)
N/R-EMPLOYEES	44,787.54		47,876.23
INVESTMENT - C STORE OPERATION	1,386,158.67		1,386,158.67
INVESTMENT-RIVER CITY PROPERTY	641,058.08		641,058.08
INVESTMENT-RANDALL'S PROPERTY	956,562.28		956,562.28
INVESTMENT- C STORE PROPERTIES	679,784.75		955,145.80
INVESTMENT - RIVER CITY LOTS	411,000.00		411,000.00
INVESTMENT-LOTS I, J & K	98,474.37		98,474.37
INVESTMENT-MARINA	156,469.28		156,469.28
INVESTMENT-DISTIUTIVE VACATION	0.00		25,000.00
CASH VALUE LIFE INS.	140,362.48		118,917.44
PATRONAGE DIVIDEND RECEIVABLE	117,169.12		123,947.79
	<hr/>		<hr/>
<b>Total Other Assets</b>	<b>4,701,269.52</b>		<b>5,036,137.41</b>
	<hr/>		<hr/>
<b>Total Assets</b>	<b>\$ 38,476,968.30</b>	<b>\$</b>	<b>40,758,776.10</b>

**DMVW RAILROAD INC.**  
**Balance Sheet**  
**December 31, 2011**

Current Year

Prior Year

**LIABILITIES AND CAPITAL****Current Liabilities**

PROMISSORY NOTE - DIANA WOOD	\$	0.00	\$	105,894.15
ACCOUNTS PAYABLE		551,072.61		832,411.69
ADDITIONAL PAYABLES		47,059.67		18,546.44
ACCRUED DERAILMENT & DAMAGES		139,356.01		118,436.21
ACCRUED PAYROLL		266,190.32		218,425.20
ACCRUED VACATION PAYABLE		6,020.80		4,123.76
TIER I & II W/H EMPLOYEE		0.00		699.23
TIER I & II W/H EMPLOYER		0.00		699.23
OTHER WITHHOLDING		(200.78)		(200.78)
PERRY NELSON GARNISHMENT		65.18		65.18
DENTAL		(2,607.24)		(3,352.97)
AFLAC		(7,224.73)		(13,856.18)
401K/ROTH		700.86		664.85
RR UNEMPLOYMENT INSURANCE		0.24		0.18
ACCRUED SALES/USE TAX		25,334.42		939.06
ACCRUED INTEREST		2,953.11		7,058.40
CURR POR LONG TERM DEBT		3,726,083.95		3,270,211.69
RCS-BC/BS		(4,710.32)		0.00
C-STORE-BCBS		(0.30)		(979.04)
<b>Total Current Liabilities</b>		<b>4,750,093.80</b>		<b>4,559,786.30</b>

**Long-Term Liabilities**

N/P - BNC TRACK PROJECT 9403569	2,641,983.67	3,818,216.95
N/P - BNC TRACK PROJ 9439373	3,438,601.65	4,439,428.57
N/P-BNC TRACK PROJ 9460643	1,107,704.46	1,616,079.87
N/P-ND DOT TRACK REHAB	1,181,250.00	1,378,125.00
N/P-BNC LOAN #9460650	383,893.47	467,082.62
N/P-USBANCORP	6,492,582.65	7,085,907.37
LESS: CURR POR LONG TERM DEBT	(3,726,083.95)	(3,270,211.69)
<b>Total Long-Term Liabilities</b>	<b>11,519,931.95</b>	<b>15,534,628.69</b>
<b>Total Liabilities</b>	<b>16,270,025.75</b>	<b>20,094,414.99</b>

16,270,025.75

20,094,414.99

**Capital**

COMMON STOCK	51.80	51.80
PAID IN CAPITAL	55,448.20	55,448.20
TREASURY STOCK	(824,286.02)	(824,286.02)
RETAINED EARNINGS	21,436,828.43	19,225,977.83
INCOME DISTRIBUTIONS	(204,999.98)	(2,090,000.03)
Net Income	1,743,900.12	4,297,169.33
<b>Total Capital</b>	<b>22,206,942.55</b>	<b>20,664,361.11</b>

<b>Total Liabilities &amp; Capital</b>	<b>\$ 38,476,968.30</b>	<b>\$ 40,758,776.10</b>
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3/19/12

**DMVW RAILROAD INC.**  
**Income Statement**

For the Twelve Months Ending December 31, 2011

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
<b>OPERATING REVENUES</b>				
FREIGHT REVENUE	\$ 1,297,196.79	\$ 1,143,763.60	\$ 13,571,435.68	\$ 16,436,893.62
MISC FREIGHT REVENUE	17,160.00	30,678.80	115,855.00	105,076.50
BLUE FLINT FREIGHT REVENUE	276,060.00	247,889.00	3,423,600.00	4,335,951.00
SWITCHING & INTERCHANGE	53,760.00	179,556.00	1,520,170.00	1,218,207.00
CAR STORAGE	6,068.00	(3,951.00)	31,235.00	97,585.97
CAR REPAIR INCOME	1,114.85	11,447.47	35,758.99	36,854.06
CAR HIRE REVENUE-1ST UNION	0.00	4,461.30	3,859.46	47,116.36
CAR HIRE REVENUE-MISC	512.40	(382.60)	1,535.24	6,488.81
LOCO/CAR LEASED	96,200.00	96,200.00	1,185,300.00	921,620.00
SERVICE REVENUE	37,996.13	23,008.19	252,382.36	181,508.17
FALKIRK MERCH INCOME	0.00	2,807.26	0.00	2,807.26
CONTRACTING REVENUE	1,274,095.92	110,926.01	2,900,821.36	1,221,889.50
<b>TOTAL OPERATING REVENUE</b>	<b>3,060,164.09</b>	<b>1,846,404.03</b>	<b>23,041,953.09</b>	<b>24,611,998.25</b>
<b>OPERATING EXPENSES</b>				
<b>MAINTENANCE OF WAY</b>				
MOW PROGRAM EXPENSE	0.00	0.00	1,319,592.36	578,698.97
MOW PROGRAM INCOME	0.00	0.00	(1,319,592.36)	(578,698.97)
<b>SALARIES &amp; OVERHEAD</b>				
TRACK LABOR	141,853.47	239,803.63	1,396,954.08	1,492,794.83
TRACK LABOR - B. LINE	0.00	5,598.46	25,439.85	48,997.62
PAYROLL TAXES	29,214.08	28,813.64	279,755.68	269,310.78
PAYROLL TAXES - B. LINE	(308.41)	1,080.17	5,279.09	9,933.82
EE HEALTH BENEFITS	29,999.96	15,909.58	215,549.83	174,455.57
EE HEALTH BENEFITS-B. LINE	0.00	161.20	2,876.37	3,488.29
ER 401K CONTR.-B. LINE	0.00	103.84	540.51	976.06
ER 401K CONTRIBUTION	2,431.24	2,803.78	25,549.48	25,994.77
<b>ROADWAY EXPENSE</b>				
INJURIES	0.00	0.00	4,228.24	1,188.79
TRAVEL & VEHICLE MILEAGE	705.37	1,541.65	9,862.50	11,606.42
MEALS	270.00	270.00	6,748.64	6,551.26
VEHICLE REPAIR/MAINT.	6,365.42	7,840.66	90,603.33	104,218.79
VEHICLE FUEL	13,236.53	10,786.97	200,296.01	143,161.53
TOOLS AND SUPPLIES	2,522.32	3,595.08	46,573.44	66,664.29
ROADWAY EQ. RENTAL (ROG)	0.00	0.00	7,875.00	0.00
<b>EQUIPMENT EXPENSE</b>				
TRACK EQUIPMENT REPAIRS	4,400.06	1,122.16	85,819.32	149,609.48
FUEL	1,250.33	1,309.26	110,002.92	47,145.39
MATERIALS - TIES	0.00	0.00	99,994.91	81,481.52
RIGHT OF WAY EXPENSE	250.00	1,405.64	262,079.85	316,463.80
<b>OTHER MAINTENCE OF WAY</b>				
INSURANCE	43,535.18	38,195.97	158,661.18	143,106.71
DEPR-EQUIPMENT MOW	12,320.00	18,252.00	81,895.00	75,903.00
DEPR-MOW-NON BILLABLE	81,819.00	(34,523.00)	81,819.00	112,382.00
DEPR-TRACK IMPROVE.	6,444.00	47,538.00	1,043,194.00	1,021,566.00
<b>TRACK MATERIAL</b>				
BALLAST	3,573.82	0.00	810,798.69	662,750.32
WASHOUT/SNOW	0.00	60,808.15	92,207.08	348,157.79
RAIL	0.00	0.00	9,435.96	0.00
SIGNALS	3,693.57	281.46	4,800.45	7,635.13

For Management Purposes Only

## DMVW RAILROAD INC.

**Income Statement**

For the Twelve Months Ending December 31, 2011

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
GRADE CROSSINGS	296.58	329.89	12,997.30	203,853.66
CULVERTS	1,653.60	0.00	64,556.80	2,169.25
OTHER TRACK MATERIALS	244.79	2.80	3,236.65	17,059.19
FREIGHT	0.00	16.57	23,434.45	6,595.08
CONTRACTED SERVICES	129,434.48	44,412.00	667,721.74	704,639.23
SWITCHES	0.00	1,969.25	15,066.35	13,694.60
BRIDGES	0.00	0.00	7,248.38	24,659.36
JOINT BARS	0.00	0.00	8,638.20	6,791.36
TRACK BOLTS	0.00	0.00	4,153.13	14,359.35
MOW BUILDINGS	0.00	0.00	2,263.85	1,371.73
SAFETY/ SUPPLIES	201.67	312.32	4,710.03	3,742.46
LESS: ND PARTICIPATION	0.00	0.00	0.00	(144,500.00)
LESS: SD PARTICIPATION	0.00	0.00	0.00	(165,223.39)
<b>TOTAL MAINTENANCE OF WA</b>	<b>515,407.06</b>	<b>499,741.13</b>	<b>5,972,867.29</b>	<b>6,014,755.84</b>

**TRANSPORTATION EXPENSE**

LOCO REPAIR TRAVEL	1,515.58	1,616.88	7,328.45	13,971.60
LOCO REPAIR MEAL	437.33	556.92	3,890.82	6,272.41
LOCO REPAIR/MAINT.	0.00	0.00	3.92	259.54
LOCO PARTS MINOR	13,230.81	6,210.77	201,095.02	238,004.88
SHOP SUPPLIES	12,374.59	14,658.51	77,117.92	164,746.69
LOCO OIL	14,755.22	48,239.19	69,464.54	116,038.31
LOCO PARTS MAJOR	(10,000.00)	(10,000.00)	105,621.19	67,232.36
LOCO HOUSE REPAIR	2,915.00	1,316.52	34,090.60	193,949.58
LOCO UTILITIES	4,606.46	3,801.78	35,424.70	36,033.68
TRAIN CREW TRAVEL	1,050.93	1,032.05	24,242.90	27,056.02
TRAIN CREW MEAL	417.94	365.00	6,553.31	11,020.05
TRAIN SUPPLIES/EXPENSE	4,573.16	13,913.57	15,415.89	71,105.67
TRAIN FUEL	333,266.90	318,777.65	3,125,882.95	2,354,563.17
EQUIP/ VEHICLE REPAIR/SUPPLIE	3,739.19	2,046.64	75,832.64	37,580.53
EQUIPMENT RENTAL	6,730.00	1,487.67	66,016.16	36,741.82
FUEL EXPENSE	13,659.72	16,117.83	177,820.90	191,781.51
TELEPHONE	2,607.78	2,859.20	32,572.85	32,104.90
FRA VIOLATIONS	7,500.00	0.00	7,500.00	15,759.70
PHYSICAL DAMAGES	0.00	0.00	(38.26)	38.26
DERAILMENT	72,674.65	94.93	177,981.12	493,580.75
COMMUNICATION	3,353.65	824.26	7,509.19	5,811.90
ER 401K CONTR.	3,912.40	4,775.08	41,591.58	43,406.90
HEALTH BENEFITS	44,549.08	38,339.57	361,577.86	382,514.38
INJURIES	0.00	211.79	4,394.09	2,660.28
PAYROLL TAXES	45,001.35	49,082.31	478,932.94	462,955.71
INSURANCE	78,612.33	47,765.84	246,043.33	204,782.15
DEPRECIATION	116,097.00	314,890.00	789,297.00	733,011.00
FREIGHT	6,219.67	(712.59)	41,194.25	42,928.91
TRACKAGE RIGHTS	21,840.80	12,027.76	88,413.08	71,247.47
SIGNALS	1,846.28	1,913.28	15,942.87	13,455.71
SHOP REPAIRS	23.21	0.00	23.22	35.81
DMVW REPAIR/SUPPLIES	491.27	358.47	40,351.32	51,762.18
TRACK SUPPLIES-BRITTON	7,848.45	13,269.68	22,623.65	159,860.13

For Management Purposes Only

DMVW RAILROAD INC.  
**Income Statement**

For the Twelve Months Ending December 31, 2011

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
LOCO REPAIR SALARY	58,597.65	67,726.32	559,678.79	537,394.18
CONTRACTING ALLOCATION	(67,400.00)	(64,600.00)	(67,400.00)	(64,600.00)
TRAIN CREW-LABOR	138,455.29	163,893.15	1,542,617.78	1,520,348.92
STATION LABOR	32,989.63	46,495.90	317,148.13	321,350.05
CONTRACTED LABOR	0.00	0.00	3,837.69	43,774.60
SAFETY/ SUPPLIES	2,893.76	1,158.85	16,652.69	12,143.95
SALES TAX EXPENSE	950.08	1,892.55	7,746.20	4,006.89
CAR LEASE EXPENSE	35,000.00	0.00	444,322.00	374,509.77
<b>TOTAL TRANSPORATION EXP</b>	<b>1,017,337.16</b>	<b>1,122,407.33</b>	<b>9,206,315.28</b>	<b>9,031,202.32</b>

**ADMINISTRATIVE EXPENSE**

MEAL	692.10	1,049.43	8,582.78	8,409.27
TRAVEL	282.00	986.29	17,321.44	8,230.24
HEALTH BENEFITS	(7,454.87)	(11,488.79)	75,699.61	74,872.54
PHYSICALS/INJURIES	0.00	0.00	256.50	275.00
OFFICE UTILITIES	3,250.96	3,304.00	33,476.84	32,001.12
OFFICE REPAIRS & MAINT.	44.52	0.00	775.49	356.60
OFFICE SUPPLIES	887.86	646.95	11,371.26	14,791.12
OTHER OFFICE EXPENSE	3,511.48	4,272.49	34,578.87	54,242.89
CLEANING SERVICES	1,300.00	525.00	7,550.00	6,300.00
INSURANCE	14,676.15	19,535.23	62,240.15	66,937.09
OFFICER LIFE INS	(21,445.04)	(20,280.18)	29,993.76	24,033.47
DUES/SUBSCRIPTIONS	0.00	500.00	8,385.00	11,110.95
ADVERTISING	0.00	435.79	1,475.00	819.79
PROMOTIONAL COSTS	1,000.00	110.89	63,436.47	89,270.53
CONSULTING FEES	1,222.14	1,162.14	27,561.47	21,349.70
LEGAL FEES	7,106.22	2,220.05	23,633.17	40,145.06
ACCT/BANK FEES	0.00	0.00	60,435.00	72,753.00
DEPRECIATION	8,875.00	(4,332.00)	115,575.00	116,580.00
PAYROLL TAXES	6,428.45	6,154.93	157,272.72	146,335.60
EMPLOYEE MOVING EXP.	0.00	0.00	2,823.10	0.00
TELEPHONE	1,895.45	1,689.56	22,953.17	19,744.82
VEHICLE	3,169.13	2,570.18	42,529.59	31,258.84
POSTAGE	728.24	527.91	4,294.42	5,354.81
401K CONTRIBUTIONS	1,807.40	1,844.23	16,493.09	18,467.53
401K ADMIN FEES	4,652.72	4,429.17	18,329.67	16,499.14
ACCIDENTS/SETTLEMENTS	0.00	0.00	0.00	130,433.50
ADMINISTRATIVE SALARIES	157,079.81	129,005.73	1,284,151.50	1,219,620.10
OFFICE SALARIES	13,054.22	17,309.32	138,581.67	139,019.47
CONTR. ALLOCATION	(90,950.00)	(96,300.00)	(90,950.00)	(96,300.00)
AMORTIZATION	807.00	(11,266.00)	9,684.00	9,447.00
REAL ESTATE TAXES	49,475.29	41,843.35	49,475.29	41,843.35
FINANCE CHR.G. REVENUE	0.00	0.00	0.00	(220.93)
<b>TOTAL ADMIN. EXPENSE</b>	<b>162,096.23</b>	<b>96,455.67</b>	<b>2,237,986.03</b>	<b>2,323,981.60</b>

**CAR REPAIR EXPENSE**

CAR REPAIR	566.20	0.00	32,459.71	34,985.97
REPAIRS/MAINTENANCE	131.18	1,020.62	3,573.59	2,954.56
TOOLS	18.87	327.12	2,475.71	14,609.90
SUPPLIES	0.00	2,624.55	4,647.10	29,649.45

For Management Purposes Only

## DMVW RAILROAD INC.

**Income Statement**

For the Twelve Months Ending December 31, 2011

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
EQUIP RENTAL	0.00	0.00	825.00	0.00
TELEPHONE	0.00	25.00	373.47	325.00
PAYROLL TAXES	1,208.14	2,629.48	19,834.21	20,081.03
CAR REPAIR LABOR	3,693.48	24,754.15	76,105.27	108,483.42
INSURANCE	1,752.93	15,938.75	13,225.93	15,938.75
HEALTH BENEFITS	545.05	2,356.39	7,595.82	38,216.57
INJURIES	0.00	28.60	14.40	28.60
VEHICLE	648.18	2,431.86	26,066.77	35,610.42
TRAVEL	0.00	0.00	705.16	493.54
MEALS	0.00	0.00	681.95	120.00
PARTS/MTLS	0.00	0.00	17,505.05	2,225.94
EMPLYR 401K BENEFITS	158.48	175.60	1,954.43	403.65
FREIGHT	0.00	0.00	3,780.75	1,017.55
SAFETY/ SUPPLES	0.00	0.00	965.87	714.24
CONTRACTED LABOR	0.00	0.00	0.00	311.00
<b>TOTAL CAR REPAIR EXPENSE</b>	<b>8,722.51</b>	<b>52,312.12</b>	<b>212,790.19</b>	<b>306,169.59</b>
<b>CONTRACTING EXPENSE</b>				
REPAIR/MAINT	11,496.70	931.60	124,146.25	43,529.57
TOOLS AND SUPPLIES	2,737.65	256.66	29,930.44	14,712.42
EQUIPMENT RENTAL	20.00	0.00	17,767.50	3,224.95
DEPRECIATION	(23,706.00)	21,988.00	73,644.00	100,066.00
CONSULTING	0.00	0.00	0.00	616.22
TELEPHONE	223.08	186.33	2,142.56	2,327.57
PAYROLL TAXES	12,063.94	11,073.78	109,471.50	110,414.96
CONTRACTING LABOR	40,258.21	(64,738.14)	475,630.35	386,258.60
INSURANCE	12,628.19	(4,168.03)	39,105.19	30,184.09
HEALTH BENEFITS	9,462.29	11,684.14	81,088.05	76,962.49
INJURIES	0.00	0.00	388.94	0.00
VEHICLE	5,888.39	3,642.34	99,712.24	67,275.47
TRAVEL	5,934.48	623.00	35,780.08	6,075.55
MEAL	3,780.00	395.04	18,839.97	11,339.14
MATERIALS & SUB CONTR.	488,821.02	6,608.61	1,396,694.62	406,629.28
ER 401K/ROTH CONTR.	876.88	1,134.48	9,573.53	10,791.85
FREIGHT	85,650.29	1,502.36	246,935.83	50,403.38
CAR LEASE EXPENSE	0.00	2,700.00	29,700.00	32,400.00
ADMIN OVERHEAD	158,350.00	160,900.00	158,350.00	160,900.00
SAFETY/ SUPPLIES	805.35	741.10	7,041.76	6,723.91
<b>TOTAL CONTRACTING EXPEN</b>	<b>815,290.47</b>	<b>155,461.27</b>	<b>2,955,942.81</b>	<b>1,520,835.45</b>
<b>OTHER (INCOME) EXPENSE</b>				
LEASE -CP REAL ESTATE	0.00	0.00	1,852.18	1,273.08
INTEREST EXPENSE	79,177.15	17,196.13	1,056,679.67	1,178,328.56
INTEREST INCOME	(374.16)	(1,141.65)	(4,800.40)	(12,798.11)
LATE CHARGES	(0.89)	205.66	52.22	628.54
(GAIN) LOSS ON SALE OF F/A	1,044.97	34,481.00	1,044.97	34,481.00
GAIN(LOSS) ON SALE OF INVEST.	0.00	0.00	(175,715.89)	0.00
RENTAL INCOME	(5,838.13)	(5,833.00)	(71,257.56)	(71,196.00)
MISC INCOME	(685.15)	(8,555.13)	(128,734.80)	(69,850.60)
PERSONAL USE OF AUTO RECEIP	(25,999.96)	(25,981.82)	(25,999.96)	(25,981.82)

For Management Purposes Only

DMVW RAILROAD INC.  
**Income Statement**

For the Twelve Months Ending December 31, 2011

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
T1 & T2 ER PORTION	1,468.00	0.00	1,468.00	0.00
INCOME TAX EXPENSE	0.00	0.00	28.00	50.00
RENTAL INCOME/RC SPORTS	(15,471.72)	(15,471.72)	(185,660.64)	(185,660.64)
LOAN PYMT/RC SPORTS	15,471.72	15,471.72	185,660.64	185,660.64
PR YR (INCOME) EXPENSE	28,572.18	35,695.00	57,534.94	82,949.47
<b>TOTAL OTHER (INCOME) EXP.</b>	<b>77,364.01</b>	<b>46,066.19</b>	<b>712,151.37</b>	<b>1,117,884.12</b>
<b>NET INCOME</b>	<b>\$ 463,946.65</b>	<b>\$ (126,039.68)</b>	<b>\$ 1,743,900.12</b>	<b>\$ 4,297,169.33</b>

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