

ANNUAL REPORT

OF THE

PUBLIC TRUSTEES OF THE BOSTON
ELEVATED RAILWAY

FOR THE

YEAR ENDING DECEMBER 31, 1923

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BOARD OF TRUSTEES

• (Appointed by the Governor of Massachusetts, pursuant to Chapter 159 of the Special Acts of 1918.)

JAMES F. JACKSON, *Chairman.*

WINTHROP COFFIN.

J. FRANK O'HARE.

STANLEY R. MILLER.

SAMUEL L. POWERS.

OFFICERS

(Appointed by the Trustees.)

EDWARD DANA *General Manager.*

HENRY L. WILSON *Treasurer.*

JOHN H. MORAN *General Auditor.*

H. WARE BARNUM *General Counsel.*

RUSSELL A. SEARS *General Claims Attorney.*

REPORT OF THE BOARD OF PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY.

The public trustees of the Boston Elevated Railway respectfully submit their fifth annual report.

RESULTS OF OPERATION.

The fifth calendar year of public operation showed a balance after providing for all costs of service and after making allowance for delayed charges and credits of \$399,926.41.

In July, 1923, the Trustees turned over to the Commonwealth \$1,114,557.82 for distribution to the cities and towns which contributed to the loan assessment to meet the deficit of the first year of public operation. The details of the distribution of this amount and of the balance of \$2,348,397.40 still due the municipalities on this loan are shown in a statement annexed to this report.

Owing to the increase in labor cost that followed the arbitration award of October which was retroactive to July 1, 1923, the cost of service during the last six months has shown a substantial increase. This increase in wage has made it necessary to call upon the Reserve Fund to help meet the cost of the service. On January 1, 1924, therefore the balance in the Reserve Fund was \$624,889.93.

The past calendar year was the largest in gross receipts and passengers carried in the experience of the railway under either private management or public control.

The increasing usefulness of the system is indicated by the following figures showing the riding per capita of population in the territory served by the railway:—

Revenue Rides per Capita.

1923	. . . . .	320
1918	. . . . .	300
1913	. . . . .	298
1908	. . . . .	277
1903	. . . . .	262

Notwithstanding the astounding increase in use of automobiles, the passing of the open cars and the increase in fares necessary to meet the increased cost of operation, the people served by this railway take on the average 20 rides a year more than in 1918 and 58 rides a year more than in 1903.

RECEIPTS AND EXPENDITURES.

The following comparative tables present a summary of receipts and expenditures for the past and preceding years and the allocation of receipts per passenger for the twelve months ending December 31, 1923: —

Comparative Division of Receipts and Expenditures for Year ending December 31.

	1923.	1922.	1921.	1920.	1919.
Total receipts	\$34,096,813 26	\$32,699,176 37	\$33,277,025 53	\$34,031,636 44	\$29,498,582 82
Operating expenses:					
Wages	\$16,224,275 94	\$14,772,340 42	\$15,563,255 53	\$17,216,445 20	\$15,539,105 59
Material and supplies	3,236,805 32	2,903,650 98	3,093,934 69	3,310,858 94	3,640,065 60
Injuries and damages	822,775 24	555,355 59	518,249 02	640,165 04	701,907 28
Depreciation	2,004,000 00	2,004,000 00	2,004,000 00	2,004,000 00	2,004,000 00
Fuel	1,842,396 91	1,853,111 76	1,663,617 75	2,597,652 93	1,815,260 94
Total operating expenses	\$24,130,253 41	\$22,088,458 75	\$22,843,056 99	\$25,769,122 11	\$23,700,339 41
Taxes	1,688,139 91	1,587,186 83	1,546,758 15	1,142,987 28	1,045,502 36
Rent of leased roads (including dividend rental under chapter 159, Acts of 1918).	3,185,577 67	3,646,595 75	4,203,061 72	4,102,230 36	4,002,656 93
Subway and tunnel rents	2,026,936 52	2,008,414 25	1,963,737 78	1,790,432 30	1,516,047 01
Interest on bonds and notes	2,316,026 54	1,891,315 57	1,494,258 43	1,514,963 98	1,555,790 06
Miscellaneous items	70,247 65	65,016 14	54,707 59	59,067 65	60,346 93
Total cost of service	\$33,417,181 70	\$31,286,987 29	\$32,105,580 66	\$34,378,803 68	\$31,880,682 70
Loss for year	-	-	-	\$347,167 24	\$2,382,099 88
Gain for year	\$679,631 56	\$1,412,189 08	\$1,171,444 87	-	-

Profit and Loss Items not included in above.

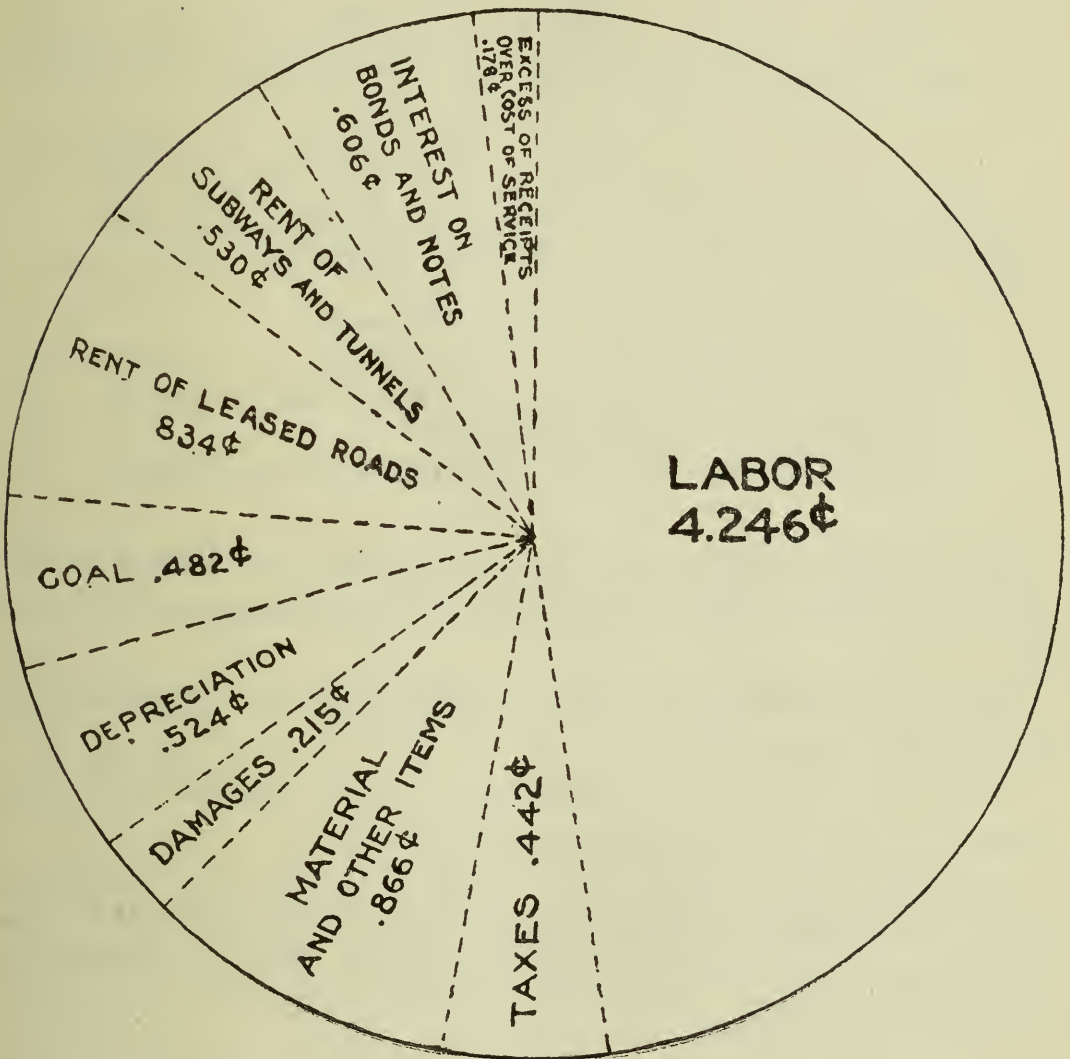
BOSTON ELEVATED RAILWAY

ALLOCATION OF RECEIPTS PER PASSENGER

12 MONTHS ENDING DECEMBER 31, 1923.

AVERAGE RECEIPTS PER REVENUE PASSENGER

8.923¢



TRAFFIC.

The following tables show that 25,555,755 more revenue passengers were carried in 1923 than in 1922, representing a 7.17 per cent increase, and a total of 382,149,697 revenue passengers, the maximum number ever carried on this railway in any one year.

There were 98,384,650 passengers who paid a five-cent fare, an average for the year of 25.75 per cent of the traffic. In December the percentage had reached approximately 27 per cent of all passengers carried.

There was an increase of 3,474,577 car miles operated as well as an increase of 428,551 round trips operated compared with previous year.

During the year the southern terminus of the Lechmere train service was transferred from Broadway to Kenmore Station.

The following bus lines were placed in operation: —

Highland Avenue, Malden, to Malden Square.

Linden to Malden Square.

Fellsway and Riverside Avenue, Medford, to Medford Square.

Medford Square to Medford Hillside.

East Boston Ferry via Hanover Street to Haymarket Square.

The extended platform for North Cambridge and Arlington cars at Harvard Square with electric indicator signs was placed in operation.

Night cars formerly operated to Adams Square were transferred to the Tremont Street Subway.

For the convenience of passengers an information booth was opened at the Park Street Station in December.

In further aid to patrons an information service has been established at the Executive offices of the railway, where patrons, by telephone, may secure, at any hour of the day or night, information respecting the service.

Traffic Statistics, Year ending December 31.

	1923.	1922.	1921.	1920.
Round trips operated	6,488,082	6,059,531	5,773,584	5,764,347
Passenger revenue	\$33,297,951 50	\$31,834,022 77	\$32,253,629 59	\$33,108,946 48
Passenger revenue per car mile (cents)	61.61	62.94	64.89	64.62
Passenger revenue per car hour	\$5 71 ¹	\$7 09	\$7 36	\$7 16
Passenger revenue mileage	54,049,665 ²	50,575,088	49,706,697	51,237,527
Passenger revenue car hours	5,826,993 ¹	4,487,400	4,381,815	4,627,295
Revenue passengers carried	382,149,697	356,593,942	337,252,080	335,526,561
Revenue passengers carried per car mile	7.070	7.051	6.785	6.548
Revenue passengers carried per car mile	65.58 ¹	79.47	76.97	72.51

¹ Car hours, American Electric Railway Association Standard, adopted February 1, 1923.

² Including motor bus mileage 465,382.

Comparative Passenger Statistics — Revenue Passengers carried.

YEAR.	Week Day Average	Saturday Average.	Sunday Average.	Holiday Average.	Total for Year.
1923	1,109,274	1,196,301	652,404	753,915	382,149,697
1922	1,030,303	1,144,320	617,148	691,890	356,593,942
1921	975,745	1,068,295	578,860	696,691	337,252,080
1920	960,737	1,072,319	591,063	703,634	335,526,561
1919	934,918	1,078,635	596,182	706,429	324,758,685
1918	985,384	1,147,809	658,902	775,634	348,664,700
1917	1,073,943	1,249,588	728,847	857,902	381,017,338
1916	1,050,038	1,218,749	718,804	832,962	373,577,908
1915	992,283	1,140,046	685,726	846,860	352,469,586

BETTERMENTS.

The first unit of the modern repair shops under construction at Everett was ready for use and the painting work done at Amory Street and at Eagle Street transferred to it on December 26, 1923. Within a few weeks all of the repair work done at the Bartlett Street shop in Roxbury will be transferred to Everett.

This change is the first step in eliminating the waste of attempting to care for modern rolling stock in quarters originally designed for horse cars.

Work is nearing completion in the construction of the Maverick

Square Terminal in East Boston, and it is expected that within a short time the steel trains will be in operation between Bowdoin Square and Maverick Square. This improvement increases the maximum carrying capacity of the East Boston Tunnel in rush hours 136 per cent.

The daily traffic through the East Boston Tunnel in 1905 was 33,118, and in 1923, 78,970, indicating the rapidity of increase in travel and the need for train operation to meet it.

The new George Street storehouse for supplies of the Maintenance Department and the Elevated Road Department was completed in the early part of the year. Additional yard tracks and scales were installed to facilitate handling and storing of material. These changes permit a systematic station system and mean a considerable economy.

At the Forest Hills Terminal the elevated inspection shop and lobby for the trainmen is now finished and in operation, and substantial progress has been made in the development of the carhouse yard and facilities for repair of surface cars.

An extension of the platform and waiting room facilities at the Everett surface car terminal has been completed.

Changes have been made at Lechmere Terminal to improve interchange conditions at this point.

The construction of a transfer station at Neponset to be used jointly with the Eastern Massachusetts has been nearly completed.

Continued progress has been made in replacement of old type signals on the elevated from the Washington Street Tunnel to Dudley Street, and this improvement is now in progress between Dudley Street and Forest Hills.

During the year 19.274 miles of track were rebuilt and 6.344 repaired.

CARS.

During the year 184 new surface cars were placed in service.

Delivery of 50 additional new surface cars of the one-man, two-man type are expected to be made in a few weeks.

The 40 steel East Boston Tunnel cars unique in design and appointment were delivered during the year and their equipment for service is well advanced. The opening of the East Boston Tunnel Station at Maverick Square may be expected early in April.

The number of car defects per 1,000 miles in 1922 was 1.14 and in 1923 it was .79.

The number of cars held out of service for repairs has been reduced to 6 per cent of the total rolling stock, as compared with 18 per cent in 1918.

During the year 1923 only 7.3 per cent of the mileage was operated with the articulated type and box cars, as compared with 50 per cent operated with this type of equipment in 1918. All of these cars should soon disappear.

PASSENGER CARS OWNED DECEMBER 31, 1923.

Surface Lines.

Semi-convertible cars	445
Semi-convertible cars, new one or two man	255
Center entrance cars	396
Trailer cars	220
One-man cars	59
Articulated cars (25-foot type)	52
Box cars:	
26½-foot	60
25-foot	141
24-foot (parlor)	1
20-foot (parlor)	1
	<hr/>
Total box cars	203
	<hr/>
Total surface passenger cars	1,630

Rapid Transit Lines.

Elevated cars, wood and steel	99
Elevated cars, steel	227
Cambridge Subway cars, steel	95
East Boston Tunnel cars, steel	40
	<hr/>
Total rapid transit passenger cars	461
	<hr/>
Grand Total	2,091

POWER.

On May 31 the new boiler room and two 1,825 horse power boilers were placed in operation at the South Boston Power Station.

An additional 35,000-kilowatt turbo-generator with condenser equipment and the extension to the present turbine room at the South Boston Power Station has been under construction, and it is expected that this large generator will be in operation within a few weeks.

Through the introduction of the modern boilers at South Boston, as well as the introduction of the new light weight cars, — notwithstanding an increase of 3,474,577 miles and of 25,555,755 passengers carried, — the number of tons of coal burned was 13,409 tons less than last year.

	1923.	1922.	1921.	1920.	1919.	1918.	1917.
Tons of coal burned .	260,032	273,441	215,870	258,087	287,670	281,677	270,452
Pounds of coal per kilowatt hour.	2.264	2.553	2.174	2.353	2.835	2.772	2.309
Average price of coal per ton.	\$7 085	\$6 777	\$7 71	\$10 07	\$5 91	\$6 26	\$4 19
Net cost of power for car service per kilowatt hour (cents).	1.227	1.414	1.172	1.921	1.307	1.158	.620
Net cost of power per total revenue car mile (cents).	5.468	6.153	4.815	8.538	5.439	4.668	2.573
Direct current annual output (kilowatts).	257,270,357	239,905,874	222,461,060	245,676,503	239,892,118	227,582,057	262,343,882
Direct current maximum hour output (kilowatts).	82,965	78,755	75,905	72,295	71,760	67,965	79,535

HYDE PARK DISTRICT.

In accordance with the provisions of chapter 405 of the Acts of 1923 a lease was taken from the city of Boston of the railway property of the Hyde Park District for a term extending to the end of public control of this railway, and service between Forest Hills and Cleary Square, Hyde Park, with surface cars and a bus service between Mattapan Square and Wolcott Square, Readville, were inaugurated.

DORCHESTER TUNNEL.

Chapter 480 of the Acts of 1923 permits the extension of the rapid transit facilities in the Dorchester District. The acceptance required by the company was given by the Directors of the Boston Elevated Railway Company December 31, 1923. The Transit Department of the city of Boston, which is to construct the extension, is now at work in co-operation with this Board in the preparation of plans for facilities which this railway may lease. The tentative plans provide for a rapid transit terminal point near Peabody Square, and surface car operation via the remainder of the Shawmut Branch to Mattapan.

REAL ESTATE.

On July 1, 1918, when the Trustees took office, the railway owned a large number of obsolete car barns, power houses, and parcels of vacant land upon which car barns formerly stood. There were altogether 53 separate parcels of real estate, assessed for \$2,170,257, no longer necessary for railway purposes. Since July 1, 1918, 44 parcels, assessed for \$1,924,157, of this lot have been sold, and there remain to be sold 9 parcels, assessed for \$246,100.

To the list of salable real estate there have been and will be added from time to time other parcels as new shops and modern car houses are constructed.

OUTLOOK.

Any comprehensive outlook must take in view both betterments in service under existing facilities and the extension of those facilities.

I.

As far as operating cost and operating revenue are concerned it may be safely predicted that at the end of the year closing with the 30th of June next it should be found that receipts have at least been equal to expenditures, so that there should be no deficit to assess on cities and towns served.

It may be asked how this can be realized in view of the fact that the increases in wages during the past year will add approximately two and one-half million dollars to the labor cost for the year ending June 30, 1924, or more than twice the excess of revenue over cost of service for the preceding year.

The answer to this question is that unusual freedom from expense in removal of snow has now continued so long as seemingly to assure a small rather than a large expense for the entire season. Another reason for this faith is belief in the continuance of the increased traffic which has made the past calendar year a record-breaking year in number of passengers carried. This increase marks the practical restoration of traffic lost at first under the 10-cent fare, a restoration due in large part to the introduction of 5-cent fare lines that are now carrying more than one-quarter of the traffic. There are, too, certain economies long in preparation to which reference has already been made from which results are now being obtained for the first time.

It must remain true, that whatever compensating factors may be found, the increased cost of labor will inevitably tend to check the development of additional 5-cent fare lines and improvements in service, and will delay the reimbursement of cities and towns.

II.

In whatever direction one looks there is an imperative need of extensions of the rapid transit system to meet the demands of heavy traffic. The utmost that can be done with the existing subways, tunnels and tracks, that is, with the rapid transit system as now restricted, must fail to bring radical relief from the evils of overloaded cars, tracks and stations.

The Dorchester extension should provide adequate facilities for the district which it reaches, incidentally transforming Andrew Square from an unsuitable transfer terminal into a suitable way station. This undertaking adopts a less expensive and what is believed to be an advanced method of construction in making use of available railroad premises known as the Shawmut Branch of the New York, New Haven & Hartford Railroad. If this policy of making use of available railroad rights of way proves successful, there would seem to be similar possibilities in connection with other extensions, for example, that from the Everett Terminal through use of the Saugus Branch of the Boston & Maine Railroad.

Looking elsewhere to the north, the present transfer station at Lechmere Square, itself part of a decided improvement in the former service between Boston and Cambridge and Somerville, is not fitted to be a permanent transfer station, and while being used as such must fail to satisfy. There should be an extension of rapid transit to some point beyond, where a permanent transfer station can be located that will adequately meet present and future needs.

Looking to the south there should be an extension of rapid transit, either through construction of a subway under Huntington Avenue, with adequate transfer station at its terminus, or according to some other plan, in order to bring real relief to a territory not now properly served and that cannot be so served by any manipulation of existing surface lines.

Far-sighted legislation last winter established a Metropolitan Planning Board, which is already at work upon these and other

problems with zeal and ability. It is believed that the adoption of a comprehensive plan for the orderly and consistent construction of separate trunk lines will provide one harmonious and well-devised system of transportation for Boston and suburban cities and towns.

CAPITAL.

Capital for subways, tunnels, and permanent structures can undoubtedly be secured through municipal investment, to be repaid in rentals by the operating lessee. For them money will be at hand as needed at lowest prices. But immediately in the foreground is the outstanding need of capital for purchase of additional cars, for enlarged power and shop facilities, and other equipment.

Take the need of additional rolling stock. The table attached to this report shows that the Board has continued its policy of replacing obsolete and worn-out cars with modern cars. This has been accomplished largely through the funds provided by the charge for depreciation, but more cars are needed not only to lessen, in certain places, the over-crowding of existing cars but to provide for the natural growth in traffic.

Another immediate need is the completion of proper shop facilities. As stated elsewhere, the first unit of the shops at Everett is now in operation. That will result in a substantial saving in operating expenses. The construction of the other unit, which is a necessary part of this improvement, is now prevented by the lack of capital with which to construct it. A practical and important economy which should be realized at the first possible moment is thus delayed. Additional capital can only be procured by the sale of securities of the Boston Elevated Railway Company, either in the form of stock or bonds.

Can these securities be made salable? At the time the Public Control Act was passed it was believed that with the dividend rate of 6 per cent assured it would be possible to issue new stock and obtain new capital in that way.

Such has not been the case. Quite likely this is due in part to the indefiniteness of the period of public control which under chapter 159 of the Special Acts of 1918 continues until 1928, and thereafter until terminated by act of the Legislature. The investor does not know what action the Legislature may take, and consequently this stock does not hold the position which certainty of return would produce.

This element of doubt also adversely affects the marketing of long-term bonds.

No railway that serves growing communities can mark time. It must move forward with the prosperity of the people who use it, or backward in failure of the purpose of its existence.

The trustees believe that they have reached the point of departure. They have no specific legislation to suggest other than that contained in House Document No. 108 of 1924, but they respectfully insist that in a public undertaking such as this there would seem to be no good reason why those in charge of it should not be able to obtain capital upon the rates that the public pay when the State or municipality is the borrower. They are confident that if this principle is recognized the Legislature will appreciate and provide for the exigencies of the situation.

JAMES F. JACKSON.
WINTHROP COFFIN.
STANLEY R. MILLER.
J. FRANK O'HARE.
SAMUEL L. POWERS.

BOSTON, Jan. 30, 1924.

MR. JAMES F. JACKSON, *Chairman*, MR. WINTHROP COFFIN, MR. STANLEY R. MILLER, MR. SAMUEL L. POWERS, MR. J. FRANK O'HARE, *Trustees*, *Boston Elevated Railway Company, Boston, Mass.*

SIRS: — We have examined the accounts of the Boston Elevated Railway for the year ending December 31, 1923, and we report upon the railway's financial statements for the year, presented herewith, as follows: —

Road and equipment are shown at book values without adequate provision for depreciation prior to June 30, 1918, but in our opinion the depreciation provided for the year under review, in pursuance of the plan for depreciation reserves thereafter adopted by the trustees, is adequate.

The securities owned by the railway were produced for our inspection and are carried at cost values, which, in some cases, exceed the market values. We have verified the current assets as shown by the books, and have satisfied ourselves that the liabilities are correctly stated.

We hereby certify that, subject to the foregoing comments, the accompanying balance sheet is in accordance with the books and correctly states the financial condition of the Boston Elevated Railway at December 31, 1923; and that the operating results for the year 1923 are fairly presented in the accompanying income statement.

Respectfully submitted,

PATTERSON, TEELE & DENNIS,

Accountants and Auditors.

GENERAL BALANCE SHEET.

DEBITS.	Dec. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
INVESTMENTS.			
Road and equipment:			
Way and structures	\$60,895,143 85	\$58,335,275 74	\$34,344,346 80
Equipment	23,915,042 10	21,423,224 31	6,503,176 98
Power	16,545,809 30	15,690,017 53	9,330,904 31
General and miscellaneous	1,881,601 30	1,788,473 83	1,768,771 83
Total road and equipment	\$103,237,596 55	\$97,235,991 41	\$51,947,199 92
Miscellaneous physical property	\$112,348 82	\$556,521 48	\$619,319 33
Investments in affiliated companies:			
Stocks	-	\$201,508 72	\$201,509 72
Notes	-	-	4,848,245 21
Advances:			
West End Street Railway Company, road and equip- ment.	-	-	349,421 95
West End Street Railway Company, suspense road and equipment.	-	-	504,588 16
West End Street Railway Company, current account	-	-	884,336 34
Other companies, road and equipment	-	102,851 11	102,852 11
Total investments in affiliated companies	-	\$304,359 83	\$6,890,953 49
Other investments:			
Stocks	\$2,552 50	\$2,552 50	\$2,501 00
Notes	453,200 00	125,600 00	86,700 00
Advances, road and equipment:			
Eastern Massachusetts Street Railway Company	143,562 99	142,002 38	120,740 65
Total other investments	\$599,315 49	\$270,154 88	\$209,941 65
Total investments	\$103,949,260 86	\$98,368,027 60	\$59,667,414 39

GENERAL BALANCE SHEET.

CREDITS.	Dec. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
STOCK.			
Capital stock:			
First preferred stock	\$6,400,000 00	\$6,400,000 00	-
Second preferred stock	13,957,700 00	14,029,850 00	-
Preferred stock	3,000,000 00	3,000,000 00	\$3,000,000 00
Common stock	23,879,400 00	23,879,400 00	23,879,400 00
Total capital stock	\$47,237,100 00	\$47,309,250 00	\$26,879,400 00
Premium on capital stock:			
Second preferred stock	\$2,232,477 02	\$2,232,477 02	-
Common stock	2,707,428 13	2,707,428 13	\$2,707,428 13
Total premium on capital stock	\$4,939,905 15	\$4,939,905 15	\$2,707,428 13
Total stock	\$52,177,005 15	\$52,249,155 15	\$29,586,828 13
LONG TERM DEBT.			
Funded debt unmatured:			
Miscellaneous obligations:			
6% 5-yr. debenture bonds, due Mar. 1, 1924	\$1,500,000 00	\$1,500,000 00	\$1,500,000 00
7% 6-yr. W. E. St. Ry. Co. bonds, due Aug. 1, 1924,	1,581,000 00	1,581,000 00	-
6½% 5-yr. W. E. St. Ry. Co. bonds, due Feb. 1, 1927	2,700,000 00	2,700,000 00	-
6% 5-yr. W. E. St. Ry. Co. bonds, due May 1, 1927	1,956,000 00	1,956,000 00	-
4½% 20-yr. W. E. St. Ry. Co. bonds, due July 1, 1930	1,604,000 00	1,604,000 00	-
4% 30-yr. W. E. St. Ry. Co. bonds, due Aug. 1, 1932	5,709,000 00	5,709,000 00	-
5% 20-yr. W. E. St. Ry. Co. bonds, due Nov. 1, 1932	600,000 00	600,000 00	-
4% 30-yr debenture bonds, due May 1, 1935	8,500,000 00	8,500,000 00	8,500,000 00
5% 20-yr. W. E. St. Ry. Co. bonds, due May 1, 1936	815,000 00	815,000 00	-
4½% 30-yr. debenture bonds, due Oct. 1, 1937	4,800,000 00	4,800,000 00	4,800,000 00
4½% 30-yr. debenture bonds, due Nov. 1, 1941	5,000,000 00	5,000,000 00	5,000,000 00
5% 30-yr debenture bonds, due Dec. 1, 1942	8,286,000 00	8,286,000 00	8,286,000 00
5% 30-yr. W. E. St. Ry. Co. bonds, due Mar. 1, 1944	2,600,000 00	2,600,000 00	-
7% 30-yr. W. E. St. Ry. Co. bonds, due Sept. 1, 1947	570,000 00	570,000 00	-
6% 10-yr. debenture bonds, due June 1, 1933	3,000,000 00	-	-
Total bonds	\$49,221,000 00	\$46,221,000 00	\$28,086,000 00
Mortgage notes	125,000 00	125,000 00	125,000 00
Total funded debt unmatured	\$49,346,000 00	\$46,346,000 00	\$28,211,000 00
Non-negotiable debt to affiliated companies:			
Open accounts not subject to current settlement:			
West End Street Railway Company, lease account	-	-	\$1,207,201 98
West End Street Railway Company, cash suspense account.	-	-	7,746 90
Total non-negotiable debt to affiliated companies	-	-	\$1,214,948 88
Total long term debt	\$49,346,000 00	\$46,346,000 00	\$29,425,948 88

GENERAL BALANCE SHEET — *Concluded.*

DEBITS.	Dec. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
CURRENT ASSETS.			
Cash	\$1,280,272 53	\$825,666 20	\$1,320,913 37
Special deposits:			
Deposits for interest, dividends and rents unpaid	\$794,613 25	\$804,907 37	\$769,146 63
Special deposit of reserve fund, chapter 159, Special Acts, 1918.	243,031 99	1,000,000 00	—
Funds available for capital expenditures only	45,000 00	—	—
Total special deposits	\$1,082,645 24	\$1,804,907 37	\$769,146 63
Loans and notes receivable	—	\$1 00	430 98
Miscellaneous accounts receivable	148,305 78	165,870 47	227,734 19
Material and supplies	3,200,985 74	2,418,280 09	3,251,416 43
Interest, dividends and rents receivable	51,441 40	50,555 56	30,308 96
Other current assets	35,882 90	38,139 00	35,716 13
Total current assets	\$5,799,533 59	\$5,303,419 69	\$5,635,666 69
DEFERRED ASSETS.			
Insurance and other funds	\$2,975,761 20	\$3,009,892 17	\$802,550 00
Total deferred assets	\$2,975,761 20	\$3,009,892 17	\$802,550 00
UNADJUSTED DEBITS.			
Rents and insurance premiums paid in advance	\$251,972 97	\$62,701 94	\$129,100 42
Discount on funded debt (net)	559,832 29	260,251 68	291,719 76
Other unadjusted debits:			
Cost of service deficit for twelve months ending June 30, 1919, as provided for by Reserve Fund, chapter 159, Special Acts of 1918.	—	—	\$688,338 05
Cost of service deficit for twelve months ending June 30, 1919, as provided for by Commonwealth of Massachusetts, chapter 159, Special Acts of 1918.	\$2,348,397 40	\$3,462,955 22	3,980,151 67
Other unadjusted debits	179,423 60	553,975 80	203,072 29
Total other unadjusted debits	\$2,527,821 00	\$4,016,931 02	\$4,871,562 01
Total unadjusted debits	\$3,339,626 26	\$4,339,884 64	\$5,292,382 19
Total debits	\$116,064,181 91	\$111,021,224 10	\$71,398,013 27

GENERAL BALANCE SHEET — *Concluded.*

CREDITS.	Dec. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
CURRENT LIABILITIES.			
Loans and notes payable	\$3,934,172 50	\$1,800,000 00	\$2,463,372 13
Audited accounts and wages payable	1,353,820 74	1,082,533 97	1,208,320 20
Matured interest, dividends and rents unpaid	795,818 75	805,112 87	770,352 13
Matured funded debt unpaid	-	1,000 00	-
Accrued interest, dividends and rents payable:			
Accrued interest on funded debt	\$531,001 68	\$516,001 66	\$216,441 67
Accrued interest on loans and notes payable	196 40	343 03	1,726 74
Accrued rents, leased roads, West End Street Railway Company	-	-	519,834 87
Accrued rents, leased roads, other companies	8,189 82	8,188 90	8,067 30
Accrued rents, subways and tunnels	88,313 34	87,543 30	116,755 02
Accrued interest on unpaid taxes	-	-	2,896 00
Accrued rents, leased roads, Boston Elevated Railway Company, dividend rental	244,259 75	245,522 37	-
Total accrued interest, dividends and rents payable	\$871,960 99	\$857,599 26	\$855,721 60
Total current liabilities	\$5,965,772 98	\$4,545,246 10	\$5,307,766 06
DEFERRED LIABILITIES.			
Other deferred liabilities	\$40,323 51	\$38,751 14	\$38,952 50
Total deferred liabilities	\$40,323 51	\$38,751 14	\$38,952 50
UNADJUSTED CREDITS.			
Tax liability	\$664,671 75	\$344,531 22	\$733,233 02
Premium on funded debt	\$274,555 14	\$370,548 58	-
Operating reserves:			
Injury and damage reserve	1,031,804 09	906,601 92	918,042 56
Total operating reserves	\$1,031,804 09	\$906,601 92	\$918,042 56
Accrued depreciation of property	\$3,101,465 82	\$2,058,493 73	\$1,503,431 44
Other unadjusted credits:			
Outstanding tickets and checks	\$56,026 84	\$102,233 66	\$93,888 66
Amount advanced by Commonwealth of Massachusetts under chapter 159, Special Acts of 1918, account deficit in cost of service for 12 months ending June 30, 1919	2,348,397 40	3,462,955 22	3,980,151 67
Other unadjusted credits	3,954 76	25,744 90	48,747 52
Total other unadjusted credits	\$2,408,379 00	\$3,590,933 78	\$4,122,787 85
Total unadjusted credits	\$7,480,875 80	\$7,771,109 23	\$7,277,494 87
CORPORATE SURPLUS.			
Profit and loss, balance June 30, 1918	\$98,869 06 ¹	\$173,083 65 ¹	\$238,977 17 ¹
Profit and loss, since June 30, 1918	375,110 07 ¹	339,521 34	-
Balance arising out of consolidation with West End Street Railway Company, June 10, 1922	115,976 57	96,475 21 ¹	-
Miscellaneous fund reserves	412,207 03	-	-
Total corporate surplus	\$54,204 47	\$69,962 48	\$238,977 17¹
Total credits	\$116,064,181 91	\$111,021,224 10	\$71,398,013 27

¹ Debit.

INCOME STATEMENT.

	Twelve Months ending Dec. 31, 1923.	Twelve Months ending Dec. 31, 1922.	Twelve Months ending Dec. 31, 1921.
OPERATING INCOME.			
Passenger revenue	\$33,282,041 55	\$31,817,072 46	\$32,237,396 47
Special car revenue	15,909 95	16,950 31	16,233 12
Mail revenue	326 70	391 30	578 98
Express revenue	50,058 33	50,132 45	44,154 94
Miscellaneous transportation revenue	2,475 27	9,131 66	3,838 20
Total revenue from transportation	\$33,350,811 80	\$31,893,678 18	\$32,302,201 71
Station and car privileges	\$329,003 18	\$310,830 35	\$305,937 96
Rent of tracks and facilities	29,275 99	29,706 88	26,051 00
Rent of equipment	5,236 45	3,705 20	1,659 83
Rent of buildings and other property	106,175 26	112,829 09	111,951 20
Power	110,133 90	81,004 13	84,932 67
Miscellaneous	16,376 06	21,079 96	20,318 76
Total revenue from other railway operations	\$596,200 84	\$559,155 61	\$550,851 42
Total railway operating revenues	\$33,947,012 64	\$32,452,833 79	\$32,853,053 13
Railway operating expenses:			
Way and structures	\$4,030,197 21	\$3,335,892 96	\$3,021,844 18
Equipment	3,507,212 63	3,333,241 54	4,470,357 23
Power	3,094,731 22	3,261,918 91	2,532,500 73
Conducting transportation	10,905,932 68	10,040,831 82	10,752,382 64
Traffic	3,363 73	3,032 88	2,401 23
General and miscellaneous	2,609,928 82	2,145,070 71	2,063,570 98
Transportation for investment	21,112 88 ¹	31,530 07 ¹	—
Total railway operating expenses	\$24,130,253 41	\$22,088,458 75	\$22,843,056 99
Per cent of operating expenses to operating revenues	71.08	68.06	69.53
Per cent of operating expenses to operating and non-operating income.	70.77	67.55	68.65
Net revenue, railway operations	\$9,816,759 23	\$10,364,375 04	\$10,009,996 14
Taxes assignable to railway operations	\$1,688,139 91	\$1,587,186 83	\$1,546,758 15
Operating income	\$8,128,619 32	\$8,777,188 21	\$8,463,237 99

¹ Credit.

INCOME STATEMENT — *Concluded.*

	Twelve Months ending Dec. 31, 1923.	Twelve Months ending Dec. 31, 1922.	Twelve Months ending Dec. 31, 1921.
NON-OPERATING INCOME.			
Net income from miscellaneous physical property	\$1,935 14	-	-
Income from lease of road	823 40	\$823 40	\$823 40
Dividend income	9,183 50	9,181 75	9,180 00
Income from funded securities	16,400 71	5,147 62	4,503 41
Income from unfunded securities and accounts	58,505 33	196,030 85	375,158 65
Income from sinking fund and other reserves	33,280 00	33,280 00	33,280 00
Release of premiums on funded debt	27,568 30	-	-
Miscellaneous income	2,104 24	1,878 96	1,026 94
Total non-operating income	\$149,800 62	\$246,342 58	\$423,972 40
Gross income	\$8,278,419 94	\$9,023,580 79	\$8,887,210 39
DEDUCTIONS FROM GROSS INCOME.			
Rent for leased roads:			
West End Street Railway Company	-	\$1,184,360 67	\$2,630,780 24
West End Street Railway Company, Tremont Street Subway	-	81,263 66	182,512 32
Other roads	\$52,512 04	49,119 85	48,914 48
Boston Elevated Railway Company, dividend rental	3,133,065 63	2,413,115 23	1,523,367 00
Total rent for leased roads	\$3,185,577 67	\$3,727,859 41	\$4,385,574 04
Miscellaneous rents	\$2,026,936 52	\$1,927,150 59	\$1,781,225 46
Net loss on miscellaneous physical property	-	8,732 53	6,959 96
Interest on funded debt	2,289,214 58	1,831,394 45	1,292,800 00
Interest on unfunded debt	26,811 96	59,921 12	201,458 43
Amortization of discount on funded debt	51,120 54	31,498 08	31,468 08
Miscellaneous debits	19,127 11	24,815 53	16,279 55
Total deductions from gross income	\$7,598,788 38	\$7,611,341 71	\$7,715,765 52
Balance after cost of service	\$679,631 56	\$1,412,189 08	\$1,171,444 87

OPERATING EXPENSE ACCOUNTS.

	1923.	1922.	1921.
WAY AND STRUCTURES.			
Superintendence of way and structures	\$248,982 68	\$210,733 57	\$211,850 11
Maintenance of track and roadway (except snow and ice)	1,839,136 58	1,615,411 69	1,724,134 42
Removal of snow and ice	312,987 31	103,291 10	63,460 07
Roadway structure	100,635 52	99,612 69	96,630 14
Signal and telephone and telegraph lines	34,844 51	22,134 98	23,370 33
Other miscellaneous way expenses	24,374 50	20,846 29	14,012 13
Maintenance of electric line equipment	286,168 36	261,353 24	278,348 00
Maintenance of buildings, fixtures and grounds	421,547 75	-381,269 40	335,038 98
Depreciation of way and structures	761,520 00	621,240 00	275,000 00
Total way and structures	\$4,030,197 21	\$3,335,892 96	\$3,021,844 18
EQUIPMENT.			
Superintendence of equipment	\$145,647 13	\$138,091 81	\$142,844 54
Maintenance of cars	1,530,825 65	1,537,888 99	1,640,767 49
Maintenance of electrical equipment of cars	616,753 25	556,663 00	628,477 20
Shop expenses	267,364 00	260,432 60	275,822 05
Miscellaneous equipment, vehicles, horses, etc.	104,942 60	58,605 14	53,445 95
Depreciation of equipment	841,680 00	781,560 00	1,729,000 00
Total equipment	\$3,507,212 63	\$3,333,241 54	\$4,470,357 23
POWER.			
Superintendence of power	\$89,832 93	\$82,017 24	\$79,834 66
Maintenance of power plants	340,120 13	346,884 10	337,746 70
Depreciation of power plant buildings and equipment	400,800 00	601,200 00	-
Operation of power plants	2,263,978 16	2,231,817 57	2,114,919 37
Total power	\$3,094,731 22	\$3,261,918 91	\$2,532,500 73
CONDUCTING TRANSPORTATION.			
Superintendence of transportation	\$1,084,881 13	\$970,988 98	\$990,478 82
Passenger conductors, motormen and trainmen	7,043,938 40	6,442,707 49	7,041,863 84
Freight conductors, motormen and trainmen	15,706 17	13,967 87	12,150 78
Miscellaneous car service employees	282,737 65	278,650 32	311,922 91
Miscellaneous car service expenses	146,449 07	142,702 09	155,427 67
Station employees	753,913 14	720,977 04	720,736 44
Station expenses	203,314 57	209,368 86	183,938 93
Car house employees	855,488 88	803,570 03	873,312 15
Car house expenses	57,577 10	56,782 25	59,941 20
Operation of signal and telephone and telegraph lines	239,350 87	210,814 74	221,537 17
Other transportation expenses	222,575 70	190,302 15	181,072 73
Total conducting transportation	\$10,905,932 68	\$10,040,831 82	\$10,752,382 64

OPERATING EXPENSE ACCOUNTS — *Concluded.*

	1923.	1922.	1921.
TRAFFIC.			
Traffic	\$3,363 73	\$3,032 88	\$2,401 23
GENERAL AND MISCELLANEOUS.			
Salaries and expenses of general officers and clerks	\$416,448 77	\$400,528 25	\$412,724 08
General office supplies and expenses	129,010 58	77,789 71	81,760 91
Law expenses	53,393 15	44,712 34	62,180 47
Relief department expenses, pensions and gratuities	121,681 32	94,365 35	60,291 17
Miscellaneous general expenses	77,449 10	70,121 41	75,270 56
Injuries and damages	975,020 68	692,800 52	665,798 02
Insurance	316,413 99	290,157 08	287,406 21
Stationery and printing	96,726 62	121,134 97	92,120 81
Store, garage and stable expenses	360,951 94	309,172 83	286,504 07
Rent of tracks and facilities	34,548 59	23,275 28	24,212 73
Rent of equipment	28,284 08	21,012 97	15,301 95
Total general and miscellaneous	\$2,609,928 82	\$2,145,070 71	\$2,063,570 98
Transportation for investment	\$21,112 88 ¹	\$31,530 07 ¹	—
Total operating expenses	\$24,130,253 41	\$22,088,458 75	\$22,843,056 99

¹ Credit.

HISTORY OF THE 1919 LOAN ASSESSMENT ON CITIES AND TOWNS (CHAPTER 159, SPECIAL ACTS OF 1918).

Allocation of Assessment on Cities and Towns of Boston Elevated Deficit, Year ended June 30, 1919.

CITIES AND TOWNS.	Passengers.	Per Cent.	Amount of Assessment.	Distribution of July, 1922, Repayment.	Distribution of July, 1923, Repayment.	Balance due.
Boston	2,100,423	71.9330	\$2,863,042 50	\$372,034 92	\$790,029 10	\$1,700,978 48
Cambridge	283,475	9.7081	386,397 11	50,209 95	106,622 54	229,564 62
Somerville	122,583	4.1981	167,090 75	21,712 43	46,106 54	99,271 78
Brookline	74,553	2.5532	101,621 23	13,205 06	28,040 99	60,375 18
Medford	59,754	2.0464	81,449 82	10,583 91	22,475 56	48,390 35
Malden	55,838	1.9123	76,112 44	9,890 35	21,002 65	45,219 44
Everett	54,823	1.8775	74,727 35	9,710 36	20,619 69	44,397 30
Watertown	41,198	1.4109	56,155 96	7,297 12	15,496 14	33,362 70
Arlington	32,477	1.1122	44,267 25	5,752 26	12,215 36	26,299 63
Chelsea	29,659	1.0157	40,426 40	5,253 17	11,154 86	24,018 37
Newton	27,201	.9316	37,079 09	4,818 20	10,231 84	22,029 05
Belmont	18,746	.6420	25,552 57	3,320 40	7,051 43	15,180 74
Quincy (Commonwealth of Massachusetts).	15,569	.5332	21,222 17	2,757 69	18,464 48	-
Stoneham (Commonwealth of Massachusetts)	3,674	.1258	5,007 03	650 63	4,356 40	-
Commonwealth of Massachusetts. ¹	-	-	-	-	690 24	² 690 24
Totals	2,919,973	100.00	\$3,980,151 67	\$517,196 45	\$1,114,557 82	\$2,348,397 40

Based on traffic counts made July 24, 25, 26, 27, 1919, in accordance with the provisions of section 14, chapter 159, Special Acts of 1918.

¹ From the July, 1923, repayment the Commonwealth of Massachusetts deducted \$690.24 to reimburse themselves for the difference between 126 days' interest at 4.28 per cent on \$4,000,000 (note issued July 17, 1919, due November 20, 1919) and \$3,980,151.67, the amount paid to the Boston Elevated Railway Company \$297 33
 And interest from July 17, 1919, to July 19, 1923, on amount the State deducted to pay assessment of Quincy and Stoneham 392 91

Amount of expense to State to be assessed to towns and cities pro rata to their original contribution \$690 24

² Credit.

BOSTON ELEVATED RAILWAY COMPANY,
TRUSTEE.

STATEMENT OF SPECIAL TRUST FUND, DECEMBER 31, 1923.

Principal of trust fund as established		\$1,500,000 00
Accretions and accumulations to December 31, 1923		673,211 20
		\$2,173,211 20
Income from June 10, 1922, to December 31, 1923	\$113,508 09	
Less amount paid on account of retirement of 721½ shares of second preferred stock, purchased in July, 1923	72,193 40	
		41,314 69
Investments		\$2,171,549 80
Cash on deposit		\$42,976 09

The above trust fund is held by the Boston Elevated Railway Company under chapter 740, Acts of 1911, — “An Act to authorize the consolidation of properties and franchises of the Boston Elevated Railway Company and the West End Street Railway Company,” — and represents the proceeds from the sale to the Boston Elevated Railway Company of real estate of the West End Street Railway Company which was not required in the conduct of the business. The amount so received (\$1,500,000) has been held by the Boston Elevated Railway Company and invested by it and allowed to accumulate until the tenth day of June, 1922. Hereafter the annual income therefrom will be applied toward the purchase and retirement of the second preferred stock of the Boston Elevated Railway Company. No part of this fund or its income can be used for any other purpose until all of the second preferred stock has been retired, when the fund becomes available for capital purposes.



