

FOURTH

Annual Report

of the

Board of Public Trustees

of the

Metropolitan Transit Authority



Year Ended December 31, 1950



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Metropolitan Transit
Authority



Year Ended December 31, 1950

BOARD OF TRUSTEES

*(appointed by the Governor of the Commonwealth of Massachusetts
pursuant to Chapter 544 of the Acts of 1947)*

WALTER J. WALDRON, *Chairman*

ARTHUR V. GRIMES

EDWARD A. PECCE

LAURENCE P. HARRINGTON

AUGUSTINE AIROLA

GENERAL OFFICERS

(appointed by the Public Trustees)

EDWARD DANA *General Manager*

JOHN H. MORAN *Treasurer*

WILLIS B. DOWNEY *General Counsel*

CHARLES A. McCARRON *General Attorney*

THOMAS A. DUNBAR *Comptroller*

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FOURTH ANNUAL REPORT

OF THE

BOARD OF PUBLIC TRUSTEES OF THE METROPOLITAN TRANSIT AUTHORITY

THIS REPORT of the Board of Public Trustees of the Metropolitan Transit Authority, filed in accordance with the requirements of Chapter 544 of the Acts of 1947, is the fourth annual report of the Board and covers the calendar year 1950.

Since its last report, the membership of the Board has changed in two respects: Edward Dana, General Manager, and Thomas A. Dunbar, Comptroller, both appointed as Interim Trustees, resigned. Mr. Laurence P. Harrington, of Arlington, succeeded Mr. Dunbar and was qualified on July 5, 1950, and Mr. Augustine Airola, of Revere, succeeded Mr. Dana and was qualified on December 27, 1950.

The members of the Board who served while Mr. Dana and Mr. Dunbar were Trustees take pleasure in noting here the valuable contributions made by them as Interim Trustees while carrying on at the same time their responsibilities as officers of the Authority.

The report which follows includes several broad topics some of which, for purposes of convenient reference, are further divided into several sub-topics.

In broad outline, the topics treated are:—

A brief narrative summary of the results of financial operations for the year 1950.

A report of progress on the state of execution of the several current legislative mandates and administrative policies designed to improve the service.

An analysis of future prospects in the light of past experience.

Present law governing the Authority.

Recommendations for legislation deemed to be desirable in the public interest.

Also included in the report is an appendix containing such financial statements and other financial and statistical data as will in brief form set forth a complete picture of the operations of the Authority for the year 1950.

Summary of 1950 Operations

THE results of operations for 1950 can be conveniently summarized under four headings.

1. The general picture.
2. Operating expenses.
3. Fixed charges.
4. Improvements in operating factors.

The General Picture

The calendar year 1950 was by far the most successful year in the operations of the road since the establishment of the Authority in 1947. Revenues increased and the cost of service was lowered. The assessable deficit was reduced to a very small fraction of those which were sustained for the calendar years 1948 and 1949.

Revenue from transportation, the main source of the Authority's income, amounted to \$41,316,003.47 for the year 1950 as compared to \$36,318,428.17 for the year 1949, an increase of \$4,997,575.30 or 13.76 per cent., due to the fare changes of August 6, 1949, and of January 28, 1950. The other income of the Authority (derived principally from concessions) increased by \$171,245.43 from \$1,080,661.08 in 1949 to \$1,251,906.51 in 1950.

The Authority's total cost of service, which by law includes fixed charges, in 1950 was \$43,242,531.98 as compared to \$45,453,675.00 in 1949, a reduction of \$2,211,143.02.

For the calendar year 1950, the Authority

had an **operating** profit of \$4,282,204.35 before fixed charges which amounted to \$4,956,826.35, leaving a deficit of \$674,622.00.

Moreover, after net profit and loss items, the assessable deficit for the calendar year 1950 was only \$539,820.43 as compared to an assessable deficit of \$8,250,886.82 in 1949, and \$8,900,854.77 in 1948.

The decrease in the deficit in 1950 as compared to the prior two years was brought about by the following three factors:—

- (a) By the enactment of legislation recommended by Governor Dever early in 1949 and by the passage of Chapter 572 of the Acts of that year which reduced the fixed charges and the depreciation charge.
- (b) The continuation of basic operating economies started in 1949.
- (c) Increased passenger revenues from fare revisions.

Operating Expenses

Total operating expenses in 1950 were \$38,285,705.63 as compared to \$38,485,560.05 in 1949, a reduction of \$199,854.42, despite the fact that the Authority was obliged to pay substantial increases in wages as a result of the arbitration award made in 1949.

The following table compares operating expenses in 1950 with those of the previous year.

	1950	1949	Decrease
Wages	\$27,908,269.41	\$26,853,565.08	\$1,054,704.33*
Materials and Other Items	4,185,872.72	4,500,472.01	314,599.29
Injuries and Damages	1,489,118.18	1,430,568.16	58,550.02*
Depreciation	1,200,000.00	2,095,019.77	895,019.77
Fuel	2,119,081.68	2,275,775.39	156,693.71
M.T.A. Retirement Fund	1,383,363.64	1,330,159.64	53,204.00*
Total	\$38,285,705.63	\$38,485,560.05	\$ 199,854.42
			Increase*

Of particular interest in the above table is the fact that notwithstanding wage rate increases resulting from arbitrations or from collective bargaining agreements amounting to \$1,621,000.00 for the year 1950, the actual payroll increases for the same year amounted to \$1,054,704.33. The resulting saving of more than a half million dollars was accomplished by a policy, wherever possible, of not filling vacancies caused by deaths, or retirements from the service. The average number of employees on the weekly payroll during 1950 was 8,218 as compared to 8,452 in 1949, a reduction of 234, or 2.77 per cent.

Another outstandingly significant item in the above table relates to the charge for depreciation, which showed a reduction of \$895,019.77 in 1950, as compared to 1949.

This reduction was the result of the amendment to Section 11 of Chapter 544 of the Acts of 1947 made by Section 4 of Chapter 572 of the Acts of 1949, wherein it was provided that the cost of the service, subsequent to August 2, 1949, should not include "any allowances for depreciation of passenger-carrying rolling stock of the Authority or for obsolescence and losses in respect to such rolling stock."

However, this benefit was lessened in 1950 by the requirement of paying interest and amortization (\$324,659.79) on bonds issued to purchase passenger-carrying vehicles and will be further lessened as more equipment is purchased.

Fixed Charges

Reference has already been made in this report to the fixed charges and miscellaneous items of the Authority, which in 1950 amounted to \$4,956,826.35. These fixed charges offset the surplus of revenues over operating expenses (\$4,282,204.35) and brought about the assessable deficit for 1950. They are divided as follows:

Interest on funded debt	\$3,041,603.51
Payments to Boston Metropolitan District on account of funded debt	1,272,000.00
Cambridge subway rental	394,626.66
Taxes	200,828.35
Rent for leased roads	41,611.62
Miscellaneous items	6,156.21
Total	\$4,956,826.35

It will be observed that 87 per cent. of the above summarized fixed charges was made up of the payment of principal and interest obligations. Under existing law

authorizing the undertaking of four additional major subway and rapid transit projects a sharp increase in such fixed charges will inevitably result—unless certain recommended changes in the law are adopted, a matter which will be discussed at length later in this report.

Improvements in Operating Factors

While savings were made in the cost of service, the Trustees wish to point out that in 1950 there also was a notable reduction in the number of serious accidents, surface line delays and of complaints registered against employees.

The following table compares various significant operating factors, summarized in statistical form, for 1950 and for the preceding five years, 1945 to 1949 inclusive.

	1950	Average, 5 years 1945-1949
Collisions between M.T.A. vehicles and other vehicles, per million miles	127.32	137.46
Collisions between trolley cars, per million miles	1.53	3.06
Derailments, per million miles	1.25	2.44
Surface lines delays, 20 minutes or longer	96	282
Complaints against employees, per million passengers.....	1.27	1.54

Progress of Projects and Policies to Improve Service

AS noted above, authorization has been granted to the Authority to undertake four new major subway and rapid transit projects. Expansion of free parking facilities for M.T.A. patrons has also been authorized. In addition, the Trustees have adopted certain policies to better serve the travelling public.

Rapid Transit Construction

With regard to the status of the subway construction projects authorized by Chapter 649 of the Acts of 1949, at a cost of \$66,500,000, much of the engineering work

has been done. Complete preliminary designs and plans have been finished for the addition to the Tremont street subway, from Park street to Scollay square, authorized under Section 2, and at the present time detailed construction plans are being prepared. The preliminary plans and estimates of cost indicated that this project could be constructed for the amount authorized in the Act, namely, \$11,500,000. Expectations are that the detailed construction plans and specifications required for actual construction will be completed this summer.

The Legislature authorized, under Section 3, 3a and 3b, the construction of the subway from Haymarket square to Sullivan square, at a cost not to exceed 24 million dollars and a subway from Boylston street to Forest Hills at a cost not to exceed 31 million dollars.

Preliminary designs, plans and estimates of the cost of the Haymarket square to Sullivan square subway have been completed and the engineers estimate the cost of this work at \$28,133,700.00.

Similarly, plans and estimates of the cost of the construction of the subway from Boylston street to Forest Hills are now being prepared. This preliminary work should be completed within a few months and reliable information will then be available regarding the cost of this project.

It is to be observed that the Authority's right to proceed with these projects is conditional upon the certification by the Massachusetts Department of Public Utilities as to the adequacy of the funds authorized by the Legislature.

The East Boston tunnel extension is progressing, although the work has been delayed on account of difficulty in obtaining materials and because of delays encountered in obtaining properties for the right of way. Land takings were made and 26 houses were moved to new locations, a work which was done by the Authority after the functions of the former Transit Department of the City of Boston had been transferred to the Authority. A large part of all track work, overhead line construction and signal construction has been completed. The Airport station is com-

pleted, and considerable progress has been made in the construction of the Day square and Orient Heights stations. Construction has been started on all other parts of the work and it is hoped that no unreasonable delay may be encountered in obtaining critical materials required for the completion of all facilities. The additional cars required for the operation of this extension have been ordered and their delivery is expected prior to the completion of construction.

Increase in Parking Facilities

Proceeding under the mandatory provisions of Chapter 798 of the Acts of 1949, the Authority has provided additional free parking spaces for M.T.A. riders and following is a summary of progress in that direction:—

Day Square Station—An area for 450 automobiles is planned in connection with the completion of the East Boston tunnel extension to be opened next fall.

Orient Heights Station—In connection with the above extension, an area for 350 automobiles is likewise planned.

Asticou Road, near Forest Hills Station—By right of eminent domain, the M.T.A. has taken 54,602 square feet of land to park 131 automobiles. This area will be opened to the public next spring.

Butler Street Station—The M.T.A. has taken by right of eminent domain 16,115 square feet of land which accommodates 60 automobiles and this area is in successful operation.

Purchase of land at this location for the parking of 177 additional automobiles has been authorized.

Cambridge Street, near Lechmere Station—By demolishing a building, this area has been enlarged by 4,750 square feet, thus providing parking spaces for 33 additional automobiles, making the total capacity of this area 358 automobiles.

Broadway, Everett, near Everett Station—Land of an area of 33,000 square feet, owned by the Authority at this location, will soon be used exclusively for the free parking of 100 automobiles.

Massachusetts Avenue, Arlington—The Authority is now making plans for the development as a parking area of land which it owns on the northerly side of Massachusetts avenue, Arlington, adjacent to the carhouse property. At present, there is some parking on an unused piece of this land. By means of fencing and grading, the Authority is considering the establishment of this entire area, consisting of 52,000 square feet, as a parking lot, which would accommodate 150 automobiles.

In addition to the convenience to the travelling public and the alleviation of downtown traffic problems, these parking facilities will tend to encourage the daily patronage of the M.T.A. facilities.

Passenger-Carrying Vehicles

To furnish adequate transportation service many passenger-carrying vehicles are required and their cost is substantial.

The table below shows the number, book value, age span and average age of the equipment now owned by the Authority.

The Authority now has on order 50 new style cars, 40 East Boston tunnel cars, 90 trackless trolleys and 35 motor buses. There have recently been delivered 65 motor buses. The cost of the equipment on order and of the motor buses recently delivered is approximately \$7,230,000.00.

As of December 31, 1950, the Authority had outstanding \$3,011,000 in bonds issued for the purpose of acquiring passenger-carrying equipment and commitments for vehicles on order sufficient to exhaust the authorized limit of \$10,000,000 which can be used under existing law.

To furnish additional and replacement equipment necessary to serve adequately the passengers of the Authority, the Trustees have filed with the Legislature a petition for an Act authorizing an increase from \$10,000,000 to \$15,000,000 of the principal amount of bonds which the Authority may have outstanding on account of acquiring passenger-carrying vehicles.

No.	Type	Book Value	Age Span	Average Age
476	Rapid Transit Cars	\$ 8,788,600	23-40 years	29 years
271	Surface Cars—new style	6,247,000	4-13 years	5 years
598	Surface Cars—other	6,945,000	22-40 years	28 years
608	Buses	7,190,000	0-14 years	6 years
340	Trackless Trolleys	4,776,600	0-14 years	6 years
2,293	Total (as of December 31, 1950)	\$33,947,200		

Change in Method of Fare Collection

The fare revision effective January 28, 1950, rendered inoperative the automatic fare collection equipment at rapid transit stations because this equipment can take only one coin to release the passimeter arm. Efforts to develop or obtain equipment that would accept three five-cent pieces or a ten-cent piece and a five-cent piece and release the passimeter arm have been unsuccessful. In order to utilize again the extensive fare collection equipment for-

merly used at rapid transit stations, the Authority is making plans to use tokens, a method of fare collection now in effect in many other large cities. Changing the fare box equipment at rapid transit stations and in surface vehicles to take the token will require some months. The token method of fare collection will not go into effect until after the summer months.

The token method of fare collection on the M.T.A. will be economical and efficient and will result in operating economies of approximately \$200,000 yearly.

Prospects for the Future

WHILE the results of operations in 1950 were very gratifying and noteworthy progress was made during that year in building up an expanded and improved system to serve the public necessity and convenience, the experience of 1950 and other recent years establishes that the Authority is confronted during the foreseeable future with a financial problem of the first magnitude. This problem is by no means peculiar to the M.T.A. It derives from progressive trends which apply with at least equal force and effect to every comparable transit system serving an area like that of metropolitan Boston.

Rising Costs of Operation

The costs of operation cannot escape the impact of this inflationary period and therefore of necessity must rise. And, to these increased costs must be added the increased labor costs amounting to at least

\$2,500,000 resulting from the recent wage award made by the Board of Arbitration. A further additional labor cost will probably result from the operation of the escalator clause which ties the wage scale to the index of cost of living, also provided for in the said award.

Rising Fixed Charges

Last year, as noted above, the fixed charges included in the cost of service totalled \$4,956,826.35. Under existing law the Authority will be burdened on an annual basis with the following additional charges:—

Interest and amortization charge on bonds for new rolling stock.....	\$ 417,000.
Social Security tax resulting from Federal legislation	440,000.
East Boston tunnel extension, operation	131,000.
East Boston tunnel extension, fixed charges	372,000.
Total	<u>\$1,360,000.</u>

In the future, the Authority will be called upon to pay still higher fixed charges for interest on bonds for subways already authorized by the Legislature at a cost of \$66,500,000.00—amounting to \$1,240,000.00.

Other presently unknown expenses will arise because of increased costs of supplies and materials due to the inflationary trends and unknown national defense costs.

Decline in Passenger Riding

A comparison of the operations of the Authority for the year 1948 and the year 1950 shows that passenger riding has decreased 19 per cent. in those two years. Computations show that nine per cent. of this is accounted for by the impact of two fare increases, one in August 1949 and the other in January 1950. The remaining 10 per cent. is accounted for by the effect of the automobile and other economic conditions affecting the transit industry.

In those two years passenger riding decreased from 381 million passengers in 1948 to 307 million in 1950. (In the peak year of 1946 there were 433,094,952 revenue passengers.) Moreover, this is a continuing trend. A comparison of the first quarter of 1951 with the same period in 1950

shows that passenger riding is decreasing at the approximate rate of eight per cent. If this sharp decline in riding is maintained throughout 1951 it will result in a total annual loss of 25 million passengers. At present fare rates this would reduce the annual revenue by about \$3,300,000.00.

The situation of the Metropolitan Transit Authority is by no means unique. The transit system operating in New York City is owned by the City of New York and its accounting procedures are basically the same as those prescribed for the M.T.A. Thus, a very close comparison is possible. Since its fiscal year runs from July 1 to June 30 of the following calendar year, we have the benefit of a very recent report—that for fiscal 1950. It reveals that although the operating revenue of the New York transit system is five times that of the M.T.A. it failed to meet operating expenses by \$1,206,043.00 against the Authority's operating profit of \$4,282,204.00.

Since its fixed charges on transit debt totalled \$63,182,730.00 (against the Authority's \$4,956,826.00) the New York City transit system passed on to be absorbed out of the city's tax revenues a deficit of \$64,388,773.00 (against the M.T.A. assessable deficit of \$539,820.00).

Present Law Governing the Authority

SECTION 11 of Chapter 544, Acts of 1947, provides in part as follows: "the trustees . . . shall from time to time fix such rates of fare and charges for service furnished or operated as in their judgment are best adapted to insure sufficient income

to meet the cost of the service."

In the face of mounting costs and decreased riding, the Trustees are mindful of the legislative mandate imposed by above quoted statute. This statute charges the Trustees with a twofold obligation: to

determine the services to be furnished or operated and to fix the rates of fare and charges for that service.

The Trustees believe that the continuance of adequate transportation facilities is imperative to the well-being of the communities comprising the Metropolitan District and should not be curtailed unless compelling circumstances require it.

The Trustees also believe that it is essential to the fulfillment of the purposes of mass transportation to keep the fare structure at a level that will maintain the volume of daily use of the Authority's facilities, and that any revision of fare structure must be carefully considered with respect to its adverse impact on the usefulness of the system.

The probable loss of riding resulting from fare revision should be exhaustively studied. The law of diminishing returns has demonstrated that it is not always true that the higher the fare the greater the revenue. It is the judgment of the Trustees that the law of diminishing returns has begun to operate in the matter of rates of fare which can be charged for services furnished by the Authority. Their experience during the past year has shown that great caution should be exercised in the matter of fare revisions lest they defeat the primary purpose for which the Metropolitan Transit Authority was established.

In view of the foregoing it is the judgment of the Trustees that it is inadvisable to increase fares.

Necessity for Changes in the Law Governing the Authority

THE proper approach to the solution of this financial problem rests with the enactment of legislation which will relieve the Authority from the present burdens of paying fixed charges as part of the cost of service. Legislation should be enacted which would exclude these charges from the cost of service.

From their experience of the operations during 1950, which show constantly increasing costs, the Trustees know that the total cost of service, which includes the fixed

charges, is far too great to be supported by revenues derived from the present fare structure. Their experience also has shown that no reasonable fare structure will insure sufficient income to pay all the fixed charges and all the costs of operations and still fully satisfy the requirements of adequate mass transportation. The trustees believe, and therefore recommend, that legislation be enacted which will eliminate the payment of fixed charges from the cost of service.

They make this recommendation on the basis of two facts:

(a) From the time of the first public control Act in 1918, to the most recent enactments, the purpose of the General Court has been to assure the public of the continued existence of a system which will furnish efficient and adequate transportation.

(b) The Legislature consistently has recognized that the entire community, as well as the riding public, is benefited by an efficient and adequate transportation system and, from time to time, has made provision for the payment of part of the cost of operation from sources other than passenger fares.

Respectfully submitted,

BOARD OF PUBLIC TRUSTEES
METROPOLITAN TRANSIT AUTHORITY

Walter J. Waldron, Chairman

Robert V. Jones

Edward A. Lecce

Laurence P. Harrington

Augustine A. Viola

April 27, 1951

FINANCIAL STATEMENTS

BALANCE SHEET**ASSETS****Fixed Assets (Note A):**

Road and equipment	\$113,356,435.25
Miscellaneous physical property	171,568.14
Improvements to leased roads	237,825.93
	<u>113,765,829.32</u>

Less—Reserve for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned (Note B)	47,948,432.87
	<u>65,817,396.45</u>

Subways, tunnels and other facilities

Acquired from the City of Boston as of August 3, 1949 in accordance with Chapter 544 of the Acts of 1947 as amended by Chapter 572 of the Acts of 1949	40,225,550.43
Constructed by Metropolitan Transit Authority since August 2, 1949	6,722,436.28
	<u>46,947,986.71</u>

Less—Amortization through debt retirement reimbursed to the Authority (Paragraph (L) of Section 8A of Chapter 544, Acts of 1947 as amended) (Note C)	638,259.27
	<u>46,309,727.44</u>
Total fixed assets, less reserve and amortization	<u>112,127,123.89</u>

Current Assets:

Cash in banks and on hand	5,618,340.90
United States treasury certificates	2,000,000.00
Special deposits	207,039.83
Commonwealth of Massachusetts—Amounts receivable under Chapter 544, Acts of 1947 as amended, for assessable deficit—per accompanying statement of income and the cost of the service	539,820.43
Miscellaneous accounts and rents receivable	511,829.41
Material and supplies, at cost less reserve	3,774,499.81
Other current assets	85,590.00
Total current assets	<u>12,737,120.38</u>

Other Assets:

Special deposits available only for:

Extension of rapid transit facilities as provided for by Chapter 692 of the Acts of 1945 as amended, alterations to subways and tunnels as provided for by Chapter 520 of the Acts of 1948 and to the extent of \$144,383.78 for establishing off-street parking facilities, all as provided for under Section 8A of Chapter 544 of the Acts of 1947 as amended	1,846,230.72
Purposes as specified in paragraph (a) of said Section 8A	72,749.05
Addition to Tremont Subway as provided under Section 6 of Chapter 649 of Acts of 1949 as amended	824,089.64
Claim for refund of prior years' federal income tax (Note D)	591,972.56
Mortgage notes receivable	21,250.00
Total other assets	<u>3,356,291.97</u>

Deferred Charges and Unadjusted Debits:

Prepaid expenses	101,900.00
Unadjusted debits	77,049.81
Total deferred charges and unadjusted debits	<u>178,949.81</u>
TOTAL ASSETS	<u>\$128,399,486.05</u>

(See accompanying n

CEMBER 31, 1950

LIABILITIES

Funded Debt (all held by Boston Metropolitan District)—per accompanying statement (Note E):

Bond of Metropolitan Transit Authority, dated August 3, 1949, under authority of Section 7A of Chapter 544 of the Acts of 1947, as amended (less \$1,000,000. included in current liabilities below)	\$68,918,371.89
Rapid transit bond of Metropolitan Transit Authority, dated August 3, 1949, under authority of Section 8A of Chapter 544 of the Acts of 1947, as amended (less \$536,259.27 included in current liabilities below)	39,146,926.89
Bond of Metropolitan Transit Authority, dated November 25, 1949 under authority of Section 8A of Chapter 544 of the Acts of 1947, as amended (less \$102,000. included in current liabilities below)....	7,446,000.00
Serial bonds of Metropolitan Transit Authority issued for purchase of equipment (less \$272,000. included in current liabilities below)..	2,739,000.00
	<hr/>
	118,250,298.78

Current Liabilities:

Funded debt installments payable within one year	1,910,259.27
Metropolitan Transit Authority one year bond dated April 15, 1950 (held by B.M.D.)	1,000,000.00
Accounts and wages payable	2,755,520.91
Accrued interest and rents payable	514,837.57
Provision for additional prior years' federal income taxes (Note D)	1,812,377.44
Provision for injury and damage claims	1,778,185.01
Unredeemed tickets	86,760.04
Employee withholdings and other liabilities	205,481.88
	<hr/>
Total current liabilities	10,063,422.12

Deferred and Unadjusted Credits:

Unamortized premium on funded debt	5,717.37
Unadjusted credits	80,047.78
	<hr/>
Total deferred and unadjusted credits	85,765.15

Commitments:
(Note F)

TOTAL LIABILITIES \$128,399,486.05

Edgar Hunt

METROPOLITAN TRANSIT AUTHORITY

STATEMENT OF FUNDED DEBT — DECEMBER 31, 1950

(All held by the Boston Metropolitan District)

Note	Issue Date	Term	Maturity Date	Rate	Principal Amount
A	Apr. 15, 1948	10 Years	Apr. 15, 1958	1½%	\$750,000.00
B	Dec. 1, 1948	15 Years	Dec. 1, 1963	1¾%	1,885,000.00
C	Aug. 3, 1949	Fixed	Dec. 1, 2020 (see note)		69,918,371.89
D	Aug. 3, 1949	Fixed	Nov. 20, 2024 (see note)		39,683,186.16
E	Nov. 25, 1949	30 Years	Nov. 25, 1979	2%	7,548,000.00
F	Dec. 1, 1949	15 Years	Dec. 1, 1964	1½%	376,000.00
G	Apr. 15, 1950	1 Year	Apr. 15, 1951	¾%	1,000,000.00
TOTAL FUNDED DEBT					\$121,160,558.05
Less—Payments due in 1951 in current liabilities					2,910,259.27 \$118,250,298.78

NOTES

- A Equipment serial bonds. Original issue \$1,000,000, payable \$50,000, semi-annually on April 15 and October 15. (Issued under Sec. 22, Chap. 544, Acts of 1947 as amended.)
- B Equipment serial bonds. Original issue \$2,175,000, payable semi-annually \$72,000, on June 1 and \$73,000, on December 1. (Issued under Sec. 22, Chap. 544, Acts of 1947 as amended.)
- C Original issue \$71,418,371.89 payable \$500,000, each June 1 and December 1 and final installment of \$418,371.89 on December 1, 2020. (Issued under Sec. 7A, Chap. 544, Acts of 1947 as amended.)
 The interest payable on this bond is the interest payable by the Boston Metropolitan District on their contra debt and refunding issues.
- D Rapid Transit bond. Original issue \$40,219,445.43 payable in 75 installments of \$536,259.27 on each November 20. This amount is paid by the State to the Authority each November 20 and a like amount is paid by the Authority to the Boston Metropolitan District on the same date in reduction of principal. (Issued under Sec. 8A(c), Chap. 544, Acts of 1947 as amended.)
 The equivalent of interest on this bond is provided for by the Metropolitan Transit Authority Rapid Transit note, dated August 3, 1949, wherein the Authority promises to pay to the City of Boston on behalf of the District, and in its place and stead, the actual interest on City of Boston Transit debt, less income collected on the City's transit debt sinking funds.
- E Original issue \$7,650,000, payable \$102,000, annually on November 21 to and including November 21, 1979 and one payment of \$4,590,000, on November 25, 1979. The \$102,000, annual amount is paid by the State to the Authority each November 20 and a like amount is paid by the Authority to the Boston Metropolitan District on each November 21 in reduction of principal. (Issued under Sec. 8A(j), Chap. 544, Acts of 1947 as amended.)
 The interest payable on this bond is equal to the interest payable on Boston Metropolitan District bonds issued to purchase this bond.
- F Equipment serial bonds. Original issue \$403,000., payable semi-annually \$13,000, on June 1 and \$14,000, on December 1. (Issued under Sec. 22, Chap. 544, Acts of 1947 as amended.)
- G Original issue \$1,000,000. (Issued under Sec. 6, Chap. 649, Acts of 1949 as amended.) \$13,333.33 is payable to the Boston Metropolitan District in reduction of principal April 15, 1951 and a like amount will be paid by the State to the Authority on November 20, 1951, the balance to be refunded April 15, 1951.
- A—B—F Equipment serial bonds
- C Authority vs. District refinancing August 3, 1949
- D Subway purchase August 3, 1949 (City of Boston)
- E East Boston Rapid Transit, Subway Alterations and Off-street parking facilities
- G Tremont Subway addition (Park St. to Scollay Square)

METROPOLITAN TRANSIT AUTHORITY

STATEMENT OF INCOME
AND THE COST OF THE SERVICE
Year Ended December 31, 1950

Income:

Revenue from transportation	\$41,316,003.47	
Revenue from other operations	1,186,787.24	
	42,502,790.71	
Non-operating income	65,119.27	
	65,119.27	
Total income		\$42,567,909.98

Operating Expenses:

Way and structures	4,708,865.46	
Equipment	4,515,603.59	
Power	3,526,554.55	
Conducting transportation	19,442,158.50	
Traffic	21,708.42	
General	6,070,815.11	
	38,285,705.63	
Total operating expenses (including allowance of \$1,200,000.00 for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned—Note B)		38,285,705.63
Gain before other deductions and other credits		4,282,204.35

Other Deductions:

Taxes assignable to transportation operations	200,828.35	
Interest on funded debt (Note E)	3,041,603.51	
Payment on funded debt—B.M.D. (Note E)	1,272,000.00	
Subway and rapid transit line rental	394,626.66	
Rent for leased roads	41,611.62	
Other deductions	6,156.21	
	4,956,826.35	
Total other deductions		4,956,826.35
Loss before other credits		674,622.00

Other Credits:

Dividend on compensation insurance	100,000.00	
Adjustment of outstanding ticket liability	27,992.28	
Refund of sub-station supervisory telephone line rentals	6,203.40	
Real estate tax refund	605.89	
	134,801.57	
Loss for the Year (excess of the cost of the service over income)		\$539,820.43

(See accompanying notes to financial statements)

METROPOLITAN TRANSIT AUTHORITY
OPERATING EXPENSES
Year Ended December 31, 1950

Way and Structures:

Superintendence	\$ 583,591.45
Maintenance of roadway and track	1,590,457.60
Removal of snow and ice	257,952.45
Tunnels and subways	73,202.27
Elevated structures and foundations	67,118.48
Bridges, trestles and culverts	10,187.71
Crossings, fences and signs	19,646.83
Signals and interlockers	51,482.77
Communication systems	13,489.80
Miscellaneous way expenses	173,699.71
Maintenance of electric line equipment	383,593.87
Maintenance of buildings, fixtures and grounds	876,750.47
Depreciation of way and structures	588,000.00
Dismantling retired way and structures	19,692.05
Total way and structures	4,708,865.46

Equipment:

Superintendence	197,346.80
Maintenance of revenue equipment	2,608,428.72
Maintenance of service equipment	27,125.71
Electric equipment of cars and trackless trolleys	685,136.93
Shop equipment	76,405.40
Shop expenses	559,212.97
Maintenance of automotive and miscellaneous equipment	121,472.20
Depreciation of equipment	240,000.00
Dismantling retired equipment	474.86
Total equipment	4,515,603.59

Power:

Superintendence	162,351.55
Maintenance of power plants	390,325.57
Depreciation of power plants	372,000.00
Other power plant operating expenses	2,047,343.57
Gasoline and fuel oil for buses	554,533.86
Total power	\$3,526,554.55

METROPOLITAN TRANSIT AUTHORITY
OPERATING EXPENSES
Year Ended December 31, 1950

Continued

Conducting Transportation:

Superintendence	\$ 2,873,311.18
Passenger car, trainmen and bus operators	10,948,109.21
Miscellaneous car and bus service employees	318,783.59
Miscellaneous car and bus service expenses	180,729.44
Station employees	1,811,615.27
Station expenses	438,779.06
Car house and bus garage employees	1,813,124.76
Car house and bus garage expenses	222,416.44
Operation of signal and interlocking apparatus	418,232.61
Operation of communication systems	21,529.00
Other transportation expenses	395,527.94
Total conducting transportation	19,442,158.50

Traffic (promotion and advertising)	21,708.42
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**General (administrative and other
general operating expenses):**

Salaries and expenses of general officers	107,920.23
Salaries and expenses of general office clerks	946,902.82
General office supplies and expenses	147,923.49
Law expenses	76,580.02
Pensions, retirement fund, gratuities, health and accident insurance....	1,606,080.03
Miscellaneous general expenses	152,580.98
Injuries and damages and expenses relating thereto	1,809,548.95
Insurance	405,416.58
Stationery and printing	164,353.51
Store expenses	472,715.99
Service garage expenses and supplies	180,792.51
Total general	6,070,815.11

Total operating expenses	\$38,285,705.63
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METROPOLITAN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note A — Fixed Assets

The fixed assets acquired from Boston Elevated Railway Company on August 29, 1947 are carried on the books of the Authority at original cost to the Company as shown on its books as of that date. Additions subsequent to August 29, 1947, including the subways, tunnels and other facilities purchased from City of Boston August 3, 1949, are carried at cost to the Authority, the cost of subways, tunnels and facilities purchased from the City of Boston being measured by the amount of the bond issued therefor.

Note B — Reserve for Depreciation

In accordance with the provisions of Section 11 of Chapter 544 of the Acts of 1947 as amended by Section 4 of Chapter 572 of the Acts of 1949, no allowance for depreciation of passenger-carrying rolling stock of the Authority or for obsolescence and losses in respect to such rolling stock after August 2, 1949, is reflected in the accompanying financial statements of the Authority.

On the other hand, as provided by that section (Section 11 of Chapter 544), cost of the service, as reflected in the Statement of Income and the Cost of the Service, includes (1), all sums paid to the Boston Metropolitan District for the year ended December 31, 1950 in reduction or payment of the principal amount of bonds issued by the Authority under either Section 7A or Section 22, as well as (2) such allowance for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned as is contemplated by said Section 11.

The aggregate of charges to cost of the service for the year ended December 31, 1950, with respect to the above-mentioned sums paid on principal of bonds and with respect to depreciation, is less than the amount of depreciation that under conventional accounting procedure and under practices of the Authority, prior to August 3, 1949, would have been charged to the cost of the service.

The Reserve for Depreciation of Property, and for Obsolescence and Losses in respect to Property Sold, Destroyed or Abandoned, includes the aggregate of all debt retirement sums paid after August 2, 1949 under the provisions mentioned above, as well as allowance for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned, except with respect to passenger-carrying rolling stock after August 2, 1949. The balance (\$47,948,432.87) of this account at December 31, 1950 is less than recent surveys have indicated may be required to cover normal depreciation and obsolescence that has accrued on the properties.

Note C — Amortization of Tunnels, Subways and Other Facilities

The credits arising from the reimbursement to the Authority by the Commonwealth of Massachusetts for the principal payments made on bonds issued under paragraphs (c) and (j) of Section 8A of Chapter 544 of the Acts of 1947, as amended (discussed in Note E) are considered to provide for amortization of Tunnels, Subways and Other Facilities, and consequently no provision for depreciation thereof is included in the allowance made by the Trustees in the year 1950 for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned. Such credits amounted to \$638,259.27 for the year ended December 31, 1950.

Note D — Federal Income Taxes

The federal income tax liability of Boston Elevated Railway Company for the period from January 1, 1939 to August 29, 1947 (assumed by the Authority under Chapter 544, Acts of 1947) has not been finally determined.

The Bureau of Internal Revenue has proposed adjustments for the calendar years 1939 to 1943, inclusive, which would result in additional taxes and interest, accrued to December 31, 1950, of approximately \$4,040,600.00. The Authority is contesting these proposed additional assessments. The cases were tried before the United States Tax Court in November, 1949, and are now awaiting decision.

The Bureau of Internal Revenue has also proposed an assessment against the Authority, as transferee, with respect to federal income tax liability of Boston Elevated Railway Company for the period January 1, 1947 to August 29, 1947, in the sum of \$3,551,473.00, which is asserted to be the tax upon ordinary income which was assumed by the Authority, as distinguished from the tax upon capital gain which was not so assumed. This proposed additional assessment is being contested by the Authority in proceedings now pending before the United States Tax Court.

While it is impossible accurately to forecast the amount at which the federal income taxes of the Company assumed by the Authority will be finally determined, it is believed that the provision of \$1,812,377.44 shown in the accompanying balance sheet is adequate to cover this liability.

Claims have heretofore been filed for the refund of federal income taxes paid by the Company for the year 1944 in the amount of \$591,972.56 (excluding interest), as a result of the carry-back of losses incurred in 1945 and 1946. The Authority will be entitled to all amounts received upon these claims. The government has proposed to allow this refund only in the amount of \$300,674.38 (excluding interest). Notwithstanding the Bureau's present position, it is believed that the refund will be ultimately allowed in approximately the amount claimed and appearing in the accompanying balance sheet.

Note E — Funded Debt

Section 7 of Chapter 544 of the Acts of 1947, as amended, provided that bonds of the Authority and bonds of the Boston Elevated Railway Company assumed by the Authority should be cancelled at their respective maturity dates or prior thereto, to the extent that bonds of the Boston Metropolitan District issued to provide funds for the purchase thereof had been retired or their retirement provided for, through interest payments made by the Company or by the Authority in excess of the amounts required to pay the interest on the District's bonds. At August 3, 1949, \$26,513,545.11 of such bonds of the District had been retired, or their retirement provided for.

Pursuant to refinancing provisions of Section 7A of Chapter 544 of the Acts of 1947, as amended, bonds of the Authority (other than bonds issued under Section 22 and Section 8A) and bonds of the Boston Elevated Railway Company assumed by the Authority, with an aggregate principal amount of \$97,931,917. were cancelled August 3, 1949 and a new bond for \$71,418,371.89 issued to the Boston Metropolitan District. The principal amount of this new bond was equal to the difference between the principal amount of the bonds cancelled and the \$26,513,545.11 referred to in the preceding paragraph. The new bond is payable in 142 installments of \$500,000. each, on December 1 and June 1. The first installment was paid on December 1, 1949, and the final installment, \$418,371.89, is payable on December 1, 2020 (see notes to Statement of Funded Debt attached). Interest is payable on the new bond in amounts equal to the interest on bonds of the Boston Metropolitan District which may be outstanding from time to time, and the accrued interest on funded debt as shown on the balance sheet reflects the accrued unpaid liability for interest on this bond at December 31, 1950.

Note E — Funded Debt (Continued)

Payments in reduction of the principal of the new bond of the Authority issued under said Section 7A (\$1,000,000.) and in payment of bonds of the Authority issued under Section 22 of said Chapter 544 (\$272,000.) were included in the cost of the service for the year ended December 31, 1950 as provided in Section 11 of said Chapter 544.

On August 3, 1949, the Authority acquired the subways and other transit properties of the City of Boston under the provisions of Section 8A inserted in Chapter 544 of the Acts of 1947 by Chapter 572 of the Acts of 1949. Reference should be made to said Section 8A for the details of the transaction whereby the Authority on August 3, 1949 issued to the Boston Metropolitan District its bond for \$40,219,445.43 and its note (undertaking to make the payments required of the District on its note to the City) in exchange for District bonds payable to the City of Boston of a like principal amount and a note of the District by which the District undertook, among other things, to pay interest on the City's outstanding transit indebtedness to the extent that such interest exceeded the income of the City's sinking funds available to pay the same, which bond and note of the District were delivered by the Authority to the City to effect the transfer to the Authority of title to the City's subway and transit properties.

In accordance with the provisions of paragraph (1) of said Section 8A, the Commonwealth of Massachusetts is required to pay to the Authority on November 20 of each year after 1949 the amounts previously certified by the Trustees of the Authority as payable by the Authority during such year in reduction of the principal amount of its bonds issued under paragraphs (c) and (j) of said Section 8A (for subways, tunnels and other facilities). This paragraph (1) provides that the amount certified to the Treasurer by the Trustees of the Authority shall be assessed on the cities and towns constituting the Authority. On November 20, 1950 the Commonwealth of Massachusetts paid to the Authority the amount of \$638,259.27 which had been certified and paid by the Authority during the year 1950.

In the Statement of Income and the Cost of the Service for the year ended December 31, 1950, the caption "Interest on Funded Debt" includes (1) interest accrued during the year on the Authority's bonds issued under Sections 7A and 22 of Chapter 544; (2) interest actually paid during the year to the District on the Authority's bonds issued under paragraph (j) of Section 8A of Chapter 544, and under Section 6 of Chapter 649 of the Acts of 1949, as amended; and (3) payments actually made during the year to the City of Boston in accordance with the Authority's note to the District issued under paragraph (c) of said Section 8A, except that a portion of the amounts paid under (2) and (3) has been considered as applicable to unfinished construction and charged to the fixed asset accounts. Under the policy of recording the amounts under (2) and (3) on the basis of actual payments made rather than on the basis of amounts accrued, no provision is included in the balance sheet at December 31, 1950 for the portion of such amounts accrued at that date which are not payable until 1951.

Note F — Commitments

At December 31, 1950 the Authority had outstanding firm commitments, totalling approximately \$9,700,000., for other additions and improvements to the road and equipment properties; for the purchase of surface cars, rapid transit cars, buses and trackless trolleys; for the addition to and extension of rapid transit facilities and for alterations to subways, tunnels and rapid transit extensions and facilities.

Of this amount, approximately \$9,000,000. will be paid from special deposits established from bond issues made under Section 8A and Section 22 of Chapter 544 of the Acts of 1947, as amended, and Section 6 of Chapter 649 of the Acts of 1949, as amended.

OTHER FINANCIAL AND STATISTICAL DATA

METROPOLITAN TRANSIT AUTHORITY FROM AUGUST 29, 1947
BOSTON ELEVATED RAILWAY COMPANY PRIOR TO THAT DATE

METROPOLITAN TRANSIT AUTHORITY

ROAD AND EQUIPMENT INVESTMENT

Account		Total Dec. 31, 1950	Total Dec. 31, 1949
Way and Structures			
A/c 501	Engineering	\$ 1,357,987.80	\$ 1,357,987.80
502	Right of way	8,425,732.86	8,427,182.86
503	Other land	5,688,545.37	5,668,189.12
504	Grading	288,756.99	292,836.82
505	Ballast	562,141.76	575,278.81
506	Ties	460,449.21	509,233.07
507	Rails, rail fastenings and joints	623,336.66	805,929.06
508	Special work	3,685,926.36	3,707,011.91
510	Track and roadway labor	3,152,664.52	3,276,813.40
511	Paving	713,473.14	830,762.66
512	Roadway machinery	948,506.79	882,331.84
513	Tunnels and subways	476,210.36	473,261.98
514	Elevated structures and foundations	5,270,625.14	5,274,000.49
515	Bridges, trestles and culverts	1,991,599.02	2,004,899.02
516	Crossings, fences and signs	103,286.41	100,815.30
517	Signals and interlockers	1,217,133.78	1,220,167.53
518	Communications systems	101,619.03	96,370.33
521	Distribution system	7,007,883.98	6,804,365.21
523	Shops, car houses and garages	9,514,183.53	9,446,854.97
524	Stations, misc. buildings and structures ...	5,316,202.10	5,165,394.56
525	Wharves and docks	234,582.80	234,582.80
Total way and structures		57,140,847.61	57,154,269.54
Equipment			
A/c 530	Pass. cars, buses and trackless trolleys	27,366,143.40	26,792,788.00
532	Service equipment	754,402.94	851,377.44
533	Electric equip. of cars and trackless trolleys	7,997,211.03	8,421,208.96
536	Shop equipment	1,168,072.49	1,153,527.58
537	Furniture, fare boxes and passimeters	365,969.83	327,750.49
538	Automotive and miscellaneous equipment ..	1,508,129.39	1,435,920.48
Total equipment		39,159,929.08	38,982,572.95
Power			
A/c 539	Power plant buildings	4,426,347.34	4,426,347.34
542	Power plant equipment	10,498,729.86	10,342,355.82
544	Transmission system	1,666,452.04	1,642,435.97
Total power		16,591,529.24	16,411,139.13
Construction Work in Progress (A/c 551)		464,129.32	575,920.26
Total Road and Equipment Investment		<u>\$113,356,435.25</u>	<u>\$113,123,901.88</u>

Not including Subways, Tunnels and Other Facilities acquired from City of Boston on August 3, 1949 and subsequent additions thereto.

METROPOLITAN TRANSIT AUTHORITY

INVESTMENT IN ROAD OWNED AND LEASED

December 31, 1950

Metropolitan Transit Authority

Road and Equipment	\$113,356,435.25
Miscellaneous Physical Property	171,568.14
West Roxbury Lines (E. Mass. St. Ry. Co.)	237,825.93
Subways, Tunnels and Other Facilities:	
Acquired from the City of Boston	
as of August 3, 1949	40,225,550.43
Constructed by M.T.A. since August 2, 1949	<u>6,722,436.28</u>

Total Metropolitan Transit Authority Investment	\$160,713,816.03
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Leased Line

West Roxbury Lines (Part Leased) E. Mass. St. Ry. Co.	<u>\$665,647.44</u>
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Total Leased Line	665,647.44
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Commonwealth of Massachusetts Investment

Cambridge Subway	<u>\$8,226,759.52</u>
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Total Commonwealth of Massachusetts Investment	<u>8,226,759.52</u>
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TOTAL INVESTMENT IN ROAD OWNED AND LEASED	<u><u>\$169,606,222.99</u></u>
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METROPOLITAN TRANSIT AUTHORITY

Metropolitan Transit Authority From August 29, 1947
 Boston Elevated Railway Company Prior to that Date

FINANCIAL AND STATISTICAL DATA
Years Ended December 31

	Average 1937-1938 1939-1940	1946	1948	1950
Income	\$25,869,339	\$39,082,108	\$38,736,026	\$42,567,910
Operating Costs (Wages, Fuel, Injuries and Damages, Retirement Fund, Depreciation, Materials, Services and Other Items)	18,877,888	32,040,457	38,965,417	38,285,706
Fixed Charges	9,744,620	9,792,958	8,896,364	4,956,826
Loss from Operations	2,753,169	2,751,307	9,125,755	674,622
Profit and Loss Items—(Net)	379,462*	1,864,684*	224,900*	134,802*
Excess of Cost of Service over Income (Calendar Year) ...	2,373,707	886,623	8,900,855	539,820
Operating ratio	72.97%	81.98%	100.59%	89.94%
Revenue Passengers	294,286,553	433,094,952	381,023,889	307,732,315‡
Revenue Miles	45,895,999	55,400,283	54,704,850	50,704,354
Revenue Passengers per Mile	6.41	7.82	6.97	6.07
Average Fare	8.57¢	8.76¢	9.83¢	13.41¢
Fare	5¢—10¢	5¢—10¢	10¢	10¢—15¢

* Denotes credits

‡ January 1-27, 1950 estimated

METROPOLITAN TRANSIT AUTHORITY

METROPOLITAN TRANSIT AUTHORITY FROM AUGUST 29, 1947
 BOSTON ELEVATED RAILWAY COMPANY PRIOR TO THAT DATE

INCOME AND COST OF THE SERVICE

	Year Ended December 31, 1950	January 1, to August 2, 1949	August 3 to December 31, 1949	Year Ended December 31, 1949	Year Ended December 31, 1948
Income					
Revenue from transportation	\$41,316,003.47	\$20,818,183.64	\$15,500,244.53	\$36,318,428.17	\$37,519,172.13
Revenue from other operations	1,186,787.24	628,079.32	442,858.46	1,070,937.78	1,202,472.97
Non-operating income	65,119.27	3,456.86	6,266.44	9,723.30	14,381.37
Total Income	42,567,909.98	21,449,719.82	15,949,369.43	37,399,089.25	38,736,026.47
Expenses and Fixed Charges					
Operating Expenses:					
Wages	27,908,269.41	15,513,097.40	11,340,467.68	26,853,565.08	26,942,286.35
Material and other items	4,185,872.72	2,539,400.07	1,961,071.94	4,500,472.01	4,465,820.04
Injuries and damages	1,489,118.18	936,958.97	493,609.19	1,430,568.16	1,388,204.43
Depreciation	1,200,000.00	1,601,471.38	493,548.39	2,095,019.77	2,570,697.19
Fuel	2,119,081.68	1,392,203.64	883,571.75	2,275,775.39	2,576,581.92
M.T.A. Retirement Fund	1,383,363.64	757,770.67	572,388.97	1,330,159.64	1,021,826.84
Total Operating Expenses	38,285,705.63	22,740,902.13	15,744,657.92	38,485,560.05	38,965,416.77
Taxes	200,828.35	1,544,907.27	60,453.27	1,605,360.54	1,575,636.41
Subway, tunnel and R.T.L. rents	394,626.66	1,459,181.89	162,393.15	1,621,575.04	2,844,484.70
Interest on bonds	3,041,603.51	1,573,074.48	1,415,180.19	2,988,254.67	4,330,675.65
Rent of leased roads	41,611.62	28,946.45	16,356.46	45,302.91	50,159.00
Miscellaneous items	6,156.21	67,763.34	16,858.45	84,621.79	95,408.64
Payment on funded debt—B.M.D.	1,272,000.00	—	623,000.00	623,000.00	—
Total Expenses and Fixed Charges	43,242,531.98	27,414,775.56	18,038,899.44	45,453,675.00	47,861,781.17
Loss from Operations	674,622.00*	5,965,055.74*	2,089,530.01*	8,054,585.75*	9,125,754.70*
Profit and Loss Items—net	134,801.57	931,538.79*	735,237.72	196,301.07*	224,899.93
Deficiency of Income	\$ 539,820.43*	\$ 6,896,594.53*	\$ 1,354,292.29*	\$ 8,250,886.82*	\$ 8,900,854.77*

* Denotes loss.

METROPOLITAN TRANSIT AUTHORITY
COMPARATIVE STATISTICS

Passenger and Traffic Statistics:	Years Ended December 31	
	1950	1949
Total income per revenue passenger	13.83¢	*
Cost of service per revenue passenger	14.05¢	*
Passenger revenue	\$41,316,003.47	\$36,318,428.17
Round trips operated	6,366,091	6,694,026
Average fare per fare passenger	13.41¢	*
Revenue passengers per mile operated	6.07	*
Total Revenue Passengers	307,732,315#	*
Revenue Miles:		
Surface cars	18,347,504	20,079,078
Rapid transit cars	12,603,197	13,484,332
Buses	12,507,138	12,860,859
Trackless trolleys	7,246,515	6,696,641
	<hr/>	<hr/>
Total revenue miles	50,704,354	53,120,910
Revenue Hours:		
Surface cars	1,906,948	2,129,923
Buses	1,412,925	1,473,129
Rapid transit cars	838,103	899,630
Trackless trolleys	789,802	720,799
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Total revenue hours	4,947,778	5,223,481
Power Statistics:		
Barrels of fuel oil burned	675,777	429,992
Net tons of coal burned	13,352	74,861
Average cost per net ton of equivalent fuel burned (oil and coal)	\$9.309	\$9.651
Equiv. pounds of fuel per D.C. kilowatt hour (net)	1.503	1.526
Net cost of power for car service per D.C. kilowatt hour (cents)	1.422	1.471
Net cost of D.C. power per total car mile (cents)	7.670	7.732
Direct current annual output (kilowatt hours) ...	223,580,210	229,079,420

* Under 5¢—10¢—15¢—20¢ fare structure effective from August 6, 1949 to January 27, 1950, revenue passengers are not available.

January 1—27, 1950 estimated.

METROPOLITAN TRANSIT AUTHORITY FROM AUGUST 29, 1947
 BOSTON ELEVATED RAILWAY COMPANY PRIOR TO THAT DATE

BASIC DATA

Years Ended December 31, 1919 to 1950

Year Ended Dec. 31	Revenue Passengers	Revenue Miles	Income	Operating Expenses	Fixed Charges (See Note)	Misc. Deductions	Result of Operations (excluding Profit and Loss items)	Average Income Per Rev. Pass.	Oper. Exp. Per Rev. Pass.	Fixed Charges Per Rev. Pass.	Average Fare Per Fare Pass.†
1919	324,758,685	53,721,249	\$29,498,582.82	\$23,700,339.41	\$7,873,688.38	\$306,659.91	\$2,382,099.88*	9.08¢	7.30¢	2.42¢	8.86¢
1920	335,526,561	51,359,855	34,031,636.44	25,769,122.11	8,342,668.69	267,012.88	347,167.24*	10.14	7.68	2.48	9.87
1921	337,252,080	49,804,625	33,277,025.53	22,843,056.99	9,006,357.65	256,166.02	1,171,444.87	9.87	6.77	2.67	9.56
1922	356,593,942	50,707,740	32,699,176.37	22,088,458.75	9,073,591.28	124,937.26	1,412,189.08	9.17	6.19	2.54	8.93
1923	382,149,697	54,156,064	34,096,813.26	24,130,253.41	9,189,868.68	97,059.61	679,631.56	8.92	6.31	2.40	8.71
1924	382,888,848	56,091,347	34,175,319.61	25,222,133.56	9,355,944.91	233,937.54	636,696.40*	8.93	6.59	2.44	8.73
1925	365,036,286	55,558,126	34,547,379.61	24,405,735.57	9,462,371.51	177,078.68	502,193.85	9.46	6.69	2.59	9.25
1926	371,218,401	57,943,381	35,481,313.38	26,076,268.11	9,713,154.75	174,639.64	482,749.12*	9.56	7.02	2.61	9.26
1927	366,938,908	56,834,029	35,193,410.03	25,132,332.81	9,705,521.39	132,740.34	222,815.49	9.59	6.85	2.64	9.26
1928	362,005,033	57,481,292	34,843,147.51	24,900,188.69	9,719,134.04	183,773.76	40,051.02	9.63	6.88	2.68	9.28
1929	354,214,990	56,684,985	34,096,623.03	24,024,747.23	9,871,709.99	106,093.17	94,072.64	9.63	6.78	2.78	9.28
1930	342,694,905	56,061,843	32,510,721.17	23,527,974.68	10,048,505.49	68,879.81	1,134,638.81*	9.49	6.87	2.93	9.16
1931	324,788,577	53,553,889	29,855,107.30	22,250,748.25	9,428,547.27	80,757.13	1,904,945.35*	9.19	6.85	2.90	8.87
1932	291,753,825	51,195,761	26,428,493.63	19,542,428.16	9,322,878.62	132,632.30	2,569,445.45*	9.06	6.70	3.19	8.79
1933	267,845,429	46,141,119	24,154,373.09	16,829,647.05	9,461,842.77	110,813.53	2,247,930.26*	9.02	6.28	3.53	8.76
1934	277,034,175	45,822,648	24,818,625.48	16,895,090.49	9,310,234.87	77,789.87	1,464,489.75*	8.96	6.10	3.36	8.72
1935	280,402,526	46,033,344	24,926,426.46	17,665,412.59	9,387,071.91	103,193.19	2,229,251.23*	8.89	6.30	3.35	8.67
1936	296,180,666	46,492,077	26,096,155.47	18,410,341.99	9,488,166.08	95,116.41	1,897,469.01*	8.81	6.22	3.20	8.59
1937	296,397,493	46,796,328	25,939,777.15	18,710,803.85	9,670,191.13	84,806.36	2,526,024.19*	8.75	6.31	3.26	8.54
1938	291,175,017	45,799,029	25,383,333.23	18,799,286.39	9,641,109.24	83,623.54	3,140,685.94*	8.72	6.46	3.31	8.49
1939	295,123,077	45,555,636	25,710,948.40	18,716,005.94	9,649,979.64	89,252.96	2,744,290.14*	8.71	6.34	3.27	8.50
1940	294,450,628	45,433,001	26,443,297.95	19,285,456.91	9,678,130.76	81,384.99	2,601,674.71*	8.98	6.55	3.29	8.76
1941	306,815,525	45,703,597	27,593,514.81	19,387,362.15	9,715,546.34	84,363.28	1,593,756.96*	8.99	6.32	3.17	8.80
1942	370,265,241	53,804,462	33,252,621.50	21,661,419.19	9,644,147.67	91,201.64	1,855,853.00	8.98	5.85	2.60	8.80
1943	418,203,633	58,240,174	37,653,731.95	25,200,164.00	10,767,155.54	96,845.33	1,589,567.08	9.00	6.02	2.57	8.80
1944	417,069,378	57,088,181	37,460,190.90	27,068,251.99	10,721,240.05	101,636.32	430,937.46*	8.98	6.49	2.57	8.75
1945	420,096,165	54,606,385	37,603,357.80	28,604,544.07	12,021,588.34	92,610.47	915,385.08*	8.95	6.81	2.54	8.71
1946	433,094,952	55,400,283	39,082,107.70	32,040,456.72	9,677,648.00	115,309.50	2,751,306.52*	9.02	7.40	2.23	8.76
1947	388,573,222	54,969,812	39,325,681.23	34,307,679.92	9,513,852.16	150,038.54	4,645,889.39*	10.12	8.83	2.45	9.82
1948	381,023,889	54,704,850	38,736,026.47	38,965,416.77	8,800,955.76	95,408.64	9,125,754.70*	10.17	10.22	2.31	9.83
1949	A	53,120,910	37,399,089.25	38,485,560.05	6,883,493.16	84,621.79	8,054,585.75*	A	A	A	A
1950	307,732,315#	50,704,354	42,567,909.98	38,285,705.63	4,950,670.14	6,156.21	674,622.00*	13.83	12.44	1.61	13.41

* Denotes excess cost of service over income.

† Excluding Special Car and Special Bus service.
 Fixed Charges includes Subway Rentals, Rent of Leased Roads, Taxes, Dividends, Interest on Bonds, Payment on Funded Debt—B.M.D., etc.

A Not available due to change in fare structure, effective August 6, 1949
 # January 1-27, 1950 estimated.

METROPOLITAN TRANSIT AUTHORITY
**NUMBER OF EMPLOYEES ON WEEKLY PAYROLL
 FOR EACH OF THE 52 WEEKS IN THE YEAR**
Years 1950, 1949 and 1948

Week	1950	1949	1948
1	8,725	8,326	7,790
2	8,348	8,272	7,897
3	8,335	8,301	7,905
4	8,328	8,300	7,913
5	8,304	8,307	7,926
6	8,302	8,288	7,882
7	8,289	8,246	7,865
8	8,269	8,241	7,869
9	8,214	8,220	7,852
10	8,213	8,246	7,896
11	8,230	8,201	7,904
12	8,225	8,210	7,927
13	8,228	8,139	7,994
14	8,254	8,064	8,072
15	8,236	8,065	8,093
16	8,230	8,096	8,207
17	8,233	8,083	8,256
18	8,234	8,100	8,307
19	8,245	8,094	8,329
20	8,232	8,123	8,370
21	8,233	8,121	8,426
22	8,231	8,153	8,483
23	8,220	8,114	8,511
24	8,226	8,103	8,531
25	8,233	8,109	8,551
26	8,220	8,118	8,614
27	8,224	8,116	8,624
28	8,218	8,113	8,611
29	8,240	8,120	8,628
30	8,219	8,093	8,608
31	8,225	8,095	8,642
32	8,214	8,914*	8,643
33	8,181	8,930	8,653
34	8,188	8,923	8,655
35	8,190	8,920	8,684
36	8,166	8,916	8,650
37	8,158	8,931	8,689
38	8,147	8,941	8,725
39	8,124	8,900	8,728
40	8,149	8,897	8,661
41	8,135	8,885	8,694
42	8,127	8,895	8,699
43	8,138	8,895	8,702
44	8,127	8,890	8,700
45	8,105	8,880	8,656
46	8,113	8,855	8,640
47	8,137	8,834	8,595
48	8,141	8,817	8,551
49	8,175	8,811	8,520
50	8,161	8,769	8,457
51	8,149	8,783	8,422
52	8,153	8,766	8,428
Average for Year	8,218	8,452	8,378

* 840 employees of City of Boston, Transit Dept., transferred to Authority as provided in paragraph (d) of Section 8A of Chapter 544, Acts of 1947, as amended.

METROPOLITAN TRANSIT AUTHORITY

METROPOLITAN TRANSIT AUTHORITY FROM AUGUST 29, 1947
 BOSTON ELEVATED RAILWAY COMPANY PRIOR TO THAT DATE

BASIC COMPARISONS OF WAGES AND OPERATING EXPENSES

(Per Revenue Passenger, Per Revenue Mile and Per \$1 of Total Income)

Year	PER REVENUE PASSENGER			PER REVENUE MILE			\$1 OF TOTAL INCOME		
	Wages of Operators and Trainmen Only	Operating Wages	Total Operating Expenses	Wages of Operators and Trainmen Only	Operating Wages	Total Operating Expenses	Wages of Operators and Trainmen Only	Operating Wages	Total Operating Expenses
1919	2.11c	4.78c	7.30c	12.77c	28.93c	44.12c	23.25c	52.68c	80.34c
1920	2.28	5.13	7.68	14.89	33.52	50.17	22.47	50.59	75.73
1921	2.09	4.62	6.77	14.14	31.25	45.87	21.16	46.77	68.64
1922	1.81	4.14	6.19	12.71	29.13	43.56	19.70	45.18	67.55
1923	1.84	4.25	6.31	13.01	29.96	44.56	20.66	47.58	70.77
1924	1.97	4.53	6.59	13.43	30.95	44.97	22.04	50.79	73.79
1925	1.99	4.64	6.69	13.07	30.48	43.93	21.03	49.01	70.64
1926	2.01	4.77	7.02	12.88	30.54	45.00	21.03	49.88	73.49
1927	1.93	4.57	6.85	12.43	29.48	44.22	20.08	47.61	71.41
1928	1.91	4.60	6.88	12.00	28.96	43.32	19.80	47.78	71.46
1929	1.87	4.54	6.78	11.69	28.39	42.38	19.43	47.20	70.46
1930	1.88	4.63	6.87	11.51	28.30	41.97	19.86	48.80	72.37
1931	1.87	4.63	6.85	11.32	28.08	41.55	20.30	50.38	74.53
1932	1.82	4.59	6.70	10.39	26.15	38.17	20.13	50.67	73.94
1933	1.71	4.26	6.28	9.91	24.72	36.47	18.94	47.22	69.68
1934	1.65	4.09	6.10	9.96	24.73	36.87	18.39	45.66	68.07
1935	1.67	4.19	6.30	10.18	25.54	38.37	18.80	47.17	70.87
1936	1.66	4.17	6.22	10.56	26.56	39.60	18.81	47.31	70.55
1937	1.69	4.29	6.31	10.70	27.16	39.98	19.31	48.99	72.13
1938	1.74	4.43	6.46	11.05	28.15	41.04	19.93	50.80	74.06
1939	1.68	4.33	6.34	10.91	28.02	41.08	19.33	49.64	72.79
1940	1.70	4.40	6.55	11.04	28.50	42.45	18.96	48.96	72.93
1941	1.68	4.32	6.32	11.26	28.99	42.42	18.66	48.02	70.26
1942	1.66	4.09	5.85	11.46	28.14	40.26	18.54	45.54	65.14
1943	1.73	4.28	6.02	12.42	30.73	43.27	19.21	47.53	66.93
1944	1.78	4.57	6.49	12.99	33.40	47.41	19.79	50.90	72.26
1945	1.89	4.90	6.81	14.55	37.69	52.38	21.13	54.72	76.07
1946	2.10	5.34	7.40	16.38	41.74	57.84	23.22	59.16	81.98
1947	2.47	6.22	8.83	17.44	44.00	62.41	24.38	61.50	87.24
1948	2.81	7.07	10.22	19.55	49.25	71.23	27.61	69.55	100.59
1949	Not Available	Not Available	Not Available	20.37	50.55	72.45	28.93	71.80	102.91
1950	3.56	9.07	12.44	21.59	55.04	75.51	25.72	65.56	89.94

METROPOLITAN TRANSIT AUTHORITY

METROPOLITAN TRANSIT AUTHORITY FROM AUGUST 29, 1947
 BOSTON ELEVATED RAILWAY COMPANY PRIOR TO THAT DATE

REVENUE EQUIPMENT
Acquired and Retired Since July 1, 1918

Surface Cars	On Hand July 1, 1918	July 1, 1918 to Dec. 31, 1950		On Hand Dec. 31, 1950
		Acquired	Retired	
Semi-Convertible Cars—Type No. 1 to No. 4	453	—	404	49
Semi-Convertible Cars—Type No. 5	—	471	—	471
Semi-Convertible Cars—Type “4000”	—	64	64	—
Center Entrance Cars	100	305	327	78
Trailer Cars	174	50	224	—
P.C.C. Cars	—	271	—	271
Birney Type Cars	1	80	81	—
Articulated Cars	177	—	177	—
Box Cars	1,113	—	1,113	—
Open Cars	1,354	—	1,354	—
Total Surface Cars	3,372	1,241	3,744	869
Rapid Transit Cars				
Elevated Cars, Wood and Steel	169	—	169	—
Elevated Cars, Steel	162	163	52	273
Camb.-Dorch. Tunnel Cars, Steel	60	95	—	155
East Boston Tunnel Cars, Steel	—	48	—	48
Total Rapid Transit Cars	391	306	221	476
Buses				
Gasoline—Mechanical Drive	—	1,090	702	388
Gasoline—Hydraulic Drive	—	185	—	185
Diesel—Electric Drive	—	24	24	—
Diesel—Hydraulic Drive	—	37	2	35
Gas-Electric Drive	—	46	46	—
Total Buses	—	1,382	774	608
Trackless Trolleys	—	340	—	340
TOTALS	3,763	3,269	4,739	2,293

METROPOLITAN TRANSIT AUTHORITY

**MILEAGE OF TRACK, BUS AND TRACKLESS
TROLLEY ROUTES**

December 31, 1950

Surface track (excluding City of Boston formerly leased)	193.763 miles
Acquired from City of Boston formerly leased	11.250 miles
Total surface track owned December 31, 1949	205.013 miles
Additions during the year 1950	0.119 miles
TOTAL	205.132 miles
Removal of Surface Track owned during year 1950	14.692 miles
TOTAL SURFACE TRACK OWNED DECEMBER 31, 1950	190.440 miles
Leased from Eastern Massachusetts Street Railway Company	22.036 miles
Total track for surface cars	212.476 miles
Total track for rapid transit cars—Owned	43.495 miles
Total track for rapid transit cars acquired from City of Boston formerly leased	8.834 miles
TOTAL TRACK, OWNED OR LEASED DECEMBER 31, 1950	264.805 miles

Which is made up as follows:	Surface Lines Miles	RT Lines Miles	Total Miles
Main line tracks	95.084	21.044	116.128 miles
Second tracks	81.649	19.590	101.239 miles
Sidings, carhouse curves, cross-overs, etc.	4.707	2.452	7.159 miles
Tracks in carhouses and yards	31.036	9.243	40.279 miles
TOTALS	212.476	52.329	264.805 miles

Tracks in Subways, Tunnels, R.T.L., Etc.:	Surface Lines Miles	RT Lines Miles	Total Miles
Tremont Subway	4.963	—	4.963
East Boston Tunnel	0.406	4.865	5.271
Boylston Subway	5.014	—	5.014
Huntington Avenue Subway	1.688	—	1.688
Cambridge-Dorchester Tunnel:			
Cambridge Tunnel & Inclines	0.723	4.773	5.496
Cambridge Bridge & Elevated Connection	—	1.045	1.045
Cambridge Connection (Beacon Hill Tunnel)	—	0.965	0.965
Dorchester Tunnel	—	5.059	5.059
Washington Tunnel and Inclines	—	2.326	2.326
TRACKS IN SUBWAYS AND TUNNELS	12.794	19.033	31.827
East Cambridge Viaduct and Connections	2.635	—	2.635
Elevated Structure & Inclines	—	16.712	16.712
Dorchester Rapid Transit Line	—	7.341	7.341
Dorchester High Speed Trolley Line	6.460	—	6.460
Carhouses and yards	—	9.243	9.243
TOTAL TRACKS IN SUBWAYS, TUNNELS, R.T.L., ON STRUCTURES, ETC.	21.889	52.329	74.218

Bus and Trackless Trolley Route Statistics:	Bus	Trackless Trolley
Miles in both directions	179.94 miles	74.417 miles
Miles in one direction only	42.20 miles	4.528 miles
Miles of one-way street	222.14 miles	78.945 miles
Miles comparable to miles of single track	402.08 miles	153.362 miles

