

SEVENTY-SECOND

ANNUAL REPORT OF THE BOARD OF DIRECTORS

OF

THE MICHIGAN CENTRAL RAILROAD COMPANY

TO THE STOCKHOLDERS

FOR THE YEAR ENDED

DECEMBER 31 1917



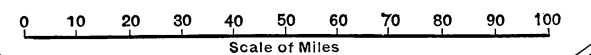
DETROIT

MICHIGAN

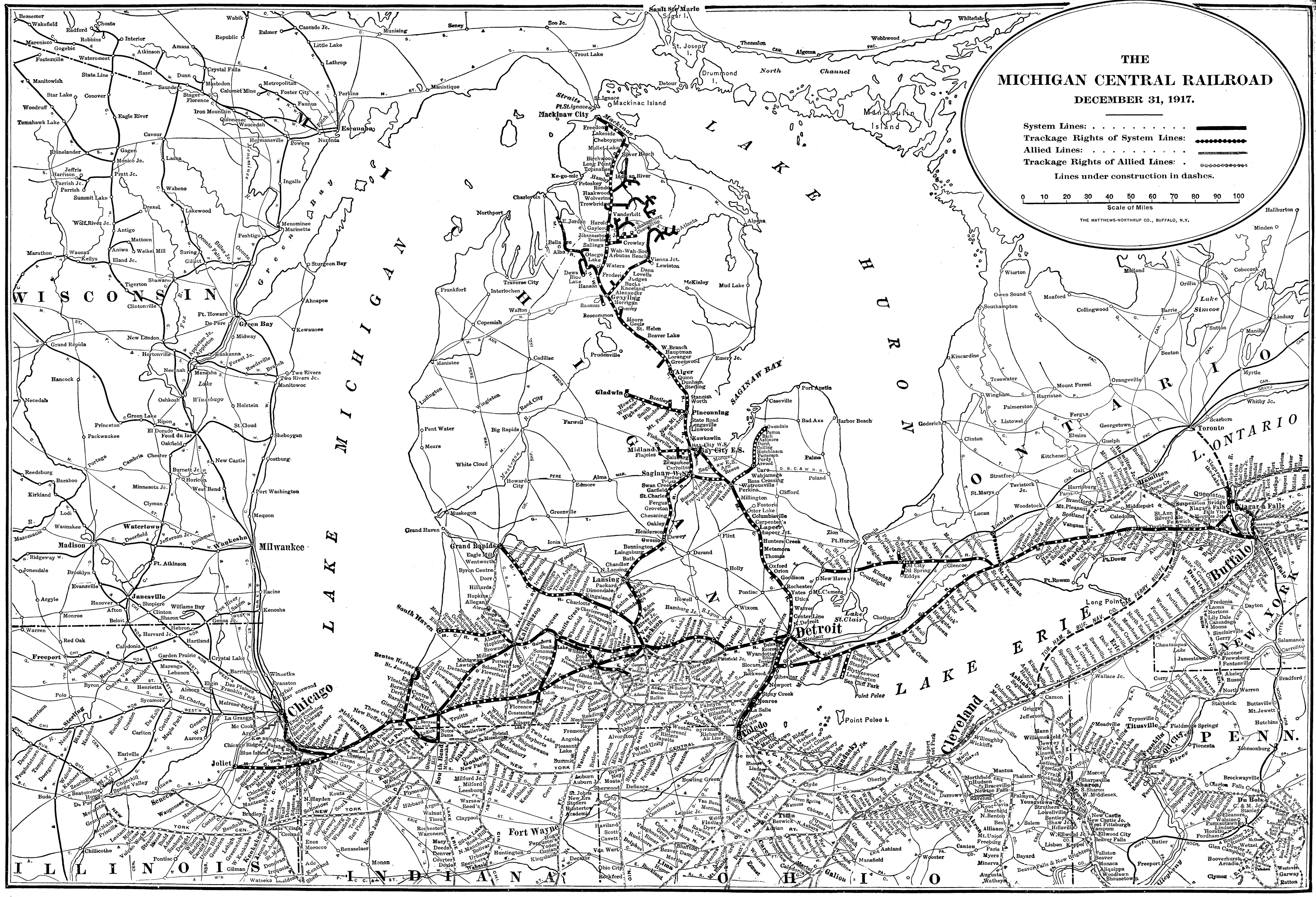
THE MICHIGAN CENTRAL RAILROAD

DECEMBER 31, 1917.

- System Lines:
- Trackage Rights of System Lines:
- Allied Lines:
- Trackage Rights of Allied Lines:
- Lines under construction in dashes.



THE MATTHEWS-NORTHROP CO., BUFFALO, N.Y.



SEVENTY-SECOND

ANNUAL REPORT OF THE BOARD OF DIRECTORS

OF

THE MICHIGAN CENTRAL RAILROAD COMPANY

TO THE STOCKHOLDERS

FOR THE YEAR ENDED

DECEMBER 31 1917



DETROIT
MICHIGAN

ORGANIZATION OF
THE MICHIGAN CENTRAL RAILROAD COMPANY

DECEMBER 31, 1917

DIRECTORS

Elected at the annual meeting of stockholders held at Detroit, Michigan, May 3, 1917

HENRY B. LEDYARD, *Chairman*

WILLIAM K. VANDERBILT	WILLIAM K. VANDERBILT, JR
FREDERICK W. VANDERBILT	MARVIN HUGHITT
CHAUNCEY M. DEPEW	ALFRED H. SMITH
WILLIAM ROCKEFELLER	HAROLD S. VANDERBILT
WILLIAM H. NEWMAN	ROBERT S. LOVETT
GEORGE F. BAKER	HORACE E. ANDREWS

EXECUTIVE COMMITTEE

HENRY B. LEDYARD, *Chairman of the Board of Directors**

ALFRED H. SMITH, *President**

WILLIAM K. VANDERBILT	WILLIAM H. NEWMAN
FREDERICK W. VANDERBILT	WILLIAM K. VANDERBILT, JR
GEORGE F. BAKER	WILLIAM ROCKEFELLER

ROBERT S. LOVETT

**Members ex-officio*

OFFICERS

President	ALFRED H. SMITH	New York
Assistant to President	HOWARD L. INGERSOLL	New York
Vice President	WILLIAM K. VANDERBILT, JR	New York
Vice President	ABRAHAM T. HARDIN	New York
Vice President	JOHN CARSTENSEN	New York
Vice President	ALBERT H. HARRIS	New York
Vice President	CHARLES F. DALY	New York
Vice President & Counsel	HENRY RUSSEL	Detroit
Vice President & General Manager	EDMOND D. BRONNER	Detroit
Secretary	DWIGHT W. PARDEE	New York
Treasurer	MILTON S. BARGER	New York
Local Treasurer	WALTER E. HACKETT	Detroit
Auditor	FRANK O. WALDO	Detroit
General Counsel	FRANK E. ROBSON	Detroit
General Solicitor (Commerce)	CLYDE BROWN	New York
General Claims Attorney	FRANK V. WHITING	New York
Real Estate & Tax Agent	WILLIAM HUTCHINSON	Detroit
General Superintendent	HENRY SHEARER	Detroit
Acting Chief Engineer	JAMES F. DEIMLING	Detroit
Superintendent Motive Power	WALTER H. FLYNN	Detroit
Superintendent Rolling Stock	THOMAS J. BURNS	Detroit
General Purchasing Agent	SYDNEY B. WIGHT	New York
Purchasing & General Tie Agent	BERTON A. AIKENS	Detroit
Traffic Manager	CARL HOWE	Chicago

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

REPORT

To the Stockholders of

THE MICHIGAN CENTRAL RAILROAD COMPANY :

The Board of Directors herewith submits its report for the year ended December 31, 1917, with statements showing the results for the year and the financial condition of the company.

The report covers the operation of the same mileage as the previous year, as follows :

	<i>Miles</i>
Main line and branches owned	1,182·84
Line jointly owned	·71
Leased lines	578·16
Lines operated under trackage rights	100·06
Total road operated (as shown in detail on another page)	1,861·77

There was no change in capital stock during the year, the amount authorized being \$18,738,000.00 and actually outstanding \$18,736,400.00.

The funded debt outstanding December 31, 1916, was	\$53,915,193 92
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It has been increased during the year by:

Additional liability for certificates outstanding under 1913 trust, account of transfer of 10 locomotives from The New York Central Railroad Company	192,106 20
	\$54,107,300 12

It has been decreased during the year by:

Payment of pro-rata of installments on account of equipment trust certificates

Trust of 1907, due November 1917 (N.Y.C. Lines)	\$260,425 45	
Trust of 1910, due January 1918 " "	393,960 44	
Trust of 1912, due January 1918 " "	151,710 90	
Trust of 1913, due January 1918 " "	262,359 54	
Trust of 1915, due October 1917 (M. C. R. R.)	300,000 00	1,368,456 33
Total funded debt outstanding December 31, 1917		\$52,738,843 79

Certificates were issued under the Michigan Central Railroad Equipment Trust Agreement of 1917, to an aggregate amount of \$4,845,000.00, but as these were concurrently acquired by the company, there is no change in the funded debt in this connection.

Annual Report

The changes in the road and equipment account during the year, and as shown in detail on another page, were as follows :

The amount charged to December 31, 1916, was		\$86,134,182 07
Expenditures during the year, for additions and betterments—road		1,718,723 25
Cost of equipment acquired under trust agreements	\$6,144,861 47	
Excess cost of new equipment purchased, and additions and betterments to equipment over value of equipment retired	746,428 67	6,891,290 14
Total amount charged to road and equipment December 31, 1917		<u>\$94,744,195 46</u>

The changes during the year in the account showing amount of improvements on leased railway property, and as shown in detail on another page, were as follows :

The amount charged to December 31, 1916, was		\$2,241,578 40
Expenditures during the year, for additions and betterments—road		288,182 02
Total amount charged to December 31, 1917		<u>\$2,529,760 42</u>

At a meeting held on February 7, 1917, the stockholders authorized the execution of a Refunding and Improvement Mortgage, to be dated January 1, 1917, to secure the company's now outstanding debentures of 1909, amounting to \$7,634,000.00, and to secure equally and ratably with the debentures, bonds to be issued under the mortgage to an amount not exceeding \$10,000,000.00. By the terms of the mortgage, the Board of Directors is given the power to authorize the issue of bonds in series, maturing on such dates not later than January 1, 2017, and bearing interest at such rates as shall be fixed and determined by the Board for the purposes specified in the mortgage; and it is provided that when the amount issued for the purposes other than the refunding of debentures or prior debt shall be \$10,000,000.00, no additional amount of bonds shall be issued in respect of work done or of property acquired, in any amount exceeding 70% of the cost of such work or property. The execution of the mortgage and the issuance thereunder of \$8,000,000.00 of bonds have been authorized by the Michigan Railroad Commission and the Public Utilities Commission of Illinois, but as yet no refunding and improvement mortgage bonds have been issued.

Michigan Central Railroad Equipment Trust of 1917 was established by agreement dated March 1, 1917, which provides for a total issue of \$9,000,000.00 equipment trust certificates, bearing interest at 4½% per annum. Under the provisions of the trust 10 passenger train cars and 3,450 freight train cars were received, 80% of the cost of which was covered by certificates and the remainder by cash payments. The certificates issued during the year amounted to \$4,845,000.00, but owing to the fact that the general market has been practically closed to railroad securities, the company through the medium of short term loans acquired all of the certificates, using the greater part of them as collateral, pending more favorable conditions for their sale.

The Michigan Central Railroad Company

On May 15, 1917, this company issued its one year promissory notes for \$8,000,000.00 bearing interest at the rate of 5% per annum, the proceeds being used to take up other notes aggregating \$6,000,000.00, and the balance for corporate purposes.

During the period July 1, 1912, to May 1, 1916, this company advanced to the Indiana Harbor Belt Railroad Company, for additions and betterments, the sum of \$769,884.02, which amount was covered by notes of the Belt Company. In exchange for these notes The Michigan Central Railroad Company received 7,650 shares of the stock of the Indiana Harbor Belt Railroad Company of a par value of \$765,000.00 being its pro-rata of an increase in the capital stock of that company from \$2,450,000.00 to \$5,000,000.00, and it further received a demand note dated November 23, 1917, bearing interest at the rate of 5% per annum, for \$4,884.02. By acquiring this stock the company increased its holdings in capital stock of the Indiana Harbor Belt Railroad Company to 15,000 shares.

In addition to the \$769,884.02 above mentioned, this company on June 26, 1917, advanced to the Indiana Harbor Belt Railroad Company \$262,616.63, bearing interest at the rate of 5% per annum, to cover proportion of expenditures account additions and betterments, and on December 31, 1917 contributed its ownership proportion or \$150,000.00 towards an increase in the working fund.

The company acquired 4,068 shares of the capital stock, par value of \$406,800.00, and a demand note dated June 15, 1917, amounting to \$35,848.07, of the Detroit Terminal Railroad Company in liquidation of notes issued by that company to cover advances for additions and improvements. By the acquisition of this stock the company's holdings of the capital stock of the Detroit Terminal Railroad Company were increased to 5,000 shares.

The Michigan Central Railroad Company had in its treasury \$201,000.00 par value of the first mortgage 3% gold bonds of the Bay City and Battle Creek Railway Company, the property of which had been acquired by purchase in 1916. On March 14, 1917, the Board of Directors authorized the cancellation of these bonds, and pursuant to such authority, they were destroyed by cremation on June 7, 1917.

On April 8, 1917, The New York Central Railroad Company became a tenant of this company's freight and passenger terminal facilities in Detroit, Michigan.

In the operation of the Pension Department, 46 employes were retired and placed upon the pension roll. Of these retirements 29 were authorized because of the attainment of seventy years of age, and 17 because of total and permanent physical disability. 30 pensioners died during 1917, and at the close of the year 293 retired employes were carried upon the pension rolls. The average monthly pension allowance of these employes was \$22.45, and the total amount paid in pension allowances during the year was \$79,560.84.

The President of the United States, by his proclamation of December 26th, and by virtue of the power vested in the chief executive in time of war by acts of Congress, took possession and assumed control of the operation of the property of this company, through the Secretary of War, at 12 o'clock, noon, on the 28th day of December, 1917.

Annual Report

SUMMARY OF FINANCIAL OPERATIONS AFFECTING INCOME

OPERATING INCOME	1917	1916	Increase	Decrease
RAILWAY OPERATIONS	1,861.77 miles operated	1,861.77 miles operated		
Revenues	\$52,879,434 29	\$46,418,790 11	\$6,460,644 18	
Expenses	38,289,136 32	30,646,260 72	7,642,875 60	
NET REVENUE FROM RAILWAY OPERATIONS	\$14,590,297 97	\$15,772,529 39		\$1,182,231 42
Percentage of expenses to revenues	(72.41)	(66.02)	(6.39)	
RAILWAY TAX ACCRUALS	\$1,972,236 73	\$1,686,010 06	\$286,226 67	
UNCOLLECTIBLE RAILWAY REVENUES	13,405 98	10,349 90	3,056 08	
TOTAL	\$1,985,642 71	\$1,696,359 96	\$289,282 75	
RAILWAY OPERATING INCOME	\$12,604,655 26	\$14,076,169 43		\$1,471,514 17
NONOPERATING INCOME				
Joint facility rent income	\$225,778 53	\$225,376 79	\$401 74	
Income from lease of road	274 67	274 67		
Miscellaneous rent income	2,547 61	5,107 55		\$2,559 94
Miscellaneous nonoperating physical property	1,879 41	1,787 00	92 41	
Dividend income	487,115 00	476,017 25	11,097 75	
Income from funded securities	43,490 00	46,739 17		3,249 17
Income from unfunded securities and accounts	107,305 70	180,069 73		72,764 03
Miscellaneous income	1,410 50	1,457 23		46 73
TOTAL NONOPERATING INCOME	\$869,801 42	\$936,829 39		\$67,027 97
GROSS INCOME	\$13,474,456 68	\$15,012,998 82		\$1,538,542 14
DEDUCTIONS FROM GROSS INCOME				
Hire of equipment—debit balance	\$3,547,350 99	\$2,274,352 38	\$1,272,998 61	
Joint facility rents	606,137 80	587,972 75	18,165 05	
Rent for leased roads	2,775,914 04	3,259,907 22		\$483,993 18
Miscellaneous rents	4,140 74	1,961 49	2,179 25	
Miscellaneous tax accruals	6,952 78	2,466 01	4,486 77	
Separately operated properties—loss	353,909 45	27,464 44	326,445 01	
Interest on funded debt	2,138,504 28	1,768,138 09	370,366 19	
Interest on unfunded debt	573,762 46	225,804 00	347,958 46	
Amortization of discount on funded debt	22,704 00	22,704 00		
Miscellaneous income charges	6,863 82	4,856 25	2,007 57	
TOTAL DEDUCTIONS FROM GROSS INCOME	\$10,036,240 36	\$8,175,626 63	\$1,860,613 73	
NET INCOME	\$3,438,216 32	\$6,837,372 19		\$3,399,155 87
DISPOSITION OF NET INCOME				
Dividend appropriation of income (4%)	\$749,456 00	\$749,456 00		
Appropriated for investment in physical property				
Additions and betterments	24,440 57	1,459 19	\$22,981 38	
Additions and betterments—leased lines	228,163 09	143,000 04	85,163 05	
Capital stock purchased:				
Jackson Lansing and Saginaw RR Co		1,151,150 00		\$1,151,150 00
Grand River Valley RR Co		405,375 00		405,375 00
Miscellaneous appropriation of income				
To equipment depreciation account		500,000 00		500,000 00
TOTAL APPROPRIATIONS	\$1,002,059 66	\$2,950,440 23		\$1,948,380 57
INCOME BALANCE TRANSFERRED TO CREDIT OF PROFIT AND LOSS	\$2,436,156 66	\$3,886,931 96		\$1,450,775 30

The Michigan Central Railroad Company

Profit and loss account

AMOUNT TO CREDIT OF PROFIT AND LOSS DECEMBER 31, 1916		\$17,113,432 94
ADD:		
Surplus for the year 1917	\$2,436,156 66	
Proceeds from sale of unclaimed and refused freight	41,959 83	
Insurance collections on property not replaced	11,100 00	
Sundry adjustments and cancellations (net)	15,373 01	2,504,589 50
		\$19,618,022 44
DEDUCT:		
Expenses, Michigan Central Railroad equipment trust of 1917	\$9,560 31	
Discount, commission and expenses, NYC Lines equipment trusts of 1910 and 1913	5,305 37	
Expenses, Michigan Central refunding and improvement mortgage	15,937 75	
Depreciation unaccrued prior to July 1, 1907 on equipment retired during 1917	346,923 74	
Federal excise tax on 1916 income (U. S.)	148,930 79	
Business profits war tax on 1916 income (Canada)	404,665 25	
Abandoned property	97,562 49	1,028,885 70
BALANCE TO CREDIT OF PROFIT AND LOSS DECEMBER 31, 1917		\$18,589,136 74

The total gross revenue for the year was \$52,879,434.29, an increase of \$6,460,644.18, due principally to the general expansion of business conditions throughout the country, there having been an unprecedented volume of traffic incident to the war and the abnormal conditions resulting therefrom.

The total operating expenses were \$38,289,136.32, an increase of \$7,642,875.60. By groups the increases were as follows:

Maintenance of way and structures	\$223,269 43	
Maintenance of equipment	1,351,215 46	
Traffic	45,457 07	
Transportation	5,804,513 44	
Miscellaneous operations	123,492 79	
General	94,927 41	
Total	\$7,642,875 60	

The increase in operating expenses can be attributed in a large measure to greater traffic, higher rates of wages and increased cost of fuel and other supplies.

The railway tax accruals for the year were \$1,972,236.73, an increase of \$286,226.67 as compared with the previous year, due principally to war tax in the United States and the Dominion of Canada, partly offset by a reduction in rate of ad valorem tax in the state of Michigan.

The total deductions from gross income were \$10,036,240.36, an increase of \$1,860,613.73. The principal fluctuations were as follows:

Hire of equipment increased \$1,272,998.61, due to higher rates and increased traffic, partly offset by additional equipment purchased and put in operation the latter part of the year.

Separately operated properties-loss increased \$326,445.01, of which \$318,020.11 was operating guarantee to the Indiana Harbor Belt Railroad Company.

Interest on unfunded debt increased \$347,958.46, on account of the larger amount of short term notes outstanding.

Interest on funded debt increased \$370,366.19 and rent for leased roads decreased \$483,993.18, due almost entirely to the absorption of various leased lines mentioned in the 1916 report.

Annual Report

We regret to record the death on the eighteenth day of October, 1917 of Louis D. Heusner, Assistant General Passenger Agent, who was for many years a faithful and valued employe.

George H. Webb, Chief Engineer of this company, was commissioned Lieutenant Colonel of the 16th Regiment Railway Engineers, United States Army in June, 1917, and is now in active service in France.

The following appointments were effective during the year :

January 1st	Henry Russel, Vice President
January 1st	Frank E. Robson, General Counsel
March 14th	Edmond D. Bronner, Vice President and General Manager
June 28th	James F. Deimling, Acting Chief Engineer
July 1st	Arthur L. Sarvey, Valuation Engineer
August 15th	Carl Howe, Traffic Manager
August 15th	Preston G. Findlay, General Freight Agent

Acknowledgment is hereby made to officers and employes for faithful and efficient service.

For the Board of Directors,

ALFRED H. SMITH,

President.

The Michigan Central Railroad Company

DETAIL OF RAILWAY OPERATING REVENUES

TRANSPORTATION

	1917	1916	Increase	Decrease
Freight	\$33,898,246 72	\$29,810,575 55	\$4,087,671 17	
Passenger	12,859,299 19	11,146,341 84	1,712,957 35	
Excess baggage	99,046 57	94,290 51	4,756 06	
Mail	528,561 70	567,629 15		\$39,067 45
Express	2,803,256 47	2,131,140 65	672,115 82	
Other passenger train	84,153 88	84,070 99	82 89	
Milk	69,169 98	67,139 42	2,030 56	
Switching	743,243 26	857,113 27		113,870 01
Special service train	13,973 24	14,778 67		805 43
Other freight-train	20 57		20 57	
Totals	<u>\$51,098,971 58</u>	<u>\$44,773,080 05</u>	<u>\$6,325,891 53</u>	

INCIDENTAL AND JOINT FACILITY

Dining and buffet	\$595,518 40	\$507,925 96	\$87,592 44	
Hotel and restaurant	92,838 33	80,099 71	12,738 62	
Station and train privileges	34,779 31	36,669 54		\$1,890 23
Parcel room	16,972 20	15,155 45	1,816 75	
Storage—freight	34,827 76	40,366 24		5,538 48
Storage—baggage	12,974 64	12,979 19		4 55
Demurrage	501,077 47	448,902 04	52,175 43	
Telegraph and telephone	1,940 54	1,494 45	446 09	
Grain elevator	44,559 81	84,402 87		39,843 06
Stockyard	259,723 18	241,970 92	17,752 26	
Rents of buildings and other property	122,481 90	115,198 06	7,283 84	
Miscellaneous	46,102 88	45,120 35	982 53	
Joint facility—Cr.	17,137 75	15,757 17	1,380 58	
Joint facility—Dr.	471 46	331 89		139 57
Totals	<u>\$1,780,462 71</u>	<u>\$1,645,710 06</u>	<u>\$134,752 65</u>	
TOTAL RAILWAY OPERATING REVENUES	<u>\$52,879,434 29</u>	<u>\$46,418,790 11</u>	<u>\$6,460,644 18</u>	

DETAIL OF RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES

	1917	1916	Increase	Decrease
Superintendence	\$322,129 10	\$276,744 32	\$45,384 78	
Roadway maintenance	721,560 84	505,404 36	216,156 48	
Underground power tubes		757 40*	757 40	
Tunnels and subways	29,028 20	7,258 52	21,769 68	
Bridges, trestles and culverts	109,261 68	120,609 02		\$11,347 34
Ties	813,097 63	1,125,456 89		312,359 26
Rails	118,487 23*	161,716 88		280,204 11
Other track material	300,764 95	276,982 85	23,782 10	
Ballast	142,578 35	140,204 69	2,373 66	
Track laying and surfacing	1,743,040 33	1,514,651 74	228,388 59	
Right-of-way fences	93,170 38	54,769 82	38,400 56	
Snow and sand fences and snowsheds	1,509 61	145 86	1,363 75	
Crossings and signs	98,901 45	82,258 69	16,642 76	
Station and office buildings	228,403 41	178,279 47	50,123 94	
Roadway buildings	22,883 42	11,533 01	11,350 41	
Water stations	64,960 03	42,927 95	22,032 08	
Fuel stations	23,953 62	22,307 36	1,646 26	
Shops and engine houses	111,976 68	107,783 64	4,193 04	
Grain elevators	5,522 52	6,059 77		537 25
Wharves and docks	12,711 22	6,713 20	5,998 02	
<i>Carried forward</i>	<u>\$4,726,966 19</u>	<u>\$4,641,050 64</u>		

* Credit

Annual Report

DETAIL OF RAILWAY OPERATING EXPENSES (continued)

MAINTENANCE OF WAY AND STRUCTURES (concluded)

	1917	1916	Increase	Decrease
<i>Brought forward</i>	\$4,726,966 19	\$4,641,050 64		
Telegraph and telephone lines	37,286 41	34,807 46	\$2,478 95	
Signals and interlockers	172,973 10	141,256 78	31,716 32	
Power plant buildings	4,640 45	1,501 97	3,138 48	
Power substation buildings	486 44	2 70	483 74	
Power transmission systems	500 97	365 92	135 05	
Power distribution systems	6,357 57	8,190 90		\$1,833 33/
Power line poles and fixtures	3,506 09	1,322 55	2,183 54	
Underground conduits	746 78	70 57	676 21	
Miscellaneous structures	6,116 16	4,737 60	1,378 56	
Paving	523 25	33 22	490 03	
Roadway machines	19,691 62	19,822 13		130 51
Small tools and supplies	77,177 98	58,608 59	18,569 39	
Removing snow, ice and sand	170,963 08	89,016 60	81,946 48	
Assessments for public improvements	651 80	346 34	305 46	
Injuries to persons	15,985 14	16,658 84		673 70
Insurance	21,041 98	17,901 73	3,140 25	
Stationery and printing	11,294 16	9,058 84	2,235 32	
Other expenses	762 32	2,812 05		2,049 73
Maintaining joint tracks, yards and other facilities—Dr. }	285,080 85	253,275 12	31,805 73	
Maintaining joint tracks, yards and other facilities—Cr. }	173,081 57	134,439 21		38,642 36
Totals	\$5,389,670 77	\$5,166,401 34	\$223,269 43	

MAINTENANCE OF EQUIPMENT

Superintendence	\$233,742 05	\$192,558 75	\$41,183 30	
Shop machinery	188,309 57	103,395 13	84,914 44	
Power plant machinery	8,089 09	4,021 79	4,067 30	
Power substation apparatus	2,812 96	2,992 74		\$179 78
Power substation apparatus—depreciation	6,000 00	6,210 00		210 00
Steam locomotives—repairs	2,768,621 09	1,840,230 94	928,390 15	
Steam locomotives—depreciation	332,824 41	306,394 51	26,429 90	
Steam locomotives—retirements	14,443 08	30,980 27		16,537 19
Other locomotives—repairs	16,473 69	8,022 18	8,451 51	
Other locomotives—depreciation	14,219 30	14,208 00	11 30	
Freight-train cars—repairs	2,456,265 46	2,667,406 35		211,140 89
Freight-train cars—depreciation	691,969 61	575,623 61	116,346 00	
Freight-train cars—retirements	520,684 88	311,192 19	218,492 69	
Passenger-train cars—repairs	407,946 25	357,184 07	50,762 18	
Passenger-train cars—depreciation	114,901 55	110,755 10	4,146 45	
Passenger-train cars—retirements	18,961 01	2,955 85	16,005 16	
Work equipment—repairs	119,537 84	45,117 11	74,420 73	
Work equipment—depreciation	27,520 66	26,212 03	1,308 63	
Work equipment—retirements	4,496 74	12,558 69		8,061 95
Miscellaneous equipment—repairs	201 44		201 44	
Miscellaneous equipment—depreciation	64 46		64 46	
Injuries to persons	32,010 21	15,001 24	17,008 97	
Insurance	7,785 54	7,743 57	41 97	
Stationery and printing	18,357 11	16,099 70	2,257 41	
Other expenses	1,491 85	4,723 83		3,231 98
Maintaining joint equipment at terminals—Dr.	9,688 39	13,280 53		3,592 14
Maintaining joint equipment at terminals—Cr.	334 60			334 60
Totals	\$8,026,083 64	\$6,674,868 18	\$1,351,215 46	

The Michigan Central Railroad Company

DETAIL OF RAILWAY OPERATING EXPENSES (continued)

TRAFFIC EXPENSES

	1917	1916	Increase	Decrease
Superintendence	\$247,124 61	\$228,807 96	\$18,316 65	
Outside agencies	236,876 89	232,720 22	4,156 67	
Advertising	58,462 80	70,194 03		\$11,731 23
Traffic associations	28,331 62	41,937 85		13,606 23
Fast freight lines	122,547 88	122,424 01	123 87	
Industrial and immigration bureaus	6,933 39	2,606 05	4,327 34	
Insurance	258 78	251 58	7 20	
Stationery and printing	164,648 27	120,191 33	44,456 94	
Other expenses	54 62	648 76		594 14
Totals	\$865,238 86	\$819,781 79	\$45,457 07	

TRANSPORTATION EXPENSES

Superintendence	\$531,290 11	\$415,163 32	\$116,126 79	
Dispatching trains	157,918 97	137,770 70	20,148 27	
Station employees	3,076,057 87	2,621,101 22	454,956 65	
Weighing, inspection and demurrage bureaus	38,532 68	36,251 53	2,281 15	
Station supplies and expenses	276,415 23	203,991 79	72,423 44	
Yardmasters and yard clerks	574,122 10	415,597 43	158,524 67	
Yard conductors and brakemen	1,982,701 18	1,495,616 11	487,085 07	
Yard switch and signal tenders	123,697 90	100,931 87	22,766 03	
Yard enginemen	1,212,980 95	932,480 52	280,500 43	
Yard motormen	7,580 20	5,160 33	2,419 87	
Fuel for yard locomotives	1,622,686 81	948,598 93	674,087 88	
Yard switching power produced	6,313 04	6,104 18	208 86	
Water for yard locomotives	55,385 68	42,610 17	12,775 51	
Lubricants for yard locomotives	19,070 81	12,047 67	7,023 14	
Other supplies for yard locomotives	25,673 57	12,647 24	13,026 33	
Enginehouse expenses—yard	274,416 31	158,332 01	116,084 30	
Yard supplies and expenses	46,940 12	38,800 27	8,139 85	
Operating joint yards and terminals—Dr.	529,899 13	467,208 37	62,690 76	
Operating joint yards and terminals—Cr.	109,903 86	101,885 62		\$8,018 24
Train enginemen	1,739,641 35	1,516,022 28	223,619 07	
Train motormen	48,008 20	30,978 52	17,029 68	
Fuel for train locomotives	4,529,452 79	2,625,395 79	1,904,057 00	
Train power produced	33,128 48	31,117 06	2,011 42	
Water for train locomotives	155,200 00	121,228 91	33,971 09	
Lubricants for train locomotives	64,773 05	49,600 01	15,173 04	
Other supplies for train locomotives	57,695 17	35,393 73	22,301 44	
Enginehouse expenses—train	641,506 04	449,837 37	191,668 67	
Trainmen	1,971,469 65	1,712,951 01	258,518 64	
Train supplies and expenses	549,897 19	375,867 31	174,029 88	
Signal and interlocker operation	204,472 70	166,143 52	38,329 18	
Crossing protection	156,250 46	139,427 71	16,822 75	
Drawbridge operation	15,644 79	14,692 40	952 39	
Telegraph and telephone operation	138,268 52	121,066 48	17,202 04	
Stationery and printing	196,646 32	186,718 96	9,927 36	
Other expenses	97,004 77	84,812 42	12,192 35	
Carried forward	\$21,050,838 28	\$15,609,781 52		

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DETAIL OF RAILWAY OPERATING EXPENSES (concluded)

TRANSPORTATION EXPENSES (concluded)

	1917	1916	Increase	Decrease
<i>Brought forward</i>	\$21,050,838 28	\$15,609,781 52		
Operating joint tracks and facilities—Dr.	140,651 85	106,958 13	\$33,693 72	
Operating joint tracks and facilities—Cr.	98,212 10	78,571 23		\$19,640 87
Insurance	5,687 95	6,033 80		345 85
Clearing wrecks	88,662 98	55,663 96	32,999 02	
Damage to property	26,949 22	27,804 13		854 91
Damage to live stock on right-of-way	6,573 23	7,068 87		495 64
Loss and damage—freight	705,931 10	431,039 43	274,891 67	
Loss and damage—baggage	6,264 08	4,709 88	1,554 20	
Injuries to persons	277,913 74	236,258 40	41,655 34	
Totals	\$22,211,260 33	\$16,406,746 89	\$5,804,513 44	

MISCELLANEOUS OPERATIONS

Dining and buffet service	\$463,351 57	\$397,665 92	\$65,685 65	
Hotels and restaurants	86,569 30	73,776 37	12,792 93	
Grain elevators	61,471 64	62,735 77		\$1,264 13
Stockyards	212,478 20	166,199 86	46,278 34	
Totals	\$823,870 71	\$700,377 92	\$123,492 79	

GENERAL EXPENSES

Salaries and expenses of general officers	\$113,678 29	\$107,522 54	\$6,155 75	
Salaries and expenses of clerks and attendants	406,663 84	353,194 84	53,469 00	
General office supplies and expenses	39,970 86	40,805 45		\$834 59
Law expenses	143,487 34	131,353 11	12,134 23	
Insurance	818 64	401 46	417 18	
Pensions	80,789 72	75,286 54	5,503 18	
Stationery and printing	65,509 86	55,332 26	10,177 60	
Valuation expenses	90,590 82	72,485 91	18,104 91	
Other expenses	31,362 39	41,503 65		10,141 26
General joint facilities—Dr.	140 25	198 84		58 59
Totals	\$973,012 01	\$878,084 60	\$94,927 41	
TOTAL RAILWAY OPERATING EXPENSES	\$38,289,136 32	\$30,646,260 72	\$7,642,875 60	

PERCENTAGE OF RAILWAY OPERATING EXPENSES TO RAILWAY OPERATING REVENUES BY GROUPS

	1917	1916
Maintenance of way and structures	10.19	11.13
Maintenance of equipment	15.18	14.38
Traffic expenses	1.64	1.76
Transportation expenses	42.00	35.35
Miscellaneous operations	1.56	1.51
General expenses	1.84	1.89
Totals	72.41	66.02

*The Michigan Central Railroad Company***RAILWAY TAX ACCRUALS**

	On the value of real and personal property	On gross earnings	2% normal income tax	4% war normal income tax & excess profits tax, etc.	On capital stock	Total
Michigan	\$1,111,515 20					\$1,111,515 20
Indiana	116,937 27					116,937 27
Illinois	85,252 69					85,252 69
Ohio	29,964 44	\$1,484 44				31,448 88
Canada	115,369 47			\$195,001 40		310,370 87
New York	8,914 60					8,914 60
U. S. Government			\$81,613 36	209,441 36	\$16,742 50	307,797 22
Totals	\$1,467,953 67	\$1,484 44	\$81,613 36	\$404,442 76	\$16,742 50	\$1,972,236 73

DEDUCTIONS FROM GROSS INCOME*For lease of other roads*

*Rental and other payments required to be made as a condition to
the continued use or possession of other roads:*

Battle Creek & Sturgis Railway					
Interest at 3% on \$421,000.00 First mortgage bonds					\$12,630 00
New York Central Railroad (Benton Harbor extension, etc.)					
Cash					5,000 00
Canada Southern Railway					
Interest at 5% on \$22,500,000.00 Consol mortgage bonds				\$1,125,000 00	
Interest at 4% on \$130,000.00 Leamington & St Clair mortgage bonds				5,200 00	
Dividend at 3% on \$15,000,000.00 Capital stock				450,000 00	1,580,200 00
Detroit Manufacturers' Railroad					
Cash					15,150 00
Detroit River Tunnel and Terminal					
Interest at 4½% on \$18,000,000.00 First mortgage bonds				\$810,000 00	
Dividend at 8% on \$3,000,000.00 Capital stock				240,000 00	1,050,000 00
Joliet & Northern Indiana Railroad					
Interest at 4% on \$1,500,000.00 First mortgage bonds				\$60,000 00	
Dividend at 5% on \$300,000.00 Capital stock				15,000 00	75,000 00
Lansing Manufacturers Railroad					
Cash					3,775 00
St Joseph South Bend & Southern Railroad					
Cash					20,000 00
Various companies for sidings, team tracks and yard tracks					14,159 04
<i>Total (carried forward)</i>					\$2,775,914 04

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DEDUCTIONS FROM GROSS INCOME (concluded)

			Brought forward	\$2,775,914 04
			<i>For interest on funded debt</i>	
Michigan Central Railroad				
Michigan Central Railroad first mortgage	3½%	\$630,000 00		
Grand River Valley Railroad first mortgage	4 %	60,000 00		
Jackson Lansing & Saginaw Railroad first mortgage	3½%	59,745 00		
Michigan Air Line Railroad first mortgage	4 %	104,000 00		
Detroit & Bay City Railroad first mortgage	5 %	200,000 00		
Kalamazoo & South Haven Railroad first mortgage	5 %	35,000 00		
Bay City & Battle Creek Railway first mortgage	3 %	1,470 00		
Toledo Canada Southern & Detroit Ry. first mortgage	4 %	124,000 00		
Equipment trust certificates 1907	5 %	75,957 43		
Equipment trust certificates 1910	4½%	141,825 76		
Equipment trust certificates 1912	4½%	68,269 90		
Equipment trust certificates 1913	4½%	126,626 19		
Equipment trust certificates 1915	5 %	206,250 00		
Gold debentures of 1909	4 %	305,360 00		2,138,504 28
			<i>Total</i>	<u>\$4,914,418 32</u>
			<i>Other deductions</i>	
Hire of equipment				
Hire of freight cars—debit balance	\$3,358,129 26			
Rent for locomotives	68,147 03			
Rent for passenger-train cars	320,613 93			
Rent for work equipment	5,121 45	\$3,752,011 67		
<i>Less:</i>				
Rent from locomotives	\$45,476 76			
Rent from passenger-train cars	140,865 51			
Rent from work equipment	18,318 41	204,660 68	\$3,547,350 99	
Joint facility rents			606,137 80	
Miscellaneous rents			4,140 74	
Miscellaneous tax accruals			6,952 78	
Separately operated properties—loss				
Indiana Harbor Belt Railroad Company	\$318,020 11			
Mackinac Transportation Company	35,889 34	353,909 45		
Interest on unfunded debt			573,762 46	
Amortization of discount on funded debt			22,704 00	
Miscellaneous income charges			6,863 82	5,121,822 04
			<i>Total</i>	<u>\$10,036,240 36</u>

DIVIDENDS

Payable July 29, 1917,	2%	on \$18,736,400 00 Capital stock	\$374,728 00
Payable January 29, 1918,	2%	on 18,736,400 00 Capital stock	374,728 00
Totals	4%		<u>\$749,456 00</u>

The Michigan Central Railroad Company

DETAIL OF EXPENDITURES FOR ROAD AND EQUIPMENT

MICHIGAN CENTRAL RAILROAD—MAIN LINE AND BRANCHES

Road

Stations and other structures

Improvements at stock yards, West Detroit	\$12,835 00	
New track scales, Battle Creek	6,881 56	
New water tanks, Grass Lake and New Buffalo	7,414 28	
New transfer platform, Kensington	14,708 97	
Additional round house facilities, Kensington	19,824 61	
New interlocker, 10th Street, Michigan City	6,262 95	
Addition to American Express Co. quarters, Lansing	18,288 90	
New pump house, Lansing	10,207 06	
Extensions, interlocker, Pleasant Avenue, River Rouge	6,964 68	
Miscellaneous structures	74,919 26	\$178,307 27

Land

Detroit	\$162,007 75	
Ecorse	24,000 00	
Jackson	59,713 85	
Grand Rapids	10,510 00	
Lansing	82,095 50	
Kensington	13,365 00	
Sundry places	5,075 20	\$356,767 30

Bridges

Overhead bridge, Whitmore Lake (near Ann Arbor)	\$10,387 38	
Bridge 9.07 north yards, Detroit	3,941 15	
Rebuilding bridge, Jefferson Avenue, Detroit	21,565 62	
Bridge 17.22 Onondaga	3,538 17	
Bridge 36.02 Lansing	4,211 71	
Bridge 110.80 Salzburg	5,249 81	
Bridge over Detroit Avenue, Toledo	16,605 20	
Miscellaneous small bridges	40,409 98	105,909 02

Roadway

Tracks to serve Dodge Brothers, Detroit	\$28,504 50	
Ballast applied	134,972 78	
Increased weight of rail and fastenings	101,673 66	
Extension of telephone system, Detroit to West Detroit	14,102 85	
Cribbing water front, Detroit	87,329 46	
Signal changes, Niles to Jackson	9,149 01	
Assessments for public improvements, sundry places	31,776 68	
Passing tracks, sundry places	14,270 02	
Tracks to serve U. S. Gov't Cantonment, Battle Creek	36,624 55	
Storage tracks, Battle Creek	16,710 80	
Tracks for new yard, Jackson Junction	40,555 49	
Grade separation, Detroit	109,910 49	
Installing block signals, Saginaw	43,358 33	
Team tracks, Holden Avenue, Detroit	15,488 79	
Extension of Belt Line, Detroit	17,620 95	
New main, passing and yard tracks, Lansing	45,467 39	
Miscellaneous sidings and yard tracks	91,887 79	
Miscellaneous roadway	46,962 51	\$86,366 05

Shop machinery		69,658 72
Tie tamping machine		19,555 20
Other additions and betterments		2,159 69
Bay City Belt Railway, Water Street spur		100,000 00

Total increase in road (carried forward)

\$1,718,723 25.

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DETAIL OF EXPENDITURES FOR ROAD AND EQUIPMENT (concluded)

MICHIGAN CENTRAL RAILROAD—MAIN LINE AND BRANCHES (concluded)

	<i>Total increase in road (brought forward)</i>		\$1,718,723 25
<i>Equipment</i>			
Trust equipment			
10 locomotives and appliances	\$296,349 60		
3,450 freight-train cars and improvements	5,722,315 20		
10 passenger-train cars	126,196 67	\$6,144,861 47	
Owned equipment			
Equipment added, including betterments			
35 locomotives	\$964,361 45		
1,343 freight-train cars	1,332,990 07		
1 passenger-train car	10,201 71		
33 pieces of work equipment	101,718 93		
5 pieces of miscellaneous equipment	3,860 20	\$2,413,132 36	
Equipment retired			
8 locomotives	\$66,651 45		
2,000 freight-train cars	1,437,950 24		
22 passenger-train cars	135,685 00		
42 pieces of work equipment	26,417 00	1,666,703 69	746,428 67
Total increase in equipment			6,891,290 14
Total increase in road and equipment			\$8,610,013 39
	LEASED LINES		
<i>Road</i>			
<i>Stations and other structures</i>			
Installing electric lights, yard office and yard, Montrose		\$1,877 67	
Pump and fire protection lines, St. Thomas		2,864 94	
Car repair shop, inspector's and yard offices, Windsor		5,259 08	
Water tank, Alvinston		1,885 04	
Improvements in station, Inwood		1,843 90	
Electric motor in coal elevator, Victoria		1,165 69	
Improvements, 15th Street passenger terminal, Detroit		9,564 79	
Iceing platform, Joliet		1,525 87	
Miscellaneous structures		5,134 63	
		\$31,121 61	
Less -- sundry structures abandoned		16,772 56	\$14,349 05
<i>Bridges</i>			
Bridge 50.29 Buxton		\$1,378 90	
Bridge 1.25 Petrolia		3,323 21	
Bridge 13.40 Muncey		3,833 29	
Bridge 34.80 Alvinston		37,639 19	
New cantilever bridge, Niagara Falls		58,743 87	
Sundry drains and bridges		6,596 12	111,514 58
<i>Roadway</i>			
Ballast applied		\$88,130 23	
Increased weight of rail		21,633 98	
Tracks to serve U. S. Gov't Cantonment, Battle Creek		16,823 39	
Interchange tracks, Chicago Heights		14,277 07	
Filling bridge 55, Marshall		2,940 09	
Passing tracks, Dyer and Ross, Indiana		2,182 99	
City water connection, Matteson		1,356 82	
Miscellaneous sidings and yard tracks		12,776 92	
Miscellaneous roadway		2,196 90	162,318 39
Total leased lines			\$288,182 02

The Michigan Central Railroad Company

CAPITALIZATION

Capital stock

Number of shares authorized	187,380	Total par value authorized	\$18,738,000 00
Number of shares issued	187,380	Total par value outstanding	18,736,400 00
		Total par value held by the company	1,600 00

Par value per share \$100 00

Amount of capital stock per mile of road owned (1,182.84 miles) \$15,841.53

Funded debt

CLASS OF BOND	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 first mortgage	{ 1902	May 1, 1952	\$18,000,000 00	\$18,000,000 00	3½%	{ May and November	
Gold debentures	{ 1909	April 1, 1929	25,000,000 00	7,634,000 00	4 %	{ April and October	
Grand River Valley first mortgage	{ 1909	Sep. 1, 1959	4,500,000 00	1,500,000 00	4 %	{ March and September	
Detroit & Bay City first mortgage	{ 1881	Mar. 1, 1931	4,000,000 00	4,000,000 00	5 %	{ March, June & December	
Kalamazoo and South Haven first mortgage	{ 1889	Nov. 1, 1939	700,000 00	700,000 00	5 %	{ May and November	
Michigan Air Line first mortgage	{ 1890	Jan. 1, 1940	2,600,000 00	2,600,000 00	4 %	{ January and July	
Jackson Lansing and Saginaw first mortgage	{ 1901	Sep. 1, 1951	2,000,000 00*	1,707,000 00	3½%	{ March and September	
Joliet and Northern Indiana first mortgage	{ 1907	Jul. 10, 1957	3,000,000 00	1,500,000 00	4 %	{ January 10th & July 10th	
Bay City and Battle Creek first mortgage	{ 1889	Dec. 1, 1989	1,800,000 00	49,000 00†	3 %	{ June and December	
Toledo Canada Southern and Detroit first mortgage	{ 1906	Jan. 1, 1956	4,500,000 00	3,100,000 00	4 %	{ January and July	
Equipment trust certificates 1907	{ 1907	Nov. 1, 1922	3,906,381 73	1,302,127 23	5 %	{ May and November	
Equipment trust certificates 1910	{ 1910	Jan. 1, 1925	5,909,406 53	2,757,723 04	4½%	{ January and July	
Equipment trust certificates 1912	{ 1912	Jan. 1, 1927	2,275,663 50	1,365,398 10	4½%	{ January and July	
Equipment trust certificates 1913	{ 1913	Jan. 1, 1928	3,697,777 50	2,623,595 42	4½%	{ January and July	
Equipment trust certificates 1915	{ 1915	Oct. 1, 1930	4,500,000 00	3,900,000 00	5 %	{ October and April	
Equipment trust certificates 1917	{ 1917	Mar. 1, 1932	8,000,000 00	¶	4½%	{ March and September	
Total amount of funded debt				\$52,738,843 79			

Amount of funded debt per mile of road

Road	Funded debt	Miles	Amount per mile of road
Michigan Central Railroad	\$37,582,843 79	272.27	\$138,035 20
Grand River Valley Railroad	1,500,000 00	83.82	17,895 49
Detroit and Bay City Railroad	4,000,000 00	166.72	23,992 32
Kalamazoo and South Haven Railroad	700,000 00	39.34	17,793 59
Michigan Air Line Railroad	2,600,000 00	115.25	22,559 65
Jackson Lansing and Saginaw Railroad	1,707,000 00	370.04	4,613 01
Joliet and Northern Indiana Railroad	1,500,000 00	45.00	33,333 33
Bay City and Battle Creek Railway	49,000 00	18.18	2,695 26
Toledo Canada Southern and Detroit Railway	3,100,000 00	59.22	52,347 18

* \$293,000 purchased and retired by the Land Grant Trustees

† Balance remaining out of an issue of \$250,000

¶ \$4,845,000 of these certificates have been issued but are held by or for the company

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NEW YORK CENTRAL LINES EQUIPMENT TRUSTS

The following statement shows the character of the equipment acquired under the terms of the New York Central Lines Equipment Trust Agreements and Leases of 1907, 1910, 1912 and 1913, together with the total amount of certificates issued and the amounts now outstanding.

EQUIPMENT TRUST OF 1907

Road	Loco- motives	Passenger cars	Freight cars	Company service cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 5%	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1917
N Y C R R	576	149	11,383	345	\$22,393,271 11	\$1,492,884 74	\$14,928,847 40	\$7,464,423 71
M C R R	11	17	3,487	197	3,906,381 73	260,425 45	2,604,254 50	1,302,127 23
C C C & St L Ry	114	18	1,522	95	3,700,347 16	246,689 81	2,466,898 10	1,233,449 06
TOTALS	701	184	16,392	637	\$30,000,000 00	\$2,000,000 00	\$20,000,000 00	\$10,000,000 00

EQUIPMENT TRUST OF 1910

Road	Loco- motives	Passenger cars	Freight cars	Company service cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 4½%	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1917
N Y C R R	231	104	17,473	249	\$21,096,206 17	\$1,406,413 74	\$11,251,309 95	\$9,844,896 22
M C R R	135	35	3,283		5,909,406 53	393,960 44	3,151,683 49	2,757,723 04
C C C & St L Ry	84	6	1,599		2,994,387 30	199,625 82	1,597,006 56	1,397,380 74
TOTALS	450	145	22,355	249	\$30,000,000 00	\$2,000,000 00	\$16,000,000 00	\$14,000,000 00

EQUIPMENT TRUST OF 1912

Road	Loco- motives	Passenger cars	Freight cars	Company service cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 4½%	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1917
N Y C R R	63	96	10,345	150	\$10,325,983 50	\$688,398 90	\$4,130,393 40	\$6,195,590 10
M C R R	31	1	2,497		2,275,663 50	151,710 90	910,265 40	1,365,398 10
C C C & St L Ry	53	27	1,493		2,398,353 00	159,890 20	959,341 20	1,439,011 80
TOTALS	147	124	14,335	150	\$15,000,000 00	\$1,000,000 00	\$6,000,000 00	\$9,000,000 00

EQUIPMENT TRUST OF 1913

Road	Loco- motives	Passenger cars	Freight cars		Certificates issued for not to exceed 90 per cent of value bearing interest at 4½%	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1917
N Y C R R	249	314	2,000		\$10,734,681 38	\$742,117 61	\$3,313,505 22	\$7,421,176 16
M C R R	88	82	740		3,697,777 50	262,359 54	1,074,182 08	2,623,595 42
C C C & St L Ry		47	1,000		1,706,775 32	116,733 71	539,438 24	1,167,337 08
P & L E R R			4,000		3,981,991 50	265,466 10	1,327,330 50	2,654,661 00
T & O C Ry	3		3,500		3,057,774 30	213,323 04	924,543 96	2,133,230 34
TOTALS	340	443	11,240		\$23,179,000 00	\$1,600,000 00	\$7,179,000 00	\$16,000,000 00

*The Michigan Central Railroad Company***MICHIGAN CENTRAL RAILROAD EQUIPMENT TRUSTS**

The following statement shows the character of the equipment acquired under the terms of the Michigan Central Railroad Equipment Trust Agreements and Leases of 1915 and 1917, together with the total amount of certificates issued and the amounts now outstanding.

EQUIPMENT TRUST OF 1915

Road	Freight cars	Certificates issued for not to exceed 90 per cent of value bearing interest at 5%	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1917
M C R R	4,045	\$4,500,000 00	\$300,000 00	\$600,000 00	\$3,900,000 00
	4,045	\$4,500,000 00	\$300,000 00	\$600,000 00	\$3,900,000 00

EQUIPMENT TRUST OF 1917

Road	Passenger cars	Freight cars	Certificates issued for not to exceed 80 per cent of value bearing interest at 4½%	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1917
M C R R	10	3,450	\$4,845,000 00	\$402,000 00		\$4,845,000 00
	10	3,450	\$4,845,000 00	\$402,000 00		\$4,845,000 00

Treasurer, Grand Central Terminal, New York

Transfers stock and pays dividend on stock, transfers and pays interest on registered bonds, and pays coupons from all issues of bonds not mentioned below.

Union Trust Company of New York

Pays coupons from bonds secured by Detroit & Bay City mortgage, and Michigan Air Line mortgage.

Guaranty Trust Company of New York

Pays coupons from Michigan Central first mortgage bonds, and from bonds secured by Jackson Lansing & Saginaw mortgage and Joliet & Northern Indiana mortgage, also pays interest on equipment trust certificates of 1907, 1910, 1912, 1913 and 1917.

Philadelphia Trust Company of Philadelphia

Pays interest on equipment trust certificates of 1915.

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CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1917

Assets

*Investments**Investment in road and equipment*

Road and equipment to June 30, 1907		\$35,213,257 09	
Since June 30, 1907			
Road	\$29,170,575 94		
Equipment—trust	28,731,282 56		
Equipment—owned	1,629,079 87	59,530,938 37	
Total investment in road and equipment			\$94,744,195 46

Deposits in lieu of mortgaged property sold

5,794 50

Improvements on leased railway property

To June 30, 1907	\$823,773 76		
Since June 30, 1907	1,705,986 66	2,529,760 42	

Miscellaneous physical property

779,750 33

Investments in affiliated companies

Stocks	\$8,799,694 50		
Bonds	807,200 00		
Notes	1,038,920 84		
Advances	563,233 75	11,209,049 09	

Other investments

Stocks			15,004 00
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Total investments

\$109,283,553 80

Current assets

Cash	\$3,710,264 60		
Special deposits	61,194 00		
Net balances receivable from agents and conductors	4,681,613 04		
Miscellaneous accounts receivable	3,035,342 86		
Materials and supplies	8,070,073 80		
Interest and dividends receivable	236,194 45	19,794,682 75	

Deferred assets

Working fund advances	\$40,792 68		
Other deferred assets	267,204 13	307,996 81	

Unadjusted debits

Rents and insurance premiums paid in advance	\$114 40		
Discount on funded debt	771,889 30		
Other unadjusted debits	634,064 06	1,406,067 76	

TOTAL

\$130,792,301 12

The Michigan Central Railroad Company

CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1917

Liabilities

Stock

Capital stock

Book liability at date	\$18,738,000 00	
Held by or for carrier at date	1,600 00	
Actually outstanding at date		\$18,736,400 00

Long term debt

Funded debt unmatured

Equipment obligations

Equipment trust certificates of 1907	\$1,302,127 23	
Equipment trust certificates of 1910	2,757,723 04	
Equipment trust certificates of 1912	1,365,398 10	
Equipment trust certificates of 1913	2,623,595 42	
Equipment trust certificates of 1915	3,900,000 00	
Equipment trust certificates of 1917		
Book liability at date	\$4,845,000 00	
Held by or for carrier at date	4,845,000 00	\$11,948,843 79

Mortgage bonds

Michigan Central first mortgage	\$18,000,000 00	
Grand River Valley first mortgage	1,500,000 00	
Detroit & Bay City first mortgage	4,000,000 00	
Kalamazoo & South Haven first mortgage	700,000 00	
Michigan Air Line first mortgage	2,600,000 00	
Jackson Lansing & Saginaw first mortgage	1,707,000 00	
Joliet & Northern Indiana first mortgage	1,500,000 00	
Bay City & Battle Creek first mortgage	49,000 00	
Toledo Canada Southern & Detroit first mortgage	3,100,000 00	\$3,156,000 00

Miscellaneous obligations

Gold debentures of 1909	7,634,000 00	52,738,843 79
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Current liabilities

Loans and bills payable	\$15,827,573 14	
Traffic and car service balances payable	1,183,129 63	
Audited accounts and wages unpaid	7,480,290 18	
Miscellaneous accounts payable	159,258 73	
Interest matured unpaid	66,417 50	
Dividends matured unpaid	4,600 00	
Funded debt matured unpaid	2,000 00	
Unmatured dividends declared	374,728 00	
Unmatured interest accrued	478,044 83	
Unmatured rents accrued	456,653 51	26,032,695 52

Deferred liabilities

Other deferred liabilities		337,286 44
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Unadjusted credits

Tax liability	\$344,833 35	
Operating reserves	104,338 72	
Accrued depreciation—road and equipment	6,098,802 06	
Accrued depreciation—miscellaneous physical property	8,399 46	
Other unadjusted credits	1,347,878 19	7,904,251 78

Corporate surplus

Additions to property through income and surplus	\$6,453,686 85	
Profit and loss—balance	18,589,136 74	25,042,823 59

TOTAL

\$130,792,301 12

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STOCK AND BONDS OWNED OR ACQUIRED UNDER LEASE

Stock

	Total amount issued	Shares owned	Par value owned
Battle Creek & Sturgis Ry 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 Ry Co	450,000 00	2,700	270,000 00
Clifton Hotel Co Ltd	500,000 00	150	15,000 00
Detroit Manufacturers' R R	300,000 00	1,721	172,100 00
Detroit River Tunnel Co	3,000,000 00	30,000	3,000,000 00
Detroit Terminal R R Co	2,000,000 00	5,000	500,000 00
Detroit Toledo & Milwaukee R R Co	1,060,000 00	5,300	530,000 00
Indiana Harbor Belt R R Co	5,000,000 00	15,000	1,500,000 00
Joliet & Northern Indiana R R Co	300,000 00	3,000	300,000 00
Lansing Transit Railway Co	2,000 00	10	1,000 00
Mackinac Transportation Co	65,000 00	216½	21,666 67
Toledo Terminal Railroad Co	4,000,000 00	3,872	387,200 00
Toronto Hamilton & Buffalo Ry Co	4,512,500 00	9,842	984,200 00
Miscellaneous			61,700 00
Total par value of stock			<u>\$15,970,366 67</u>

Bonds

Battle Creek & Sturgis Ry Co	\$500,000 00	\$24,000 00
Chicago Kalamazoo & Saginaw Ry Co	1,268,000 00	761,000 00
Toronto Hamilton & Buffalo Ry Co	2,000,000 00	250,000 00
Toledo Terminal Railroad Co	4,200,000 00	24,000 00
M C R R equipment trust certificates of 1917	4,845,000 00	4,845,000 00
Total par value of bonds		<u>\$5,904,000 00</u>
Grand total par value of stock and bonds		<u>\$21,874,366 67</u>

The securities owned by this company are carried on its books at a total value of \$9,621,898.50.

EQUIPMENT IN SERVICE

(Including Equipment of Leased Lines)

LOCOMOTIVES	December 31, 1916		Increase		Decrease		December 31, 1917		
	Grand total	Number added	Change of class	Number retired	Change of class	Grand total	Number owned	Number held under equipment trust	Number held under other form of title
For passenger service	156	5		1		160	119	41	
Electric locomotives	10					10	10		
For freight service	381	10		5		386	243	143	
For switching service	206	30		2		234	153	81	
Totals	<u>753</u>	<u>45</u>		<u>8</u>		<u>790</u>	<u>525</u>	<u>265</u>	

The Michigan Central Railroad Company
EQUIPMENT IN SERVICE (concluded)
(Including Equipment of Leased Lines)

CARS IN PASSENGER SERVICE	December 31, 1916					December 31, 1917			
	Grand total	Number added	Change of class	Number retired	Change of class	Grand total	Number owned	Number held under equipment trust	Number held under other form of title
Passenger coaches	85			2		83	83		
Passenger coaches, steel	65					65	15	50	
Passenger coaches, steel underframe	29					29	14	15	
Smoking cars	50				2	48	42	6	
Combination passenger and baggage cars	31				1	30	22	8	
Combination passenger and baggage cars, steel underframe	4					4	2	2	
Immigrant and excursion cars	44			3	1	40	40		
Dining cars	6				2	4	4		
Dining cars, steel	5	3				8	4	4	
Dining cars, steel underframe	11					11	7	4	
Cafe dining coaches	7					7	7		
Cafe dining coaches, steel underframe	1					1		1	
Buffet and cafe cars	4				4				
Buffet and cafe cars, steel	4					4	2	2	
Buffet and cafe cars, steel underframe	2					2	1	1	
Mail cars	3				1	2	2		
Mail cars, steel	11					11	9	2	
Mail cars, steel underframe	1					1	1		
Mail and baggage cars	17				2	15	15		
Mail and baggage cars, steel	5					5		5	
Mail and baggage cars, steel underframe	4					4	4		
Baggage and express cars	73			3	1	69	69		
Baggage and express cars, steel	48	25				73	13	60	
Baggage and express cars, steel underframe	1					1	1		
Special horse cars	14					14	14		
Special horse cars, steel underframe	2		1			3	3		
29-73% of 19 cars in joint service	5*	1		1		5*			5*
Totals	532	29	1	9	14	539	374	160	5
CARS IN FREIGHT SERVICE									
Box cars	8,223	1		1,324	180	6,720	6,316	402	2
Box cars, steel underframe	2,778	1,193	155	328		3,798	2,692	1,106	
Box automobile cars	468	35		2		501		466	35
Box automobile cars, steel	4,500			3		4,497	260	4,237	
Box automobile cars, steel underframe	4,611	2,383		6		6,988	127	6,861	
Flat cars	1,498			212	1	1,285	1,285		
Flat cars, steel underframe	637	178				815	315	500	
Stock cars	698	115		132		681	379		302
Stock cars, steel underframe		250				250		250	
Coal and coke cars	1,405	106		166		1,345	1,345		
Coal and coke cars, steel	2,595	704		7		3,292	299	2,993	
Coal and coke cars, steel underframe	625	300				925	125	800	
Refrigerator produce cars	290			65		225	225		
Refrigerator produce cars, steel underframe		250				250		250	
Oil transport cars	16			7		9	9		
Caboose cars	312	10	5	15		312	253	59	
Totals	28,656	5,525	160	2,267	181	31,893	13,630	17,924	339
EQUIPMENT IN COMPANY'S SERVICE									
Officers' cars	2					2	2		
Officers' cars, steel	1					1	1		
Officers' cars, steel underframe	3		1			4	4		
Air-brake instruction cars	1					1	1		
Ballast cars	121			8		113	113		
Ballast cars, steel underframe	198					198		198	
Derrick cars	3					3	3		
Coaling cranes	7					7	7		
Steam wrecking cranes	5	2				7	7		
Electric wrecking cranes	1					1	1		
Cinder, push, gas and oil transport cars	8			1		7	7		
Other road cars	525	1	34	32		528	528		
Totals	875	3	35	41		872	674	198	

* Toronto-Buffalo Line:
 coaches 14; baggage and smoker 1; baggage and express 4

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TABLE OF TRACKS

MAIN LINE OWNED	State	Miles of main track				Miles yard tks. & sidings	Total
		First	Second	Third	Fourth		
Michigan Central Railroad	Mich	222.78	222.78	4.27	4.38	370.13	824.34
" " "	Ind	42.46	42.46	1.37	1.37	53.12	140.78
" " "	Ill	7.03	6.97	1.33	1.22	56.74	73.29
Total main line owned		272.27	272.21	6.97	6.97	479.99	1,038.41
BRANCHES OWNED							
Air Line branch	Jackson-Niles	Mich	103.83	-	-	-	
South Bend branch	Niles-Michigan and Indiana state line	"	5.45	-	-	-	42.93
South Bend branch	Michigan & Indiana state line-South Bend	Ind	5.97	-	-	-	5.16
South Haven branch	Kalamazoo-South Haven	Mich	39.34	-	-	-	6.66
Lansing-Mackinaw branch	Jackson-Mackinaw City	"	296.41	4.36	-	-	
Gladwin branch	Pinconning-Gladwin	"	27.90	-	-	-	
Gladwin branch	Mt Forest-Bentley	"	4.69	-	-	-	
Twin Lakes branch	Grayling-Lewiston	"	27.26	-	-	-	
Bagley branch	Salling-Johannesburg	"	13.78	-	-	-	392.57
North Midland branch	Bay City W S-Midland	"	18.18	-	-	-	9.82
East Jordan branch	Frederic-East Jordan	"	42.66	-	-	-	41.06
Grand Rapids branch	Rives Jet-Grand Rapids	"	83.82	-	-	-	23.58
Bay City branch	Detroit-Bay City	"	107.44	7.60	-	-	
Caro branch	Vassar-Owendale	"	33.53	-	-	-	
Saginaw branch	Denmark Jet-Saginaw W S	"	15.74	-	-	-	
Bay City Belt	At Bay City	"	7.01	-	-	-	
Water St Spur	" " "	"	3.00	-	-	-	120.60
Detroit Belt	At Detroit	"	6.35	.48	-	-	31.70
Toledo branch	Detroit-Michigan and Ohio state line	"	46.83	3.43	-	-	83.22
Toledo branch	Michigan & Ohio state line-C S Jet Toledo	Ohio	8.91	-	-	-	
Toledo Belt	At Toledo	"	3.48	1.01	-	-	45.15
Dearborn branch	Toledo branch to main line	Mich	4.13	4.06	-	-	
" " "	West leg of wye at main line	"	.78	-	-	-	
" " "	Oakwood Jet-Dearborn	"	4.08	-	-	-	1.93
Total branches owned			910.57	20.94	-	-	804.38
Total main line and branches owned			1,182.84	293.15	6.97	6.97	1,284.37
LINE JOINTLY OWNED							
St Charles Air Line	At Chicago	Ill	.71	.71	-	-	-
Total jointly owned			.71	.71	-	-	1.42
LEASED LINES							
Joliet & Northern Indiana R R	East Gary-Indiana and Illinois state line	Ind	15.65	-	-	-	6.45
" " " " "	Indiana and Illinois state line-Joliet	Ill	29.35	-	-	-	25.06
St Joseph So Bend & Southern R R	So Bend-Indiana & Michigan state line	Ind	14.28	-	-	-	2.35
" " " " " "	Indiana & Michigan state line-St Joseph	Mich	25.92	-	-	-	5.38
New York Central Railroad	St Joseph Jet-Benton Harbor	"	1.63	-	-	-	1.10
Detroit Toledo & Milwaukee R R	Battle Creek-Moscow	"	47.15	-	-	-	10.81
Lansing Transit Railroad	At Lansing	"	1.21	-	-	-	.46
Lansing Manufacturers Railroad	At Lansing	"	5.42	-	-	-	2.90
Bay Cy Belt Line R R (So Water St Tk)	At Bay City	"	1.70	-	-	-	-
Battle Creek & Sturgis Ry	Battle Creek-Findley	"	33.80	-	-	-	3.75
St Clair & Western Railroad	St Clair-Richmond	"	14.78	-	-	-	1.49
Canada Southern Bridge Co	Sloecum Jet-Grosse Isle	"	2.50	-	-	-	1.65
Detroit Manufacturers' R R	At Detroit	"	1.51	-	-	-	3.30
Detroit River Tunnel Co	Detroit-International Boundary	"	1.12	1.12	-	-	15.91
" " " " "	International Boundary-Windsor	Can	1.60	1.60	-	-	7.65
Canada Southern Railway	Suspension Bridge-Windsor	"	226.18	226.18	-	-	
" " " " "	Branches and spurs	"	154.36	16.86	-	-	233.92
Total leased lines			578.16	245.76	-	-	322.18
Total main line, branches owned and leased lines (carried forward)			1,761.71	539.62	6.97	6.97	1,606.55
							3,921.82

The Michigan Central Railroad Company

TABLE OF TRACKS (concluded)

	State	Miles of main track				Miles yard tks. & sidings	Total
		First	Second	Third	Fourth		
<i>Brought forward</i>		1,761.71	539.62	6.97	6.97	1,606.55	3,921.82
LINES OPERATED UNDER TRACKAGE RIGHTS							
Pere Marquette R R	Mich	.16	-	-	-	-	.16
Illinois Central R R	Ill	14.00	14.00	-	-	-	28.00
Grand Trunk Ry	Can	.32	-	-	-	-	.32
" " "	NY	.87	.52	-	-	-	1.39
" " "	Mich	.23	-	-	-	-	.23
Indiana Harbor Belt R R	Ill	30.02	30.02	-	-	-	60.04
Manistee & No Eastern Ry	Mich	2.96	-	-	-	-	2.96
London & Pt Stanley Ry	Can	14.99	-	-	-	-	14.99
New York Central R R	NY	23.84	23.84	-	-	-	47.68
" " " "	Mich	-	2.88	-	-	-	2.88
" " " "	"	-	43.38	-	-	-	43.38
" " " "	Ohio	10.07	9.44	-	-	-	19.51
" " " "	Ind	2.60	-	-	-	-	2.60
Total trackage rights		100.06	124.08	-	-	-	224.14
Total mileage operated		1,861.77	663.70	6.97	6.97	1,606.55	4,145.96

Recapitulation

	Owned		Jointly owned		Leased		Otherwise operated		Total	
	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
Michigan	1,114.99	2,490.55	-	-	136.74	184.61	3.35	49.61	1,255.08	2,724.77
Illinois	7.03	73.29	.71	1.42	29.35	54.41	44.02	88.04	81.11	217.16
Indiana	48.43	151.91	-	-	29.93	38.73	2.60	2.60	80.96	193.24
Ohio	12.39	58.55	-	-	-	-	10.07	19.51	22.46	78.06
New York	-	-	-	-	-	-	24.71	49.07	24.71	49.07
Canada	-	-	-	-	382.14	868.35	15.31	15.31	397.45	883.66
Totals	1,182.84	2,774.30	.71	1.42	578.16	1,146.10	100.06	224.14	1,861.77	4,145.96

MILES OPERATED FOR

Passenger and freight service	1,144.56	-	562.14	16.90	1,723.60
Passenger service only	-	-	-	36.51	36.51
Freight service only	38.28	.71	16.02	46.65	101.66
Totals	1,182.84	.71	578.16	100.06	1,861.77

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MILEAGE STATISTICS

TRAIN MILEAGE

TRANSPORTATION SERVICE	1917	1916	Increase	Decrease
Freight train-miles	6,593,227	6,669,078		75,851
Passenger train-miles	6,250,416	6,249,580	836	
Other passenger train-miles	861,512	692,937	168,575	
Mixed train-miles	534,752	520,049	14,703	
Special train-miles	9,191	9,177	14	
Total revenue train miles	14,249,098	14,140,821	108,277	
Work train-miles	245,309	220,678	24,631	
Total train mileage	14,494,407	14,361,499	132,908	

LOCOMOTIVE MILEAGE

TRANSPORTATION SERVICE	1917	1916	Increase	Decrease
Freight locomotive-miles	7,856,693	7,735,345	121,348	
Passenger locomotive-miles	7,451,512	7,305,334	146,178	
Mixed locomotive-miles	547,242	532,716	14,526	
Special locomotive-miles	9,872	10,440		568
Train switching locomotive-miles	550,093	519,186	30,907	
Yard switching locomotive-miles	7,947,619	7,705,938	241,681	
Total revenue locomotive miles	24,363,031	23,808,959	554,072	
Work service locomotive-miles	614,339	586,850	27,489	
Total locomotive mileage	24,977,370	24,395,809	581,561	

CAR MILEAGE

TRANSPORTATION SERVICE	1917	1916	Increase	Decrease
Freight-train car-miles				
Freight cars-loaded	225,562,438	224,365,910	1,196,528	
Freight cars-empty	73,429,033	84,579,989		11,150,956
Caboose cars	6,690,482	6,790,948		100,466
Total freight-train car-miles	305,681,953	315,736,847		10,054,894
Passenger-train car-miles				
Passenger cars	14,973,150	14,829,024	144,126	
Sleeping, parlor and observation cars	19,828,746	18,329,941	1,498,805	
Dining cars	3,277,381	3,382,611		105,230
Other passenger-train cars	19,556,624	18,745,204	811,420	
Total passenger-train car-miles	57,635,901	55,286,780	2,349,121	
Mixed-train car-miles				
Freight cars-loaded	3,295,739	3,983,803		688,064
Freight cars-empty	744,043	1,138,573		394,530
Caboose cars	9,111	24,216		15,105
Passenger cars	1,079,588	1,055,925	23,663	
Sleeping, parlor and observation cars	29,157	4,084	25,073	
Other passenger-train cars	301,500	248,127	53,373	
Total mixed-train car-miles	5,459,138	6,454,728		995,590
Special-train car-miles				
Freight cars-loaded	127,982	118,655	9,327	
Freight cars-empty		28		28
Caboose	9,313	9,177	136	
Total special-train car-miles	137,295	127,860	9,435	
Total revenue car miles	368,914,287	377,606,215		8,691,928
Work service car-miles	1,720,377	2,072,865		352,488
Total car mileage	370,634,664	379,679,080		9,044,416

*The Michigan Central Railroad Company***TRAFFIC STATISTICS****DESCRIPTION OF FREIGHT MOVED**

PRODUCTS OF AGRICULTURE	1917 Tons	1916 Tons	Increase Tons	Decrease Tons
Grain	1,058,933	1,352,344		293,411
Flour	598,776	427,009	171,767	
Other mill products	335,995	364,215		28,220
Hay	158,351	128,975	29,376	
Tobacco	13,144	18,485		5,341
Cotton	60,999	41,787	19,212	
Fruit and vegetables	600,197	625,000		24,803
Other products of agriculture	143,584	163,794		20,210
PRODUCTS OF ANIMALS				
Live stock	298,837	344,532		45,695
Dressed meats	184,020	164,339	19,681	
Other packing house products	188,892	168,773	20,119	
Poultry, game and fish	53,991	55,146		1,155
Wool	19,441	16,408	3,033	
Hides and leather	54,507	47,492	7,015	
Other products of animals	179,229	161,272	17,957	
PRODUCTS OF MINES				
Anthracite coal	1,261,748	1,230,664	31,084	
Bituminous coal	6,340,266	4,777,985	1,562,281	
Coke	494,760	565,546		70,786
Ores	171,265	76,882	94,383	
Stone, sand and other like articles	1,852,324	2,154,474		302,150
Other products of mines	520,490	519,332	1,158	
PRODUCTS OF FORESTS				
Lumber	2,198,041	2,164,979	33,062	
Other products of forests	562,125	478,955	83,170	
MANUFACTURES				
Petroleum and other oils	473,809	409,391	64,418	
Sugar	160,851	153,029	7,822	
Naval stores	2,718	884	1,834	
Iron, pig and bloom	468,794	309,428	159,366	
Iron and steel rails	39,324	20,188	19,136	
Other castings and machinery	868,136	760,139	107,997	
Bar and sheet metal	967,771	887,359	80,412	
Cement, brick and lime	1,035,650	1,200,290		164,640
Agricultural implements	87,743	54,335	33,408	
Wagons, carriages, tools, etc	863,761	777,894	85,867	
Wines, liquors and beers	95,506	86,025	9,481	
Household goods and furniture	118,379	146,193		27,814
Other manufactures	2,774,520	3,005,122		230,602
MISCELLANEOUS				
Other commodities not previously mentioned	1,934,015	1,089,227	844,788	
Totals	<u>27,240,892</u>	<u>24,947,892</u>	<u>2,293,000</u>	

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TRAFFIC STATISTICS (concluded)

FREIGHT		1917	1916	Increase	Decrease
Tons of revenue freight carried		27,240,892	24,947,892	2,293,000	
Tons of company freight carried		2,647,841	2,643,242	4,599	
Total tonnage, all freight		29,888,733	27,591,134	2,297,599	
Tons of revenue freight carried one mile		4,669,331,209	4,172,557,226	496,773,983	
Tons of company freight carried one mile		202,736,470	184,987,362	17,749,108	
Total tons all freight carried one mile		4,872,067,679	4,357,544,588	514,523,091	
Miles of road operated in freight service		1,825.26	1,825.26		
Tons of revenue freight carried one mile per mile of road		2,558,173	2,286,007	272,166	
Tons of all freight carried one mile per mile of road		2,669,246	2,387,356	281,890	
Average distance haul of one ton, revenue freight—miles		171	167	4	
Average distance haul of one ton, all freight—miles		163	158	5	
Total freight revenue		\$33,898,246.72	\$29,810,575.55	\$4,087,671.17	
Average amount received for each ton of freight		\$1.24	\$1.19	\$0.05	
Average amount received per ton per mile		mills 7.26	mills 7.14	mills 0.12	
Freight revenue per mile of road		\$18,571.74	\$16,332.24	\$2,239.50	
Freight revenue per train mile		\$4.75	\$4.15	\$0.60	
Average number of tons revenue freight per loaded car-mile		20.39	18.27	2.12	
Average number of tons all freight per loaded car-mile		21.28	19.08	2.20	
Average number of tons revenue freight per train-mile		655	580	75	
Average number of tons all freight per train-mile		683	606	77	
Average number of freight cars per train-mile		43	45		2
Average number of loaded cars per train-mile		32	32		
Average number of empty cars per train-mile		10	12		2
PASSENGER					
Number of interline passengers		1,622,353	1,512,060	110,293	
Number of local passengers		4,641,274	4,482,344	158,930	
Number of commutation passengers		428,495	353,937	74,558	
Total passengers carried earning revenue		6,692,122	6,348,341	343,781	
Number of revenue passengers carried one mile		575,100,489	508,992,914	66,107,575	
Miles of road operated in passenger service		1,760.11	1,760.11		
Number of revenue passengers carried one mile per mile of road		326,741	289,182	37,559	
Average distance each revenue passenger carried—miles		85.94	80.18	5.76	
Total passenger revenue		\$12,859,299.19	\$11,146,341.84	\$1,712,957.35	
Average amount received from each passenger		\$1.92	\$1.76	\$0.16	
Average revenue per passenger per mile		cents 2.236	cents 2.190	cents 0.046	
Total passenger service train revenue		\$16,443,487.79	\$14,090,612.56	\$2,352,875.23	
Passenger service train revenue per mile of road		\$9,342.31	\$8,005.53	\$1,336.78	
Passenger service train revenue per train-mile		\$2.15	\$1.89	\$0.26	
Average number of revenue passengers per car-mile		16	15	1	
Average number of revenue passengers per train-mile		85	75*	10	
Average number of passenger cars per passenger train-mile		8	8		
TOTAL TRAFFIC					
Operating revenues		\$52,879,434 29	\$46,418,790 11	\$6,460,644 18	
Operating expenses		38,289,136 32	30,646,260 72	7,642,875 60	
Net operating revenue		\$14,590,297 97	\$15,772,529 39		\$1,182,231 42
Operating revenues per mile of road		\$28,402 77	\$24,932 61	\$3,470 16	
Operating expenses per mile of road		20,565 98	16,460 82	4,105 16	
Net operating revenue per mile of road		\$7,836 79	\$8,471 79		\$635 00
Operating revenues per train-mile		\$3 71	\$3 28	\$0 43	
Operating expenses per train-mile		2 69	2 17	0 52	
Net operating revenue per train-mile		\$1 02	\$1 11		\$0 09

* Revised for comparison

*The Michigan Central Railroad Company**EQUIPMENT STATISTICS*

	1917	1916
Average mileage per engine (steam)	32,230	32,958
Average mileage per engine (electric)	25,670	21,422
Cost of repairs per engine mile (steam)	cents 11.20	cents 7.61
Cost of repairs per engine mile (electric)	cents 6.42	cents 3.74
Total capacity of freight-train cars, tons	1,271,700	1,125,915
Average capacity of freight-train cars, tons	40.27	39.72
Seating capacity of passenger cars	21,664	22,283
Average seating capacity of passenger cars	68	67
Average cost of repairs per passenger-train car mile	cents 1.343	cents 1.164
Total mileage of M C passenger cars on its own and on foreign lines	30,383,665	30,675,938
Average mileage per passenger-train car—M C equipment on its own and foreign lines	58,095	57,662

MISCELLANEOUS STATISTICS

CONSUMPTION OF FUEL BY LOCOMOTIVES

Total fuel, tons (all bituminous coal)	1,845,792	1,643,132
Average pounds consumed per mile run by locomotives in freight service	193	176
Average pounds consumed per mile run by locomotives in passenger service	135	108
Average cost of fuel per ton	\$3.23	\$2.16
Average cost of fuel per locomotive mile	cents 24.88	cents 14.77

NEW STEEL RAIL LAID DURING THE YEAR

Total tons 105-pound rail	15,942	8,825
Total tons 100-pound rail	3,948	8,303
Total tons 80-pound rail	10	30
Average price per ton	\$32.33	\$30.16

NEW TIES LAID DURING THE YEAR

Oak	357,424	721,972
Chestnut	5,150	22,883
Cedar	42,503	59,760
Miscellaneous, treated	475,604	515,823
Total	880,681	1,320,438
Average price at distributing points	cents 87	cents 80

*Annual Report***JACKSON LANSING & SAGINAW RAILROAD LAND GRANT FUND***of***THE MICHIGAN CENTRAL RAILROAD COMPANY**

DETROIT, MICH., JANUARY 8, 1918

MR. A. 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 ended December 31, 1917

LAND AND SALES ACCOUNT

	Acres		Amount
Unsold January 1, 1917, according to patents	15,172.45	Lands sold during the year	\$5,785 00
Sold during the year	1,432.54	Total amount due on contracts at close of year	3,697 50
Unsold at the close of the year	<u>13,739.91</u>		

The sales for the last five years were as follows:

	1913	1914	1915	1916	1917
Acres sold	1,806.85	3,543.69	1,421.90	455.00	1,432.54
Average per acre	\$2 59	\$2 33	\$3 17	\$2 85	\$4 04
Land sales	<u>\$4,683 01</u>	<u>\$8,260 26</u>	<u>\$4,508 71</u>	<u>\$1,295 00</u>	<u>\$5,785 00</u>

RECEIPTS

Cash on hand January 1, 1917	\$532 96
From payments on land contracts and sales	5,026 85
From interest	162 73
Total	<u>\$5,722 54</u>

DISBURSEMENTS

For taxes	\$1,467 00
For salaries	1,539 99
For stationery	3 00
Balance cash on hand December 31, 1917	2,712 55
Total	<u>\$5,722 54</u>

WILLIAM HUTCHINSON

Commissioner.

LAND GRANT FUND

Messrs. Ledyard, Russel and Blair, Trustees

Balance on hand at end of 1916, as shown by report for that year	\$229 81
Amount received from land commissioner during 1917	Nil
Cash on hand December 31, 1917	<u>\$229 81</u>

