

Edgar Filing: REUNION INDUSTRIES INC - Form 8-K

Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 - Other Events

As previously reported, on November 26, 2007 Reunion Industries, Inc. ("Reunion") filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Connecticut, Bridgeport Division (the "Bankruptcy Court"). Reunion continues to operate as "debtor-in-possession" in that proceeding under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code. Attached to and made a part of this Report is Reunion's Monthly Operating Report that was filed on October 29, 2009 with the Bankruptcy Court and the United States Trustee pursuant to Rule 2015 of the Federal Rules of Bankruptcy Procedure.

In accord with a previously reported authorization by the Company's Board of Directors, during the third quarter of this year, the Company acquired 44,063 shares of its common stock in open market transactions at an average cost per share acquired of \$0.25. This brings the total number of shares acquired to 118,963 at an average cost per share acquired of \$0.23.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned, hereunto duly authorized.

Date: November 5, 2009

REUNION INDUSTRIES, INC.
(Registrant)

By: /s/ John M. Froehlich

John M. Froehlich
Executive Vice President
of Finance and Chief
Financial Officer

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UNITED STATES BANKRUPTCY COURT
BRIDGEPORT DIVISION - DISTRICT OF CONNECTICUT
MONTHLY OPERATING REPORT

In re REUNION INDUSTRIES, INC.

Case No. 07-50727(AHWS)

Reporting Period: SEPT 2009

Federal Tax I.D. # 06-1439715

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	FORM NO.	DOCUMENT ATTACHED	EXPLANATION ATTACHED
-----	-----	-----	-----
Schedule of Cash Receipts and Disbursements	MOR-1	YES	N/A
Bank Reconciliations	MOR-1 (CON'T)	YES	N/A
Statement of Operations	MOR-2	YES	N/A
Balance Sheet	MOR-3	YES	N/A
Status of Post-petition Taxes	MOR-4	YES	N/A
Summary of Unpaid Post-petition Debts	MOR-4	YES	N/A
Accounts Receivable	MOR-5	YES	N/A
Taxes Reconciliation & Aging	MOR-5	YES	N/A
Payments -Insiders/Professionals	MOR-6	YES	N/A
Post Petition Status of Secured Notes, Leases Payable	MOR-6	YES	N/A
Debtor Questionnaire	MOR-7	YES	N/A

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Authorized Individual \s\ JOHN M. FROEHLICH, CFO Date OCT 21, 2009

Authorized individual must be an officer, director or shareholder if debtor is a corporation.

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 1
CASH RECEIPTS AND DISBURSEMENTS
SEPTEMBER 2009

CASE NO. 07-50727 (AHWS)
page 1/4

Cash - beginning of period excluding	\$ 2,024,247
Plus: Collections on receivables	1,101,303
Plus: Miscellaneous/Titan receipts	38,894
Less: Disbursements	
Net payroll	320,295
Payroll taxes	139,035
Titan disbursements	5,642
Other operating	848,037
Income Tax payments	0
Reorganization:	
Professional fees	0
U.S. Trustee fees - quarterly	0

Total	1,313,009

Cash - end of period	\$ 1,851,435
	=====

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REUNION INDUSTRIES, INC.
 MONTHLY OPERATING REPORT - 1
 BANK RECONCILIATION
 AS OF SEPTEMBER 30, 2009

CASE NO. 07-50727 (AHWS)
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BANK TYPE ACCOUNT NUMBER	PNC BANK OPERATING 2161326	PNC BANK PAYROLL 2184149	PNC BANK HEALTHCARE 2880718
Balance per books	\$ 6,893 =====	\$(3,166) =====	\$ 422 =====
BANK BALANCE	\$ 15,776	\$ 0	\$ 1,657
Deposits in transit			
Outstanding checks	(8,883)	(3,166)	(1,235)
Other - explain below	-----	-----	-----
Adj. Bank Balance	\$ 6,893 =====	\$(3,166) =====	\$ 422 =====

("Adj. Bank Balance" must equal "Balance per books".)

EXPLANATION OF OTHER:

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REUNION INDUSTRIES, INC.
 MONTHLY OPERATING REPORT - 1
 BANK RECONCILIATION
 AS OF SEPTEMBER 30, 2009

CASE NO. 07-50727 (AHWS)
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BANK TYPE ACCOUNT NUMBER	PNC BANK PENSION 1011567058	PNC BANK COLLATERAL 1019820572	PNC BANK CARVE-OUT 1019820847
Balance per books	\$ 0 =====	\$ 0 =====	\$1,517,107 =====
BANK BALANCE	\$ 5,573	\$ 0	\$1,517,107
Deposits in transit			
Outstanding checks	(5,573)		
Other - explain below			
Adj. Bank Balance	\$ 0 =====	\$ 0 =====	\$1,517,107 =====

("Adj. Bank Balance" must equal "Balance per books".)

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REUNION INDUSTRIES, INC.
 MONTHLY OPERATING REPORT - 1
 BANK RECONCILIATION
 AS OF SEPTEMBER 30, 2009

CASE NO. 07-50727 (AHWS)
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BANK TYPE ACCOUNT NUMBER	FIFTH THIRD OPERATING 7512940417	FIFTH THIRD PAYROLL 1065629	Chase Operating 1690008469	Chase Royalty 1820765236
Balance per books	\$ 193,384 =====	\$ (16,373) =====	\$ 53,086 =====	\$ 100,082 =====
BANK BALANCE	\$ 636,795	\$ 7,771	\$ 53,814	\$ 102,563
Deposits in transit				
Outstanding checks	(443,411)	(24,144)	(728)	(2,481)
Other - explain below				

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	-----	-----	-----	-----
Adj. Bank Balance	\$ 193,384	\$ (16,373)	\$ 53,086	\$ 100,082
	=====	=====	=====	=====

("Adj. Bank Balance" must equal "Balance per books".)

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 2
INCOME STATEMENT
FOR THE PERIODS INDICATED

CASE NO. 07-50727 (AHWS)

(\$ amounts in thousands)

	Month of Sep-09	Adjusted Post Petition to 30-Sep-09
	-----	-----
Net Sales	\$ 1,263	\$ 43,223
Cost of Sales:		

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Standard Cost	896	31,599
Variiances & Other	132	4,959
	-----	-----
Gross Profit	235	6,665
Operating Expenses:		
Marketing	41	1,687
General & Admin	292	7,574
	-----	-----
Operating Profit	(98)	(2,596)
Other Income (Expense)	22	40,270
Equity in China JV	8	1,170
Reorganization exp:		
Professional fees		(615)
U.S. Trustee fees	0	(81)
Adequate Protection Paym't Exp.	0	(450)
Interest (Expense) - excluding Adequate Protection Payments	(28)	(4,958)
	-----	-----
Profit before tax	(96)	32,740
Income Tax	0	(1,300)
	-----	-----
Net Income	\$ (96)	\$ 31,440
	=====	=====

NOTE: Other income (expense) above primarily reflects the gain on the sale of the Company's CP Industries division in April of 2008.

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 3
COMPARITIVE BALANCE SHEET
AS OF THE PERIODS SHOWN

(\$ amounts in thousands)

CASE NO. 07-50727 (AHWS)

26-Nov-07

31-Aug-09

31-Sep-09

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ASSETS:			
Cash and Equivalents	\$ 754	\$ 2,024	\$ 1,851
Net Receivables	7,166	1,804	1,962
Net Inventory	12,369	2,151	2,149
Other Current Assets	3,029	1,769	1,749
	-----	-----	-----
Current	23,318	7,748	7,711
Net Property	6,300	3,342	3,317
Goodwill	10,994	1,491	1,491
CSV policies	2,200	1,340	1,340
Interest in China JV	3,009	4,171	4,179
	-----	-----	-----
Total	\$ 45,821	\$ 18,092	\$ 18,038
	=====	=====	=====
LIABILITIES & EQUITY:			
Current Maturities of Debt	\$ 0	\$ 0	\$ 0
Trade Payables	3,305	932	1,106
Accrued Income Taxes	0	9	9
Accrued Interest	544	1,219	1,155
Customer Deposits	4,424	0	0
Accrued Other	4,272	6,472	6,414
	-----	-----	-----
Current	12,545	8,632	8,684
Secured Debt and interest	53,418	0	0
Other Liabilities	3,101	1,184	1,184
	-----	-----	-----
Total Liabilities	69,064	9,816	9,868
Total Equity	(23,243)	8,276	8,170
	-----	-----	-----
Total	\$ 45,821	\$ 18,092	\$ 18,038
	=====	=====	=====

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SUMMARY OF UNPAID POST PETITION TAXES AND DEBTS AS OF SEPTEMBER 30, 2009

(\$ Amounts in 000's)

TAXES:

		Beg Liability	Accrued Paid	End Liability
		-----	-----	-----
NON-PAYROLL TAXES:				
Sales	\$ 0		\$ 0	
Excise	\$ 0		\$ 0	
Real Property	\$ 0		\$ 0	
Personal Property	\$ 0		\$ 0	

PAYROLL TAXES - See attached page 2

Payroll taxes in 2009 are being immediately paid to the Company's payroll service company who will pay and file the Company's payroll taxes.

DEBTS:

		Days Past Due				
		Current	0-30	31-60	61-90	
		-----	-----	-----	-----	-----
Payable-excl Professional	\$ 594	\$ 251	\$ 79	\$ 0	\$ 0	\$ 924
Wages Payable	107					107
Taxes Payable	0					0
Rent-Building	0					0
Adequate Protect'n Paymts	0					0
Professional Fees	15	14	24	22	107	182
Amounts due Insiders	0	0	0	0	144	144
	-----	-----	-----	-----	-----	-----
Total	\$ 716	\$ 265	\$ 103	\$ 22	\$ 251	\$ 1,357
	=====	=====	=====	=====	=====	=====

Explanations:

Wages represent hourly wages earned in August that were paid in September.

Professional fees are due Reid and Riege.

Amounts due insiders represent post petition interest on note and guaranty fees.

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REUNION INDUSTRIES, INC. CASE NO. 07-50727 (AHWS)
 MONTHLY OPERATING REPORT - 4 page 2/2
 FIT/FICA TAX PAYMENTS and FUTA 940 TAX PAYMENTS AND
 ALL STATE AND LOCAL WITHHOLDING TAX AND SUTA PAYMENTS
 SEPTEMBER 2009

DATE PAID ----	HANNA -----	HQ -----	TOTAL
01			0
02			0
03	21,680		21,680
04			0
07			0
08			0
09			0
10	14,653		14,653
11			0
14	24,869	10,494	35,363
15			0
16			0
17	13,032		13,032
18			0
21			0
22			0
23			0
24	19,013		19,013
25			0
28	25,090	10,204	35,294
29			0
30			0
TOTAL	\$118,337 =====	\$20,698 =====	\$139,035 =====

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 5
ACCOUNTS RECEIVABLE AND TAXES AGING
AS OF SEPTEMBER 30, 2009

CASE NO. 07-50727 (AHWS)

(\$ Amounts in 000's)

TRADE ACCOUNTS RECEIVABLE RECONCILIATION:

Trade Receivables - beg of month	\$ 1,945
Plus: Invoiced during the month	1,268
Less: Amounts collected	(1,101)
Less: Credits/Adjustments	(6)

Trade Receivables - end of month	\$ 2,106
	=====

ACCOUNTS RECEIVABLE AGINGS:

0-30	\$ 1,190
31-60	714
61-90	89
91+	113

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Total trade receivables	2,106
Non-trade receivables	0
Less: Reserve for bad debts	(144)

Net Receivables - per balance sheet	\$ 1,962
	=====

TAXES PAYABLE	\$ -
-----	=====

Payroll taxes in 2009 are being immediately paid to the Company's payroll service company who will pay and file the Company's payroll taxes.

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REUNION INDUSTRIES, INC. CASE NO. 07-50727 (AHWS)
 MONTHLY OPERATING REPORT - 6
 PAYMENTS TO INSIDERS and PROFESSIONALS and
 STATUS OF SECURED NOTES, LEASES AND ADEQUATE PROTECTION PAYMENTS
 SEPTEMBER 2009

Of the total disbursements shown on MOR-1, list the amount paid to insiders and to professionals. For payments to insiders, identify the type of compensation paid.

NAME	TYPE OF PAYM'T	PAID THIS PERIOD AMOUNT	TOTAL POST PETITION
-----	-----	-----	-----
INSIDERS:			
Thomas N. Amonett	Director fees	\$ 0	\$ 19,500
Charles E. Bradley	Director fees	\$ 9,833	\$216,326
Thomas L. Cassidy	Director fees	\$ 0	\$ 19,500
Thomas Certo	Director fees	\$ 1,500	\$ 13,500
David E. Jackson	Director fees	\$ 1,500	\$ 33,000
Joseph C. Lawyer	Director fees	\$ 4,625	\$101,750
John G. Poole	Director fees	\$ 5,000	\$110,000

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Kimball J. Bradley, CEO	Salary	\$32,627	\$717,794
John M. Froehlich, CFO	Salary	\$18,255	\$383,355
Thomas J. Vogel, VP	Salary	\$ 0	\$169,200

PROFESSIONALS:

	DATE OF COURT ORDER	AMOUNT APPROVED	PAID THIS PERIOD AMOUNT	TOTAL PAID TO DATE	TOTAL INCURRED AND UNPAID
Reid and Riege, PC	11/28/07	\$ 846,323	\$	\$ 739,551	\$106,772

POST PETITION STATUS OF SECURED NOTES, LEASES AND ADEQUATE PROTECTION PAYMENTS:

NAME OF CREDITOR	MONTHLY PAYM'TS DUE	PAID DURING MONTH	POST PETITION UNPAID	
SECURED NOTES: (Principal in default)				
ADEQUATE PROTECTION PAYMENTS:				
U.S. Bank, as Trustee		\$ 0	\$ 0	\$ 0
LEASES				
KWA Properties		\$ 70,198	\$ 70,198	\$ 0
US Bancorp		\$ 2,890	\$ 2,890	\$ 0

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 7
DEBTOR QUESTIONNAIRE
SEPTEMBER 2009

CASE NO. 07-50727 (AHWS)

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.

YES NO
--- ---

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1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD? X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT THIS REPORTING PERIOD? X
3. IS THE DEBTOR DELINQUENT IN THE TIMELY FILING OF ANY POST-PETITION TAX RETURNS? X
4. ARE WORKERS' COMPENSATION, GENERAL LIABILITY OR OTHER NECESSARY INSURANCE COVERAGES EXPIRED OR CANCELLED, OR HAS THE DEBTOR RECEIVED NOTICE OF EXPIRATION OR CANCELLATION OF SUCH POLICIES? X
5. IS THE DEBTOR DELINQUENT IN PAYING ANY INSURANCE PREMIUM? X
6. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD? X
7. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES? X
8. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE? X
9. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE? X
10. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE? X
11. ARE ANY OTHER POSTPETITION TAXES PAST DUE? X
12. ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD? X
13. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT? X
14. ARE ANY WAGE PAYMENTS PAST DUE? X
15. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY? X
16. IS THE DEBTOR DELINQUENT IN PAYING ANY U.S. TRUSTEE FEES? X
17. IS THE DEBTOR DELINQUENT WITH ANY COURT ORDERED PAYMENTS TO ATTORNEYS OR OTHER PROFESSIONALS? X
18. HAVE THE OWNERS OF SHAREHOLDERS RECEIVED ANY COMPENSATION OUTSIDE OF THE NORMAL COURSE OF BUSINESS? X

