SEVENTY-FIFTH

ANNUAL REPORT OF THE BOARD OF DIRECTORS

OF

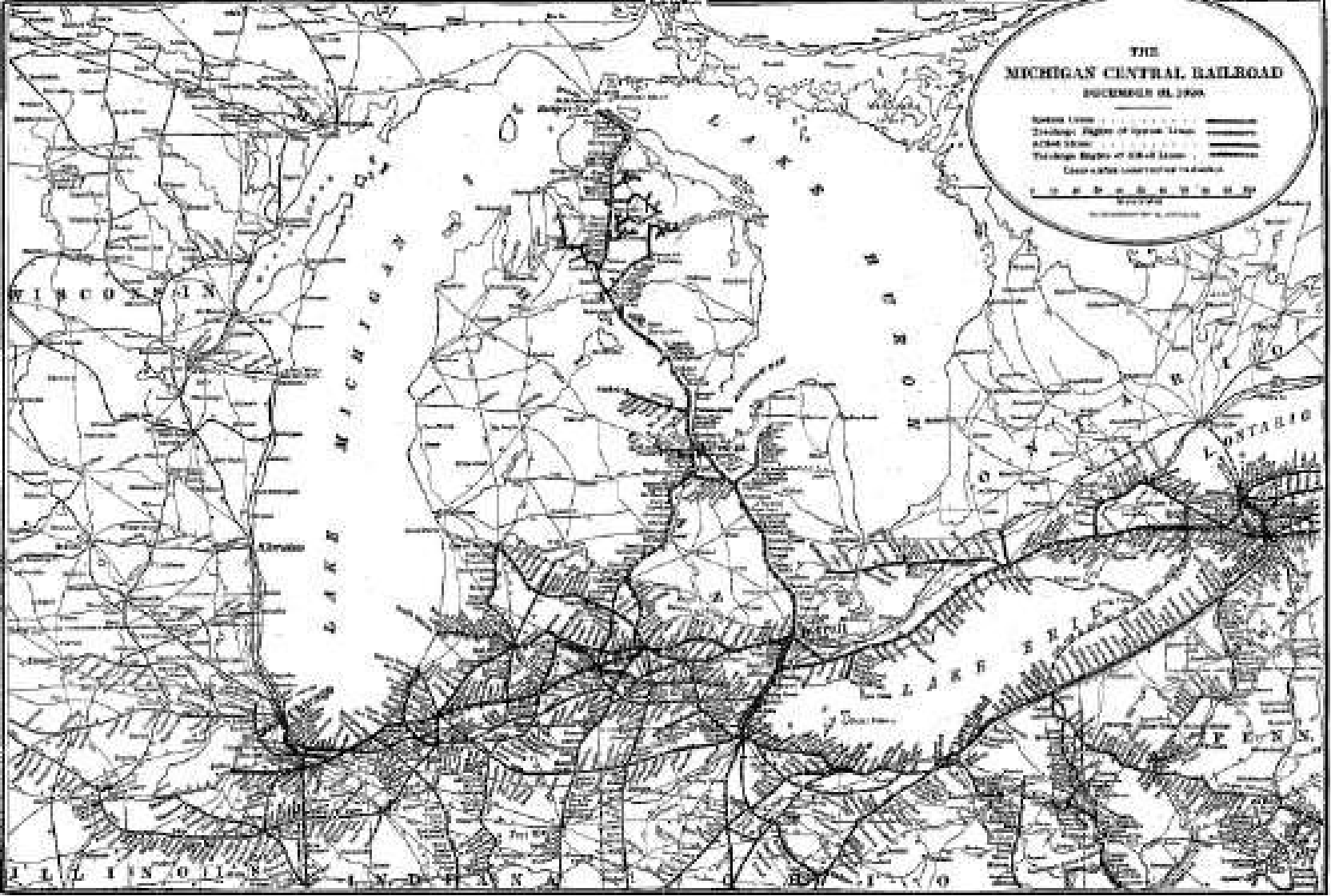
THE MICHIGAN CENTRAL RAILROAD COMPANY

TO THE STOCKHOLDERS

FOR THE YEAR ENDED

DECEMBER 31, 1920

DETROIT
MICHIGAN


THE
MICHIGAN CENTRAL RAILROAD
WISCONSIN
LAKE MICHIGAN
LAKE HURON
LAKE ERIE
ONTARIO
ILLINOIS
INDIANA
OHIO
PENN.

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DETROIT
MICHIGAN

ORGANIZATION OF
THE MICHIGAN CENTRAL RAILROAD COMPANY

DECEMBER 31, 1920

DIRECTORS

Elected May 6, 1920; term expires May 4, 1921

HENRY B. LEDYARD, *Chairman*

CHAUNCEY M. DEPEW
FREDERICK W. VANDERBILT
WILLIAM ROCKEFELLER
GEORGE F. BAKER
WILLIAM K. VANDERBILT
ALFRED H. SMITH
ROBERT S. LOVETT
HAROLD S. VANDERBILT
EDWARD S. HARKNESS
SAMUEL MATHER
ALBERT H. HARRIS
(one vacancy)

FINANCE COMMITTEE

WILLIAM K. VANDERBILT
GEORGE F. BAKER
WILLIAM ROCKEFELLER
ROBERT S. LOVETT
HAROLD S. VANDERBILT

CORPORATE OFFICERS

President	ALFRED H. SMITH	New York
Vice President	IRA A. PLACE	New York
Vice President	ABRAHAM T. HARDIN	New York
Vice President	ALBERT H. HARRIS	New York
Vice President	GEORGE H. INGALLS	New York
Vice President	JOHN CARSTENSEN	New York
Vice President	EDMOND D. BRONNER	Detroit
Assistant Vice President	CHARLES J. BRISTER	Chicago
Secretary	EDWARD F. STEPHENSON	New York
Assistant Secretary	JOSEPH M. O'MAHONEY	New York
General Treasurer	MILTON S. BARGER	New York
Assistant General Treasurer	HARRY G. SNELLING	New York
Assistant General Treasurer	EDGAR FREEMAN	New York
Treasurer	WALTER E. HACKETT	Detroit
Comptroller	WILLIAM C. WISHART	New York
Assistant Comptroller	LEROY V. PORTER	New York
Assistant Comptroller	FREDERICK H. MEEDER	New York

The annual meeting of stockholders for the election of directors is held in the city of Detroit, Michigan, on the Thursday following the first Wednesday in May.

General Treasurer, Grand Central Terminal, New York, transfers stock and pays dividend on stock, transfers and pays interest on bonds

Guaranty Trust Company of New York pays dividends on equipment trust certificates of 1907, 1910, 1912, 1913, 1917 and 1920

Philadelphia Trust Company of Philadelphia pays dividends on equipment trust certificates of 1915

At a meeting of the Board of Directors of the Michigan Central Railroad Company held at the Grand Central Terminal July 28, 1920, the following minute was adopted and directed to be entered upon the records of the company and a copy engrossed, executed by the officers of the company, and sent to the family:—

WILLIAM K. VANDERBILT was one of the remarkable men of his period. Born of great wealth, he understood its responsibilities and gave to the solution of the problems presented to him industry, intelligence and vision. He was carefully educated for a business career and the development of the properties which had been acquired by his grandfather and enlarged by his father. He entered the treasury department of the New York Central Railroad Company as a clerk and remained until he had mastered the financial side of the system. Under James H. Rutter, one of the ablest of Freight Managers, he became familiar with that important department of railroad administration. Then as assistant to his father, who was President of the New York Central, as Vice-President and as the active Manager of the Lake Shore and Michigan Southern Railway, he learned every branch of the service. In this intimate contact with executive, financial, freight, passenger and operating duties he was on close terms with the leading railway minds of the country and with the heads of the various departments in his own companies.

Mr. Vanderbilt in many respects resembled his grandfather, Commodore Vanderbilt. His intuition and perception enabled him to clearly grasp situations while others were groping in the dark. His decisions were quick and decisive, and his understanding of conditions was rapid. Great opportunities to add to his fortune were presented because of his insight and forecast, but he gave the fruits to his companies. The rapid growth of rival lines and the fierce competition it involved impressed him with the necessity of consolidating and systematizing the many companies acting together in more or less harmony with the New York Central. For the Central to have entered the market to purchase the securities of such companies would have involved, by the rise in prices, an intolerable burden, but he quietly obtained control and then transferred it to the consolidated company at original cost and without personal profit.

Mr. Vanderbilt found from increasing cares with larger responsibilities that recreation gave better judgment and more vigorous health. He became interested in yachting, and his example encouraged the construction of better types of boats. These larger craft were a useful auxiliary to our Navy in the late war. He encouraged improvement in the breed of horses by active support of racing sport, both in this country and in France. He encouraged the growth of the automobile industry in the United States, and for his active aid to aeronautics in France during the war received the decoration of the Legion of Honor from the French Government.

He was one of the most modest and retiring of men, and disliked publicity. He was generous and wisely discriminating in his benefactions, but the extent and variety of these gifts were carefully concealed—colleges, hospitals and clinics were large recipients. During the tragedy of the fearful conflict of the last five years his intelligent assistance was felt in many departments of helpfulness both in this country and in Europe.

He had been fifty years with the New York Central. This half century has no parallel in the past in industrial development and railway expansion. It is most fortunate for the New York Central System that it had this master mind in its service. He selected with care and judgment our executives and gave them the largest and freest discretion in their management.

We who were intimately associated with him in this Board mourn the loss of a friend and a fellow director whose knowledge, wisdom and advice were invaluable in our many and difficult responsibilities. We extend to his family our deepest sympathy.

REPORT

To the Stockholders of

THE MICHIGAN CENTRAL RAILROAD COMPANY:

The Board of Directors herewith submits its report for the year ended December 31, 1920, with statements showing the income account for the year and the financial condition of the company.

The operation and maintenance of the company's road were continued under federal control until 12.01 o'clock a. m. of the first day of March, 1920, at which time the company resumed the operation of its railroad property. The Board of Directors at its meeting of March 10, 1920, authorized the acceptance on behalf of the company of the guaranty provisions of Section 209 of the Transportation Act, approved February 28, 1920, and such acceptance was filed with the Interstate Commerce Commission before March 15, 1920, as provided by the Act. The effect of this was that for the six months to September 1, 1920, the company was guaranteed a railway operating income not less than one-half the amount named in its contract with the Government as annual compensation.

The Interstate Commerce Commission by its order of July 29, 1920, granted an increase, effective August 26, 1920, in freight rates in eastern group territory of 40 per cent and of 33⅓ per cent between points in eastern group territory and other territories. It also granted an increase in passenger rates of 20 per cent, with a surcharge on Pullman fares of 50 per cent accruing to the carriers. These increases were not immediately allowed by several of the States as to intrastate rates, so that the full effect of the advance was not measured by the percentages for interstate traffic, although, in most instances, they were subsequently allowed under further orders of the Commission.

For the full year 1920 the freight and passenger revenues showed marked advances over the previous year. The return, however, was not as great as it would have been under normal business conditions, due to the fact that the greater part of the tonnage increase was carried at relatively low rates. The principal source of additional tonnage was in shipments of coal and ores and other products of mines, these constituting an increase of 3,665,000 tons, while the increase in total tonnage carried was 3,626,000 tons. There was a falling off in the shipments of grain, products of agriculture, live stock, fresh meats and packing house products, other products of animals, forest products and in unclassified merchandise in less than carload lots aggregating approximately 1,229,000 tons, while there were increases in manufactures and miscellaneous commodities of 1,190,000 tons.

The number of passengers carried during the year increased 510,219, this increase being almost entirely in local passengers. There were 8,314 more interline passengers than in 1919 and 89,175 fewer commutation passengers. This is reflected in the decrease of 2·85 miles in the average distance each passenger was carried. The advance in passenger rates, however, under order of the Interstate Commerce Commission, increased the average receipts per passenger per mile from 2·848 cents to 3·179 cents.

In the matter of payments for transportation of mail, which had been before the Interstate Commerce Commission for some time, an order was entered by the Commission in January, 1920, establishing increased rates from November 1, 1916, which, under the same order, were increased 25 per cent on January 1, 1918. Under this order the company received as additional compensation for the period November 1, 1916, to December 31, 1917, approximately $160,000, while the Railroad Administration received, as its share for the period of federal control, $485,000.

The substantial increases in pay and the changes in working conditions during and since federal control have created a situation which is giving the company grave concern. Besides the actual increase in wages granted by the Director General or ordered by the Labor Board there have been reclassifications of employees and special allowances which entail additional expense without compensating return in labor performed.

Under rule 60 of the Shop Crafts Agreement which provides that employees who are required to check in and out on their own time will be paid one hour extra at the close of each week, and under rule 3 in the same agreement which provides twenty minutes without loss of pay for lunch, this company incurs a substantial additional annual expense. The abolition of piece work in the shops of the company has also been the cause of heavy additional expense.

The condition of the company's equipment at the end of federal control has caused an unusual outlay for repairs, which are still under way.

There was a substantial increase in the cost of fuel.

Final settlement of accounts with the Railroad Administration for the period of federal control has not been effected, but the company is actively engaged in the preparation of the data necessary for use in connection with the making of such a settlement.

The settlement with the United States Government for the guaranty period — six months, March to August, 1920—in connection with the guaranty provision of the Transportation Act, is progressing.

The following is a comparative table of the mileage operated:

	1920 Miles	1919 Miles	Increase Miles
Main line and branches owned	1,186·80	1,182·97	3·83
Line jointly owned	·71	·71	
Leased lines	578·35	578·35	
Lines operated under trackage rights	100·03	100·03	
Total road operated	1,865·89	1,862·06	3·83

The increase in mileage was on the Air Line Branch in connection with the construction of a cut-off from Air Line Junction to the east end of the new terminal yard at Niles.

Provision was made for financing the cost of 2,000 freight-train cars and 30 locomotives allotted to the company, during federal control, by the Director General of Railroads, all of which have been delivered, through an equipment trust (known as Equipment Trust No. 48) established by an equipment trust agreement dated January 15, 1920, providing for the payment of 75 per cent of the cost of the equipment in the company's 6 per cent equipment notes, dated January 15, 1920, maturing in equal annual installments over a period of 15 years, the balance, pursuant to an agreement, dated January 14, 1920, between the Director General and the company, to be deducted from the equipment depreciation and retirement credits arising in the company's favor under the standard contract with the Director General. The total cost of the equipment will amount to $6,934,865.45 The amount of notes issued is $5,118,000.

In addition to the equipment allocated to it by and acquired from the Director General of Railroads, the company is to receive from the New York Central Railroad Company, under sub-lease, 26 locomotives, 38 passenger-train cars and 1,950 freight-train cars covered by that company's equipment trust of 1920. The estimated cost of this equipment is $9,356,838.80 and the sub-lease provides that the sub-lessee shall assume its pro rata share of the equipment trust certificates, principal and interest, and expenses of the trust and shall pay that part of the cost of the sub-let equipment which is not financed through the trust, and that it shall, upon the fulfillment of the trust, become the owner of the equipment sub-let to it. Under this arrangement the company's share of the certificates

issued, under the trust, representing approximately 75 per cent of the cost of the equipment, is $7,014,971.25. Of the remainder of the cost, $2,045,000 was obtained from the New York Central Railroad Company as a loan. For this, and for $1,885,000 obtained from the same source for additions and betterments to equipment, the company gave its fifteen 6 per cent notes maturing in equal installments December 23, 1921-35, aggregating $3,930,000.

On its ten-year 6 per cent promissory note dated December 23, 1920, given to the New York Central Railroad Company, this company borrowed, for additions and betterments to way and structures, $613,000.

The changes in the funded debt of the company are shown in the following statement:

The funded debt outstanding on December 31, 1919, was		$57,793,931 13
It has been increased during the year as follows:		
M C R R Co Equipment Trust of January 15, 1920, notes	$5,118,000 00	
M C R R Co proportion of N Y C R R Co Equipment Trust of April 15, 1920, certificates	7,014,971 25	
15 promissory notes of the M C R R Co, dated December 23, 1920, given to the N Y C R R Co, due serially at intervals of one year	3,930,000 00	
Ten-year promissory note of the M C R R Co, dated December 23, 1920, given to the N Y C R R Co	613,000 00	16,675,971 25
		$74,469,902 38
It has been decreased during the year by payment of installments on account of equipment trusts as follows:		
N Y C Lines Trust of 1907, due November 1, 1920	$260,425 45	
N Y C Lines Trust of 1910, due January 1, 1921	393,960 44	
N Y C Lines Trust of 1912, due January 1, 1921	151,710 90	
N Y C Lines Trust of 1913, due January 1, 1921	262,359 54	
M C R R Trust of 1915, due October 1, 1920	300,000 00	
M C R R Trust of 1917, due March 1, 1920	600,000 00	1,968,456 33
leaving the funded debt outstanding on December 31, 1920		$72,501,446 05

There were nominally issued during the year and pledged as collateral in connection with the ten-year promissory note given to the New York Central Railroad Company for $613,000, this company's refunding and improvement mortgage 6 per cent bonds, series B, for a principal amount of $507,000.

In addition to the funded debt outstanding on December 31, 1920, the loans and bills payable appearing on the balance sheet are:

Director General of Railroads	$3,050,000
New York Central Railroad Co	5,000,000
Total	$8,050,000

The capital stock of the Detroit Toledo & Milwaukee Railroad Company is owned, one-half each, by the Michigan Central Railroad Company and the New York Central Railroad Company. The road of the Detroit Toledo & Milwaukee Railroad Company originally extended from Dundee, Michigan, to Allegan, Michigan, a distance of 133·14 miles, and under an agreement dated January 1, 1905, provision was made for the operation of the section between Homer and Allegan by the Michigan Central Railroad Company and between Homer and Dundee by the Lake Shore & Michigan Southern Railway Company. In 1913, a section of this line between Allegan and Battle Creek, about 39 miles, was sold to a traction company and the remaining mileage of the road was redivided for operation between the Michigan Central Railroad Company and the Lake Shore & Michigan Southern Railway Company so that the portion assigned to the Michigan Central Railroad Company was the line between Moscow and Battle Creek, a distance of 47·15 miles, and the portion assigned to the Lake Shore & Michigan Southern Railway Company was 46·98 miles between Dundee and Moscow. As the original agreement of January 1, 1905, had not been modified, the Michigan Central Railroad Company and the New York Central Railroad Company executed during the year 1920 an agreement with the Detroit Toledo & Milwaukee Railroad Company, effective September 1, 1913, for the operation of the road based on the new division of mileage.

The old draw-bridge across the River Rouge was found to be of insufficient strength and capacity to carry the heavy freight and passenger trains of the Michigan Central Railroad (Toledo Division) and the New York Central Railroad (Detroit Branch) and has been replaced by a double-track Strauss bascule lift bridge of 145-foot span.

Expenditures during the year for improvements on property were as follows:

Improvements on owned property used in operation		$1,584,897 52
Equipment purchased and acquired less equipment retired		3,968,898 16
Improvements on leased property		155,611 03
		$5,709,406 71
Improvements on miscellaneous physical property	$42,269 20	
Less sale of Detroit lands, etc	$8,346 32	
A net credit of		46,077 12
The net increase in property investments during the year 1920 was		$5,663,329 59

In the operation of the Pension Department 53 employees were retired and placed upon the pension rolls. Of these retirements, 36 were authorized because of the attainment of seventy years of age and 17 because of permanent physical disability. The number of pensioners who died during 1920 was 38. The number of retired employees upon the pension rolls at the close of the year was 374. The average monthly pension allowance of these is $27.30. The total amount paid in pensions during the year was $126,901.21.

SUMMARY OF FINANCIAL OPERATIONS AFFECTING INCOME

		Year ended Dec. 31, 1920	Year ended Dec. 31, 1919	Increase	Decrease
Compensation accrued for the possession, use and control of the property of this company and its leased lines, as stated in contract with the Director General of Railroads—January 1 to February 29, inclusive		$1,342,021 26			
Additional compensation accrued account completed additions and betterments—January 1 to February 29, inclusive		91,062 93			
Guaranteed net railway operating income under section 209 of Transportation Act of 1920—March 1 to August 31, inclusive	$4,313,626 16				
Less operating income items audited March 1 to August 31, inclusive, applicable to the period prior to January 1, 1918	155,770 78	4,162,855 38			
Net railway operating income—corporate account—September 1 to December 31, inclusive		4,912,730 18			
TOTAL (compared with compensation accrued in 1919 under contract with Director General of Railroads)		$10,508,669 75	$8,699,812 56	$1,808,857 19	
MISCELLANEOUS OPERATIONS					
Revenues		$139,827 63		$139,827 63	
Expenses		82,338 15		82,338 15	
NET INCOME		$57,489 48		$57,489 48	
OTHER INCOME					
Income from lease of road		$161 25	$3,390 34		$3,229 09
Miscellaneous rent income		5,845 61	14,161 59		8,315 98
Miscellaneous non-operating physical property		5,095 85	5,341 01		245 16
Dividend income		498,305 04	497,218 28	$1,086 76	
Income from funded securities		54,064 68	54,937 86		873 18
Income from unfunded securities and accounts		563,495 98	279,355 10	284,140 88	
Miscellaneous income		2,875 05	3,793 00		917 95
TOTAL OTHER INCOME		$1,129,833 46	$858,187 18	$271,646 28	
GROSS INCOME		$11,695,992 69	$9,557,999 74	$2,137,992 95	
DEDUCTIONS FROM GROSS INCOME					
Rent for leased roads		$2,774,791 59	$2,783,598 46		$8,806 87
Miscellaneous rents		4,119 35	8,113 86		3,994 51
Miscellaneous tax accruals		6,734 49	7,421 76		687 27
Separately operated properties—loss		132,438 11	57,577 60	$74,860 51	
Interest on funded debt		3,059,383 17	2,389,972 30	669,410 87	
Interest on unfunded debt		1,668,605 49	1,615,304 29	53,301 20	
Amortization of discount on funded debt		59,068 79	30,934 77	28,134 02	
Maintenance of investment organization		1,317 50	2,344 54		1,027 04
War taxes		92,000 00	719 59	91,280 41	
Miscellaneous income charges		8,971 22	19,880 39		10,909 17
Corporate general expenses		29,069 27	146,699 41		117,630 14
TOTAL DEDUCTIONS FROM GROSS INCOME		$7,836,498 98	$7,062,566 97	$773,932 01	
		$3,859,493 71	$2,495,432 77	$1,364,060 94	
Less revenues and expenses applicable to the period prior to January 1, 1918, settled for account of the corporation by the United States Railroad Administration		53,708 47	2,428,203 27		$2,374,494 80
NET CORPORATE INCOME		$3,805,785 24	$67,229 50	$3,738,555 74	
DISPOSITION OF NET INCOME					
Dividends declared (4 per cent each year)		$749,456 00	*	$749,456 00	
SURPLUS FOR THE YEAR CARRIED TO PROFIT AND LOSS		$3,056,329 24	$67,229 50	$2,989,099 74	

*Dividends in 1919, aggregating 4 per cent, charged to accumulated surplus

BALANCE TO CREDIT OF PROFIT AND LOSS (FREE SURPLUS) ON DECEMBER 31, 1919		$17,512,018 33
ADDITIONS:		
Surplus for the year 1920	$3,056,329 24	
Profit on road and equipment sold	234,114 37	
Profit realized on sale of Detroit Lands	197,843 12	
Unrefundable overcharges	9,839 77	
Road property retired by United States Government and not replaced, originally charged to operating expenses	17,198 87	3,515,325 37
		$21,027,343 70
DEDUCTIONS:		
Depreciation prior to July 1, 1907, on equipment retired during 1920	$151,533 99	
Road property abandoned	35,721 26	
Various adjustments of accounts (net)	8,111 83	195,367 08
BALANCE TO CREDIT OF PROFIT AND LOSS, DECEMBER 31, 1920		$20,831,976 62

In order to preserve continuity of comparisons, operating revenues, operating expenses and other statistics have been separately shown in detail elsewhere in this report for the full calendar year 1920 regardless of federal control, guaranty period or corporate operation.

The income to the corporation, arrived at by the addition of compensation received under federal control, the guaranteed net railway operating income under Section 209 of the Transportation Act of 1920, and the net railway operating income for the four months September to December, 1920, inclusive, was more by $1,808,857.19 than that received as compensation from the United States Government during the federal control year 1919.

During 1920 the results of operation of the Detroit stockyards were included in miscellaneous operations while in 1919 they were included in the operating revenue and expense accounts. This is the cause of the increase shown in miscellaneous operations.

The increase of $284,140.88 in the income from unfunded securities and accounts is largely due to interest received from temporary investment, in United States Treasury Certificates and other securities, of cash from the sale of equipment trust certificates of April 15, 1920, until such time as the funds were required to pay for new equipment.

Largely contributing to the increase of $74,860.51 in charges for loss in connection with separately operated properties is this company's proportion of an increased deficit from operation of the Indiana Harbor Belt Railroad.

The increase of $669,410.87 in interest on funded debt is due to the increase of such debt as noted elsewhere in this report, while the increase of $53,301.20 in interest on unfunded debt is mainly in connection with United States Government accounts.

The increase of $91,280.41 in war taxes is due to the accrual of the company's proportion of federal income tax on the taxable income of the company for the eight months of 1920 ending August 31. This tax for the last four months of the year was included in railway tax accruals. There was no tax upon the net income of the company in 1919.

The corporate general expenses shown for 1920 represent only those for the months of January and February, during which the property was under federal control, expenditures of this character for the remainder of the year being included in operating expenses. This accounts for the decrease of $117,630.14 as shown.

On July 28, 1920, the Board of Directors authorized the execution of a uniform contract for express operations over rail lines with the American Railway Express Company subject to the approval and authorization pursuant to law by order of the Interstate Commerce Commission. The contract was duly executed in behalf of this company and, the approval of the Interstate Commerce Commission having been duly given, it became effective on September 1, 1920. In general, the agreement provides for the division of the railroads of the United States into four groups and also provides for finding the net amount of express revenues designated as "Income for division" by deducting certain itemized express expenses identified with each group from gross express transportation revenues identified with such group. From such "Income for division" there is first to be deducted and apportioned to the express company 2½ per cent and the remainder of said "Income for division" is then to be allocated to each railroad company in the proportion that the gross transportation revenue allocated to such line, as provided in such agreement, shall bear to the gross express transportation revenue earned on all of the lines in the group. In the event, however, that if said 2½ per cent in the several groups shall exceed 6 per cent of the average value of the entire real property and equipment and other capital of the express company employed in the express business (other than that represented by funds borrowed and not repaid) such excess shall be divided on the basis of one-half to the express company and the other half to the railroads, parties to the contract. It is further provided that the one-half proportion of profit thus accruing to the express company shall be accumulated until a sum equal to 10 per cent on the value of the entire real property and equipment of the express company shall have been reached, after which any profit shall be divided in the ratio of one-quarter to the express company and three-quarters to the railroad companies. The agreement also provides, among other things, for a distribution of competitive business among the railroads of each group on a basis to be determined by Group Committees having charge of the subject matter and that Group Committees shall represent the railroads of each group in the matters of facilities, equipment, lading, economies in movement of express business and in allocation of revenues and expenses, accounts and statistics as contemplated by the terms of the agreement. The agreement contains sundry other provisions for the handling of express business by the railroad companies, for the distribution of liabilities as between the parties, for the leasing to the express company of properties needed for its business and for providing equipment, transportation and switching services for the express company. The contract is in the nature of an experiment, being the outgrowth of the merger of the express companies and other conditions created during federal control. It is for a term of five years and thereafter until the expiration of four months' notice by either party but may be terminated by this company, on six months' notice, on February 28, 1923, or, under certain conditions, on that date by the express company.

On July 22, 1920, in Paris, France, occurred the death of William K. Vanderbilt, concerning whose character and service with this company an appropriate minute will be found on another page of this report.

Henry Russel, a director and a Vice President of this company, died on February 25, 1920, in the city of New York. Entering the service of the Michigan Central Railroad Company in 1877, he was successively Attorney, General Attorney, General Counsel and on May 12, 1915, was elected Vice President and General Counsel.

The Board also records the death of Dwight W. Pardee, Secretary of the company, at his home in Islip, Long Island, on February 21, 1920, after forty-four years of service with the New York Central Lines.

Edward F. Stephenson was appointed Secretary, effective February 24, 1920.

Walter E. Hackett was appointed Treasurer, with headquarters at Detroit, effective March 1, 1920, and Frank E. Robson was appointed a Trustee of the Jackson Lansing & Saginaw Railroad Land Grant Fund, succeeding Henry Russel, deceased.

Albert H. Harris was elected a director of the company at the annual meeting of the stockholders, May 6, 1920.

Appreciative acknowledgment is made to all officers and employees of their loyal and efficient co-operation and service.

For the Board of Directors,

ALFRED H. SMITH,

President.

CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1920

ASSETS

Investments			
Investment in road and equipment			
Road and equipment to June 30, 1907		$35,213,257 09	
Road and equipment since June 30, 1907			
Road	$35,644,946 20		
Equipment—trust	44,636,555 60		
Equipment—owned	2,039,118 53	82,320,620 33	$117,533,877 42
Improvements on leased railway property			
To June 30, 1907		$823,773 76	
Since June 30, 1907		2,209,090 44	3,032,864 20
Deposits in lieu of mortgaged property sold			3,794 50
Miscellaneous physical property			644,401 53
Investments in affiliated companies			
Stocks		$8,853,794 50	
Bonds		825,200 00	
Notes		821,960 28	
Advances		1,286,512 24	11,787,467 02
Other investments			
Stocks		$15,004 00	
Bonds		227,210 62	
Miscellaneous		16,001 00	258,215 62
Total investments			$133,260,620 29
Current assets			
Cash		$6,435,834 68	
Special deposits		507,989 09	
Loans and bills receivable		7,654 57	
Traffic and car-service balances receivable		1,527,025 13	
Net balances receivable from agents and conductors		2,912,555 24	
Miscellaneous accounts receivable		3,932,327 38	
Material and supplies		9,866,960 16	
Interest and dividends receivable		313,526 86	
Rents receivable			
Compensation due from United States Government		3,890,408 60	29,394,281 71
Deferred assets			
Working fund advances		$36,785 98	
United States Government			
Cash taken over January 1, 1918	$3,710,264 60		
Agents' and conductors' balances, December 31, 1917	4,262,648 50		
Assets December 31, 1917, collected	4,354,247 21		
Material and supplies, December 31, 1917	8,212,435 49		
Equipment retired	2,145,241 21		
Federal accrued depreciation—balance	1,853,357 56		
Agents' and conductors' balances, February 29, 1920	622,274 74		
Guaranty due under Section 209 of Transportation Act of 1920	5,714,945 92		
Other items	1,796,769 26	32,672,184 49	
Other deferred assets		100,680 93	32,809,651 40
Unadjusted debits			
Discount on funded debt		$1,064,134 35	
Other unadjusted debits		7,166,298 32	8,230,432 67
Securities issued or assumed—unpledged ($2,001,600)			
Securities issued or assumed—pledged ($4,678,000)			
			$203,694,986 07

The Michigan Central Railroad Company

CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1920

LIABILITIES

Stock			
Capital stock			$18,736,400 00
Long term debt			
Funded debt unmatured			
Equipment obligations	$27,176,446 05		
Mortgage bonds	33,148,000 00		
Miscellaneous obligations	12,177,000 00	$72,501,446 05	
Non-negotiable debt to affiliated companies			
New York Central Railroad Company		1,500,000 00	74,001,446 05
Current liabilities			
Loans and bills payable		$8,050,000 00	
Traffic and car-service balances payable		4,735,063 89	
Audited accounts and wages payable		7,514,720 18	
Miscellaneous accounts payable		715,882 32	
Interest matured unpaid		39,415 00	
Dividends matured unpaid		4,640 00	
Funded debt matured unpaid		2,000 00	
Unmatured dividends declared		374,728 00	
Unmatured interest accrued		1,071,300 69	
Unmatured rents accrued		456,131 03	
Other current liabilities		1,038 45	22,964,919 56
Deferred liabilities			
United States Government			
Additions and betterments	$9,919,658 16		
Liabilities December 31, 1917, paid	10,822,258 07		
Corporate transactions	3,114,982 16		
Revenues and expenses prior to January 1, 1918	4,312,651 13		
Material and supplies, February 29, 1920	9,339,470 46		
Other items	1,079,748 34	$38,588,766 32	
Other deferred liabilities		587,093 63	39,175,859 95
Unadjusted credits			
Tax liability		$2,212,450 85	
Operating reserves		5,887,576 38	
Accrued depreciation—road		60,186 24	
Accrued depreciation—equipment		10,530,125 91	
Accrued depreciation—miscellaneous physical property		6,949 38	
Other unadjusted credits		2,825,323 26	21,522,612 02
Corporate surplus			
Additions to property through income and surplus		$6,461,771 87	
Profit and loss—balance		20,831,976 62	27,293,748 49
			$203,694,986 07

*Debit balance

DETAIL OF EXPENDITURES FOR IMPROVEMENTS TO PROPERTY

Improvements in station, yard and terminal facilities

New engine and terminal facilities, Niles	$379,239 97	
Boiler and tank shop, Jackson	37,639 11	
Steel car repair shop, West Detroit	3,347 77	
Car shop extension, Kalamazoo	8,212 17	
Water tank, Botsford	6,373 07	
Water tanks and stand pipes, various places	8,904 83	
Coal chute, Jackson	20,480 46	
New station, Cheboygan	15,060 66	
Oil and waste reclaiming plant, Kensington	4,484 16	
Roundhouse and facilities, Kensington	30,860 88	
Station platform, Gary	3,008 83	
Office equipment, sundry places	42,259 57	
Boiler house chimney, Mackinaw	4,068 09	
Machinery for car and locomotive shops	22,904 09	
Other various improvements	44,337 80	$631,181 46

Land purchased

Detroit	$12,907 69	
Ecorse	80,085 00	
River Rouge	241,000 00	
Kensington	10,500 00	
Sundry places	2,612 84	
	$347,105 53	
Less land sold	13,014 49	334,091 04

Roadway and bridge improvements

Cribbing river front, Detroit	$11,144 17	
Increased depth of ballast, various places	66,574 12	
Increased weight of rail	111,767 02	
Bridge over Chicago River	34,697 36	
Drawbridge, River Rouge	129,629 79	
Bridge, Clark Avenue, Detroit	7,420 00	
Bridge 60.18, Lapeer	6,606 62	
Bridge 95.84, Paines	11,199 13	
Bridge 23.25, Kilwinning Pit	8,930 34	
Bridge over Vermont Street, Detroit	3,238 13	
Assessments for public improvements	66,319 23	
Derail indicators	8,565 48	
Widening Michigan Avenue, Chicago	21,105 98	
Improvements in crossing protection	22,187 24	
Passing tracks, Buchanan	49,839 13	
Track changes, Junction yards	40,007 41	
Interlocking plant and track changes, Kensington	22,097 63	
Belt Line extension, second track	26,351 77	
New yard tracks, Lansing	23,052 70	
Drawbridge track, River Rouge	9,347 71	
Scale track, Lansing	5,526 17	
	$685,607 13	
Less sundry adjustments	65,982 11	619,625 02
Net increase in road expenditures (*carried forward*)		$1,584,897 52

DETAIL OF EXPENDITURES FOR IMPROVEMENTS TO PROPERTY (*concluded*)

				Brought forward	$1,584,897 52
Trust equipment					
EQUIPMENT ADDED, including betterments:					
Steam locomotives,	32 put in service	$1,797,431 60			
Passenger-train cars,	8 " " "	173,440 00			
Freight-train cars,	683 " " "	1,803,147 07	$3,774,018 67		
EQUIPMENT RETIRED:					
132 freight-train cars			144,978 45		
Net increase in trust equipment				$3,629,040 22	
Owned equipment					
EQUIPMENT ADDED, including betterments:					
Steam locomotives		$24,346 71			
Passenger-train cars,	2 put in service	60,000 00			
Freight-train cars,	478 " " "	1,077,015 71			
Work equipment,	11 " " "	31,324 30			
Miscellaneous equipment,	1 " " "	1,176 94	$1,193,863 66		
EQUIPMENT RETIRED:					
10 locomotives		$98,812 89			
13 passenger-train cars		57,261 00			
901 freight-train cars		668,591 33			
41 pieces of work equipment		28,103 00			
1 piece of miscellaneous equipment		1,237 50	854,005 72		
Net increase in owned equipment				339,857 94	
Net increase in equipment investment					3,968,898 16
Net increase in road and equipment investment during the year					$5,553,795 68

Improvements on leased or controlled railway property

Detroit River Tunnel		
Changes in service building, Detroit	$1,539 98	
Finishing 9th floor, General Office Building, Detroit	18,924 41	
Office equipment	37,497 06	
Additional space in detention room, Windsor	282 82	
Generator for substation	9,891 16	
Increased weight of rail	830 42	
Miscellaneous small improvements	4,711 35	$73,677 15
Detroit Toledo and Milwaukee Railroad		
Bridge 65.22, Moscow	$1,577 40	
Miscellaneous small improvements	238 43	1,815 83
Joliet and Northern Indiana Railroad		
Roundhouse and shops, Joliet	$6,491 20	
Stockyard changes, Joliet	1,197 74	
Passing track, Spencer	9,728 12	
Passing track, Frankfort	16,703 98	
Cross-over and sidings, Chicago Heights	24,332 22	
Increased weight of rail	1,021 54	
Track at Griffiths	2,081 50	
Miscellaneous small improvements	2,462 75	64,459 05
Lansing Manufacturers Railroad		
Bunkhouse for switch and engine crews, Lansing	$236 28	
Storage tracks, Lansing	9,531 98	
	89,768 26	
Less adjustments	57 62	9,710 64
Battle Creek and Sturgis Railway		
Addition to office and interlocking plant, Fairfax	$1,246 30	
Improvements to station	61 04	1,307 34
St Joseph South Bend and Southern Railroad		
Increased weight of rail	$280 50	
Bridges 3.48 and 5.98, St Joseph	4,284 86	
Extending ice house spur-track, St Joseph	426 31	
	84,991 73	
Miscellaneous small improvements—*less* adjustments	296 70	4,695 03
Detroit Manufacturers Railroad		
Tracks abandoned		54 01*
Net increase in account "Improvements on leased railway property"		$155,611 03

*Credit

CAPITALIZATION

Capital stock

Number of shares authorized	187,380	Par value authorized	$18,738,000 00
Number of shares issued	187,380	Par value issued	$18,738,000 00
Number of shares held by company	16	Par value held by company	1,600 00
Number of shares actually outstanding	187,364	Par value actually outstanding	$18,736,400 00
Par value per share	$100.00	Dividend for the year	4 per cent

Funded debt

MORTGAGE BONDS	Date of issue	Date of maturity	Amount of authorized issue	Amount issued and now outstanding	Rate of interest	Payable on the first day of
Michigan Central Railroad Co first	1902	May 1, 1952	$18,000,000 00	$18,000,000 00	3½%	May and November
Michigan Central Railroad Co refunding and improvement–series A	1917	Jan. 1, 1947	6,171,000 00	6,171,000 00	4½%	January and July
Michigan Central Railroad Co refunding and improvement–series B	1920	July 1, 1935	507,000 00	507,000 00	6%	January and July
Grand River Valley Railroad Co first	1909	Sept. 1, 1959	4,500,000 00	1,500,000 00	4%	March and September
Detroit & Bay City Railroad Co first	1881	Mch. 1, 1931	4,000,000 00	4,000,000 00	5%	March, June Sept, Dec
Kalamazoo & South Haven Railroad Co first	1889	Nov. 1, 1939	700,000 00	700,000 00	5%	May and November
Michigan Air Line Railroad Co first	1890	Jan. 1, 1940	2,600,000 00	2,600,000 00	4%	January and July
Jackson Lansing & Saginaw Railroad Co first	1901	Sept. 1, 1951	2,000,000 00	1,699,000 00*	3½%	March and September
Joliet and Northern Indiana Railroad Co first	1907	July 10, 1957	3,000,000 00	1,500,000 00	4%	January 10 and July 10
Bay City & Battle Creek Railway Co first	1889	Dec. 1, 1989	1,800,000 00	49,000 00†	3%	June and December
Toledo Canada Southern and Detroit Railway Co first	1906	Jan. 1, 1956	4,500,000 00	3,100,000 00	4%	January and July
			Total book liability	$39,826,000 00		
Less Michigan Central Railroad Co refunding and improvement mortgage bonds nominally issued and held by or for the company				6,678,000 00		
			Total mortgage bonds actually outstanding	$33,148,000 00		
DEBENTURE BONDS						
Gold debentures	1909	April 1, 1929	$25,000,000 00	$7,634,000 00	4%	April and October
EQUIPMENT TRUST OBLIGATIONS						
N Y C Lines equipment trust certificates of 1907	1907	Nov. 1, 1922	$3,906,381 73	$520,350 88	5%	May and November
N Y C Lines equipment trust certificates of 1910	1910	Jan. 1, 1925	5,909,406 53	1,575,841 72	4½%	January and July
N Y C Lines equipment trust certificates of 1912	1912	Jan. 1, 1927	2,275,663 50	910,265 40	4½%	January and July
N Y C Lines equipment trust certificates of 1913	1913	Jan. 1, 1928	3,697,777 50	1,836,516 80	4½%	January and July
M C R R equipment trust certificates of 1915	1915	Oct. 1, 1930	4,500,000 00	3,000,000 00	5%	October and April
M C R R equipment trust certificates of 1917	1917	Mch. 1, 1932	9,000,000 00	7,200,000 00	6%	March and September
M C R R equipment trust notes of January 15, 1920	1920	Jan. 15, 1935	5,118,000 00	5,118,000 00	6%	January 15 and June 15
N Y C R R Co equipment trust certificates of April 15, 1920	1920	April 15, 1935	7,014,971 25	7,014,971 25	7%	April 15 and October 15
			Total equipment trust obligations actually outstanding	$27,176,446 05		
NOTES						
15 promissory notes due serially at yearly intervals, N Y C R R Co	1920	Dec. 23, 1935	$3,930,000 00	$3,930,000 00	6%	June 23 and December 23
Ten-year promissory note, N Y C R R Co	1920	Dec. 23, 1930	613,000 00	613,000 00	6%	June 23 and December 23
			Total notes outstanding	$4,543,000 00		
			Total funded debt actually outstanding	$72,601,446 05		

*$301,000 purchased and retired by the Land Grant Trustees
†Balance remaining out of an issue of $250,000

The Michigan Central Railroad Company

EQUIPMENT TRUSTS

The following statement shows the character of the equipment acquired under the terms of Equipment Trust Agreements and Leases together with the total amount of certificates issued and the amount now outstanding:

N Y C LINES EQUIPMENT TRUST OF 1907

Company	Locomotives	Passenger cars	Freight cars	Company service cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 5 per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1920
M C R R	11	17	3,487	197	$3,906,381 73	$260,425 45	$3,385,530 85	$520,850 88
N Y C R R	576	149	11,383	345	22,393,271 11	1,492,884 74	19,407,501 62	2,985,769 49
C C C & St L Ry	114	18	1,522	95	3,700,347 16	246,689 81	3,206,967 53	493,379 63
Totals	701	184	16,392	637	$30,000,000 00	$2,000,000 00	$26,000,000 00	$4,000,000 00

N Y C LINES EQUIPMENT TRUST OF 1910

Company	Locomotives	Passenger cars	Freight cars	Company service cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 4½ per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1920
M C R R	135	35	3,283		$5,909,406 53	$393,960 44	$4,333,564 81	$1,575,841 72
N Y C R R	231	104	17,473	249	21,096,206 17	1,406,413 74	15,470,551 17	5,625,655 00
C C C & St L Ry	84	6	1,599		2,994,387 30	199,625 82	2,195,884 02	798,503 28
Totals	450	145	22,355	249	$30,000,000 00	$2,000,000 00	$22,000,000 00	$8,000,000 00

N Y C LINES EQUIPMENT TRUST OF 1912

Company	Locomotives	Passenger cars	Freight cars	Company service cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 4½ per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1920
M C R R	31	1	2,497		$2,275,663 50	$151,710 90	$1,365,398 10	$910,265 40
N Y C R R	63	96	10,345	150	10,325,983 50	688,398 90	6,195,590 10	4,130,393 40
C C C & St L Ry	53	27	1,493		2,398,353 00	159,890 20	1,439,011 80	959,341 20
Totals	147	124	14,335	150	$15,000,000 00	$1,000,000 00	$9,000,000 00	$6,000,000 00

N Y C LINES EQUIPMENT TRUST OF 1913

Company	Locomotives	Passenger cars	Freight cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 4½ per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1920
M C R R	88	82	740	$3,697,777 50	$262,359 54	$1,861,260 70	$1,836,516 80
N Y C R R	249	314	2,000	10,734,681 38	742,117 61	5,539,858 05	5,194,823 33
C C C & St L Ry		47	1,000	1,706,775 32	116,733 71	889,639 37	817,135 95
P & L E R R			4,000	3,981,991 50	265,466 10	2,123,728 80	1,858,262 70
T & O C Ry	3		3,500	3,057,774 30	213,323 04	1,564,513 08	1,493,261 22
Totals	340	443	11,240	$23,179,000 00	$1,600,000 00	$11,979,000 00	$11,200,000 00

MICHIGAN CENTRAL RAILROAD EQUIPMENT TRUST OF 1915

Company	Locomotives	Passenger cars	Freight cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 5 per cent	Annual installment	Certificates redeemed	Balance certificates outstanding Dec. 31, 1920
M C R R			4,045	$4,500,000 00	$300,000 00	$1,500,000 00	$3,000,000 00

MICHIGAN CENTRAL RAILROAD EQUIPMENT TRUST OF 1917

Company	Locomotives	Passenger cars	Freight cars	Certificates issued for not to exceed 80 per cent of value bearing interest at 6 per cent	Annual installment	Certificates redeemed	Balance certificates outstanding Dec. 31, 1920
M C R R	10	50	6,000	$8,693,000 00	$600,000 00	$1,493,000 00	$7,200,000 00

EQUIPMENT TRUSTS (*concluded*)

EQUIPMENT TRUST No. 48 OF JANUARY 15, 1920

Company	Locomotives	Passenger cars	Freight cars	Notes issued for not to exceed 75 per cent of value bearing interest at 6 per cent	Annual installment	Notes redeemed	Balance notes outstanding Dec. 31, 1920
M C R R	30		2,000	$5,118,000 00	$341,200 00		$5,118,000 00

NEW YORK CENTRAL RAILROAD COMPANY EQUIPMENT TRUST OF APRIL 15, 1920

Equipment obtained under sub-lease from the New York Central Railroad Company

Company	Locomotives	Passenger cars	Freight cars	Certificates issued for not to exceed 75 per cent of value bearing interest at 7 per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1920
M C R R	26	38	1,950	$7,014,971 25	$467,664 75		$7,014,971 25

SECURITIES OWNED

Stock

	Total amount issued	Held by this company: No of shares	Held by this company: Par value
Battle Creek & Sturgis Railway Co	$500,000 00	4,175	$417,500 00
Canada Southern Railway Co	15,000,000 00	78,100	7,810,000 00
Chicago Kalamazoo & Saginaw Railway Co	450,000 00	2,700	270,000 00
Clifton Hotel Co, Ltd	500,000 00	150	15,000 00
Detroit Manufacturers' Railroad Co	300,000 00	1,762	176,200 00
Detroit River Tunnel Co	3,000,000 00	30,000	3,000,000 00
Detroit Terminal Railroad Co	2,000,000 00	5,000	500,000 00
Detroit Toledo & Milwaukee Railroad Co	1,060,000 00	5,300	530,000 00
Indiana Harbor Belt Railroad Co	5,000,000 00	15,000	1,500,000 00
Joliet & Northern Indiana Railroad Co	300,000 00	3,000	300,000 00
Lansing Manufacturers R R	100,000 00	500	50,000 00
Lansing Transit Railway Co	2,000 00	10	1,000 00
Mackinac Transportation Co	65,000 00	216⅔	21,666 67
Toledo Terminal Railroad Co	4,000,000 00	3,872	387,200 00
Toronto Hamilton & Buffalo Railway Co	4,512,500 00	9,842	984,200 00
Miscellaneous companies			60,100 00
Total			$16,022,866 67

Bonds

	Total outstanding	
Battle Creek & Sturgis Railway Co	$500,000 00	$24,000 00
Chicago Kalamazoo & Saginaw Railway Co	1,268,000 00	761,000 00
Toronto Hamilton & Buffalo Railway Co	2,000,000 00	250,000 00
Toledo Terminal Railroad Co	4,386,000 00	42,000 00
United States Government 1st Liberty Loan bonds, 3½%		12,150 00
United States Government 1st Liberty Loan bonds, converted 4¼%		50,350 00
United States Government 2nd Liberty Loan bonds, converted 4¼%		168,900 00
Total		$1,308,400 00
Total par value of securities owned		$17,331,266 67

The securities owned by this company are carried on its books at a value of $9,921,209.12

The Michigan Central Railroad Company

DEDUCTIONS FROM GROSS INCOME

Interest on funded debt

Michigan Central Railroad Co first mortgage	3½%	$630,000 00	
Grand River Valley Railroad Co first mortgage	4%	60,000 00	
Jackson Lansing & Saginaw Railroad Co first mortgage	3½%	59,465 00	
Michigan Air Line Railroad Co first mortgage	4%	104,000 00	
Detroit & Bay City Railroad Co first mortgage	5%	200,000 00	
Kalamazoo & South Haven Railroad Co first mortgage	5%	35,000 00	
Bay City & Battle Creek Railway Co first mortgage	3%	1,470 00	
Toledo Canada Southern & Detroit Railway Co first mortgage	4%	124,000 00	
Gold debentures of 1909	4%	305,360 00	
Equipment trust certificates of 1907	5%	37,761 73	
Equipment trust certificates of 1910	4½%	88,641 10	
Equipment trust certificates of 1912	4½%	51,685 84	
Equipment trust certificates of 1913	4½%	90,552 53	
Equipment trust certificates of 1915	5%	161,250 00	
Equipment trust certificates of 1917	6%	438,000 00	
Equipment trust notes of January 15, 1920	6%	294,285 00	
Equipment trust certificates of April 15, 1920	7%	339,641 52	
Fifteen serial notes, New York Central Railroad Co	6%	5,240 00	
Ten-year note, New York Central Railroad Co	6%	817 33	
Demand note, New York Central Railroad Co	6%	32,213 12	
Total interest on funded debt			$3,059,383 17

Rent for leased roads

BATTLE CREEK AND STURGIS RAILWAY		
Interest at 3% on $421,000 first mortgage bonds		$12,630 00
CANADA SOUTHERN RAILWAY		
Interest at 5% on $22,500,000 consolidated mortgage bonds	$1,125,000 00	
Interest at 4% on $130,000 Leamington & St Clair mortgage bonds	5,200 00	
Dividend at 3% on $15,000,000 capital stock	450,000 00	1,580,200 00
DETROIT MANUFACTURERS' RAILROAD		
Cash rental		15,150 00
DETROIT RIVER TUNNEL AND TERMINAL		
Interest at 4½% on $18,000,000 first mortage bonds	$810,000 00	
Dividend at 8% on $3,000,000 capital stock	240,000 00	1,050,000 00
JOLIET AND NORTHERN INDIANA RAILROAD		
Interest at 4% on $1,500,000 first mortgage bonds	$60,000 00	
Dividend at 5% on $300,000 capital stock	15,000 00	75,000 00
LANSING MANUFACTURERS RAILROAD		
Cash rental (Credit account charging to United States Railroad Administration rental paid by lessee during federal control)		14,272 78
NEW YORK CENTRAL RAILROAD (BENTON HARBOR EXTENSION, ETC)		
Cash rental		5,000 00
ST JOSEPH SOUTH BEND AND SOUTHERN RAILROAD		
Cash rental		20,000 00
VARIOUS COMPANIES for sidings, team and yard tracks		31,084 37
Total rent for leased roads		$2,774,791 59

DIVIDENDS

No 117, 2 per cent on 187,364 shares, declared June 9, 1920, payable July 29, 1920	$374,728 00
No 118, 2 per cent on 187,364 shares, declared June 15, 1920, payable January 29, 1921	374,728 00
Total for year, four per cent	$749,456 00

TABLE OF TRACKS

		State	Miles of main track: First	Second	Third	Fourth	Yards and sidings	Total
MAIN LINE OWNED								
Michigan Central Railroad	Detroit.....Mich and Ind state line	Mich	222·78	222·78	4·27	4·38	438·50	892·71
	Mich and Ind.....Ind and Ill state line	Ind	42·46	42·46	1·37	1·37	54·20	141·86
	Ind and Ill state line.....Kensington	Ill	7·03	6·97	1·33	1·22	58·06	74·61
	Total main line owned		272·27	272·21	6·97	6·97	550·76	1,109·18
BRANCHES OWNED								
Air Line Branch	Jackson.....Niles	Mich	107·66	–	–	–	42·86	156·97
South Bend Branch	Niles.....Mich and Ind state line	"	5·45	–	–	–		
	Mich and Ind state line.....South Bend	Ind	5·97	–	–	–	4·99	10·96
South Haven Branch	Kalamazoo.....South Haven	Mich	39·34	–	–	–	6·50	45·84
Lansing–Mackinaw Branch	Jackson.....Mackinaw City	"	296·41	4·36	–	–		
Gladwin Branch	Pinconning.....Gladwin	"	27·90	–	–	–		
	Mt Forest.....Bentley	"	4·69	–	–	–	363·69	738·09
Twin Lakes Branch	Grayling.....Lewiston	"	27·26	–	–	–		
Bagley Branch	Salling.....Johannesburg	"	13·78	–	–	–		
North Midland Branch	Bay City W S.....Midland	"	18·18	–	–	–	8·71	26·89
East Jordan Branch	Frederic.....East Jordan	"	42·66	–	–	–	33·34	76·00
Grand Rapids Branch	Rives Jct.....Grand Rapids	"	83·82	–	–	–	22·82	106·64
Bay City Branch	Detroit.....Bay City	"	107·44	7·60	–	–		
Caro Branch	Vassar.....Owendale	"	33·63	–	–	–		
Saginaw Branch	Denmark Jct.....Saginaw W S	"	15·74	–	–	–	122·48	296·80
Bay City Belt Branch	At Bay City.....	"	7·01	–	–	–		
Water Street Spur Branch	At Bay City.....	"	3·00	–	–	–		
Detroit Belt Branch	At Detroit.....	"	6·48	·48	–	–	33·30	40·26
Toledo Branch	Detroit.....Mich and Ohio state line	"	46·83	3·43	–	–	81·96	132·22
	Mich and Ohio state line... C S Jct Toledo	Ohio	8·91	–	–	–	28·61	37·52
Toledo Belt Branch	At Toledo.....	"	3·48	1·01	–	–	17·01	21·50
Dearborn Branch	Toledo branch to main line.....	Mich	4·13	4·06	–	–		
	West leg of wye at main line.....	"	·78	–	–	–	2·04	15·09
	Oakwood Jct.....Dearborn	"	4·08	–	–	–		
	Total branches owned		914·53	20·94	–	–	768·31	1,703·78
	Total main line and branches owned		1,186·80	293·15	6·97	6·97	1,319·07	2,812·96
LINE JOINTLY OWNED								
St Charles Air Line	At Chicago.....	Ill	·71	·71	–	–	–	1·43
LEASED LINES								
Joliet & Northern Indiana R R	East Gary.....Ind and Ill state line	Ind	15·65	–	–	–	7·19	22·84
	Ind and Ill state line.....Joliet	Ill	29·35	–	–	–	28·30	57·65
St Joseph So Bend & Southern R R	So Bend.....Ind and Mich state line	Ind	14·28	–	–	–	2·38	16·66
	Ind and Mich state line.....St Joseph	Mich	25·92	–	–	–	5·39	31·31
New York Central Railroad	St Joseph Jct.....Benton Harbor	"	1·63	–	–	–	1·10	2·73
Detroit Toledo & Milwaukee R R	Battle Creek.....Moscow	"	47·15	–	–	–	10·87	58·02
Lansing Transit Railroad	At Lansing.....	"	1·21	–	–	–	·46	1·67
Lansing Manufacturers Railroad	At Lansing.....	"	5·42	–	–	–	3·66	9·08
Bay City Belt Line RR (South Water Street track)	At Bay City.....	"	1·70	–	–	–	–	1·70
Battle Creek & Sturgis Ry	Battle Creek.....Findley	"	33·99	–	–	–	3·45	37·44
St Clair & Western Railroad	St Clair.....Richmond	"	14·78	–	–	–	1·25	16·03
Canada Southern Bridge Co	Slocum Jct.....Grosse Isle	"	2·50	–	–	–	1·72	4·22
Detroit Manufacturers' RR	At Detroit.....	"	1·51	–	–	–	3·30	4·81
Detroit River Tunnel Co	Detroit.....International Boundary	"	1·12	1·12	–	–	15·84	18·08
	International Boundary.....Windsor	Ont	1·60	1·60	–	–	7·65	10·85
Canada Southern Railway	Suspension Bridge.....Windsor	"	226·18	226·18	–	–	235·66	859·24
	Branches and spurs.....	"	154·36	16·26	–	–		
	Total leased lines		578·35	245·76	–	–	328·22	1,152·33

The Michigan Central Railroad Company

TABLE OF TRACKS (*concluded*)

LINES OPERATED UNDER TRACKAGE RIGHTS		State	Miles of main track: First	Second	Third	Fourth	Yards and sidings	Total
Pere Marquette Railroad	At Bay City (South Water St)	Mich	·16	–	–	–	–	·16
Illinois Central Railroad	Kensington.....12th St station, Chicago	Ill	14·00	14·00	–	–	–	28·00
Grand Trunk Railway	Bridgeburg.....International Boundary	Ont	·32	–	–	–	–	·32
	International Boundary.....Black Rock	N. Y.	·87	·52	–	–	–	1·39
	At Battle Creek (Hall St)	Mich	·20	–	–	–	–	·20
Indiana Harbor Belt Railroad	Calumet Park.....Union Stockyards	Ill	30·02	30·02	–	–	–	60·04
Manistee & North Eastern Ry	Grayling.....Jct of Portage Lake Branch	Mich	2·96	–	–	–	–	2·96
London & Port Stanley Railway	St Thomas.....London	Ont	14·99	–	–	–	–	14·99
New York Central Railroad	Suspension Bridge.....Buffalo	N. Y.	23·84	23·84	–	–	–	47·68
	Vinewood Ave.....Beaubien St, Detroit	Mich	–	2·88	–	–	–	2·88
	River Rouge.....Mich and Ohio state line	*	–	43·38	–	–	–	43·38
	Mich and Ohio state line..Toledo pass sta	Ohio	10·07	9·44	–	–	–	19·51
	South Bend.....S S & S Junction	Ind	2·60	–	–	–	–	2·60
	Total trackage rights		100·03	124·08	–	–	–	224·11
	Total operated mileage		1,865·89	663·70	6·97	6·97	1,647·29	4,190·82

RECAPITULATION ACCORDING TO STATES

	Owned: 1st track miles	All tracks miles	Jointly owned: 1st track miles	All tracks miles	Leased: 1st track miles	All tracks miles	Otherwise operated: 1st track miles	All tracks miles	Total: 1st track miles	All tracks miles
Michigan	1,118·95	2,526·51	–	–	136·93	185·09	3·32	49·58	1,259·20	2,761·18
Illinois	7·03	74·61	·71	1·42	29·35	57·65	44·02	88·04	81·11	221·72
Indiana	48·43	152·82	–	–	29·93	39·50	2·60	2·60	80·96	194·92
Ohio	12·39	59·02	–	–	–	–	10·07	19·51	22·46	78·53
New York	–	–	–	–	–	–	24·71	49·07	24·71	49·07
Province of Ontario	–	–	–	–	382·14	870·09	15·31	15·31	397·45	885·40
Totals	1,186·80	2,812·96	·71	1·42	578·35	1,152·33	100·03	224·11	1,865·89	4,190·82

MILES OPERATED IN	1st track miles	All tracks miles	1st track miles	All tracks miles	1st track miles	All tracks miles	1st track miles	All tracks miles	1st track miles	All tracks miles
Passenger service only	–		–		–		36·51		36·51	
Freight service only	38·41		·71		16·02		46·65		101·79	

EQUIPMENT IN SERVICE

(INCLUDING EQUIPMENT OF LEASED LINES)

	DEC. 31, 1919 Grand total	INCREASE Number added	INCREASE Change of class	DECREASE Number retired	DECREASE Change of class	DECEMBER 31, 1920 Grand total	Number owned	Number held under equipment trusts	Number held under other form of title
Locomotives									
For freight service	395	10	–	–	–	405	232	173	–
For passenger service	165	10	–	7	–	168	107	61	–
For switching service	238	12	–	3	–	247	154	93	–
Electric locomotives	10	–	–	–	–	10	10	–	–
Totals	808	32	–	10	–	830	503	327	–
Freight-train cars									
Box cars	23,926	577	–	872	7	23,624	7,903	15,592	129
Flat cars	1,856	1	–	83	–	1,774	1,269	505	–
Stock cars	929	–	–	17	–	912	360	250	302
Coal cars	6,849	501	–	28	115	7,207	1,511*	5,696*	–
Refrigerator and produce cars	347	75	–	37	–	385	61	324	–
Oil transport cars	6	–	–	–	–	6	6	–	–
Caboose cars	323	10	5	15	–	323	234	89	–
Totals	34,236	1,164	5	1,052	122	34,231	11,344	22,456	431
Passenger-train cars									
Coaches	222	7	–	–	5	224	133	91	–
Combination passenger cars	51	–	–	–	–	51	32	19	–
Emigrant and excursion cars	36	–	–	–	3	33	33	–	–
Other combination cars	22	–	–	–	–	22	17	5	–
Dining cars	22	1	–	–	–	23	14	9	–
Baggage and express cars	135	–	–	5	–	130	70	60	–
Postal cars	13	–	–	–	–	13	11	2	–
Other passenger-train cars	17	–	–	–	–	17	17	–	–
29·73% of 19 cars in joint service	5	–	–	–	–	5	–	–	5†
Totals	523	8	–	5	8	518	327	186	5
Company service equipment									
Officers' cars	7	–	–	–	–	7	7	–	–
Ballast cars	304	–	–	1	–	303	105	198	–
Derrick cars	3	–	–	–	–	3	3	–	–
Wrecking cars	8	–	–	–	–	8	8	–	–
Other company service cars	621	2	9	40	–	592	592	–	–
Totals	943	2	9	41	–	913	715	198	–

*Does not include 180 wood coal cars owned nor 83 steel underframe coal cars of 1915 Trust, leased to the Indiana Harbor Belt Railroad Company, additions and withdrawals during the year being shown in column "Change of class" under the heading "Decrease"

†Toronto-Buffalo Line: 15 coaches, 4 baggage and express cars

REPORT OF OPERATIONS OF THE MICHIGAN CENTRAL RAILROAD FOR THE YEAR 1920 COMPARED WITH 1919

DETAIL OF RAILWAY OPERATING REVENUES

REVENUES FROM TRANSPORTATION	1920*	1919	Increase	Decrease
Freight	$55,215,123 37	$51,653,910 07	$3,561,213 30	
Passenger	23,557,853 20	20,070,337 14	3,487,516 06	
Excess baggage	177,128 83	116,914 28	60,214 55	
Mail	1,458,005 85	481,633 97	976,371 88	
Express	3,448,047 91	3,390,713 41	57,334 50	
Other passenger train	62,073 67	11,784 91	50,288 76	
Milk	143,342 31	117,341 31	26,001 00	
Switching	1,086,692 12	898,645 72	188,046 40	
Special service train	6,290 89	13,995 84		$7,704 95
Total	$85,154,558 15	$76,755,276 65	$8,399,281 50	
INCIDENTAL AND JOINT FACILITY				
Dining and buffet	$981,489 51	$774,618 50	$206,871 01	
Hotel and restaurant	173,019 97	128,296 41	44,723 56	
Station and train privileges	85,234 16	61,924 79	23,309 37	
Parcel room	37,481 84	27,825 55	9,656 29	
Storage—freight	70,603 09	66,183 47	4,419 62	
Storage—baggage	26,128 12	18,755 76	7,372 36	
Demurrage	574,967 15	458,850 49	116,116 66	
Telegraph and telephone	3,048 98	2,187 83	861 15	
Grain elevator	16,477 27	49,311 01		$32,833 74
Stockyard	225,244 63	303,629 15		78,384 52
Rents of buildings and other property	203,227 59	141,913 65	61,313 94	
Miscellaneous	159,806 29	35,814 02	123,991 37	
Joint facility—Cr.	94,325 94	20,509 40	73,816 54	
Joint facility—Dr.	14,813 50	711 96		14,101 54
Total	$2,636,241 04	$2,089,108 97	$547,132 07	
Total railway operating revenues	$87,790,799 19	$78,844,385 62	$8,946,413 57	

DETAIL OF RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES	1920*	1919	Increase	Decrease
Superintendence	$657,132 46	$494,071 76A	$163,060 70	
Roadway maintenance	1,396,077 65	1,255,115 93	140,961 72	
Underground power tubes	465 55		465 55	
Tunnels and subways	25,249 20	21,775 66	3,473 54	
Bridges, trestles and culverts	164,181 40	169,076 40		$4,895 00
Ties	785,746 94	729,890 29	55,856 65	
Rails	578,446 24	546,804 14	31,642 10	
Other track material	959,211 20	946,094 18	13,117 02	
Ballast	243,600 62	263,611 39		20,010 77
Track laying and surfacing	4,096,723 65	3,280,146 92	816,576 73	
Right-of-way fences	75,783 76	117,984 35		42,200 59
Snow and sand fences and snowsheds	272 16	2,756 76		2,484 60
Crossings and signs	197,706 50	157,343 60	40,362 90	
Station and office buildings	437,058 92	357,594 58	79,464 34	
Roadway buildings	29,217 74	36,660 49		7,442 75
Water stations	129,878 90	154,109 33		24,230 43
Fuel stations	49,471 30	54,756 55		5,285 25
Shops and enginehouses	316,936 05	257,676 28	59,259 77	
Carried forward	$10,123,160 24	$8,845,468 61		

* January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation
A Adjusted for purposes of comparison

DETAIL OF RAILWAY OPERATING EXPENSES (*continued*)

MAINTENANCE OF WAY AND STRUCTURES (*concluded*)	1920*	1919	Increase	Decrease
Brought forward	$10,123,160 24	$8,845,468 61		
Grain elevators	15,682 47	6,912 74	$8,769 73	
Wharves and docks	17,321 24	9,882 86	7,438 38	
Telegraph and telephone lines	138,833 71	53,204 25	85,629 46	
Signals and interlockers	340,836 30	245,020 05	95,816 25	
Power plant buildings	9,183 60	7,008 42	2,175 18	
Power substation buildings	396 15	960 60		$564 45
Power transmission systems	2,727 28	2,695 42	31 86	
Power distribution systems	25,594 15	22,717 86	2,876 29	
Power line poles and fixtures	5,403 08	4,135 14	1,267 94	
Underground conduits	153 91	78 09	75 82	
Miscellaneous structures	18,674 92	37,585 95		18,911 03
Paving		899 34		899 34
Roadway machines	18,917 34	63,112 46		44,195 12
Small tools and supplies	120,246 25	107,080 72	13,165 53	
Removing snow, ice and sand	396,997 27	91,213 51	305,783 76	
Assessments for public improvements	1,255 15	3,342 50		2,087 35
Injuries to persons	38,215 51	29,928 11	8,287 40	
Insurance	26,799 06	896 26	25,902 80	
Stationery and printing	16,497 84	13,520 68A	2,977 16	
Other expenses	1,578 92	412 52	1,166 40	
Maintaining joint tracks, yards and other facilities—Dr.	476,974 19	421,390 26	55,583 93	
Maintaining joint tracks, yards and other facilities—Cr.	394,294 76	339,623 61		54,671 15
Equalization of maintenance	1,212,936 04		1,212,936 04	
Total	$12,614,089 86	$9,627,842 74A	$2,986,247 12	

MAINTENANCE OF EQUIPMENT				
Superintendence	$469,978 02	$376,944 64A	$93,033 38	
Shop machinery	232,543 66	239,570 52		$7,026 86
Power plant machinery	10,984 92	16,967 85		5,982 93
Power substation apparatus	48,138 02	4,135 84	44,002 18	
Power substation apparatus—depreciation	6,000 00	6,000 00		
Steam locomotives—repairs	6,355,836 93	4,865,838 27	1,489,998 66	
Steam locomotives—depreciation	448,841 13	426,983 95	21,857 18	
Steam locomotives—retirements	15,056 95	29,119 09		14,062 14
Other locomotives—repairs	35,456 30	34,623 70	832 60	
Other locomotives—depreciation	14,284 22	14,221 56	62 66	
Freight-train cars—repairs	8,349,867 46	6,457,553 69	1,892,313 77	
Freight-train cars—depreciation	1,315,034 07	1,240,045 86	74,988 21	
Freight-train cars—retirements	85,995 07	264,163 56		178,168 49
Passenger-train cars—repairs	1,505,655 11	1,260,035 51	245,619 60	
Passenger-train cars—depreciation	138,003 03	128,453 29	9,549 74	
Passenger-train cars—retirements	6,613 08	6,797 41		184 33
Work equipment—repairs	168,566 62	161,607 08A	6,959 54	
Work equipment—depreciation	36,001 44	34,537 39	1,464 05	
Work equipment—retirements	7,677 72	4,332 17	3,345 55	
Miscellaneous equipment—repairs	9,573 06	11,724 20		2,151 14
Miscellaneous equipment—depreciation	62 76	62 76		
Miscellaneous equipment—retirements	1,237 50		1,237 50	
Injuries to persons	69,408 24	44,882 36	24,525 88	
Insurance	16,069 78	157 06	15,912 72	
Stationery and printing	45,313 79	24,775 14A	20,538 65	
Other expenses	7,484 93	4,981 18	2,503 75	
Maintaining joint equipment at terminals—Dr.	53,930 89	23,826 39	30,104 50	
Maintaining joint equipment at terminals—Cr.		247 08		247 08
Equalization of maintenance	2,696,789 59		2,696,789 59	
Total	$22,150,404 29	$15,682,093 39A	$6,468,310 90	

* January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation
A Adjusted for purposes of comparison

The Michigan Central Railroad Company

DETAIL OF RAILWAY OPERATING EXPENSES (*continued*)

TRAFFIC EXPENSES	1920*	1919	Increase	Decrease
Superintendence	$449,102 77	$448,348 61	$754 16	
Outside agencies	266,871 84	114,648 01	152,223 83	
Advertising	56,810 17	29,025 86	27,784 31	
Traffic associations	93,846 85	54,156 05	39,690 80	
Fast freight lines	12,623 87	12,483 27A	140 60	
Industrial and immigration bureaus	19,810 68	5,609 99	14,200 69	
Insurance	771 22	602 93	168 29	
Stationery and printing	174,702 57	123,330 24	51,372 33	
Other expenses	161 42	139 07†	300 49	
Total	$1,074,701 39	$788,065 89A	$286,635 50	
TRANSPORTATION EXPENSES				
Superintendence	$978,531 70	$749,093 16	$229,438 54	
Despatching trains	283,620 07	227,661 00	55,959 07	
Station employees	5,387,010 61	4,347,681 79	1,039,328 82	
Weighing, inspection and demurrage bureaus	48,459 18	56,653 76		$8,194 58
Station supplies and expenses	404,957 45	324,296 67	80,660 78	
Yardmasters and yard clerks	1,189,658 40	916,508 75	273,149 65	
Yard conductors and brakemen	3,071,906 47	2,356,548 75	715,357 72	
Yard switch and signal tenders	305,392 02	252,998 09	52,393 93	
Yard enginemen	2,001,100 63	1,444,998 78	556,101 85	
Yard motormen	11,989 14	11,312 36	676 78	
Fuel for yard locomotives	2,132,022 87	1,614,878 92	517,143 95	
Yard switching power produced	10,237 49	9,024 01	1,213,48	
Water for yard locomotives	87,297 73	66,218 52	21,079 21	
Lubricants for yard locomotives	29,096 45	39,420 15		10,323 70
Other supplies for yard locomotives	44,079 37	38,830 76	5,248 61	
Enginehouse expenses—yard	818,980 44	648,291 37	170,689 07	
Yard supplies and expenses	75,665 57	47,550 71	28,114 86	
Operating joint yards and terminals—Dr.	914,292 91	817,762 42	96,530 49	
Operating joint yards and terminals—Cr.	287,098 46	162,572 75		124,525 71
Train enginemen	2,894,571 16	2,169,717 56	724,853 60	
Train motormen	82,341 19	69,758 77	12,582 42	
Fuel for train locomotives	6,649,882 56	4,599,362 49	2,050,520 07	
Train power produced	41,051 12	36,243 44	4,807 68	
Water for train locomotives	252,416 22	209,267 63	43,148 59	
Lubricants for train locomotives	49,780 22	88,357 19		38,576 97
Other supplies for train locomotives	77,061 02	65,311 38	11,749 64	
Enginehouse expenses—train	1,483,594 62	1,161,158 69	322,435 93	
Trainmen	3,314,582 55	2,459,555 81	855,026 74	
Train supplies and expenses	1,183,753 98	1,256,039 26		72,285 28
Signal and interlocker operation	382,653 69	386,331 93		3,678 24
Crossing protection	483,678 29	410,100 72	73,577 57	
Drawbridge operation	35,271 89	32,072 77	3,199 12	
Telegraph and telephone operation	260,045 30	230,841 56	29,203 74	
Stationery and printing	311,177 98	187,539 14	123,638 84	
Other expenses	215,964 03	53,845 17	162,118 86	
Operating joint tracks and facilities—Dr.	703,246 08	247,891 55	455,354 53	
Operating joint tracks and facilities—Cr.	297,616 44	286,074 81		11,541 63
Insurance	11,645 61	2,754 02	8,891 59	
Clearing wrecks	217,779 31	133,680 30	84,099 01	
Damage to property	75,119 49	42,171 99	32,947 50	
Damage to live stock on right of way	5,069 98	5,299 02		229 04
Loss and damage—freight	2,052,832 09	1,959,677 40	93,154 69	
Loss and damage—baggage	10,082 94	3,139 01	6,943 33	
Injuries to persons	518,030 26	175,655 66	342,374 60	
Total	$38,521,215 18	$29,506,855 47	$9,014,359 71	

* January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation
† Credit
A Adjusted for purposes of comparison

DETAIL OF RAILWAY OPERATING EXPENSES (*concluded*)

MISCELLANEOUS OPERATIONS	1920*	1919	Increase	Decrease
Dining and buffet service	$953,230 47	$681,088 22	$272,142 25	
Hotels and restaurants	152,185 91	117,228 13	34,957 78	
Grain elevators	36,915 40	54,295 77		$17,380 37
Stockyards	149,598 31	187,281 05		37,682 74
Totals	$1,291,930 09	$1,039,893 17	$252,036 92	
GENERAL EXPENSES				
Salaries and expenses of general officers	$143,912 52	$113,936 17A	$29,976 35	
Salaries and expenses of clerks and attendants	927,227 10	724,692 08A	202,535 02	
General office supplies and expenses	46,249 86	44,427 71A	1,822 15	
Law expenses	127,822 38	128,916 18A		$1,093 80
Insurance	510 59	759 42A		248 83
Pensions	131,281 04	110,161 80A	21,119 24	
Stationery and printing	102,361 80	83,043 86A	19,307 94	
Valuation expenses	231,390 04	232,581 00A		1,190 96
Other expenses	17,140 81	19,668 36A		2,527 55
General joint facilities—Dr.	9,991 32	1,105 11	8,886 21	
General joint facilities—Cr.	3 36			3 36
Total	$1,737,873 60	$1,459,291 19A	$278,582 41	
TRANSPORTATION FOR INVESTMENT—CR.	$19,965 84	$125,185 04	$105,219 20	
Total railway operating expenses	$77,370,248 57	$57,978,856 81A	$19,391,391 76	

RATIO OF RAILWAY OPERATING EXPENSES, BY GROUPS, TO RAILWAY OPERATING REVENUES

	1920*	1919
Maintenance of way and structures	14·37	12·21A
Maintenance of equipment	25·23	19·29A
Traffic expenses	1·23	1·00A
Transportation expenses	43·88	37·42
Miscellaneous operations	1·47	1·32
General expenses	1·97	1·85A
Transportation for investment—Cr.	·02	·16
Total	88·13	73·53A

RAILWAY TAX ACCRUALS

ON THE VALUE OF REAL AND PERSONAL PROPERTY	$3,630,825 23
RAILROAD COMMISSIONERS' ASSESSMENTS, OHIO	2,349 28
FEDERAL GOVERNMENT INCOME TAX	312,607 00
FEDERAL GOVERNMENT TAX ON CAPITAL	8,370 50
CANADIAN WAR TAX	687,959 19
Total railway taxes accrued*	$4,642,111 20

* January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation
A Adjusted for purposes of comparison

The Michigan Central Railroad Company

MILEAGE STATISTICS

TRAIN MILEAGE

REVENUE SERVICE	1920*	1919	Increase	Decrease
Freight train-miles	5,949,909	5,988,149		38,240
Passenger train-miles	6,423,002	5,961,638	461,364	
Other passenger train-miles	966,036	871,838	94,198	
Mixed train-miles	390,771	418,991		28,220
Special train-miles	3,080	3,804		724
Total revenue train mileage	13,732,858	13,244,480	488,378	
Non-revenue train-miles	360,346	196,228	164,118	
Total train mileage	14,093,204	13,440,708	652,496	

LOCOMOTIVE MILEAGE

REVENUE SERVICE				
Freight locomotive-miles	6,530,729	6,700,661†		169,932
Passenger locomotive-miles	7,709,942	7,126,445†	583,497	
Mixed locomotive-miles	393,750	418,172		24,422
Special locomotive-miles	3,210	4,104		894
Train switching locomotive-miles	640,660	440,935†	199,725	
Yard switching locomotive-miles	6,942,397	6,272,494†	669,903	
Total revenue locomotive mileage	22,220,688	20,962,811	1,257,877	
Non-revenue locomotive-miles	600,364	486,254†	114,110	
Total locomotive mileage	22,821,052	21,449,065	1,371,987	

CAR MILEAGE

REVENUE SERVICE				
Freight-train car-miles				
Freight cars—loaded	197,068,104	217,199,933		20,131,829
Freight cars—empty	73,787,336	82,102,204		8,314,868
Caboose cars	6,041,399	6,098,640		57,241
Total freight-train car-miles	276,896,839	305,400,777		28,503,938
Passenger-train car-miles				
Passenger cars	17,103,279	15,431,176	1,672,103	
Sleeping, parlor and observation cars	21,722,895	21,078,937	643,958	
Dining cars	3,442,556	3,135,410	307,146	
Other passenger-train cars	24,069,349	20,931,407	3,137,942	
Total passenger-train car-miles	66,338,079	60,576,930	5,761,149	
Mixed-train car-miles				
Freight cars—loaded	2,308,130	3,065,855		757,725
Freight cars—empty	828,611	802,037	26,574	
Caboose cars	18,448	53,841		35,393
Passenger cars	657,789	676,718		18,929
Sleeping, parlor and observation cars	126	364		238
Other passenger-train cars	326,662	309,759	16,903	
Total mixed-train car-miles	4,139,766	4,908,574		768,808
Special-train car-miles				
Freight cars—loaded	45,122	66,884		21,762
Caboose cars	3,080	3,804		724
Total special-train car-miles	48,202	70,688		22,486
Total revenue car mileage	347,422,886	370,956,969		23,534,083
Non-revenue car-miles	1,907,133	1,496,569	410,564	
Total car mileage	349,330,019	372,453,538		23,123,519

*January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation
†Changed for purposes of comparison

TRAFFIC STATISTICS

DESCRIPTION OF REVENUE FREIGHT MOVED*

COMMODITY	Total Revenue Freight: Number of carloads	Total Revenue Freight: Number of tons (2,000 lbs)
PRODUCTS OF AGRICULTURE		
Wheat	7,417	289,409
Corn	6,266	232,707
Oats	6,336	208,146
Other grains	5,006	187,496
Flour and meal	9,887	332,310
Other mill products	17,200	373,057
Hay, straw and alfalfa	7,463	92,785
Tobacco	799	10,159
Cotton	1,479	22,416
Cotton seed and products, except oil	96	2,590
Citrus fruits	2,874	49,523
Other fresh fruits	17,993	242,612
Potatoes	4,585	89,778
Other fresh vegetables	4,304	58,398
Dried fruits and vegetables	2,948	76,910
Other products of agriculture	16,181	437,262
Total	110,834	2,705,558
PRODUCTS OF ANIMALS		
Horses and mules	711	8,236
Cattle and calves	9,924	113,857
Sheep and goats	3,083	27,677
Hogs	10,650	108,181
Fresh meats	18,192	225,655
Other packing-house products	14,550	262,099
Poultry	1,531	18,272
Eggs	2,640	29,560
Butter and cheese	4,074	47,224
Wool	776	9,044
Hides and leather	1,950	39,759
Other products of animals	2,388	41,551
Total	70,469	931,115
PRODUCTS OF MINES		
Anthracite coal	28,926	1,352,354
Bituminous coal	181,331	8,174,625
Coke	15,278	437,730
Iron ore	369	18,260
Other ores and concentrates	2,320	93,735
Base bullion and matte	575	23,521
Clay, gravel, sand and stone	56,267	2,612,128
Crude petroleum	253	6,588
Asphaltum	1,657	52,378
Salt	6,450	198,853
Other products of mines	1,474	48,898
Total	294,900	13,019,070

COMMODITY	Total Revenue Freight: Number of carloads	Total Revenue Freight: Number of tons (2,000 lbs)
PRODUCTS OF FORESTS		
Logs, posts, poles and cord wood	26,407	566,521
Ties	1,587	44,932
Pulp wood	898	25,944
Lumber, timber, box shooks, staves and headings	58,794	1,618,440
Other products of forests	4,655	96,171
Total	92,341	2,352,008
MANUFACTURES AND MISCELLANEOUS		
Refined petroleum and its products	24,863	661,487
Vegetable oils	800	22,902
Sugar, syrup, glucose and molasses	6,174	185,767
Boats and vessel supplies	56	841
Iron, pig and bloom	8,957	412,236
Rails and fastenings	1,936	83,520
Bar and sheet iron, structural iron and iron pipe	41,439	1,484,439
Other metals, pig, bar and sheet	5,477	193,531
Castings, machinery and boilers	30,818	746,254
Cement	9,726	360,680
Brick and artificial stone	9,975	378,290
Lime and plaster	3,363	106,383
Sewer pipe and drain tile	3,489	82,165
Agricultural implements and vehicles, other than automobiles	12,175	170,914
Automobiles and autotrucks	98,062	748,013
Household goods and second-hand furniture	3,145	23,174
Furniture (new)	4,693	36,462
Beverages	1,200	25,437
Ice	1,971	62,910
Fertilizers (all kinds)	2,876	76,093
Paper, printed matter and books	14,436	320,139
Chemicals and explosives	27,797	949,070
Textiles	1,497	21,305
Canned goods (all canned food products)	5,619	134,475
Other manufactures and miscellaneous	142,811	2,998,920
Total	463,355	10,285,407
Grand total carload traffic	1,031,899	29,293,158
Merchandise—All L C L freight		910,618
Grand total carload and L C L traffic		30,203,776

COMPARISON OF REVENUE FREIGHT CARRIED

COMMODITIES	Year ended Dec. 31, 1920* Tons	Year ended Dec. 31, 1919 Tons	Increase Tons	Decrease Tons
Grain	917,758	962,381		44,623
Flour and other mill products	705,367	711,875		6,508
Other products of agriculture	1,082,433	1,174,124		91,691
Live stock	257,951	272,557		14,606
Fresh meats and packing-house products	487,754	867,657		379,903
Other products of animals	185,410	387,719		202,309
Anthracite coal	1,352,354	1,567,011		214,657
Bituminous coal	8,174,625	4,461,950	3,712,675	
Ores	111,995	59,985	52,010	
Other products of mines	3,380,096	3,264,641	115,455	
Products of forests	2,352,008	2,639,635		287,627
Manufactures and miscellaneous	10,285,407	9,095,409	1,189,998	
Total carload traffic	29,293,158	25,464,944	3,828,214	
Merchandise—All L C L traffic	910,618	1,113,166		202,548
Grand total carload and L C L traffic	30,203,776	26,578,110	3,625,666	

*January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation

The Michigan Central Railroad Company

TRAFFIC STATISTICS (*concluded*)

FREIGHT	1920*	1919	Increase	Decrease
Tons of revenue freight carried	30,203,776	26,578,110	3,625,666	
Tons of company freight carried	2,517,199	2,890,851		373,652
Total tons of freight carried	32,720,975	29,468,961	3,252,014	
Tons of revenue freight carried one mile	4,824,739,972	4,718,763,911	105,976,061	
Tons of company freight carried one mile	177,529,168	197,206,300		19,677,132
Total tons of freight carried one mile	5,002,269,140	4,915,970,211	86,298,929	
Miles of road operated in freight service	1,829·38	1,825·55	3·83	
Tons of revenue freight carried one mile per mile of road	2,637,363	2,584,845	52,518	
Tons all freight carried one mile per mile of road	2,734,407	2,692,871	41,536	
Average distance haul of one ton of revenue freight	miles 160	miles 178		miles 18
Average distance haul of one ton of all freight	miles 153	miles 167		miles 14
Average number of tons of revenue freight per train mile	761	736	25	
Average number of tons of all freight per train mile	789	767	22	
Average number of tons of revenue freight per loaded car mile	24·20	21·42	2·78	
Average number of tons of all freight per loaded car mile	25·09	22·32	2·77	
Average number of freight cars per train mile	43·21	47·32		4·11
Average number of loaded cars per train mile	31·44	34·38		2·94
Average number of empty cars per train mile	11·77	12·94		1·17
Total freight revenue	$55,215,123.87	$51,653,910.07	$3,561,213.30	
Average amount received for each ton of freight	$1.83	$1.94		$0.11
Average revenue per ton per mile	cents 1·144	cents 1·095	cents 0·049	
Average revenue per mile of road	$30,182.42	$28,294.99	$1,887.43	
Average revenue per train mile	$8.71	$8.06	$0.65	
PASSENGER				
Number of interline passengers carried	2,045,138	2,036,824	8,314	
Number of local passengers carried	4,534,572	3,943,492	591,080	
Number of commutation passengers carried	355,275	444,450		89,175
Total number of revenue passengers carried	6,934,985	6,424,766	510,219	
Total number of revenue passengers carried one mile	741,012,755	704,799,144	36,213,611	
Miles of road operated in passenger service	1,764·10	1,760·27	3·83	
Number of revenue passengers carried one mile per mile of road	420,051	400,393	19,658	
Average distance each revenue passenger carried	miles 106·85	miles 109·70		miles 2·85
Average number of passengers per train mile	109	110		1
Average number of passengers per car mile	19	19		
Average number of passenger cars per passenger train mile	9	9		
Total passenger revenue	$23,557,853.20	$20,070,337.14	$3,487,516.06	
Average amount received from each passenger	$3.40	$3.12	$0.28	
Average revenue per passenger per mile	cents 3·179	cents 2·848	cents 0·331	
Total passenger service train revenue	$28,845,320.86	$24,188,725.02	$4,656,595.84	
Average passenger service train revenue per mile of road	$16,351.30	$13,741.49	$2,609.81	
Average passenger service train revenue per train mile	$3.71	$3.34	$0.37	
TOTAL TRAFFIC				
Operating revenues	$87,790,799 19	$78,844,385 62	$8,946,413 57	
Operating expenses	77,370,248 57	57,841,813 86	19,528,434 71	
Net operating revenue	$10,420,550 62	$21,002,571 76		$10,582,021 14
Average mileage of road operated	1,865·89	1,862·06	3·83	
Operating revenues per mile of road	$47,050 31	$42,342 56	$4,707 75	
Operating expenses per mile of road	41,465 60	31,063 35	10,402 25	
Net operating revenue per mile of road	$5,584 71	$11,279 21		$5,694 50

*January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation

JACKSON LANSING & SAGINAW RAILROAD LAND GRANT FUND

OF

THE MICHIGAN CENTRAL RAILROAD COMPANY

DETROIT, MICH, February 21, 1921

ALFRED H. SMITH, President

The Michigan Central Railroad Company

NEW YORK

DEAR SIR:

I respectfully submit herewith annual statement of the business of the Land Department of this company for the year ending December 31, 1920.

LAND AND SALES ACCOUNT

	Acres		Amount
Unsold January 1, 1920, according to patents	11,842·94	Lands sold during the year	$4,282 14
Sold during the year	1,996·67	Total amount due on contracts at close of year	$935 00
Unsold at the close of the year	9,846·27		

The sales for the last five years were as follows:

	1916	1917	1918	1919	1920
Acres sold	455·00	1,432·54	1,776·97	120·00	1,996·67
Land sales	$1,295.00	$5,785.00	$5,117.06	$370.00	$4,282.14
Average per acre	$2.85	$4.04	$2.88	$3.08	$2.14

CASH ACCOUNT

RECEIPTS		DISBURSEMENTS	
Cash on hand January 1, 1920	$498 27	For taxes	$869 79
From payments on land contracts and sales	4,344 14	For expenses	66 17
From interest	116 87	Deposited to the credit of Trustees	2,500 00
		Cash on hand December 31, 1920	1,523 32
Total	$4,959 28	Total	$4,959 28

WILLIAM HUTCHINSON

Commissioner

LAND GRANT FUND

MESSRS. LEDYARD, ROBSON AND BLAIR, *Trustees*

Balance on hand at end of 1919, as shown by report for that year	$769 81
Amount received from land commissioner during 1920	2,500 00
Interest on deposits	90 29
Cash on hand December 31, 1920	$3,360 10