REUNION INDUSTRIES INC
Form 8-K
February 12, 2010

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-1004

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) February 12, 2010

REUNION INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	01-15739	06-1439715
(State of Incorporation)	(Commission File No.)	(IRS Employer ID No.)

11 STANWIX STREET, SUITE 1400
PITTSBURGH, PENNSYLVANIA 15222
(Address of principal executive offices, including zip code)

(412) 281-2111
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the

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

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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 January 26, 2010 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 fourth quarter of 2009, the Company acquired 248,285 shares of its common stock in open market transactions at an average cost per share acquired of $0.24. This brings the total number of shares acquired to 367,248 at an average cost per share acquired of $0.24.

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: February 12, 2010

REUNION INDUSTRIES, INC.
(Registrant)

By: /s/ John M. Froehlich
John M. Froehlich
Executive Vice President
of Finance and Chief
Financial Officer

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

In re REUNION INDUSTRIES, INC. Case No. 07-50727(AHWS)

Reporting Period: DEC. 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 JAN 22, 2010

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

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REUNION INDUSTRIES, INC. CASE NO. 07-50727(AHWS)
MONTHLY OPERATING REPORT - 1 page 1/4
CASH RECEIPTS AND DISBURSEMENTS
DECEMBER 2009

Cash - beginning of period excluding	$ 1,916,384
Plus: Collections on receivables	1,365,759
Plus: Miscellaneous/Titan receipts	85,063
Less: Disbursements	
Net payroll	333,523
Payroll taxes	150,885
Titan disbursements	12,530
Other operating	899,490
Income Tax payments	0
Reorganization:	
Professional fees	0
U.S. Trustee fees - quarterly	0
Total	1,396,428
Cash - end of period	$ 1,970,778

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REUNION INDUSTRIES, INC. CASE NO. 07-50727(AHWS)
MONTHLY OPERATING REPORT - 1 page 2/4
BANK RECONCILIATION
AS OF DECEMBER 31, 2009

BANK	PNC BANK	PNC BANK	PNC BANK
TYPE	OPERATING	PAYROLL	HEALTHCARE
ACCOUNT NUMBER	2161326	2184149	2880718
Balance per books	$ 64,013	$(63,180)	$ (1,054)
BANK BALANCE	$ 78,047	$ 0	$ 1,179
Deposits in transit			
Outstanding checks	(14,034)	(63,180)	(2,233)
Other - explain below			
Adj. Bank Balance	$ 64,013	$(63,180)	$ (1,054)

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

EXPLANATION OF OTHER:

REUNION INDUSTRIES, INC. CASE NO. 07-50727(AHWS)
MONTHLY OPERATING REPORT - 1 page 3/4
BANK RECONCILIATION
AS OF DECEMBER 31, 2009

BANK	PNC BANK	PNC BANK	PNC BANK
TYPE	PENSION	COLLATERAL	CARVE-OUT
ACCOUNT NUMBER	1011567058	1019820572	1019820847
Balance per books	$ 0	$ 0	$1,517,178
BANK BALANCE	$ 9,780	$ 0	$1,517,178
Deposits in transit			
Outstanding checks	(9,780)		
Other - explain below			
Adj. Bank Balance	$ 0	$ 0	$1,517,178

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

REUNION INDUSTRIES, INC. CASE NO. 07-50727(AHWS)
MONTHLY OPERATING REPORT - 1 page 4/4
BANK RECONCILIATION
AS OF DECEMBER 31, 2009

BANK	FIFTH THIRD	FIFTH THIRD	Chase	Chase
TYPE	OPERATING	PAYROLL	Operating	Royalty
ACCOUNT NUMBER	7512940417	1065629	1690008469	1820765236
Balance per books	$ 310,613	$ (10,851)	$ 43,502	$ 110,557
BANK BALANCE	$ 674,291	$ 0	$ 47,612	$ 115,521
Deposits in transit				
Outstanding checks	(363,678)	(10,851)	(4,110)	(4,964)

Other - explain below				
Adj. Bank Balance	$ 310,613	$ (10,851)	$ 43,502	$ 110,557

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

REUNION INDUSTRIES, INC. CASE NO. 07-50727(AHWS)
MONTHLY OPERATING REPORT - 2
INCOME STATEMENT
FOR THE PERIODS INDICATED

($ amounts in thousands)

	Month of Dec-09	Post Petition to 31-Dec-09
Net Sales	$ 886	$ 46,674

Cost of Sales:		
Standard Cost	664	34,151
Variances & Other	(8)	5,382
Gross Profit	230	7,141
Operating Expenses:		
Marketing	45	1,829
General & Admin	325	8,363
Operating Profit	(140)	(3,051)
Other Income(Expense)	(692)	40,032
Equity in China JV	23	1,246
Reorganization exp:		
Professional fees	0	(615)
U.S. Trustee fees	0	(81)
Adequate Protection Paym't Exp.	0	(450)
Interest (Expense) - excluding Adequate Protection Payments	329	(4,661)
Profit before tax	(480)	32,420
Income Tax	(2)	(1,302)
Net Income	$ (482)	$ 31,118

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

REUNION INDUSTRIES, INC. CASE NO. 07-50727(AHWS)
MONTHLY OPERATING REPORT - 3
COMPARITIVE BALANCE SHEET
AS OF THE PERIODS SHOWN

($ amounts in thousands)

	26-Nov-07	30-Nov-09	31-Dec-09
ASSETS:			
Cash and Equivalents	$ 754	$ 1,916	$ 1,971
Net Receivables	7,166	1,820	1,326
Net Inventory	12,369	1,961	1,998
Other Current Assets	3,029	1,717	1,520
Current	23,318	7,414	6,815
Net Property	6,300	3,266	3,302
Goodwill	10,994	1,491	1,491
CSV policies	2,200	1,340	1,340
Interest in China JV	3,009	4,232	4,255
Total	$ 45,821	$ 17,743	$ 17,203
LIABILITIES & EQUITY:			
Current Maturities of Debt	$ 0	$ 0	$ 0
Trade Payables	3,305	938	677
Accrued Income Taxes	0	9	101
Accrued Interest	544	1,089	1,074
Customer Deposits	4,424	0	0
Accrued Other	4,272	6,245	6,379
Current	12,545	8,281	8,231
Secured Debt and interest	53,418	0	0
Other Liabilities	3,101	1,184	1,184
Total Liabilities	69,064	9,465	9,415
Total Equity	(23,243)	8,278	7,788
Total	$ 45,821	$ 17,743	$ 17,203

SUMMARY OF UNPAID POST PETITION TAXES AND DEBTS
AS OF DECEMBER 31, 2009
($ Amounts in 000's)

TAXES:

	Beg Liability	Accrued	Paid	Ending 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	Over 91	Total
Payable-excl Professional	$ 246	$ 226	$ 101	$ 0	$ 0	$ 573
Wages Payable	39					39
Taxes Payable	0					0
Rent-Building	0					0
Adequate Protect'n Paymts	0					0
Professional Fees	15	17	9	10	53	104
Amounts due Insiders	0	0	0	0	131	131
Total	$ 300	$ 243	$ 110	$ 10	$ 184	$ 847

Explanations:
Wages represent hourly wages earned in the current month that were paid in the following month.
Professional fees are due Reid and Riege.
Amounts due insiders represent post petition interest on note and guaranty fees.

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 WITHHOOLDING TAX AND SUTA PAYMENTS
DECEMBER 2009

DATE PAID	HANNA	HQ	TOTAL
01			0
02			0
03	12,127		12,127
04			0
07			0
08			0
09			0
10	13,587		13,587
11			0
14	24,372	7,712	32,084
15			0
16			0
17	12,776		12,776
18			0
21			0
22	12,759		12,759
23			0
24			0
28			0
29	38,965		38,965
30			0
31		28,587	28,587
TOTAL	$114,586	$36,299	$150,885

REUNION INDUSTRIES, INC. CASE NO. 07-50727(AHWS)
MONTHLY OPERATING REPORT - 5
ACCOUNTS RECEIVABLE AND TAXES AGING
AS OF DECEMBER 31, 2009
($ Amounts in 000's)

TRADE ACCOUNTS RECEIVABLE RECONCILIATION:

Trade Receivables - beg of month	$ 1,970
Plus: Invoiced during the month	887
Less: Amounts collected	(1,366)
Less: Credits/Adjustments	(25)
Trade Receivables - end of month	$ 1,466

ACCOUNTS RECEIVABLE AGINGS:

0-30	$ 761
31-60	589
61-90	92
91+	24
Total trade receivables	1,466

Non-trade receivables	0
Less: Reserve for bad debts	(140)
Net Receivables - per balance sheet	$ 1,326

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.

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
DECEMBER 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	$245,825
Thomas L. Cassidy	Director fees	$ 0	$ 19,500
Thomas Certo	Director fees	$ 1,500	$ 18,000
David E. Jackson	Director fees	$ 1,500	$ 37,500
Joseph C. Lawyer	Director fees	$ 4,625	$115,625
John G. Poole	Director fees	$ 5,000	$125,000
Kimball J. Bradley, CEO	Salary	$39,169	$822,217

John M. Froehlich, CFO	Salary	$ 0	$401,610
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	$ 0	$ 846,323	$ 0

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:			
U.S. Bank, as Trustee	$ 0	$ 0	$ 0
LEASES			
KWA Properties	$ 70,198	$ 70,198	$ 0
US Bancorp	$ 2,890	$ 2,890	$ 0

REUNION INDUSTRIES, INC. CASE NO. 07-50727(AHWS)
MONTHLY OPERATING REPORT - 7
DEBTOR QUESTIONNAIRE
DECEMBER 2009

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
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 LIABLIITY 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