REPORT

OF THE

BOARD OF DIRECTORS

OF THE

MICHIGAN CENTRAL

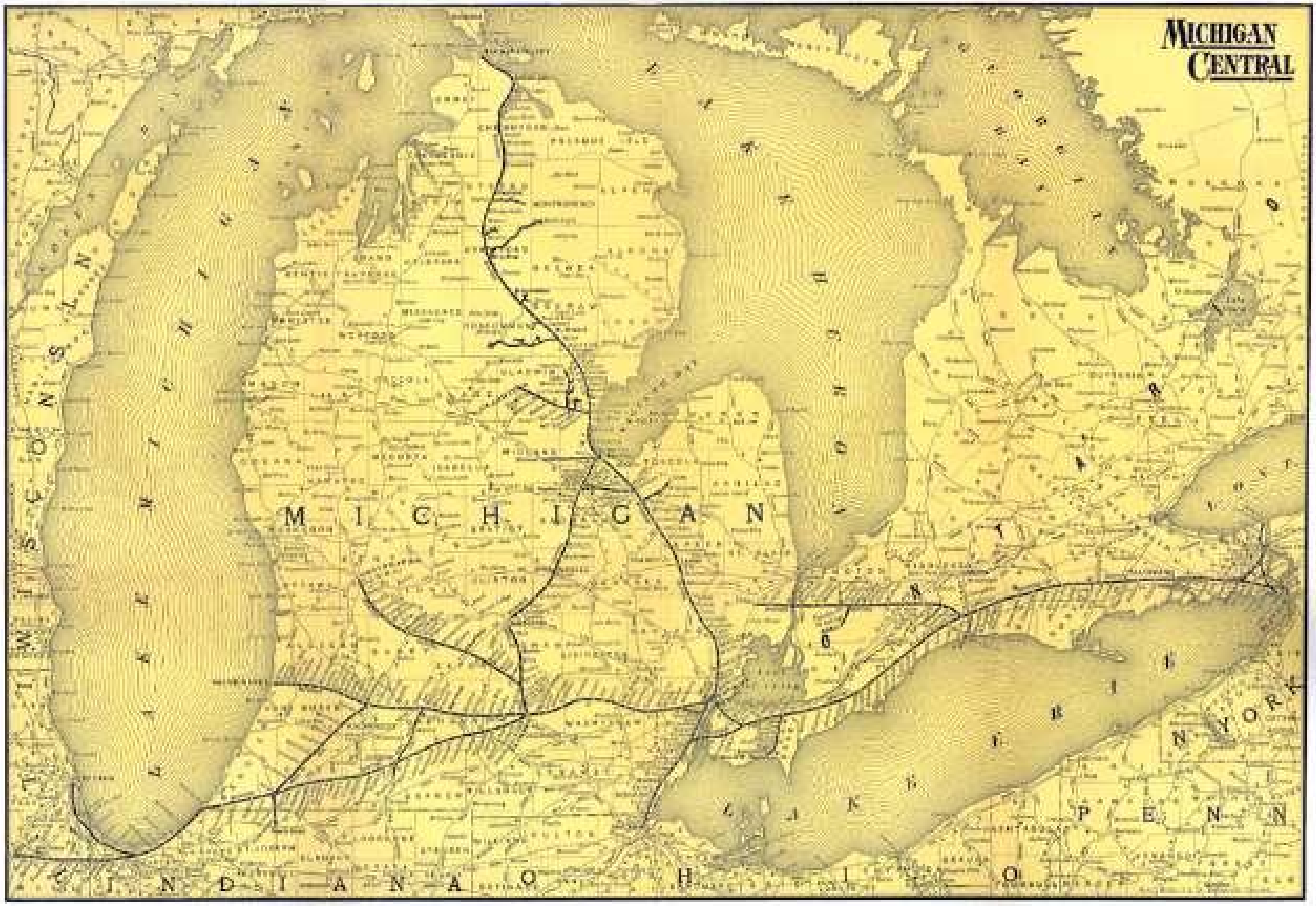
RAILROAD COMPANY,

TO THE STOCKHOLDERS,

FOR THE

YEAR ENDING DECEMBER 31, 1895.

DETROIT:
PRINTED BY S. J. KENYON,
1896.


MICHIGAN CENTRAL
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1896.

ORGANIZATION.

DECEMBER 31ST, 1895.

DIRECTORS.

CORNELIUS VANDERBILT, NEW YORK CITY.

FREDERICK W. VANDERBILT, NEW YORK CITY.

EDWIN D. WORCESTER, NEW YORK CITY.

CHAUNCEY M. DEPEW, NEW YORK CITY.

WM. K. VANDERBILT, NEW YORK CITY.

HENRY B. LEDYARD, DETROIT, MICH.

SAMUEL F. BARGER, NEW YORK CITY.

ASHLEY POND, DETROIT, MICH.

FREDERICK S. WINSTON, CHICAGO, ILL.

OFFICERS.

CHAIRMAN,
CORNELIUS VANDERBILT.

VICE-PRESIDENT AND SECRETARY,
EDWIN D. WORCESTER.

PRESIDENT AND GENERAL MANAGER,
HENRY B. LEDYARD.

TREASURER,
DANIEL A. WATERMAN.

AUDITOR,
A. JUDSON BURT.

GENERAL OFFICES.

NEW YORK CITY, GRAND CENTRAL STATION.
DETROIT, MICH., FOOT OF THIRD STREET.
CHICAGO, ILL., MONADNOCK BUILDING.

ANNUAL MEETING.

THURSDAY FOLLOWING THE FIRST WEDNESDAY IN MAY.

Stock Transferred, Grand Central Station, New York.
Coupons Paid by Union Trust Company, New York.

REPORT.

NEW YORK, April 1, 1896.

To the Stockholders of the Michigan Central Railroad Company:

The Board of Directors submit herewith the fiftieth annual report, being for the year ending December 31, 1895.

CAPITAL STOCK.

The Capital Stock Account is $18,738,000, having been reduced during the year $204 by the purchase and retirement of stock scrip.

FUNDED DEBT.

There has been no change in the Funded Debt of the Michigan Central since the last report.

On December 31, 1895, $150,000 of 5 per cent. Jackson, Lansing & Saginaw Extended Consolidated Mortgage Bonds were purchased and canceled by Messrs. Ledyard, Pond & Barnes, Trustees, effecting a reduction in fixed charges of $7,500 per annum from January 1, 1896.

ROAD OPERATED.

	MILES.	
	Main Track.	Second Track.
MAIN LINE.		
Michigan Central System	1,184.85	146.39
Canada Southern System	457.30	97.56
Total	1,642.15	243.95

The table of tracks herewith shows total miles of road to be 1,628.15, which, plus 14 miles of trackage right on Illinois Central line from Kensington to Chicago, equals the 1,642.15, as stated above. In addition to the 1,628.15 miles of main track and 243.95 miles of second track included in the joint system, there are 876.86 miles of side track, aggregating a track mileage of 2,748.96 miles, of which 2,554.34 miles are laid with steel, and 194.62 miles with iron rails.

CONSTRUCTION.

No charge has been made to this account since the last report.

EARNINGS.

The earnings are as follows:

	1895.	1894.
From freight	$9,177,964 37	$8,314,026 21
" passenger	3,672,501 50	3,499,341 34
" mail	322,810 50	317,676 42
" express	408,660 97	377,762 91
" miscellaneous	69,483 27	75,206 40
Total	$13,651,420 61	$12,584,013 28

showing an increase of $1,067,407.33.

The freight traffic shows an increase in tons moved one mile of 277,602,000, and in earnings of $864,000, the increase being in both through and local traffic. The rate per ton per mile shows a decrease from 0.687 to 0.617, or 0.070.

The passenger traffic shows an increase of 8,097,000 in passengers moved one mile, and an increase of $173,000 in earnings. The rate per passenger per mile shows a decrease from 2.258 to 2.252, or 0.006.

EXPENSES.

The gross operating expenses are as follows:

	1895.	1894.
Expenses	$9,880,732 42	$8,803,463 55
Taxes	302,498 89	340,644 42
Expenses and taxes	$10,183,231 31	$9,144,107 97

showing an increase of $1,039,123.34.

The cost of all betterments and additions to the property is included in this account.

OPERATING RESULTS.

The result of the year's operation is shown by the following statement:

Gross earnings from traffic		$13,651,420 61
Operating expenses and taxes		10,183,231 31
Net earnings		$3,468,189 30
Interest and rentals		2,402,201 28
Residue		$1,065,988 02
Paid the Canada Southern Railway Company its proportion of the net income, as per agreement		304,715 21
Net revenue from traffic		$761,272 81
Income from investments		49,077 33
Total net revenue (per share, $4.32)		810,350 14
Dividend: Two per cent., paid August 1, 1895	$374,760 00	
Dividend: Two per cent., paid February 1, 1896	374,760 00	
		$749,520 00
Balance		$60,830 14

C. VANDERBILT,
Chairman.

H. B. LEDYARD,
President.

EARNINGS AND EXPENSES.

1894.	EARNINGS.	1895.
$8,314,026 21	.....Freight.....	$ 9,177,964 37
3,499,341 34	.....Passenger.....	3,672,501 50
317,676 42	.....Mail.....	322,810 50
377,762 91	.....Express.....	408,660 97
75,206 40	.....Miscellaneous.....	69,483 27
$12,584,013 28	.....Total.....	$13,651,420 61
	EXPENSES.	
$1,484,645 43	.....Maintenance of way and structures.....	$ 1,819,625 29
918,565 89	.....Maintenance of equipment.....	1,355,922 09
6,141,658 73	.....Conducting transportation.....	6,421,778 70
258,593 50	.....General expenses.....	283,406 34
$8,803,463 55	.....Total.....	$ 9,880,732 42
340,644 42	.....Taxes.....	302,498 89
$9,144,107 97	.....Total, including taxes.....	$10,183,231 31
$3,439,905 31	NET EARNINGS.	$ 3,468,189 30
	PER CENT. OF EXPENSES TO EARNINGS.	
72.66	.....Including taxes.....	74.59
69.96	.....Excluding taxes.....	72.38

DETAIL OF OPERATING EXPENSES.

1894.		1895.	Increase	Decrease.
	Maintenance of Way and Structures.			
$ 69,184 51	Superintendents and assistants	$ 68,282 31		$ 902 20
1,806 67	Stationery and printing	1,907 42	$ 100 75	
103,539 25	Renewal of rails	68,373 80		35,165 45
179,599 76	Renewal of ties	179,600 85	1 09	
2,402 86	Ballast	747 53		1,655 33
667,654 40	Repairs of roadway	919,713 20	252,058 80	
131,043 32	Repairs of bridges and culverts	161,573 18	30,529 86	
40,429 18	Repairs of fences and cattle guards	36,691 27		3,737 91
91,327 47	Repairs of road crossings and signs	102,780 05	11,452 58	
96,577 87	Repairs of buildings and fixtures	147,497 43	50,919 56	
7,527 34	Repairs of machinery and tools	15,361 21	7,833 87	
5,527 72	Repairs of docks	10,503 56	4,975 84	
19,222 82	Repairs of telegraph	20,642 96	1,420 14	
1,122 63	Oil, tallow and waste	1,184 65	62 02	
51,974 11	Removing snow, ice and weeds	66,307 75	14,333 64	
10,264 40	Insurance	12,024 53	1,760 13	
5,441 12	Miscellaneous	6,433 59	992 47	
	Maintenance of Equipment.			
57,071 09	Superintendents and assistants	58,574 16	1,503 07	
2,154 33	Stationery and printing	2,275 64	121 31	
297,662 13	Repairs of locomotives	378,515 71	80,853 58	
129,859 08	Repairs of passenger cars	190,793 84	60,934 76	
364,741 32	Repairs of freight cars	648,395 90	283,654 58	
903 64	Repairs of working cars			903 64
17,322 45	Repairs of ferry boats	18,411 46	1,089 01	
7,165 13	Repairs of shop machinery and tools	12,829 51	5,664 38	
9,962 34	Fuel and light for shops	12,365 81	2,403 47	
5,687 51	Oil, tallow and waste	5,870 06	182 55	
26,036 87	Watchmen and laborers	27,890 00	1,853 13	
	Insurance			
	Miscellaneous			
	Conducting Transportation.			
146,088 69	Superintendents and assistants	151,811 94	5,723 25	
63,128 74	Stationery and printing	63,169 80	41 06	
798,741 53	Station service	843,340 50	44,598 97	
88,841 02	Station supplies	78,825 60		10,015 42
222,172 35	Telegraph service and supplies	225,931 47	3,759 12	
906,296 53	Locomotive service	961,493 65	55,197 12	
4,198 30	Locomotive supplies	5,006 50	808 20	
1,093,535 73	Fuel for locomotives	1,096,622 47	3,086 74	
46,992 88	Water for locomotives	49,735 85	2,742 97	
656,243 50	Train service	706,787 17	50,543 67	
79,594 54	Train supplies	60,169 19		19,425 35
441,195 69	Switchmen, flagmen and watchmen	453,778 82	12,583 13	
121,636 11	Cleaning and inspecting cars	128,391 87	6,755 76	
64,703 98	Detroit River crossing	72,397 46	7,693 48	
57,858 03	Niagara River tolls	64,878 30	7,020 27	
3,219 27	Clearing wrecks	3,570 60	351 33	
10,257 54	Custom House	11,956 31	1,698 77	
59,611 90	Oil, tallow and waste	65,096 37	5,484 47	
445,744 00	Car mileage	453,455 32	7,711 32	
38,446 56	Loss and damage, freight and baggage	25,032 39		13,414 17
8,701 20	Damage to property	14,979 55	6,278 35	
61,873 34	Injuries to persons	53,084 83		8,788 51
284,611 54	Outside agencies and advertising	295,142 81	10,531 27	
396,588 54	Track rentals and terminals	499,377 01	102,788 47	
7,895 87	Mackinaw Crossing	6,998 25		897 62
33,481 35	Miscellaneous	30,744 67		2,736 68
	General Expenses.			
162,651 24	General office salaries	161,484 77		1,166 47
7,179 87	General office expenses	7,082 20		97 67
4,901 41	Stationery and printing	5,178 34	276 93	
323 51	Fuel and light	209 70		113 81
66,825 16	Legal expenses	59,102 35		7,722 81
2,000 00	Rents	2,000 00		
340,644 42	Taxes	302,498 89		38,145 53
14,712 31	Miscellaneous	48,348 98	33,636 67	
$9,144,107 97	Total	$10,183,231 31	$1,039,123 34	

INCOME ACCOUNT.

1895.					1895.			
Dec. 31.	Operating Expenses and Taxes			$10,183,231 31	Dec. 31.	Balance from 1894		$ 2,483,077 21
	Interest—Main Line	$660,000 00				Freight Earnings	$9,177,964 37	
	" —Leased Lines	572,050 00				Passenger Earnings	3,672,501 50	
	" —Canada Southern	985,841 28				Mail Earnings	322,810 50	
	Rental Leased Lines	184,310 00				Express Earnings	408,660 97	
			$ 2,402,201 28			Miscellaneous Earnings	69,483 27	
	Canada Southern R'y—Division of Net Income as per Agreement		304,715 21					$13,651,420 61
	Dividends:					Income from Investments		49,077 33
	August 1st, 1895, 2%	374,760 00						
	February 1st, 1896, 2%	374,760 00						
			749,520 00					
	Balance		2,543,907 35					
				$16,183,575 15				$16,183,575 15

D. A. WATERMAN,
Treasurer.

CONDENSED BALANCE SHEET.

Construction Accounts:		
Main Line	$31,116,257 09	
Leased Lines	7,331,514 90	
Proprietary Lines	3,930,639 12	
		$42,378,411 11
Investments		670,696 25
Fuel and Supplies		1,348,645 40
Accounts Receivable		774,587 81
Cash Assets:		
Uncollected earnings	246,306 96	
Cash	1,196,008 52	
		1,442,315 48
		$46,614,656 05

Capital Stock		$18,738,000 00
Bond Accounts:		
Consolidated 7s	$8,000,000 00	
Consolidated 5s	2,000,000 00	
Michigan Air Line 4s	2,600,000 00	
Grand River Valley 6s	1,500,000 00	
Detroit & Bay City 5s	3,576,000 00	
Kalamazoo & South Haven 5s	700,000 00	
		18,376,000 00
Accounts Payable		1,689,670 22
Accrued Interest:		
Of 1895, payable in 1896		283,246 17
Dividends Payable February 1st, 1896		374,760 00
Income Account:		
To January 1st, 1879	4,609,072 31	
From January 1st, 1879	2,543,907 35	
		7,152,979 66
		$46,614,656 05

December 31, 1895.

D. A. WATERMAN,
Treasurer.

FUNDED DEBT, INTEREST, RENTS, ETC.

DESCRIPTION.	FUNDED DEBT.		
	DATE OF ISSUE.	DATE OF MATURITY.	AMOUNT.
THIS COMPANY'S BONDS.			
Consolidated First Mortgage	May 1, 1872	May 1, 1902	$8,000,000 00
Consolidated First Mortgage (five per cents)	Nov. 1, 1882	May 1, 1902	2,000,000 00
Grand River Valley First Mortgage	Sept. 1, 1879	Sept. 1, 1909	500,000 00
Grand River Valley First Mortgage	Mar. 1, 1886	Sept. 1, 1909	1,000,000 00
Detroit & Bay City First Mortgage	Mar. 1, 1881	Mar. 1, 1931	3,576,000 00
Kalamazoo & South Haven First Mortgage	Nov. 1, 1889	Nov. 1, 1939	700,000 00
Michigan Air Line First Mortgage	Jan. 1, 1890	Jan. 1, 1940	2,600,000 00
Total			$18,376,000 00
LEASED LINE BONDS.			
Bay City & Battle Creek First Mortgage	Dec. 1, 1889	Dec. 1, 1989	$ 250,000 00
Battle Creek & Sturgis First Mortgage	Dec. 1, 1889	Dec. 1, 1989	421,000 00
Jackson, Lansing & Saginaw Extended Consols.	Sept. 1, 1891	Sept. 1, 1901	2,054,000 00
Jackson, Lansing & Saginaw Rental			
Jackson, Lansing & Saginaw Expenses			
Grand River Valley Rental			
Joliet & Northern Indiana Rental			
Total			$2,725,000 00
GUARANTEED BONDS.			
Detroit & Bay City	May 1, 1872	May 1, 1902	$ 274,000 00
Detroit & Bay City (Bridge)	May 1, 1873	May 1, 1903	150,000 00
Total			$ 424,000 00
Total Michigan Central			$21,525,000 00
CANADA SOUTHERN BONDS.			
First Mortgage	Jan. 1, 1878	Jan. 1, 1908	$14,000,000 00
Second Mortgage	Feb. 15, 1883	Mar. 1, 1913	6,000,000 00
Leamington & St. Clair	Oct. 1, 1895	Oct. 1, 1945	130,000 00
Total Canada Southern			$20,130,000 00
GRAND TOTAL			$41,655,000 00

FUNDED DEBT, INTEREST, RENTS, ETC.

INTEREST AND RENTS PAYABLE.

RATE.	AMOUNT.	Jan. 1st.	Mar. 1st.	May ist.	June ist.	July ist.	Sept. ist	Nov. ist.	Dec. 1st.
7 #	#560,000 OO			2$0,000 00				280^00 00	
5 *	100,000 OO			50,000 00				50,000 00	
6 %	30,000 OO		15,000 00				15,000 00		
6%	60,000 00		30,000 00				30,000 00		
5%	i7S,Sco 00		57.437 SO		31.963 50		57437 50		31*962 50
S%	35,000 00			17,500 00				17,500 00	
4 %	104,000 00	£2,000 00				52,000 00			
	•1,067,800 00								
3 *	# 7,500 00				3.750 00				3,750 00
3 %	12,630 00				6*315 00				6,315 00
S%	102,700 00		51^50 00				5I.350 00		
	70,000 00		35,000 00				35,000 00		
	750 00		375 00				375 00		
	24,5°° 00	12,380 00				I3,2So OO			
		Jan. loth.				July 10th.			
	S0,000 00	44.500 00				44,500 00			
	•307.140 00								
s%	%2lf)20 00			ICS06O 00				10,960 00	
sr,	I2,000 OO			6,000 00				6,000 00	
	*33i9«> 00								
	*i,40S^6o 00	ioS,7So 00	189,162 50	364460 00	42.027 50	io$,7So 00	189,162 50	364460 00	42,027 50
5%	#696,768 S4	34S.72S 95				34S,030 89			
5%	2^2,500 00		141,250 00				141.250 00		
			Apr. ist.				Oct. ist.		
	5,200 00		2,600 00				2,600 00		
	*«>*4-4<* S4	34S,7*S 95	143.S50 00			34>N039 «9	"43.S50 00		
	*3.393jaS S4	457.50s 95	333.013 50	364,400 00	42,027 50	456.SI9 $9	50	364460 00	42,027 50

D. A. WATERMAN,

Treasurer.