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1970

SACRAMENTO NORTHERN RAILWAY

RAILROAD
Annual Report Form C

(Class II Line-haul and Switching and Terminal Companies)

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ORIGINAL

INTERSTATE
COMMERCE COMMISSION
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ANNUAL REPORT

OF

SACRAMENTO NORTHERN RAILWAY

SAN FRANCISCO, CALIF.

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1970

NOTICE

1. This Form for annual report should be filled out in triplicate and two copies returned to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C. 20423, by March 31 of the year following that for which the report is made. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act:

SEC. 20. (1) The Commission is hereby authorized to require annual, periodical, or special reports from carriers, lessors, * * * (as defined in this section), to prescribe the manner and form in which such reports shall be made, and to require from such carriers, lessors, * * * specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary, classifying such carriers, lessors, * * * as it may deem proper for any of these purposes. Such annual reports shall give an account of the affairs of the carrier, lessor, * * * in such form and detail as may be prescribed by the Commission.

(2) Said annual reports shall contain all the required information for the period of twelve months ending on the 31st day of December in each year, unless the Commission shall specify a different date, and shall be made out under oath and filed with the Commission at its office in Washington within three months after the close of the year for which report is made, unless additional time be granted in any case by the Commission.

(7) (b). Any person who shall knowingly and willfully make, cause to be made, or participate in the making of, any false entry in any annual or other report required under the section to be filed, * * * or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment: * * *

(7) (c). Any carrier or lessor, * * * or any officer, agent, employee, or representative thereof, who shall fail to make and file an annual or other report with the Commission within the time fixed by the Commission, or to make specific and full, true, and correct answer to any question within thirty days from the time it is lawfully required by the Commission so to do, shall forfeit to the United States the sum of one hundred dollars for each and every day it shall continue to be in default with respect thereto.

(8). As used in this section * * * the term "carrier" means a common carrier subject to this part, and includes a receiver or trustee of such carrier; and the term "lessor" means a person owning a railroad, a water line, or a pipe line, leased to and operated by a common carrier subject to this part, and includes a receiver or trustee of such lessor. * * *

The respondent is further required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders. See schedule 350 A, page 3.

2. The instructions in this Form should be carefully observed, and each question should be answered fully and accurately, whether it has been answered in a previous annual report or not. Except in cases where they are specifically authorized, cancellations, arbitrary check marks, and the like should not be used either as partial or as entire answers to inquiries. If any inquiry, based on a preceding inquiry in the present report form is, because of the answer rendered to such preceding inquiry, inapplicable to the person or corporation in whose behalf the report is made, such notation as "Not applicable; see page —, schedule (or line) number —" should be used in answer thereto, giving precise reference to the portion of the report showing the facts which make the inquiry inapplicable. Where the word "none" truly and completely states the fact, it should be given as the answer to any particular inquiry or any particular portion of an inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations may be used in stating dates.

3. Every annual report should, in all particulars, be complete in itself, and references to the returns of former years should not be made to take the place of required entries except as herein otherwise specifically directed or authorized.

4. If it be necessary or desirable to insert additional statements, typewritten or other, in a report, they should be legibly made on durable paper and, wherever practicable, on sheets not larger than a page of the Form. Inserted sheets should be securely attached, preferably at the inner margin; attachment by pins or clips is insufficient.

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parentheses. Items of an unusual character should be indicated by appropriate symbol and footnote.

Money items (except averages) throughout the annual report form should be shown in units of dollars adjusted to accord with footings.

6. Each respondent should make its annual report to this Commission in triplicate, retaining one copy in its files for reference in case correspondence with regard to such report becomes necessary. For this reason three copies of the Form are sent to each corporation concerned.

7. Railroad corporations, mainly distinguished as operating companies and lessor companies, are for the purpose of report to the Interstate Commerce Commission divided into classes. An operating company is one whose officers direct the business of transportation and whose books contain operating as well as financial accounts; and, a

lessor company, the property of which being leased to and operated by another company, is one that maintains a separate legal existence and keeps financial but not operating accounts. In making reports, lessor companies use Annual Report Form E.

Operating companies (including switching and terminal) are broadly classified, with respect to their operating revenues, according to the following general definitions:

Class I companies are those having annual operating revenues of \$5,000,000 or more. For this class, Annual Report Form A is provided.

Class II companies are those having annual operating revenues below \$5,000,000. For this class, Annual Report Form C is provided.

In applying this classification to any switching or terminal company which is operated as a joint facility of owning or tenant railways, the sum of the annual railway operating revenues, the joint facility rent income, and the returns to joint facility credit accounts in operating expenses, shall be used in determining its class.

Switching and terminal companies are further classified as:

Class S1. Exclusively switching. This class of companies includes all those performing switching service only, whether for joint account or for revenue.

Class S2. Exclusively terminal. This class of companies includes all companies furnishing terminal trackage or terminal facilities only, such as union passenger or freight stations, stockyards, etc., for which a charge is made, whether operated for joint account or for revenue. In case a bridge or ferry is a part of the facilities operated by a terminal company, it should be included under this heading.

Class S3. Both switching and terminal. Companies which perform both a switching and a terminal service. This class of companies includes all companies whose operations cover both switching and terminal service, as defined above.

Class S4. Bridge and ferry. This class of companies is confined to those whose operations are limited to bridges and ferries exclusively.

Class S5. Mixed. Companies performing primarily a switching or a terminal service, but which also conduct a regular freight or passenger traffic. The revenues of this class of companies include, in addition to switching or terminal revenues, those derived from local passenger service, local freight service, participation in through movement of freight or passenger traffic, other transportation operations, and operations other than transportation.

8. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the meanings below stated:

COMMISSION means the Interstate Commerce Commission. RESPONDENT means the person or corporation in whose behalf the report is made. THE YEAR means the year ended December 31 for which the report is made. THE CLOSE OF THE YEAR means the close of business on December 31 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the close of the period covered by the report. THE BEGINNING OF THE YEAR means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. THE PRECEDING YEAR means the year ended December 31 of the year next preceding the year for which the report is made. THE UNIFORM System in Part 1201 of Title 49, Code of Federal Regulations, as amended.

9. All companies using this Form should complete all schedules, with the following exceptions, which should severally be completed by the companies to which they are applicable:

Schedules restricted to Switching and Terminal Companies		Schedules restricted to other than Switching and Terminal Companies	
Schedule.....	2217	Schedule.....	2216
"	2701	"	2602

ANNUAL REPORT

OF

SACRAMENTO NORTHERN RAILWAY

SAN FRANCISCO, CALIFORNIA

FOR THE

YEAR ENDED DECEMBER 31, 1970

Name, official title, telephone number, and office address of officer in charge of correspondence with the Commission regarding this report:

(Name) J. B. MORGAN (Title) General Auditor
(Telephone number) 415 982-2100
(Area code) (Telephone number)
(Office address) 526 Mission Street, San Francisco, California 94105
(Street and number, City, State, and ZIP code)

300. IDENTITY OF RESPONDENT

SACRAMENTO NORTHERN RAILWAY

1. Give the exact name* by which the respondent was known in law at the close of the year
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? Yes, SACRAMENTO NORTHERN RAILWAY
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made
NONE
4. Give the location (including street and number) of the main business office of the respondent at the close of the year
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
1	President & Gen Mgr	L. D. Michelson, 1025-19 th St., Sacramento, Ca. 95814
2	Vice president	A. E. Perlman, 526 Mission St., San Francisco, Ca. 94105
3	Secretary	Logan Paine, 526 Mission St., San Francisco, Ca. 94105
4	Treasurer	F. A. Tegeler, 526 Mission St., San Francisco, Ca. 94105
5	General Auditor	J. B. Morgan, 526 Mission St., San Francisco, Ca. 94105
6	VP & Gen Counsel	E. L. VanDellen, 526 Mission Street, San Francisco, Ca. 94105
7	General manager	
8	VP - SUPERINTENDENT	H. J. Mulford, 1025-19 th St., Sacramento, Ca. 95814
9	VP - MARKETING	W. C. Brunberg, 526 Mission Street, San Francisco, Ca. 94105
10	Dir. Ind. Dev.	E. P. Jagels, 526 Mission St., San Francisco, Ca. 94105
11	General land agent	
12	Chief engineer	A. W. Carlson, 526 Mission St., San Francisco, Ca. 94105
13		

6. Give the names and office addresses of the several directors of the respondent at the close of the year, and the dates of expiration of their respective terms.

Line No.	Name of director (a)	Office address (b)	Term expires (c)
31	W. C. Brunberg	526 Mission St., San Francisco,	October 13, 1971
32	L. D. Michelson	1025-19 th St., Sacramento	do
33	Logan Paine	526 Mission St., San Francisco	do
34	A. E. Perlman	526 Mission St., San Francisco	do
35	F. A. Tegeler	526 Mission St., San Francisco,	do
36	E. L. Van Dellen	526 Mission St., San Francisco	do
37	One Vacancy		
38			
39			
40			

7. Give the date of incorporation of the respondent Aug. 29, 1921 8. State the character of motive power used Diesel
9. Class of switching and terminal company
10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
State of California; for details, see 1957 and prior Forms A
11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source
The Western Pacific Railroad Company. Extent of control - 100% stock ownership
12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing
See statement on opposite page 3.

*Use the initial word the when (and only when) it is a part of the name, and distinguish between the words railroad and railway and between company and corporation.

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SACRAMENTO NORTHERN RAILWAY

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2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? Yes, SACRAMENTO NORTHERN RAILWAY
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made
NONE
4. Give the location (including street and number) of the main business office of the respondent at the close of the year
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

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35	F. A. Tegeler	526 Mission St., San Francisco,	do
36	E. L. Van Dellen	526 Mission St., San Francisco	do
37	One Vacancy		
38			
39			
40			

7. Give the date of incorporation of the respondent Aug. 29, 1921 8. State the character of motive power used Diesel

9. Class of switching and terminal company

10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
State of California; for details, see 1957 and prior Forms A

11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source
The Western Pacific Railroad Company. Extent of control - 100% stock ownership

12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing
See statement on opposite page 3.

*Use the initial word the when (and only when) it is a part of the name, and *istinguish between the words railroad and railway and between company and corporation.

350. STOCKHOLDERS

Give the names of the 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as

common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information on page 33, the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			
				STOCKS			Other securities with voting power
				Common	PREFERRED		
	(a)	(b)	(c)	(d)	Second (e)	First (f)	(g)
1	The Western Pacific Rail-						
2	road Company	San Francisco, Calif.	75,000	75,000			NONE
3							
4							
5							
6	Response to Line 12, Schedule 300, page 2:						
7	HISTORY: Incorporated in California August 29, 1921. On November 5, 1925 purchased all of the						
8	properties and other assets and assumed the liabilities of Sacramento Northern Railroad, incor-						
9	porated June 19, 1918 in California as a reorganization of the Northern Electric Railway Company						
10	and its subsidiaries, which were sold under foreclosure on May 28, 1918, and purchased by the						
11	reorganization committee for \$1,750,000.						
12							
13	REORGANIZATION: Company on November 27, 1953, petitioned Federal Court at San Francisco for						
14	permission to reorganize under U. S. Bankruptcy Laws. On December 22, 1953 Judge L. E. Goodman						
15	appointed and on February 3, 1954, the I.C.C. qualified H. A. Mitchell and R. E. Guggenheimer						
16	trustees of company. Reorganization Plan was approved by the I.C.C. with some modifications,						
17	on September 7, 1955 and confirmed by the Federal District Court December 16, 1955 and became						
18	effective January 1, 1956. Under the Plan, parent received \$7,500,000 new common stock in						
19	exchange for First Mortgage Bonds and unpaid interest thereon, and all other claims except taxes						
20	and claims prior to the First Mortgage were found to have no value. The property was reverted						
21	in the reorganized company on February 1, 1956 and the trustees discharged. Reorganization						
22	proceedings were terminated May 18, 1956.						
23							
24							
25							
26							
27							
28							
29							
30							

350A. STOCKHOLDERS REPORTS

- The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

- ☐ Two copies are attached to this report.
- ☐ Two copies will be submitted _____ (date)

XX No annual report to stockholders is prepared.

200A. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (a) should be restated to conform with the account-

ing requirements followed in column (c). The entries in the short column (b₁) should be deducted from those in column (b₂) in order to obtain corresponding entries for column (c). All contra entries hereunder should be indicated in parenthesis.

Line No.	Balance at beginning of year (a)			Account or item (b)	Balance at close of year (c)		
				CURRENT ASSETS			
1	\$	(115	866)	(701) Cash	\$	123	479
2		898	951	(702) Temporary cash investments		1 199	227
3			470	(703) Special deposits			470
4				(704) Loans and notes receivable			
5				(705) Traffic and car-service balances—Debit			
6		326	620	(706) Net balance receivable from agents and conductors		232	259
7		526	137	(707) Miscellaneous accounts receivable		616	131
8				(708) Interest and dividends receivable			
9		327	567	(709) Accrued accounts receivable		213	688
10			375	(710) Working fund advances			485
11		5	092	(711) Prepayments		14	940
12		44	733	(712) Material and supplies		38	051
13		63	777	(713) Other current assets		55	113
14	2	077	856	Total current assets	2	493	843
				SPECIAL FUNDS			
					(b ₁) Total book assets at close of year	(b ₂) Respondent's own issues included in (b ₁)	
15		12	437	(715) Sinking funds			
16		1	270	(716) Capital and other reserve funds	1,270	NONE	1 270
17		13	707	(717) Insurance and other funds			1 270
18				Total special funds			1 270
				INVESTMENTS			
19	2	997	778	(721) Investments in affiliated companies (pp. 10 and 11)			2 997 778
20		2	638	(722) Other investments (pp. 10 and 11)			44 874
21				(723) Reserve for adjustment of investment in securities—Credit			
22	3	000	416	Total investments (accounts 721, 722 and 723)			3 042 652
				PROPERTIES			
23	7	829	163	(731) Road and equipment property (p. 7)			7 795 302
24	x x x x x x			Road	\$ 71 033 329		x x x x x x
25	x x x x x x			Equipment	3 027 845		x x x x x x
26	x x x x x x			General expenditures			x x x x x x
27	x x x x x x			Other elements of investment	(2 265 872)		x x x x x x
28	x x x x x x			Construction work in progress			x x x x x x
29				(732) Improvements on leased property (p. 7)			
30	x x x x x x			Road	\$		x x x x x x
31	x x x x x x			Equipment			x x x x x x
32	x x x x x x			General expenditures			x x x x x x
33	7	829	163	Total transportation property (accounts 731 and 732)			7 795 302
34	(3	283	248)	(735) Accrued depreciation—Road and Equipment (pp. 15 and 16)			(3 405 565)
35	(41	614)	(736) Amortization of defense projects—Road and Equipment (p. 18)			
36	(3	324	862)	Recorded depreciation and amortization (accounts 735 and 736)			(3 405 565)
37	4	504	301	Total transportation property less recorded depreciation and amortization (line 33 less line 36)			4 389 737
38	1	308	555	(737) Miscellaneous physical property			1 296 884
39	(130	055)	(738) Accrued depreciation—Miscellaneous physical property (p. 19)			(124 445)
40	1	178	500	Miscellaneous physical property less recorded depreciation (account 737 less 738)			1 172 439
41	5	682	801	Total properties less recorded depreciation and amortization (line 37 plus line 40)			5 562 176
				OTHER ASSETS AND DEFERRED CHARGES			
42	39	680		(741) Other assets			77 290
43	52	707		(742) Unamortized discount on long-term debt			62 841
44	92	387		(743) Other deferred charges (p. 20)			140 131
45	10	867	167	Total other assets and deferred charges			11 240 072
46				TOTAL ASSETS			11 240 072

NOTE.—See page 5A for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200L. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (a) should be restated to conform with the account-

ing requirements followed in column (c). The entries in short column (b₁) should reflect total book liability at the close of year. The entries in the short column (b₂) should be deducted from those in column (b₁) in order to obtain corresponding entries for column (c). All contra entries hereunder should be indicated in parenthesis.

Line No.	Balance at beginning of year (a)		Account or Item (b)	Balance at close of year (c)	
			CURRENT LIABILITIES		
47	\$		(751) Loans and notes payable (p. 20)	\$	
48	764	624	(752) Traffic and car-service balances—Credit	790	922
49	125	908	(753) Audited accounts and wages payable	117	618
50	25	974	(754) Miscellaneous accounts payable	18	909
51			(755) Interest matured unpaid		
52	1	355	(756) Dividends matured unpaid	1	168
53			(757) Unmatured interest accrued		
54	96	646	(758) Unmatured dividends declared	457	148
55	422	707	(759) Accrued accounts payable	128	817
56	11	775	(760) Federal income taxes accrued	11	213
57	336	463	(761) Other taxes accrued	316	235
58	1	785	(763) Other current liabilities	1	842
59			Total current liabilities (exclusive of long-term debt due within one year)		030
			LONG-TERM DEBT DUE WITHIN ONE YEAR		
60	47	200	(764) Equipment obligations and other debt (pp. 5B and 8)	(b ₁) Total issued 47,200	(b ₂) Held by or for respondent NONE
			LONG-TERM DEBT DUE AFTER ONE YEAR		
61			(765) Funded debt unmatured (p. 5B)	(b ₁) Total issued	(b ₂) Held by or for respondent
62	295	000	(766) Equipment obligations (p. 8)	247,800	NONE
63			(767) Receivers' and Trustees' securities (p. 5B)		
64			(768) Debt in default (p. 20)		
65			(769) Amounts payable to affiliated companies (p. 8)		
66	295	000	Total long-term debt due after one year		247 800
			RESERVES		
67	1	740	(771) Pension and welfare reserves		1 976
68			(772) Insurance reserves		
69	39	924	(774) Casualty and other reserves		189 650
70	41	664	Total reserves		191 626
			OTHER LIABILITIES AND DEFERRED CREDITS		
71	1	857	(781) Interest in default		20 180
72			(782) Other liabilities		
73	28	968	(783) Unamortized premium on long-term debt		57 695
74			(784) Other deferred credits (p. 20)		
75	30	825	(785) Accrued depreciation—Leased property (p. 17)		77 875
76			Total other liabilities and deferred credits		
			SHAREHOLDERS' EQUITY		
			Capital stock (Par or stated value)		
77	7	500 000	(791) Capital stock issued—Total	(b ₁) Total issued 7,500,000	(b ₂) Held by or for company NONE
78			Common stock (p. 5B)	7,500,000	NONE
79			Preferred stock (p. 5B)		
80			(792) Stock liability for conversion		
81			(793) Discount on capital stock		
82	7	500 000	Total capital stock		7 500 000
			Capital Surplus		
83			(794) Premiums and assessments on capital stock (p. 19)		
84			(795) Paid-in surplus (p. 19)		
85			(796) Other capital surplus (p. 19)		
86		000	Total capital surplus		
			Retained Income		
87	1	167 026	(797) Retained income—Appropriated (p. 19)		1 333 541
88	1	167 026	(798) Retained income—Unappropriated (p. 21A)		1 333 541
89	8	667 026	Total retained income		8 833 541
90	10	867 167	Total shareholders' equity		11 240 072
91			TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		

NOTE.—See page 5A for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

COMPARATIVE GENERAL BALANCE SHEET—EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word, "None"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory statements explaining (1) the procedure in accounting for pension funds including payments to trustees and recording in the accounts pension costs, indicating whether or not consistent with the prior year, and state the amount, as nearly as practicable, of unfunded past service costs; (2) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (3) particulars concerning obligations for stock purchase options granted to officers and employees; and (4) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Show hereunder the estimated accumulated tax reductions realized during current and prior years under section 168 (formerly section 124-A) and under section 167 of the Internal Revenue Code because of accelerated amortization of emergency facilities and accelerated depreciation of other facilities and also depreciation deductions resulting from the use of the new guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation. The amount to be shown in each case is the net accumulated reductions in taxes realized less subsequent increases in taxes due to expired or lower allowances for amortization or depreciation as a consequence of accelerated allowances in earlier years. Also, show the estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962. In the event provision has been made in the accounts through appropriations of surplus or otherwise for the contingency of increase in future tax payments, the amounts thereof and the accounting performed should be shown.

(a) Estimated accumulated net reduction in Federal income taxes since December 31, 1949, because of accelerated amortization of emergency facilities in excess of recorded depreciation under section 168 (formerly section 124-A) of the Internal Revenue Code \$ 38,901

(b) Estimated accumulated net reduction in Federal income taxes because of accelerated depreciation of facilities since December 31, 1953, under provisions of section 167 of the Internal Revenue Code and depreciation deductions resulting from the use of the guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation \$ 948,611

(c) Estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962 compared with the income taxes that would otherwise have been payable without such investment tax credit \$ 308,947

(d) Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provisions of Section 184 of the Internal Revenue Code \$ NONE

(e) Estimated accumulated net reduction in Federal income taxes because of amortization of certain rights-of-way investment since December 31, 1969, under the provisions of Section 185 of the Internal Revenue Code \$ NONE

2. Amount of accrued contingent interest on funded debt recorded in the balance sheet:

Description of obligation	Year accrued	Account No.	Amount
			\$
			\$

3. As a result of dispute concerning the recent increase in per diem rates for use of freight cars interchanged, settlement of disputed amounts has been deferred awaiting final disposition of the matter. The amounts in dispute for which settlement has been deferred are as follows:

Item	Amount in dispute	As recorded on books		Amount not recorded
		Account Nos.		
		Debit	Credit	
Per diem receivable.....	\$ 10,187	741		\$ NONE
Per diem payable.....	4,650		741	
Net amount.....	\$ 5,537	X X X X X X X X X X	X X X X X X X X X X	\$ NONE

4. Amount (estimated, if necessary) of net income, or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts \$ NONE

5. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1, 1971 \$ NONE

Respondent carried a service interruption policy with the Imperial Insurance Company, Limited, under which it will be entitled to indemnity for certain work stoppage losses. In the event such losses are sustained by other railroads holding similar policies, respondent may be obligated to pay additional premiums. This explanatory note is given in response to Accounting Case Series Circular No. 126, dated February 26, 1960.

Note for Line 17, Schedule 690, Page 5-B.

and Supplement 1/26/56

Issue approved by I.C.C. (Report and order 9/7/55) in Finance Docket No. 18348, articles on Incorporation (State of California) amended by resolution adopted by Directors and Stockholders to provide above issue upon reorganization effective January 1, 1956.

670. FUNDED DEBT UNMATURED

Give particulars of the various issues of securities in accounts Nos. 764, "Equipment obligations and other debt due within one year" (excluding equipment obligations), and 765, "Funded debt unmatured," at close of the year. Funded debt, as here used, comprises all obligations maturing later than one year after date of issue in accordance with the instructions in the Uniform System of Accounts for Railroad Companies. Show

each issue separately, and make all necessary explanations in footnotes. For the purposes of this report, securities are considered to be *actually issued* when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. It should be noted that section 20a of

the Interstate Commerce Act makes it unlawful for a carrier to issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption. Entries in columns (k) and (l) should include interest accrued on funded debt reacquired, matured during the year, even though no portion of the issue is outstanding at the close of the year.

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	INTEREST PROVISIONS		Total amount nominally and actually issued (f)	Nominally issued and held by or for respondent (Identify pledged securities by symbol "P") (g)	Total amount actually issued (h)	Reacquired and held by or for respondent (Identify pledged securities by symbol "P") (i)	Actually outstanding at close of year (j)	INTEREST DURING YEAR	
				Rate percent per annum (d)	Dates due (e)						Accrued (k)	Actually paid (l)
1	NONE											
2												
3												
4												
					TOTAL							

Funded debt canceled: Nominally issued, \$ NONE Actually issued, \$ NONE

Purpose for which issue was authorized† NONE

690. CAPITAL STOCK

Give the particulars called for concerning the several classes and issues of capital stocks of the respondent outstanding at the close of the year, and make all necessary explanations in footnotes. For definition of securities *actually issued* and *actually outstanding* see instructions for schedule 670. It should be noted that section 20a of the Interstate Commerce Act makes it unlawful for a carrier to issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption.

Line No.	Class of stock (a)	Date issue was authorized† (b)	Par value per share (c)	Authorized† (d)	Authenticated (e)	PAR VALUE OF PAR VALUE OR SHARES OF NONPAR STOCK			ACTUALLY OUTSTANDING AT CLOSE OF YEAR		
						Nominally issued and held by or for respondent (Identify pledged securities by symbol "P") (f)	Total amount actually issued (g)	Reacquired and held by or for respondent (Identify pledged securities by symbol "P") (h)	Par value of par-value stock (i)	Shares without par value	Book value (k)
11	Common	1/26/56	\$ 100	7 500 000	7 500 000	NONE	\$ 7 500 000	NONE	\$ 7 500 000		
12											
13											
14											

Par value of par value or book value of nonpar stock canceled: Nominally issued, \$ NONE Actually issued, \$ NONE

Amount of receipts outstanding at the close of the year for installments received on subscriptions for stocks NONE

Purpose for which issue was authorized† SEE STATEMENT ON PAGE 5-A OPPOSITE.

The total number of stockholders at the close of the year was ONE

695. RECEIVERS' AND TRUSTEES' SECURITIES

Give particulars of evidences of indebtedness issued and payment of equipment obligations assumed by receivers and trustees under orders of a court as provided for in account No. 767, "Receivers' and trustees' securities." For definition of securities *actually issued*, and *actually outstanding*, see instructions for schedule 670.

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	INTEREST PROVISIONS		Total par value authorized† (f)	TOTAL PAR VALUE HELD BY OR FOR RESPONDENT AT CLOSE OF YEAR		Total par value actually outstanding at close of year (j)	INTEREST DURING YEAR	
				Rate percent per annum (d)	Dates due (e)		Nominally issued (g)	Nominally outstanding (h)		Accrued (i)	Actually paid (k)
21	NONE										
22											
23											
24											
25											
26											
					TOTAL						

† By the State Board of Railroad Commissioners, or other public authority, if any, having control over the issue of securities; if no public authority has such control, state the purpose and amounts as authorized by the board of directors and approved by stockholders.

701. ROAD AND EQUIPMENT PROPERTY

1. Give particulars of changes during the year in accounts 731, "Road and equipment property," and 732, "Improvements on leased property," classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. Gross charges during the year should include disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, extensions of old lines, and for additions and betterments. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in columns (c) or (d), as may be appropriate, depending on the nature of the item. Adjustments in excess of \$100,000 should be explained. All changes made during the year should be analyzed by primary accounts.

3. Report on line 34 amounts not includable in the primary road accounts. The items reported should be briefly identified and explained in a footnote on page 6. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)
		\$	\$	\$	\$
1	(1) Engineering.....	220 812	3 315	402	223 725
2	(2) Land for transportation purposes.....	502 658	26 877	76 121	453 414
3	(2½) Other right-of-way expenditures.....	19 661	(10 490)		9 171
4	(3) Grading.....	885 501	3 402	1 272	887 631
5	(5) Tunnels and subways.....				
6	(6) Bridges, trestles, and culverts.....	1 692 184	10 909		1 703 093
7	(7) Elevated structures.....				
8	(8) Ties.....	454 603	5 935	2 338	458 200
9	(9) Rails.....	529 179	2 779	2 355	529 603
10	(10) Other track material.....	519 655	3 243	1 829	521 069
11	(11) Ballast.....	394 285	2 032	849	395 468
12	(12) Track laying and surfacing.....	577 991	775	2 370	576 396
13	(13) Fences, snowsheds, and signs.....	55 644	10 872	100	66 416
14	(16) Station and office buildings.....	267 184	22 655	6 162	283 677
15	(17) Roadway buildings.....	32 799			32 799
16	(18) Water stations.....	15 400			15 400
17	(19) Fuel stations.....	16 879			16 879
18	(20) Shops and enginehouses.....				
19	(21) Grain elevators.....				
20	(22) Storage warehouses.....				
21	(23) Wharves and docks.....				
22	(24) Coal and ore wharves.....				
23	(26) Communication systems.....	81 062	6 194		87 256
24	(27) Signals and interlockers.....	97 533	39 219		136 752
25	(29) Power plants.....				
26	(31) Power-transmission systems.....				
27	(35) Miscellaneous structures.....		(10)		404 787
28	(37) Roadway machines.....	404 797			1 643
29	(38) Roadway small tools.....	1 643			226 601
30	(39) Public improvements—Construction.....	213 940	9 307	2 646	1 802
31	(43) Other expenditures—Road.....	1 802			1 547
32	(44) Shop machinery.....	1 547			
33	(45) Power-plant machinery.....				
34	Other (specify and explain).....				
		6 992 759	137 014	96 444	7 033 329
35	TOTAL EXPENDITURES FOR ROAD.....				
36	(51) Steam locomotives.....	496 081	50 366	139 947	406 500
37	(52) Other locomotives.....	2 523 061	26 607	2 093	2 547 575
38	(53) Freight-train cars.....				
39	(54) Passenger-train cars.....				
40	(56) Floating equipment.....	23 306		300	23 006
41	(57) Work equipment.....	59 828		9 064	50 764
42	(58) Miscellaneous equipment.....	3 102 276	76 973	151 404	3 027 845
43	TOTAL EXPENDITURES FOR EQUIPMENT.....				
44	(71) Organization expenses.....				
45	(76) Interest during construction.....				
46	(77) Other expenditures—General.....				
47	TOTAL GENERAL EXPENDITURES.....	10 095 035	213 987	247 848	10 061 174
48	TOTAL.....	(2 265 872)			(2 265 872)
49	(80) Other elements of investment.....				
50	(90) Construction work in progress.....	7 829 163	213 987	247 848	7 795 302
51	GRAND TOTAL.....				

801. PROPRIETARY COMPANIES

Give particulars called for regarding each inactive proprietary corporation of the respondent (i. e., one all of whose outstanding stocks or obligations are held by or for the respondent without

any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rests in a corporation controlled by or

controlling the respondent; but in the case of any such inclusion, the facts of the relation to the respondent of the corporation holding the securities should be fully set forth in a footnote.

stocks or obligations are held by or for the respondent without filing stock or obligation statement.

Line No.	Name of proprietary company (a)	MILEAGE OWNED BY PROPRIETARY COMPANY						Investment in transportation property (accounts Nos. 731 and 732) (g)			Capital stock (account No. 791) (h)			Unmatured funded debt (account No. 765) (i)			Debt in default (account No. 768) (j)			Amounts payable to affiliated companies (account No. 769) (k)			
		Road (b)	Second and additional main tracks (c)	Passing tracks, crossovers, and turnouts (d)	Way switching tracks (e)	Yard switching tracks (f)																	
1						NONE																	
2																							
3																							
4																							
5																							
6																							

901. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of the amounts payable by the respondent to affiliated companies, as defined in connection with account No. 769, "Amounts payable to affiliated companies," in the Uniform System of Accounts for Railroad Companies. If

any such debt is evidenced by notes, each note should be separately shown in column (a). Entries in columns (e) and (f) should include interest accruals and interest payments on nonnegotiable debt retired during the year, even though no

portion of the issue remained outstanding at the close of the year. Show, also, in a footnote, particulars of interest charged to cost of property.

Line No.	Name of creditor company (a)	Rate of interest (b)	Balance at beginning of year (c)	Balance at close of year (d)	Interest accrued during year (e)	Interest paid during year (f)
	NONE	%	\$	\$	\$	\$
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
	TOTAL					

902. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment obligations included in the balance outstanding in accounts Nos. 764, "Equipment obligations and other debt due within one year," and 766, "Equipment obligations," at the close of the year. In

column (a) show the name by which the equipment obligation is designated and in column (b) show the classes of equipment and the number of units covered by the obligation together with other details of identification. In column (c) show current rate of

interest, in column (d) show the contract price at which the equipment is acquired, and in column (e) the amount of cash paid upon acceptance of the equipment.

Line No.	Designation of equipment obligation (a)	Description of equipment covered (b)	Current rate of interest (c)	Contract price of equipment acquired (d)	Cash paid on acceptance of equipment (e)	Actually outstanding at close of year (f)	Interest accrued during year (g)	Interest paid during year (h)
41	Conditional Sale Agreement dated 10/2/61, Bank of America, N.T. & S.A.	40 Insulated Box Cars 10 Covered Hoppers	4.77%	\$ 834 450	\$ 126 450	\$ 295 000	\$ 16 581	\$ 15 414
42								
43								
44								
45								
46								
47								
48								
49								
50								

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 1001 AND 1002

1. Schedules 1001 and 1002 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of other corporations held by respondent at the close of the year specifically as investments, including obligations of the United States, of a State or local government, or of an individual, so held, in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 721, "Investments in affiliated companies"; 722, "Other investments"; and 717, "Insurance and other funds"; investments made, disposed of, or written down during the year; and dividends and interest credited to income. Securities of affiliated companies are reportable in schedule No. 1001, and securities of nonaffiliated companies in schedule No. 1002. For definition of affiliated companies, see the rules governing account No. 721, "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. These investments should be subdivided to show the par value pledged, unpledged, and held in fund accounts. Under "pledged" include the par value of securities recorded in accounts Nos. 721, "Investments in affiliated companies," and 722, "Other investments," which are deposited with some pledgee or other trustee, or held subject to the lien of a chattel mortgage, or subject to any other restriction or condition which makes them unavailable for general corporate purposes. "Unpledged" should include all securities held by or for the respondent free from any lien or restriction, recorded in the accounts mentioned above. Under "In sinking, insurance, and other funds" include the par value of securities recorded in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

3. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:

(A) Stocks:

- (1) Carriers—active.
- (2) Carriers—inactive.
- (3) Noncarriers—active.
- (4) Noncarriers—inactive.

(B) Bonds (including U. S. Government Bonds):

(C) Other secured obligations:

(D) Unsecured notes:

(E) Investment advances:

4. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

5. By carriers, as the term is here used, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, stockyards, express service and facilities, electric railway highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

6. Noncarrier companies should, for the purposes of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

8. In case any adjustments in book values thereof have been made during the year, a detailed statement thereof should be given on page 33 of this form.

9. Classify the securities according to the classification given above, showing the subclass by means of letters and figures in columns (a) and (b). Indicate by means of an arbitrary mark in column (c) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

10. Entries in column (c) should show date of maturity of bonds and other evidences of indebtedness. Obligations of the same designation which mature serially may be reported as "Serially 19_____ to 19_____."

11. For nonpar stock, show the number of shares in lieu of the par value in columns (e), (f), (g), (h), (j), and (l) of schedule No. 1001 and in columns (d), (e), (f), (g), (i), and (k) of schedule No. 1002. In reporting advances, the columns mentioned should be left blank. If any advances are pledged, give particulars in a footnote.

12. If the cost of any investment made during the year differs from the book value reported, explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein.

13. These schedules should not include any securities issued or assumed by respondent.

NONE

1001. INVESTMENTS IN AFFILIATED COMPANIES (See page 9 for Instructions)

Line No.	Account No.	Class No.	Name of issuing company and description of security held, also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR											
					PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR											
					Pledged			Unpledged			In sinking, insurance, and other funds			Total par value		
	(a)	(b)	(c)	(d)	(e)			(f)			(g)			(h)		
1	721	D-1	Western Pacific Railroad Company	NONE	\$			\$			\$			\$		
2	721	D-3	Standard Realty & Development Co.	NONE												
3																
4																
5																
6																
7																
8																
9																
10																

1002. OTHER INVESTMENTS (See page 9 for Instructions)

				INVESTMENTS AT CLOSE OF YEAR											
				PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR											
Line No.	Ac-count No.	Class No.	Name of issuing company or government and description of security held, also lien reference, if any	Pledged			Unpledged			In sinking, insurance, and other funds			Total par value		
				(d)			(e)			(f)			(g)		
	(a)	(b)	(c)	\$			\$			\$			\$		
21			Letter Agreement												
22	722	E-1	McLaughlin Drayage Co.												
23															
24															
25															
26															
27			Promissory Note												
28	722	C-4	Chapel of the Chimes												
29															
30															
31															

1201. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES

1. Give particulars of investments represented by securities and advances (including securities issued or assumed by respondent), and of other intangible property, indirectly owned or controlled by respondent through any subsidiary which does not report to the Commission under the provisions of Part 1 of the Interstate Commerce Act, without regard to any question of whether the company issuing the securities, or the obligor, is controlled by the subsidiary.

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by nonreporting companies shown in schedule 1001, as well as those owned or controlled by any other organization or individual whose action respondent is enabled to determine.

3. Investments in U. S. Treasury obligations may be combined in a single item.

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made (list on same line in second section and in same order as in first section)	INVESTMENTS AT CLOSE OF YEAR						INVESTMENTS MADE DURING YEAR					
			Total par value			Total book value			Par value			Book value		
			(c)			(d)			(e)			(f)		
	(a)	(b)	\$			\$			\$			\$		
1														
2														
3														
4		NONE												
5														
6														
7														
8														
9														
10														
11														
12														
13														
14														
15														
16														
17														
18														
19														
20														
21														
22														
23														
24														

Line No.	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR									Names of subsidiaries in connection with things owned or controlled through them (j)
	Par value			Book value			Selling price			
	(g)			(h)			(i)			
	\$			\$			\$			
1										
2										
3										
4										
5										
6										NONE
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
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18										
19										
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24										

1302. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (e), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 38 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the com-

posite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account No. 542. Report data applicable to improvements to such property, the cost of which is included in account 732, in columns (b), (c) and (d).

4. If the depreciation base for accounts 1, 2½, 3, 5, and 39 includes non-depreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported nevertheless in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

Line No.	Account (a)	OWNED AND USED						LEASED FROM OTHERS					
		DEPRECIATION BASE				Annual com- posite rate (percent) (d)		DEPRECIATION BASE				Annual com- posite rate (percent) (g)	
		At beginning of year (b)		At close of year (c)				At beginning of year (e)		At close of year (f)			
		\$		\$			%	\$		\$			%
1	ROAD												
2	(1) Engineering.....	220	812	223	334	1	25						
3	(2½) Other right-of-way expenditures.....												
4	(3) Grading.....	885	501	888	682	0	13						
5	(5) Tunnels and subways.....												
6	(6) Bridges, trestles, and culverts.....	1 692	184	1 700	090	1	49						
7	(7) Elevated structures.....												
8	(13) Fences, snowsheds, and signs.....	55	644	66	416	2	50						
9	(16) Station and office buildings.....	267	183	283	677	3	24						
10	(17) Roadway buildings.....	32	799	32	799	3	11						
11	(18) Water stations.....												
12	(19) Fuel stations.....	15	400	15	400	1	80						
13	(20) Shops and enginehouses.....	16	879	16	879	2	82						
14	(21) Grain elevators.....												
15	(22) Storage warehouses.....												
16	(23) Wharves and docks.....												
17	(24) Coal and ore wharves.....												
18	(26) Communication systems.....	81	062	86	979	2	18						
19	(27) Signals and interlockers.....	97	533	120	257	2	85						
20	(29) Power plants.....												
21	(31) Power-transmission systems.....												
22	(35) Miscellaneous structures.....												
23	(37) Roadway machines.....	404	797	404	787	5	30						
24	(39) Public improvements—Construction.....	219	940	224	798	2	12						
25	(44) Shop machinery.....												
26	(45) Power-plant machinery.....												
27	All other road accounts.....												
28	Amortization (other than defense projects).....												
29	Total road.....	3 989	734	4 064	098	1	81						
30	EQUIPMENT												
31	(51) Steam locomotives.....												
32	(52) Other locomotives.....	454	467	406	500	5	01						
33	(53) Freight-train cars.....	2 523	061	2 547	575	3	68						
34	(54) Passenger-train cars.....												
35	(56) Floating equipment.....												
36	(57) Work equipment.....	7	200	6	900	5	91						
37	(58) Miscellaneous equipment.....	59	828	52	777	10	22						
38	Total equipment.....	3 044	556	3 013	752	3	80						
39	GRAND TOTAL.....	7 034	290	7 077	850	xx	xx	NONE		NONE		xx	xx

NOTE:

Depreciation Base for Accounts 1, 3 and 39 include Non-Depreciable Property.

1303. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent, and the rent therefrom is included in account No. 509.

2. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not includable in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Commission's Bureau of Accounts, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

3. In column (d) show the composite rates used in computing the depreciation for the month of December and on lines 28 and 37 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary accounts composite rates to the depreciation base used in computing the depreciation for December and dividing the total so computed by the depreciation base.

4. If the depreciation base for accounts 1, 2½, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported nevertheless in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

Line No.	Account (a)	DEPRECIATION BASE						Annual composite rate (percent) (d)	
		Beginning of year (b)			Close of year (c)				
		\$			\$				%
1	ROAD								
2	(1) Engineering								
3	(2½) Other right-of-way expenditures								
4	(3) Grading								
5	(5) Tunnels and subways								
6	(6) Bridges, trestles, and culverts			NONE					
7	(7) Elevated structures								
8	(13) Fences, snowsheds, and signs								
9	(16) Station and office buildings								
10	(17) Roadway buildings								
11	(18) Water stations								
12	(19) Fuel stations								
13	(20) Shops and enginehouses								
14	(21) Grain elevators								
15	(22) Storage warehouses								
16	(23) Wharves and docks								
17	(24) Coal and ore wharves								
18	(26) Communication systems								
19	(27) Signals and interlockers								
20	(29) Power plants								
21	(31) Power-transmission systems								
22	(35) Miscellaneous structures								
23	(37) Roadway machines								
24	(39) Public improvements—Construction								
25	(44) Shop machinery								
26	(45) Power-plant machinery								
27	All other road accounts								
28	Total road								
29	EQUIPMENT								
30	(51) Steam locomotives								
31	(52) Other locomotives			NONE					
32	(53) Freight-train cars								
33	(54) Passenger-train cars								
34	(56) Floating equipment								
35	(57) Work equipment								
36	(58) Miscellaneous equipment								
37	Total equipment								
38	GRAND TOTAL							XX	XX

1501. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 1502 for the reserve relating to road and equipment owned but not used by the respondent.) If any

entries are made for "Other credits" or "Other debits," state the facts occasioning such entries. A debit balance in column (h) or (g) for any primary account should be shown in red or designated "Dr."

2. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

3. All credits or debits to the reserve representing amortization other than for defense projects, if a general amortization program has been authorized, should be entered on line 28.

Line No.	Account (a)	Balance at beginning of year (b)			CREDITS TO RESERVE DURING THE YEAR				DEBITS TO RESERVE DURING THE YEAR				Balance at close of year (g)		
					Charges to operating expenses (c)		Other credits (d)		Retirements (e)		Other debits (f)				
		\$			\$		\$		\$		\$		\$		
1	ROAD														
2	(1) Engineering.....		60	346		2 778								63	124
3	(2½) Other right-of-way expenditures.....														
4	(3) Grading.....		8	540		1 152				853				8	839
5	(5) Tunnels and subways.....		(1	398)										(1	398)
6	(6) Bridges, trestles, and culverts.....		1 008	777		25 219								1 033	996
7	(7) Elevated structures.....														
8	(13) Fences, snowsheds, and signs.....		48	215		1 602				1 130				48	687
9	(16) Station and office buildings.....		72	766		9 028				6 161				75	633
10	(17) Roadway buildings.....		11	463		1 020								12	483
11	(18) Water stations.....														
12	(19) Fuel stations.....		4	919		276								5	195
13	(20) Shops and enginehouses.....		6	205		480								6	685
14	(21) Grain elevators.....														
15	(22) Storage warehouses.....														
16	(23) Wharves and docks.....														
17	(24) Coal and ore wharves.....														
18	(26) Communication systems.....		36	983		1 798								38	781
19	(27) Signals and interlockers.....		53	128		2 991								56	119
20	(29) Power plants.....			482											482
21	(31) Power-transmission systems.....		44	237										44	237
22	(35) Miscellaneous structures.....														
23	(37) Roadway machines.....		155	324		21 456								176	780
24	(39) Public improvements—Construction.....		75	439		4 687				2 647				77	479
25	(44) Shop machinery*.....		(22)											(22)	
26	(45) Power-plant machinery*.....		(12	733)										(12	733)
27	All other road accounts.....		407	087										407	087
28	Amortization (other than defense projects).....														
29	Total road.....		1 979	758		72 487				10 791				2 041	454
30	EQUIPMENT														
31	(51) Steam locomotives.....														
32	(52) Other locomotives.....		228	785		21 167				43 967				205	985
33	(53) Freight-train cars.....		958	691		93 470				1 385				1 050	776
34	(54) Passenger-train cars.....														
35	(56) Floating equipment.....														
36	(57) Work equipment.....		26	557		414				300				26	671
37	(58) Miscellaneous equipment.....		89	457						8 778				80	672
38	Total equipment.....		1 303	490		115 051				54 430				1 344	111
39	GRAND TOTAL.....		3 283	248		187 538				65 221				3 405	565

*Chargeable to account 2223.

1502. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the depreciation reserve is carried in the accounts of the respondent, and the rent therefrom is included in account No. 509.

2. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment leased to others,

the depreciation charges for which are not includable in operating expenses of the respondent. (See schedule 1501 for the reserve relating to road and equipment owned and used by the respondent.)

3. If any entries are made for "Other credits" and "Other debits," state the facts occasioning such entries. A debit balance in columns (b) or (g) for any primary account should be shown in red or designated "Dr."

Line No.	Account	Balance at beginning of year		CREDITS TO RESERVE DURING THE YEAR				DEBITS TO RESERVE DURING THE YEAR				Balance at close of year	
				Charges to others (c)		Other credits (d)		Retirements (e)		Other debits (f)			
	(a)	(b)		(c)		(d)		(e)		(f)		(g)	
		\$		\$		\$		\$		\$		\$	
1	ROAD												
2	(1) Engineering.....												
3	(2½) Other right-of-way expenditures.....												
4	(3) Grading.....												
5	(5) Tunnels and subways.....												
6	(6) Bridges, trestles, and culverts.....												
7	(7) Elevated structures.....												
8	(13) Fences, snowsheds, and signs.....												
9	(16) Station and office buildings.....												
10	(17) Roadway buildings.....												
11	(18) Water stations.....												
12	(19) Fuel stations.....					NONE							
13	(20) Shops and enginehouses.....												
14	(21) Grain elevators.....												
15	(22) Storage warehouses.....												
16	(23) Wharves and docks.....												
17	(24) Coal and ore wharves.....												
18	(26) Communication systems.....												
19	(27) Signals and interlockers.....												
20	(29) Power plants.....												
21	(31) Power-transmission systems.....												
22	(35) Miscellaneous structures.....												
23	(37) Roadway machines.....												
24	(39) Public improvements—Construction.....												
25	(44) Shop machinery.....												
26	(45) Power-plant machinery.....												
27	All other road accounts.....												
28	Total road.....												
29	EQUIPMENT												
30	(51) Steam locomotives.....												
31	(52) Other locomotives.....												
32	(53) Freight-train cars.....					NONE							
33	(54) Passenger-train cars.....												
34	(56) Floating equipment.....												
35	(57) Work equipment.....												
36	(58) Miscellaneous equipment.....												
37	Total equipment.....												
38	GRAND TOTAL.....												

1503. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Give full particulars called for hereunder with respect to credits and debits to account No. 785, "Accrued depreciation—Leased property," during the year relating to road and equipment leased from others, the depreciation charges for which are includable in operating expenses of the respondent.

2. Show in column (c) amounts which were charged to operating expenses, and in column (f) show payments made to the lessor in settlement thereof. A full explanation should be given of all entries in columns (d) and (f).

3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained.

4. Show in column (e) the debits to the reserve arising from retirements.

5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to account No. 785 are made by the accounting company, show in column (c) the charges to operating expenses and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Account	Balance at beginning of year			CREDITS TO RESERVE DURING THE YEAR						DEBITS TO RESERVE DURING THE YEAR						Balance at close of year		
					Charges to operating expenses			Other credits			Retirements			Other debits					
(a)	(b)	(c)	(d)	(e)	(f)	(g)													
		\$			\$			\$			\$			\$					
1	ROAD																		
2	(1) Engineering.....																		
3	(2½) Other right-of-way expenditures.....																		
4	(3) Grading.....																		
5	(5) Tunnels and subways.....																		
6	(6) Bridges, trestles, and culverts.....																		
7	(7) Elevated structures.....																		
8	(13) Fences, snowsheds, and signs.....																		
9	(16) Station and office buildings.....																		
10	(17) Roadway buildings.....					NONE													
11	(18) Water stations.....																		
12	(19) Fuel stations.....																		
13	(20) Shops and enginehouses.....																		
14	(21) Grain elevators.....																		
15	(22) Storage warehouses.....																		
16	(23) Wharves and docks.....																		
17	(24) Coal and ore wharves.....																		
18	(26) Communication systems.....																		
19	(27) Signals and interlockers.....																		
20	(29) Power plants.....																		
21	(31) Power-transmission systems.....																		
22	(35) Miscellaneous structures.....																		
23	(37) Roadway machines.....																		
24	(39) Public improvements—Construction.....																		
25	(44) Shop machinery*.....																		
26	(45) Power-plant machinery*.....																		
27	All other road accounts.....																		
28	Total road.....																		
29	EQUIPMENT																		
30	(51) Steam locomotives.....																		
31	(52) Other locomotives.....																		
32	(53) Freight-train cars.....					NONE													
33	(54) Passenger-train cars.....																		
34	(56) Floating equipment.....																		
35	(57) Work equipment.....																		
36	(38) Miscellaneous equipment.....																		
37	Total equipment.....																		
38	GRAND TOTAL.....																		

*Chargable to account 2223.

1605. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

1. Show in columns (b) to (e) the amount of base of road and equipment property for which amortization reserve is provided in account No. 736, "Amortization of defense projects—Road and Equipment" of the respondent. If the amortization base is other than the ledger value stated in the investment account, a full explanation should be given.

2. Show in columns (f) to (i) the balance at the close of the year and all credits and debits during the year in reserve account No. 736, "Amortization of defense projects—Road and Equipment."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to \$100,000

or more, or by single entries as "Total road" in line 28. If reported by projects, each project should be briefly described, stating kind, location, and authorization date and number. Projects amounting to less than \$100,000 should be combined in a single entry designated "Minor items, each less than \$100,000."

4. Any amounts included in columns (b) and (f), and in column (h) affecting operating expenses, should be fully explained.

Line No.	Description of property or account (a)	BASE												RESERVE											
		Debits during year (b)			Credits during year (c)			Adjustments (d)			Balance at close of year (e)			Credits during year (f)			Debits during year (g)			Adjustments (h)			Balance at close of year (i)		
		\$	XX	XX	\$	XX	XX	\$	XX	XX	\$	XX	XX	\$	XX	XX	\$	XX	XX	\$	XX	XX	\$	XX	XX
1	ROAD:	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX
2	MINOR ITEMS																								
3	LESS THAN \$100,000																								
4																									
5																									
6																									
7																									
8																									
9																									
10																									
11																									
12																									
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17																									
18																									
19																									
20																									
21																									
22																									
23																									
24																									
25																									
26																									
27																									
28	TOTAL ROAD																								
29	EQUIPMENT:	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX
30	(51) Steam locomotives																								
31	(52) Other locomotives					41	614						None					41	614					None	
32	(53) Freight-train cars																								
33	(54) Passenger-train cars																								
34	(56) Floating equipment																								
35	(57) Work equipment																								
36	(58) Miscellaneous equipment																								
37	TOTAL EQUIPMENT					41	614						None					41	614					None	
38	GRAND TOTAL					41	614						None					41	614					None	

1607. DEPRECIATION RESERVE—MISCELLANEOUS PHYSICAL PROPERTY

Give particulars of the credits and debits during the year to account No. 738, "Accrued depreciation—Miscellaneous physical property," for each item or group of property for which depreciation was accrued; also the balances at the beginning of the year and at the close of the year in the reserve for each such item or group of property.

Show in column (f) the percentage or composite rate used by the respondent for computing the amount of depreciation credited to the account. Each item amounting to \$50,000 or more should be stated; items less than \$50,000 may be combined in a single entry designated "Minor items, each less than \$50,000."

Line No.	Item (Kind of property and location) (a)	Balance at beginning of year (b)			Credits during year (c)			Debits during year (d)			Balance at close of year (e)			Rates (percent) (f)		Base (g)		
		\$			\$			\$			\$			%		\$		
1	MINOR ITEMS		130	055		3	511		9	121		124	445	2	49		151	571
2	Each less than \$50,000																	
3																		
4																		
5																		
6																		
7																		
8																		
9																		
10																		
11																		
12																		
13																		
14																		
15	TOTAL		130	055		3	511		9	121		124	445	2	49		151	571

1608. CAPITAL SURPLUS

Give an analysis in the form called for below of capital surplus accounts. In column (a) give a brief description of the item added or deducted, and in column (b) insert the contra account number to which the amount stated in column (c), (d), or (e) was charged or credited.

Line No.	Item (a)	Contra account number (b)	ACCOUNT NO.								
			794. Premiums and assessments on capital stock (c)			795. Paid-in surplus (d)			796. Other capital surplus (e)		
31	Balance at beginning of year	X X X	\$			\$			\$		
32	Additions during the year (describe):										
33	NONE										
34											
35											
36											
37	Total additions during the year	X X X									
38	Deductions during the year (describe):										
39											
40											
41											
42	Total deductions	X X X									
43	Balance at close of year	X X X									

1609. RETAINED INCOME—APPROPRIATED

Give an analysis in the form called for below of account No. 797, "Retained income—Appropriated."

Line No.	Class of appropriation (a)	Credits during year (b)			Debits during year (c)			Balance at close of year (d)		
		\$			\$			\$		
61	Additions to property through retained income									
62	Funded debt retired through retained income									
63	Sinking fund reserves									
64	Miscellaneous fund reserves									
65	Retained income—Appropriated (not specifically invested)									
66	Other appropriations (specify):									
67	NONE									
68										
69										
70										
71										
72										
73										
74	TOTAL									

1701. LOANS AND NOTES PAYABLE

Give particulars of the various creditors and the character of the transactions involved in the current liability account No. 751, "Loans and notes payable."

List every item in excess of \$100,000, giving the information indicated in the column headings.

For creditors whose balances were severally less than \$100,000, a single

entry may be made under a caption "Minor accounts, each less than \$100,000."

Entries in columns (g) and (h) should include interest accruals and interest payments on loans and notes payable retired during the year, even though no portion of the issue remained outstanding at the close of the year.

Line No.	Name of creditor (a)	Character of liability or of transaction (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Balance at close of year (f)			Interest accrued during year (g)			Interest paid during year (h)		
					%	\$			\$			\$		
1		NONE												
2														
3														
4														
5														
6														
7														
8														
9														
TOTAL														

1702. DEBT IN DEFAULT

Give particulars for amounts included in Balance Sheet Account No. 768, "Debt in default," giving particulars for each security outstanding even though the amount be less than \$100,000.

Entries in columns (g) and (h) should include interest accruals and

interest payments on matured funded debt retired during the year, even though no portion of the debt remained outstanding at the close of the year.

Line No.	Name of security (a)	Reason for nonpayment at maturity (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Total par value actually outstanding at close of year (f)			Interest accrued during year (g)			Interest paid during year (h)		
					%	\$			\$			\$		
21		NONE												
22														
23														
24														
25														
26														
TOTAL														

1703. OTHER DEFERRED CHARGES

Give an analysis of the above-entitled account as of the close of the year, showing in detail each item or subaccount amounting to \$100,000 or more. Items less than \$100,000 may be combined into a single entry

designated "Minor items, each less than \$100,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)		
		\$		
41	Minor Items, Each Less Than \$100,000		62	841
42				
43				
44				
45				
46				
47				
48				
49				
50				
TOTAL			62	841

1704. OTHER DEFERRED CREDITS

Give an analysis of the above-entitled account as of the close of the year, showing in detail each item or subaccount amounting to \$100,000 or more. Items less than \$100,000 may be combined into a single entry

designated "Minor items, each less than \$100,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)		
		\$		
61	Minor Items, Each Less Than \$100,000		57	695
62				
63				
64				
65				
66				
67				
68				
69				
TOTAL			57	695

1801. INCOME ACCOUNT FOR THE YEAR

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts for Railroad Companies. All contra entries hereunder should be indicated in parentheses.

2. Any unusual accruals involving substantial amounts included in columns (b) and (d) on lines 9 to 63, inclusive, should be fully explained in a footnote.

3. Give the particulars called for on lines 71 to 92, inclusive, with respect to net accruals of taxes on railway property and U.S. Government taxes. Substantial adjustments included in the amounts reported should be explained.

4. On page 21A show an analysis and distribution of Federal income taxes.

Line No.	Item (a)	Amount applicable to the year (b)			Line No.	Item (c)	Amount applicable to the year (d)		
1	ORDINARY ITEMS				51	FIXED CHARGES			
2	RAILWAY OPERATING INCOME				52	(542) Rent for leased roads and equipment (p. 27)			516
3	(501) Railway operating revenues (p. 23)	3	194	551	53	(546) Interest on funded debt:			
4	(531) Railway operating expenses (p. 24)	2	024	609	54	(a) Fixed interest not in default			
5	Net revenue from railway operations	1	169	942	55	(b) Interest in default			
6	(532) Railway tax accruals		249	284	56	(547) Interest on unfunded debt			
7	Railway operating income		920	658	57	(548) Amortization of discount on funded debt			
8	RENT INCOME				58	Total fixed charges		15	743
9	(503) Hire of freight cars—Credit balance				59	Income after fixed charges (lines 50, 58)		866	515
10	(504) Rent from locomotives		4	736	60	OTHER DEDUCTIONS			
11	(506) Rent from passenger-train cars				61	(546) Interest on funded debt:			
12	(506) Rent from floating equipment				62	(c) Contingent interest			
13	(507) Rent from work equipment				63	Ordinary income (lines 59, 62)		866	515
14	(508) Joint facility rent income		15	128	64	EXTRAORDINARY AND PRIOR PERIOD ITEMS	xxx	xx	xx
15	Total rent income		19	864	65	(570) Extraordinary items - Net Cr. (Dr.) (p. 21B)			
16	RENTS PAYABLE				66	(580) Prior period items - Net Cr. (Dr.) (p. 21B)			
17	(536) Hire of freight cars—Debit balance		42	518	67	(590) Federal income taxes on extraordinary and prior period items - Debit (Credit) (p. 21B)			
18	(537) Rent for locomotives				68	Total extraordinary and prior period items - Cr. (Dr.)			
19	(538) Rent for passenger-train cars				69	Net income transferred to Retained Income		866	515
20	(539) Rent for floating equipment					Unappropriated			
21	(540) Rent for work equipment				70	ANALYSIS OF ACCOUNT 532, RAILWAY TAX ACCRUALS	xx	xx	xx
22	(541) Joint facility rents		70	044	71	United States Government taxes:	xx	xx	xx
23	Total rents payable		112	562	72	Income taxes		6	110
24	Net rents (lines 15, 23)		(92)	698	73	Old age retirement		99	938
25	Net railway operating income (lines 7, 24)		827	960	74	Unemployment insurance		27	144
26	OTHER INCOME				75	All other United States taxes			
27	(502) Revenue from miscellaneous operations (p. 24)				76	Total—U.S. Government taxes		133	192
28	(509) Income from lease of road and equipment (p. 27)		73	818	77	Other than U.S. Government taxes:	xx	xx	xx
29	(510) Miscellaneous rent income (p. 25)		41	988	78	Vehicle License Fee - California		2	387
30	(511) Income from nonoperating property (p. 26)				79	Property Tax - California		113	523
31	(512) Separately operated properties—Profit				80	Per Diem Tax - Mexico			82
32	(513) Dividend income		54	198	81	State Franchise Tax - California			100
33	(514) Interest income			123	82				
34	(516) Income from sinking and other reserve funds				83				
35	(517) Release of premiums on funded debt				84				
36	(518) Contributions from other companies (p. 27)		94	582	85				
37	(519) Miscellaneous income (p. 25)		264	709	86				
38	Total other income		1	092	87				
39	Total income (lines 25, 38)			669	88				
40	MISCELLANEOUS DEDUCTIONS FROM INCOME				89				
41	(534) Expenses of miscellaneous operations (p. 24)				90				
42	(535) Taxes on miscellaneous operating property (p. 24)				91	Total—Other than U.S. Government taxes		116	092
43	(543) Miscellaneous rents (p. 25)				92	Grand Total—Railway tax accruals (account 532)		249	284
44	(544) Miscellaneous tax accruals		73	860					
45	(545) Separately operated properties—Loss								
46	(549) Maintenance of investment organization								
47	(550) Income transferred to other companies (p. 27)								
48	(551) Miscellaneous income charges (p. 25)		136	551					
49	Total miscellaneous deductions		210	411					
50	Income available for fixed charges (lines 39, 49)		882	258					

*Enter name of State.

NOTE.—See page 21B for explanatory notes, which are an integral part of the Income Account for the Year.

1801. INCOME ACCOUNT FOR THE YEAR -- Continued

ANALYSIS OF FEDERAL INCOME TAXES

Line No.	Item (a)	Amount (b)			Remarks (c)
		\$			
101	Provision for income taxes based on taxable net income recorded in the accounts for the year		85	335	
102	Net decrease (or increase) because of use of accelerated depreciation under section 167 of the Internal Revenue Code and guideline lives pursuant to Revenue Procedure 62-21 and different basis used for book depreciation		(79	229)	
103	Net increase (or decrease) because of accelerated amortization of facilities under section 168 of the Internal Revenue Code for tax purposes and different basis used for book depreciation				
104	Net decrease (or increase) because of investment tax credit authorized in Revenue Act of 1962				
105	Net decrease (or increase) because of accelerated amortization of certain rolling stock under section 184 of the Internal Revenue Code and basis use for book depreciation				
106	Net decrease (or increase) because of amortization of certain rights-of-way investment under section 185 of the Internal Revenue Code				
	Tax consequences, material in amount, of other unusual and significant items excluded from the income recorded in the accounts for the year or where tax consequences are disproportionate to related amounts recorded in income accounts: (Describe)				
107					
108					
109					
110					
111					
112					
113					
114					
115					
116			6	110	
117	Net applicable to the current year				
118	Adjustments applicable to previous years (net debit or credit), except carry-backs and carry-overs				
119	Adjustments for carry-backs				
120	Adjustments for carry-overs				
121	TOTAL		6	110	
	Distribution:	X X	X X	X X	
122	Account 532		6	110	
123	Account 590				
124	Other (Specify)				
125					
126	Total		6	110	

NOTE: The amount shown on line 72 should equal line 122:
the amount shown on line 121 should equal line 126.

INCOME ACCOUNT FOR THE YEAR—EXPLANATORY NOTES

The space below is provided for the purpose of disclosing additional information concerning items of income for the current year. Each carrier shall give the particulars of items herein. Enter in separate notes with suitable explanation, amounts included in income accounts in connection with any unusual and material accrual or changeover in accounting practice; and other matters of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles. Minor items which have no consequential effect on net income for the year need not be reported. If carrier

has nothing to report, insert the word "None." The tax consequences of use of accelerated depreciation and tax guideline service lives, the investment tax credit, as well as other unusual and significant tax items and matters, are to be disclosed in the section below Schedule 1801, "Income account for the year," pertaining to the analysis of Federal income taxes. However, the explanation of items included in accounts 570, "Extraordinary items"; 580, "Prior period items"; and 590 "Federal income taxes on extraordinary and prior period items" are to be disclosed below.

NONE

1901. RETAINED INCOME—UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

Line No.	Item (a)	Amount (b)		Remarks (c)
		\$		
	CREDITS			
1	(602) Credit balance transferred from Income (p. 21) -----		866 515	
2	(606) Other credits to retained income† -----			Net of Federal income taxes \$ <u>NONE</u>
3	(622) Appropriations released -----			
4	Total -----		866 515	
	DEBITS			
5	(612) Debit balance transferred from Income (p. 21) -----			
6	(616) Other debits to retained income† -----			Net of Federal income taxes \$ <u>NONE</u>
7	(620) Appropriations for sinking and other reserve funds -----			
8	(621) Appropriations for other purposes -----		700 000	
9	(623) Dividends (p. 23) -----		700 000	
10	Total -----			
			166 515	
11	Net increase during year* -----	1	167 026	
12	Balance at beginning of year (p. 5)* -----	1	333 541	
13	Balance at end of year (carried to p. 5)* -----			

*Amount in parentheses indicates debit balance.

†Show principal items in detail.

1902. DIVIDEND APPROPRIATIONS

1. Give particulars of each dividend declared. For par value or nonpar stock, show in column (d) the respective total par value or total number of shares on which dividend was declared and the corresponding rate percent or per share in column (b) or (c). If any such dividend was payable in anything other than cash, explain the matter fully in a footnote. 2. If any obligation of any character has been incurred for the purpose of procuring funds for the payment of any dividend or for the purpose of replenishing the treasury of the respondent after payment of any dividend, give full particulars in a footnote. If any class of stock received a return not reportable in this schedule, state the particulars of the case in a footnote. 3. The sum of the dividends stated in column (e) should equal the amount shown in schedule No. 1901.

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)		DATES	
		Regular (b)	Extra (c)		Declared (f)	Payable (g)		
				\$		\$		
31	SACRAMENTO NORTHERN							
	COMMON STOCK							
32		1.33-1/3		7 500 000	100 000	3-19-70	3-24-70	
33		2.66-2/3		7 500 000	200 000	9-18-70	9-25-70	
34		5.33-1/3		7 500 000	400 000	11-18-70	11-20-70	
35								
36								
37								
38								
39								
40								
41								
42								
43				TOTAL	700 000			

2001. RAILWAY OPERATING REVENUES

1. State the railway operating revenues of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies. The proportion of joint traffic receipts belonging to other carriers should not be included.

2. Any unusual accruals involving substantial amounts included in columns (b) and (d) should be fully explained in a footnote.

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)			Class of railway operating revenues (c)	Amount of revenue for the year (d)		
		\$	x x	x x		\$	x x	x x
	TRANSPORTATION—RAIL LINE							
		\$	x x	x x		\$	x x	x x
1	(101) Freight*	3	103	315	(131) Dining and buffet.....			
2	(102) Passenger*			700	(132) Hotel and restaurant.....			
3	(103) Baggage.....				(133) Station, train, and boat privileges.....			
4	(104) Sleeping car.....				(135) Storage—Freight.....			
5	(105) Parlor and chair car.....				(137) Demurrage.....		56	155
6	(106) Mail.....				(138) Communication.....			
7	(107) Express.....				(139) Grain elevator.....			
8	(108) Other passenger-train.....				(141) Power.....			1 253
9	(109) Milk.....		32	642	(142) Rents of buildings and other property.....			486
10	(110) Switching*				(143) Miscellaneous.....		57	894
11	(113) Water transfers.....	3	136	657	Total incidental operating revenue.....			
12	Total rail-line transportation revenue.....				JOINT FACILITY	x x	x x	x x
13					(151) Joint facility—Cr.....			
14					(152) Joint facility—Dr.....			NONE
15					Total joint facility operating revenue.....			
16					Total railway operating revenues.....	3	194	551

*Report hereunder the charges to these accounts representing payments made to others as follows:

- | | |
|---|------------|
| 1. For terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates..... | \$ 50,771. |
| 2. For switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement..... | \$ 19,657. |
| 3. For substitute high-way motor service in lieu of line-haul rail service performed under joint tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates): | |
| (a) Payments for transportation of persons..... | \$ NONE |
| (b) Payments for transportation of freight shipments..... | \$ 72,429. |

2002. RAILWAY OPERATING EXPENSES

1. State the railway operating expenses of the respondent for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies.
2. Any unusual accruals involving substantial amounts included in columns (b) and (d) should be fully explained in a footnote.

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)			Name of railway operating expense account (c)	Amount of operating expenses for the year (d)		
		\$	x x	x x		\$	x x	x x
	MAINTENANCE OF WAY AND STRUCTURES				TRANSPORTATION—RAIL LINE			
1	(2201) Superintendence.....		49	834	(2241) Superintendence and dispatching.....		105	857
2	(2202) Roadway maintenance.....		238	431	(2242) Station service.....		140	297
3	(2203) Maintaining structures.....		4	327	(2243) Yard employees.....		319	734
4	(2203½) Retirements—Road.....		4	994	(2244) Yard switching fuel.....		6	523
5	(2204) Dismantling retired road property.....			530	(2245) Miscellaneous yard expenses.....		3	594
6	(2208) Road property—Depreciation.....		72	487	(2246) Operating joint yards and terminals—Dr.....		49	995
7	(2209) Other maintenance of way expenses.....		35	283	(2247) Operating joint yards and terminals—Cr.....		46	005
8	(2210) Maintaining joint tracks, yards, and other facilities—Dr.....		62	769	(2248) Train employees.....		190	407
9	(2211) Maintaining joint tracks, yards, and other facilities—Cr.....		1	894	(2249) Train fuel.....		9	795
10	Total maintenance of way and structures.....		466	761	(2251) Other train expenses.....		66	270
11	MAINTENANCE OF EQUIPMENT			768	(2252) Injuries to persons.....		191	004
12	(2221) Superintendence.....				(2253) Loss and damage.....		6	150
13	(2222) Repairs to shop and power-plant machinery.....				(2254) Other casualty expenses.....		11	879
14	(2223) Shop and power-plant machinery—Depreciation.....				(2255) Other rail transportation expenses.....		53	120
15	(2224) Dismantling retired shop and power-plant machinery.....				(2256) Operating joint tracks and facilities—Dr.....		41	980
16	(2225) Locomotive repairs.....		71	335	(2257) Operating joint tracks and facilities—Cr.....		30	721
17	(2226) Car repairs.....		75	652	Total transportation—Rail line.....		1	119 879
18	(2227) Other equipment repairs.....		2	446	MISCELLANEOUS OPERATIONS			
19	(2228) Dismantling retired equipment.....				(2258) Miscellaneous operations.....			
20	(2229) Retirements—Equipment.....		4	000	(2259) Operating joint miscellaneous facilities—Dr.....			
21	(2234) Equipment—Depreciation.....		115	050	(2260) Operating joint miscellaneous facilities—Cr.....			
22	(2235) Other equipment expenses.....		17	305	GENERAL			
23	(2236) Joint maintenance of equipment expenses—Dr.....				(2261) Administration.....		132	216
24	(2237) Joint maintenance of equipment expenses—Cr.....		9	100	(2262) Insurance.....			
25	Total maintenance of equipment.....		269	456	(2263) Other general expenses.....		10	417
26	TRAFFIC				(2265) General joint facilities—Dr.....			
27	(2240) Traffic expenses.....		25	880	(2266) General joint facilities—Cr.....		142	633
28					Total general expenses.....		2	024 609
29					GRAND TOTAL RAILWAY OPERATING EXPENSES.....			

30 Operating ratio (ratio of operating expenses to operating revenues), 53.38 percent. (Two decimal places required.)

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

Give particulars of each class of miscellaneous physical property or plant operated during the year. Group the properties under the heads of the classes of operations to which they are devoted.

In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, stating whether the respondent's title is that of ownership or whether the property is held under lease or other

incomplete title. All peculiarities of title should be explained in a footnote.

The totals of columns (b), (c), and (d) should agree with the totals of accounts Nos. 502, "Revenue from miscellaneous operations," 534, "Expenses of miscellaneous operations," and 535, "Taxes on miscellaneous operating property" in respondent's Income Account for the Year. If not, differences should be explained in a footnote.

Line No.	Designation and location of property or plant, character of business, and title under which held (a)	Total revenue during the year (Acct. 502) (b)			Total expenses during the year (Acct. 534) (c)			Total taxes applicable to the year (Acct. 535) (d)		
		\$	x x	x x	\$	x x	x x	\$	x x	x x
35										
36										
37	NONE									
38										
39										
40										
41										
42										
43										
44										
45										
46	TOTAL									

2101. MISCELLANEOUS RENT INCOME

Line No.	DESCRIPTION OF PROPERTY		Name of lessee (c)	Amount of rent (d)	
	Name (a)	Location (b)			
1	Off-Track Equipment Rentals	Various	The Western Pacific RR Co.	\$	52 024
2	Site for two signs	West Sacramento, Calif	Foster & Kleiser		2 680
3	Right-of-way for Powerline	North Sacramento, Calif	Pacific Gas & Electric Co.		2 689
4	Easement Pipeline	Solano & Yolo Counties, Ca	Standard Oil Co. of Calif.		7 427
5	Minor Items - Each Less Than \$1,500.00	Various	Various		8 998
6					
7					
8					
9			TOTAL		73 818

2102. MISCELLANEOUS INCOME

Line No.	Source and character of receipt (a)	Gross receipts (b)			Expenses and other deductions (c)			Net miscellaneous income (d)		
		\$			\$			\$		
21	Profit from Land Sales								74	126
22	Royalties from Oil and Gas Leases, Rent from Easements								20	456
23	And Power Lines									
24										
25										
26										
27										
28										
29	TOTAL								94	582

2103. MISCELLANEOUS RENTS

Line No.	DESCRIPTION OF PROPERTY		Name of lessor (c)	Amount charged to income (d)	
	Name (a)	Location (b)			
31	NONE			\$	
32					
33					
34					
35					
36					
37					
38					
39			TOTAL		

2104. MISCELLANEOUS INCOME CHARGES

Line No.	Description and purpose of deduction from gross income (a)	Amount (b)	
		\$	
41	Write-off, uncollectible freight charges, Bills Collectible		10 667
42	Amounts due MidWestern Roads, Transcontinental Divisions Settlement plus interest, Prior periods		120 801
43	Loss on Property Sale		3 574
44	Miscellaneous Items, Each Less Than \$1,500.00		1 509
45			
46			
47			
48			
49			
50	TOTAL		136 551

2201. INCOME FROM NONOPERATING PROPERTY

Line No.	Designation (a)	Revenues or income (b)			Expenses (c)			Net income or loss (d)			Taxes (e)	
		\$			\$			\$			\$	
1	Minor Items		43	141		1	153		41	988	73	860
2												
3												
4												
5												
6			43	141		1	153		41	988	73	860
7	TOTAL		43	141		1	153		41	988	73	860

2202. MILEAGE OPERATED (ALL TRACKS)†

Give particulars called for concerning all tracks operated by respondent at the close of the year. Way switching tracks include station, team, industry, and other switching tracks for which no separate switching service is maintained. Yard switching tracks include classification, house, team, industry, and other tracks switched by yard locomotives in yards where separate switching services are maintained. Tracks belonging to an industry for which no rent is payable should not be reported. Switching and Terminal Companies report on line 26 only.

2203. MILEAGE OPERATED—BY STATES

Line Haul Railways show single track only.
Switching and Terminal Companies show all tracks.

Terminal Companies report on line 26 only.

Line No.	Line in use (a)	Owned (b)	Proprietary companies (c)	Leased (d)	Operated under contract (e)	Operated under track-age rights (f)	Total operated (g)	State (h)	Owned (i)	Proprietary companies (j)	Leased (k)	Operated under contract (l)	Operated under track-age rights (m)	Total operated (n)
21	Single or first main track	170 20	0	7 19	7	165 45	342 84	3 California	170 20	0	7 19	7	165 45	342 84
22	Second and additional main tracks	2 09	2			34 78	36 87	7						
23	Passing tracks, cross-overs, and turn-outs					20 54	0 20 54	0						
24	Way switching tracks	50 71	1			3 70	3 54 41	4						
25	Yard switching tracks	20 77	1	6 02	6	7 01	7 33 80	4						
26	TOTAL	243 77	4	13 21	3	231 48	488 46	8 TOTAL	170 20		7 19	3	165 45	342 84

2215. Show, by States, mileage of tracks owned but not operated by respondent: First main track, NONE; second and additional main tracks, NONE; industrial tracks, NONE; yard track and sidings, NONE; total, all tracks, NONE†

2216. Road is completed from (Line Haul Railways only)* Concord, California to Chico, California Total distance, 152.86 miles

2217. Road located at (Switching and Terminal Companies only)*

2218. Gage of track 4 ft. 8½ in. 2219. Weight of rail Various lb. per yard.

2220. Kind and number per mile of crossties Redwood and Treated Fir - 2,900/mi.

2221. State number of miles electrified: First main track, NONE; second and additional main tracks, NONE; passing tracks, cross-overs, and turn-outs, NONE; way switching tracks, NONE; yard switching tracks, NONE

2222. Ties applied in replacement during year: Number of crossties, 2,099; average cost per tie, \$ 5.388; number of feet (B. M.) of switch and bridge ties, 4,142; average cost per M feet (B. M.), \$ 214.00

2223. Rail applied in replacement during year: Tons (2,000 pounds), 75.0565; weight per yard, Various; average cost per ton, \$ 30.00

*Insert names of places.

†Mileage should be stated to the nearest hundredth of a mile.

EXPLANATORY REMARKS

Wgt of rail

60#	129.71	110#	2.00
70#	43.51	112#	0.91
85#	51.30	114#	3.24
90#	0.01	115#	2.64
100#	10.45		

2301. RENTS RECEIVABLE
INCOME FROM LEASE OF ROAD AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessee (c)	Amount of rent during year (d)		
		NONE		\$		
1						
2						
3						
4						
5						
TOTAL						

2302. RENTS PAYABLE
RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)		
11	Connecting Track	Marysville, California	The Western Pacific RR Co.	\$		506
12	Minor Item					10
13						
14						
15						
TOTAL						516

2303. CONTRIBUTIONS FROM OTHER COMPANIES

Line No.	Name of contributor (a)	Amount during year (b)		
	NONE	\$		
21				
22				
23				
24				
25				
26				
TOTAL				

2304. INCOME TRANSFERRED TO OTHER COMPANIES

Line No.	Name of transferee (c)	Amount during year (d)		
	NONE	\$		
21				
22				
23				
24				
25				
26				
TOTAL				

2305. Describe fully all liens upon any of the property of the respondent at the close of the year, and all mortgages, deeds of trust, and other instruments whereby such liens were created. Describe also all property subject to the said several liens. This inquiry covers judgment liens, mechanics' liens, etc., as well as liens based on contract. If there were no liens of any character upon any of the property of the respondent at the close of the year, state that fact.

Conditional Sale Agrmnt, dated 10/2/61, and as Supplemented 10/18/61, between Bank of America, N.T.&S.A. and Sacramento Northern Railway for purchase of 40 - 70 Ton Insulated Box Cars and 10 - 100 Ton Covered Hopper Cars, See Reportings in Accts. 764-766, Schedule 200L, Page 5, and Schedule 902, Page 8.

2401. EMPLOYEES, SERVICE, AND COMPENSATION

1. Give particulars of the average number of employees of various classes in the service of the respondent, of service rendered by such employees, and of compensation paid therefor during the year. Employees are to be counted and classified and their service and compensation reported in accordance with the Commission's Rules Governing the Classification of Railroad Employees and Reports of their Service and Compensation, effective January 1, 1951.

2. Averages called for in column (b) should be the average of twelve middle-of-month counts.

3. Pensioners rendering no service are not to be included in the count, nor is any compensation paid them to be included hereunder.

4. If any of the general officers served without compensation or were carried on the payrolls of another company, those facts should be stated in a footnote.

5. If any compensation was paid or is payable under labor awards of the current year, include the amount applicable to the current year in column (d) and show the portion applicable to prior years (back pay) in a footnote, by groups of employees. For purposes of this report, labor awards are intended to cover adjustments resulting from the decisions of Wage Boards and voluntary awards by the respondent incident thereto.

6. This schedule does not include old-age retirement, and unemployment insurance taxes.

Line No.	Classes of employees (a)	Average number of employees (b)	Total service hours (c)	Total compensation (d)	Remarks (e)
1	TOTAL (executives, officials, and staff assistants)	2	4 192	28 150	
2	TOTAL (professional, clerical, and general)	10	21 458	84 486	Note 1: With the exception of the
3	TOTAL (maintenance of way and structures)	32	67 265	215 470	Superintendent, general officers were
4	TOTAL (maintenance of equipment and stores)	5	13 809	59 480	carried on the payrolls of another
5	TOTAL (transportation—other than train, engine, and yard)	9	20 041	97 425	company and serve without direct
6	TOTAL (transportation—yardmasters, switch tenders, and hostlers)	4	7 588	35 403	compensation by the respondent.
7	TOTAL, ALL GROUPS (except train and engine)	62	134 353	520 414	
8	TOTAL (transportation—train and engine)	46	99 634	427 183	
9	GRAND TOTAL	108	233 987	947 597	

Amount of foregoing compensation (excluding back pay for prior years) that is chargeable to account No. 531, "Railway operating expenses": \$ 878,037.

2402. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

1. Show hereunder the quantities of the various kinds of fuel consumed by locomotives and motor or other self-propelled rail cars in the service of respondent during the year, and the number of kilowatt-hours for such tractive equipment as was propelled by electricity.

2. The ton of 2,000 pounds should be used.

Line No.	Kind of service (a)	A. LOCOMOTIVES (STEAM, ELECTRIC, AND OTHER)					B. RAIL MOTOR CARS (GASOLINE, OIL-ELECTRIC, ETC.)		
		Diesel oil (gallons) (b)	Gasoline (gallons) (c)	Electricity (kilowatt-hours) (d)	STEAM		Electricity (kilowatt-hours) (g)	Gasoline (gallons) (h)	Diesel oil (gallons) (i)
					Coal (tons) (e)	Fuel oil (gallons) (f)			
31	Freight	94,688							
32	Passenger	67							
33	Yard switching	63,059							
34	TOTAL TRANSPORTATION	157,814							
35	Work train								
36	GRAND TOTAL	157,814							
37	TOTAL COST OF FUEL*	16,318			XXXX		XXXX		

*Show cost of fuel charged to yard and train service (accounts Nos. 2244 and 2249). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service.

2501. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each of the five persons named in Sections 5 and 6 of Schedule 300 of this report to whom the respondent paid the largest amount during the year covered by this report as compensation for current or past service over and above necessary expenses incurred in discharge of duties, and in addition, all other officers, directors, pensioners, or employees, if any, to whom the respondent similarly paid \$20,000 or more. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies. Any large "other compensation"

should be explained in a footnote. If salary of an individual was changed during the year, show salary before each change as well as at close of year. If an officer, director, etc., receives compensation from more than one transportation company (whether a subsidiary or not) or from a subsidiary company, reference to this fact should be made if his aggregate compensation amounts to \$20,000 or more and the detail as to division of the salary should be stated. By salary (column (c)) is meant the annual rate at which an employee is paid, rather than the amount actually paid for a part of a year when the salary is changed. Also when a 10 percent (or other percent) reduction is made, the net rate and not the basic rate should be shown.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)		Other compensation during the year (d)	
			\$		\$	
1	H. J. Mulford	Superintendent		17 460		NONE
2						
3						
4						
5						
6						
7						
8	H. J. Mulford's Salary Increased from \$15,440 to \$17,460 on 7/1/70					
9						
10						
11						
12						
13						
14						
15						

2502. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

In the form below give information concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowances for expenses, or any form of payments amounting in the aggregate of \$20,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person (other than one of respondent's employees covered in schedule 2501 in this annual report) for services or as a donation, except that with respect to contributions under \$20,000 which are made in common with other carriers under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespectively of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of \$20,000 or more.

To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation, accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trustees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. Payments to the various railway associations, commissions,

committees, bureaus, boards, and other organizations maintained jointly by railways shall also be included. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

To be excluded are: Rent of buildings or other property, taxes payable to the Federal, State, or local Governments, payments for heat, light, power, telegraph, and telephone services, and payments to other carriers on the basis of lawful tariff charges or for the interchange of equipment between carriers, as well as other payments for services which both as to their nature and amount may reasonably be regarded as ordinarily connected with the routine operation, maintenance, or construction of a railroad, but any special and unusual payments for services should be reported. Payments of \$20,000 or more to organizations maintained jointly by railways with other railways are not to be excluded even if their services are regarded as routine.

If more convenient, this schedule may be filled out for a group of roads considered as one system and shown only in the report of the principal road in the system, with references thereto in the reports of the other roads.

If any doubt exists in the mind of the reporting officer as to the reportability of any type of payment, request should be made for a ruling before filing this report.

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)	
			\$	
31	NONE			
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
TOTAL				

2601. STATISTICS OF RAIL-LINE OPERATIONS. [For Road Haul Traffic Only]

Give the various statistical items called for concerning the rail-line operations of respondent's road during the year. Motor car and trailer miles, if any, should be included. Highway traffic to be excluded. Locomotive unit-miles should include all miles made by each locomotive unit. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

Item No.	Item (a)	Freight trains (b)			Passenger trains (c)			Total transportation service (d)			Work trains (e)		
1	Average mileage of road operated (whole number required).....										x x	x x	x x
	TRAIN-MILES												
2	Total (with locomotives).....	93	080					93	080				
3	Total (with motorcars).....												
4	TOTAL TRAIN-MILES	93	080					93	080				
	LOCOMOTIVE UNIT-MILES												
5	Road service.....	124	113					124	113		x x	x x	x x
6	Train switching.....	10	950					10	950		x x	x x	x x
7	Yard switching.....	82	936					82	936		x x	x x	x x
8	TOTAL LOCOMOTIVE UNIT-MILES	217	999					217	999		x x	x x	x x
	CAR-MILES												
9	Loaded freight cars.....	740	869					740	869		x x	x x	x x
10	Empty freight cars.....	669	923					669	923		x x	x x	x x
11	Caboose.....	122	340					122	340		x x	x x	x x
12	TOTAL FREIGHT CAR-MILES	1	533	132				1	533	132	x x	x x	x x
13	Passenger coaches.....										x x	x x	x x
14	Combination passenger cars (mail, express, or baggage, etc., with passenger).....										x x	x x	x x
15	Sleeping and parlor cars.....										x x	x x	x x
16	Dining, grill and tavern cars.....										x x	x x	x x
17	Head-end cars.....										x x	x x	x x
18	TOTAL (lines 13, 14, 15, 16 and 17)										x x	x x	x x
19	Business cars.....										x x	x x	x x
20	Crew cars (other than cabooses).....										x x	x x	x x
21	GRAND TOTAL CAR-MILES (lines 12, 18, 19 and 20)	1	533	132				1	533	132	x x	x x	x x
	REVENUE AND NONREVENUE FREIGHT TRAFFIC	x x	x x	x x	x x	x x	x x	x x	x x	x x	x x	x x	x x
22	Tons—Revenue freight.....	x x	x x	x x	x x	x x	x x	889	844		x x	x x	x x
23	Tons—Nonrevenue freight.....	x x	x x	x x	x x	x x	x x	5	916		x x	x x	x x
24	TOTAL TONS—REVENUE AND NONREVENUE FREIGHT	x x	x x	x x	x x	x x	x x	895	760		x x	x x	x x
25	Ton-miles—Revenue freight.....	x x	x x	x x	x x	x x	x x	46	271	163	x x	x x	x x
26	Ton-miles—Nonrevenue freight.....	x x	x x	x x	x x	x x	x x	127	972		x x	x x	x x
27	TOTAL TON-MILES—REVENUE AND NONREVENUE FREIGHT	x x	x x	x x	x x	x x	x x	46	399	135	x x	x x	x x
	REVENUE PASSENGER TRAFFIC	x x	x x	x x	x x	x x	x x	x x	x x	x x	x x	x x	x x
28	Passengers carried—Revenue.....	x x	x x	x x	x x	x x	x x		141		x x	x x	x x
29	Passenger-miles—Revenue.....	x x	x x	x x	x x	x x	x x	2	952		x x	x x	x x

NOTES AND REMARKS

2602. REVENUE FREIGHT CARRIED DURING THE YEAR. (For Road Haul Traffic Only)

1. Give the particulars called for concerning the commodities carried by the respondent during the year, the revenue from which is includable in account No. 101, *Freight*, on the basis of the 2-digit codes named in 49 C.F.R. 123.52, by Order of September 13, 1963. In stating the number of tons received from connecting carriers (c), include all connecting carriers, whether rail or water and whether the freight is received directly or indirectly (as through elevators).

2. Under Order of December 16, 1964, traffic involving less than three shippers reportable in any one commodity class may be excluded from this schedule, but must be submitted unbound in a separate schedule supplemental to this one and marked *Supplemental*. Extra copies of Schedule 2602 may be obtained upon request to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C., 20423. If a supplemental schedule is filed, check the space provided at the bottom of this schedule. Supplemental reports will be withheld from public inspection.

3. Particulars for Codes 01 to 46 inclusive, should include all traffic moved in lots of 10,000 pounds or more. Forwarder traffic includes freight traffic shipped by or consigned to any forwarder holding a permit under Part IV of the Interstate Commerce Act. Code 47 should include all traffic moved in lots of less than 10,000 pounds.

4. *Gross freight revenue* means respondent's gross freight revenue without adjustment for absorption or corrections.

Item No.	COMMODITY Description (a)	Code No.	REVENUE FREIGHT IN TONS (2,000 POUNDS)			Gross freight revenue (dollars) (e)
			Originating on respondent's road (b)	Received from connecting carriers (c)	Total carried (d)	
1	Farm Products.....	01	51,401	31,173	82,574	315,954
2	Forest Products.....	08				
3	Fresh Fish and Other Marine Products.....	09				
4	Metallic Ores.....	10				
5	Coal.....	11				
6	Crude Petro, Nat Gas, & Nat Gsln.....	13		2,000	2,000	5,070
7	Nonmetallic Minerals, except Fuels.....	14	5,513	87,517	93,030	919,058
8	Ordnance and Accessories.....	19	238,433	88,075	326,508	942,624
9	Food and Kindred Products.....	20		1,347	1,347	9,692
10	Tobacco Products.....	21		241	241	1,312
11	Basic Textiles.....	22				
12	Apparel & Other Finished Tex Prd Inc Knit.....	23	13,710	34,444	48,154	100,304
13	Lumber & Wood Products, except Furniture.....	24		236	236	2,302
14	Furniture and Fixtures.....	25	16	9,828	9,844	24,705
15	Pulp, Paper and Allied Products.....	26	22	352	374	1,974
16	Printed Matter.....	27	6,504	54,075	60,579	141,069
17	Chemicals and Allied Products.....	28	39	2,000	2,039	8,570
18	Petroleum and Coal Products.....	29		174	174	1,380
19	Rubber & Miscellaneous Plastic Products.....	30	50		50	158
20	Leather and Leather Products.....	31		17,754	17,754	28,297
21	Stone, Clay and Glass Products.....	32	31,286	356,939	388,225	707,569
22	Primary Metal Products.....	33	380	1,968	2,348	14,527
23	Fabr Metal Prd, Exc Ordn Machy & Transp.....	34	389	2,523	2,912	25,040
24	Machinery, except Electrical.....	35		1,130	1,130	8,636
25	Electrical Machy, Equipment & Supplies.....	36	1,267	2,515	3,777	31,234
26	Transportation Equipment.....	37				
27	Instr, Phot & Opt GD, Watches & Clocks.....	38	601	443	1,044	2,967
28	Miscellaneous Products of Manufacturing.....	39	21,609	848	22,457	43,988
29	Waste and Scrap Materials.....	40	158	336	494	3,304
30	Miscellaneous Freight Shipments.....	41	1,700	189	1,889	7,838
31	Containers, Shipping, Returned Empty.....	42				
32	Freight Forwarder Traffic.....	44		393	393	1,603
33	Shipper Assn or Similar Traffic.....	45	299	198	497	2,211
34	Misc Shipments except Forwarder (44) or shipper Assn (45).....	46	373,372	696,698	1,070,070	3,351,386
35	GRAND TOTAL, CARLOAD TRAFFIC.....		4	20	24	478
36	Small Packaged Freight Shipments.....	47	373,376	696,718	1,070,094	3,351,864
37	Grand Total, Carload & LCL Traffic.....					

☐ This report includes all commodity statistics for the period covered.

☐ A supplemental report has been filed covering traffic involving less than three shippers reportable in any one commodity code.

☐ Supplemental Report NOT OPEN TO PUBLIC INSPECTION.

ABBREVIATIONS USED IN COMMODITY DESCRIPTIONS

Assn	Association	Inc	Including	Nat	Natural	Prd	Products
Exc	Except	Instr	Instruments	Opt	Optical	Tex	Textile
Fabr	Fabricated	LCL	Less than carload	Ordn	Ordnance	Transp	Transportation
Gd	Goods	Machy	Machinery	Petro	Petroleum		
Gsln	Gasoline	Misc	Miscellaneous	phot	Photographic		

2701. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

[FOR SWITCHING OR TERMINAL COMPANIES ONLY]

Give particulars of cars handled during the year. With respect to the term "cars handled" it should be observed that, when applied to *switching* operations, the movement of a car from the point at which a switching company receives it, whether loaded or empty, to the point where it is loaded or unloaded or delivered to another connecting line is to be counted as one car handled. The return of a car, whether loaded or empty, from the point where it is loaded or unloaded, to the point of delivery is to be counted as one car handled. No incidental movement

is to be considered, unless such incidental movement involves the receipt of additional revenue. When applied to *terminal* operations, such as union station, bridge, ferry, or other joint facility terminal operations, the term "cars handled" includes all cars for which facilities are furnished. The number of locomotive-miles in yard-switching service should be computed in accordance with account No. 816, "Yard switching locomotive-miles."

Item No.	Item (a)	Switching operations (b)			Terminal operations (c)			Total (d)		
	FREIGHT TRAFFIC									
1	Number of cars handled earning revenue—Loaded.....									
2	Number of cars handled earning revenue—Empty.....									
3	Number of cars handled at cost for tenant companies—Loaded.....									
4	Number of cars handled at cost for tenant companies—Empty.....									
5	Number of cars handled not earning revenue—Loaded.....									
6	Number of cars handled not earning revenue—Empty.....									
7	Total number of cars handled.....									
	PASSENGER TRAFFIC									
8	Number of cars handled earning revenue—Loaded.....									
9	Number of cars handled earning revenue—Empty.....									
10	Number of cars handled at cost for tenant companies—Loaded.....									
11	Number of cars handled at cost for tenant companies—Empty.....									
12	Number of cars handled not earning revenue—Loaded.....									
13	Number of cars handled not earning revenue—Empty.....									
14	Total number of cars handled.....									
15	Total number of cars handled in revenue service (items 7 and 14).....									
16	Total number of cars handled in work service.....									

Number of locomotive-miles in yard-switching service: Freight, _____; passenger, _____

2801. INVENTORY OF EQUIPMENT INSTRUCTIONS

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.

2. In column (c) give the number of units of equipment purchased, built in company shops, or otherwise acquired.

3. Units leased to others for a period of one year or more are reportable in column (i); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (e); units rented from others for a period less than one year should not be included in column (f). Units installed during the year and subsequently leased to others for a year or more should be shown as added in column (c), as retired in column (d), and included in column (i).

4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. (A locomotive tender should be considered as a part of the locomotive unit.) A "self-propelled car" is a rail motor car propelled by electric motors receiving power from third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.

5. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from an external conductor. An "Electric" unit includes all units which receive electric power from an overhead con-

tact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other" unit includes all units other than diesel or electric, e.g., steam gas turbine. Show the types of other units, service and number, as appropriate, in a brief description sufficient for positive identification.

6. Column (h) should show aggregate capacity for all units reported in column (g), as follows: For locomotive units, report the rated continuous horsepower for traction. (One horsepower is equivalent to a force that will raise 33,000 pounds one foot in one minute.), or tractive effort of steam locomotive units; for freight-train cars report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. (Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.); for passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

7. Freight-train car type codes shown in column (a) correspond to the AAR Multilevel Per Diem Master List. Dashes are used in appropriate places to permit a single code to represent several car type codes. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Leased from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
LOCOMOTIVE UNITS									
1.	Diesel-----	12	2	2	12		12	10,800	
2.	Electric-----								
3.	Other-----								
4.	Total (lines 1 to 3)-----	12	2	2	12		12	XXXX	
FREIGHT-TRAIN CARS									
								(tons)	
5.	Box-General service (A-20, A-30, A-40, A-50, all B (except B080) L070, R-00, R-01, R-06, R-07)-----	99	5		104		104	5,382.0	
6.	Box-Special service (A-00, A-10, B080)-----	43			43		43	3,010.0	
7.	Gondola (All G, J-00, all C, all E)-----								
8.	Hopper-Open top (All H, J-10, all K)-----	38			38		38	2,910.0	
9.	Hopper-Covered (L-5-)-----								
10.	Tank (All T)-----								
11.	Refrigerator-Mechanical (R-04, R-10, R-11, R-12)-----								
12.	Refrigerator-Non-Mechanical (R-02, R-03, R-05, R-08, R-09, R-13, R-14, R-15, R-16, R-17)-----	38		2	36		36	2,520.0	
13.	Stock (All S)-----								
14.	Autotrack (F-5-, F-6-)-----								
15.	Flat (All F (except F-5-, F-6-, F-7-, F-8-), L-2-L-3-)-----								
16.	Flat-TOFC (F-7-, F-8-)-----								
17.	All other (L-0-, L-1-, L-4-, L080, L090)-----	218	5	2	221		221	13,822.0	
18.	Total (lines 5 to 17)-----	9	2	1	10		10	XXXX	
19.	Caboose (All N)-----	227	7	3	231		231	XXXX	
20.	Total (lines 18 and 19)-----							(seating capacity)	
PASSENGER-TRAIN CARS									
NON-SELF-PROPELLED									
21.	Coaches and combined cars (PA, PB, PBO, all class C, except CSB)-----								
22.	Parlor, sleeping, dining cars (PBC, PC, PL, PO, PS, PT, PAS, PDS, all class D, PD)-----								
23.	Non-passenger carrying cars (All class B, CSB, PSA, IA, all class M)-----							XXXX	
24.	Total (lines 21 to 23)-----								

2801. INVENTORY OF EQUIPMENT—Concluded

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Leased from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	PASSENGER-TRAIN CARS - Continued							(Seating capacity)	
	SELF-PROPELLED RAIL MOTORCARS								
25.	Electric passenger cars (EC, EP, ET)-----								
26.	Internal combustion rail motorcars (ED, EG)-----								
27.	Other self-propelled cars (Specify types)-----								
28.	Total (lines 25 to 27)-----								
29.	Total (lines 24 and 28)-----								
	COMPANY SERVICE CARS								
30.	Business cars (PV)-----							XXXX	
31.	Boarding outfit cars (MWX)-----	3			3		3	XXXX	
32.	Derrick and snow removal cars (MWK, MWU, MWV, MWX)-----							XXXX	
33.	Dump and ballast cars (MWB, MWD)-----							XXXX	
34.	Other maintenance and service equipment cars-----	21		1	20		20	XXXX	
35.	Total (lines 30 to 34)-----	24		1	23		23	XXXX	
36.	Grand total (lines 20, 29, and 35)-----	251	7	4	254		254	XXXX	
	FLOATING EQUIPMENT								
37.	Self-propelled vessels (Tugboats, car ferries, etc.)-----							XXXX	
38.	Non-self-propelled vessels (Car floats, lighters, etc.)-----							XXXX	
39.	Total (lines 37 and 38)-----				NONE			XXXX	

2900. IMPORTANT CHANGES DURING THE YEAR

Hereunder state the following matters, numbering the statements in accordance with the inquiries, and if no changes of the character below indicated occurred during the year, state that fact. Changes in mileage should be stated to the nearest hundredth of a mile. If any changes reportable in this schedule occurred under authority granted by the Commission in certificates of convenience and necessity, issued under paragraphs (18) to (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

1. All portions of road put in operation or abandoned, giving (a) termini, (b) length of road, and (c) dates of beginning operations or of abandonment.*

2. All other important physical changes, including herein all new tracks built.*

3. All leaseholds acquired or surrendered, giving (a) dates, (b) length of terms, (c) names of parties, (d) rents, and (e) other conditions.

4. All agreements for trackage rights acquired or surrendered, giving (a) dates, (b) length of terms, (c) names of parties, (d) rents, and (e) other conditions.

5. All consolidations, mergers, and reorganizations effected, giving particulars.

6. All stocks issued, giving (a) purposes for which issued, (b) names of stocks and (c) amounts issued, and describing (d) the actual consideration realized, giving (e) amounts and (f) values; give similar information concerning all stocks retired (if any).

7. All funded debt issued, giving (a) purposes for which issued, (b) names of securities and (c) amounts issued, and describing (d) the actual consideration realized, giving (e) amounts and (f) values; also give particulars concerning any funded debt paid or otherwise retired, stating (a) date acquired, (b) date retired or canceled, (c) par value of amount retired.

8. All other important financial changes.

9. All changes in and all additions to franchise rights, describing fully (a) the actual consideration given therefor, and stating (b) the parties from whom acquired; if no consideration was given, state that fact.

10. In case the respondent has not yet begun operation, and no construction has been carried on during the year, state fully the reasons therefor.

11. All additional matters of fact (not elsewhere provided for) which the respondent may desire to include in its report.

0.08 mi. of way track installed
 0.50 mi. of yard track installed
 0.02 mi. of yard track retired

*If returns under items 1 and 2 include any first main track owned by respondent representing new construction or permanent abandonment give the following particulars:

Miles of road constructed Miles of road abandoned

The item "Miles of road constructed" is intended to show the mileage of first main track laid to extend respondent's road, and should not include tracks relocated and tracks laid to shorten the distance between two points, without serving any new territory.

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondent. It should be verified, also, by the oath of the president or other chief officer of the respondent, unless the respondent states on the last preceding page of this report that such chief officer has no control over the accounting of the respondent. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

(To be made by the officer having control of the accounting of the respondent)

State of California
City and County of San Francisco } ss:

J. B. Morgan
(Insert here the name of the affiant)

makes oath and says that he is

General Auditor

(Insert here the official title of the affiant)

of SACRAMENTO NORTHERN RAILWAY
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Interstate Commerce Commission, effective during the said period; that he has carefully examined the said report, and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of

time from and including January 1, 19 70, to and including December 31, 19 70

J. B. Morgan
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and City and

county above named, this 29th day of March, 19 71

My commission expires April 16th, 1971

[Use an
L. S.
impression seal]

S. H. Bray
(Signature of officer authorized to administer oaths)

S. H. Bray

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of California
City and County of San Francisco } ss:

L. D. Michelson
(Insert here the name of the affiant)

makes oath and says that he is

President and General Manager

(Insert here the official title of the affiant)

of SACRAMENTO NORTHERN RAILWAY
(Insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operation of its property during

the period of time from and including January 1, 19 70 to and including December 31, 19 70

L. D. Michelson
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and City and

county above named, this 29th day of March, 19 71

My commission expires April 16, 1971

[Use an
L. S.
impression seal]

S. H. Bray
(Signature of officer authorized to administer oaths)

S. H. Bray

701. ROAD AND EQUIPMENT PROPERTY

1. Give particulars of changes in accounts Nos. 731, "Road and equipment property" and 732, "Improvements on leased property," classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. Credit items in the entries should be fully explained.

3. Report on line 34 amounts not includable in the primary road accounts. The items reported should be briefly identified and ex-

plained in a footnote. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at Beginning of Year		Total Expenditures During the Year		Balance at Close of Year	
		Entire line		Entire line		Entire line	
		(b)	(c)	(d)	(e)	(f)	(g)
1 (1)	Engineering-----	220 812		2 913		223 725	
2 (2)	Land for transportation purposes-----	502 658		49 244		453 414	
3 (24)	Other right-of-way expenditures-----	19 661		10 490		9 171	
4 (3)	Grading-----	885 501		2 130		887 631	
5 (5)	Tunnels and subways-----	1 692 184		10 909		1 703 093	
6 (6)	Bridges, trestles, and culverts-----						
7 (7)	Elevated structures-----	454 603		3 597		458 200	
8 (8)	Ties-----	529 179		424		529 603	
9 (9)	Rails-----	519 655		1 414		521 069	
10 (10)	Other track material-----	394 285		1 183		395 468	
11 (11)	Ballast-----	577 991		1 595		576 396	
12 (12)	Track laying and surfacing-----	55 644		10 772		66 416	
13 (13)	Fences, snowsheds, and signs-----	267 184		16 493		283 677	
14 (16)	Station and office buildings-----	32 799				32 799	
15 (17)	Roadway buildings-----						
16 (18)	Water stations-----	15 400				15 400	
17 (19)	Fuel stations-----	16 879				16 879	
18 (20)	Shops and enginehouses-----						
19 (21)	Grain elevators-----						
20 (22)	Storage warehouses-----						
21 (23)	Wharves and docks-----						
22 (24)	Coal and ore wharves-----	81 062		6 194		87 256	
23 (26)	Communication systems-----	97 533		39 219		136 752	
24 (27)	Signals and interlockers-----						
25 (29)	Powerplants-----						
26 (31)	Power-transmission systems-----						
27 (35)	Miscellaneous structures-----	404 797		10		404 787	
28 (37)	Roadway machines-----	1 643				1 643	
29 (38)	Roadway small tools-----	219 940		6 661		226 601	
30 (39)	Public improvements--Construction--	1 802				1 802	
31 (43)	Other expenditures--Road-----	1 547				1 547	
32 (44)	Shop machinery-----						
33 (45)	Powerplant machinery-----						
34 (51)	Other (specify & explain)-----						
35	Total expenditures for road-----	6 992 759		40 570		7 033 329	
36 (51)	Steam locomotives-----	496 081		89 581		406 500	
37 (52)	Other locomotives-----	2 523 061		24 514		2 547 575	
38 (53)	Freight-train cars-----						
39 (54)	Passenger-train cars-----						
40 (56)	Floating equipment-----	23 306		300		23 006	
41 (57)	Work equipment-----	59 828		9 064		50 764	
42 (58)	Miscellaneous equipment-----	3 102 276		74 431		3 027 845	
43	Total expenditures for equipment-----						
44 (71)	Organization expenses-----						
45 (76)	Interest during construction-----						
46 (77)	Other expenditures--General-----						
47	Total general expenditures-----						
48	Total-----	10 095 035		33 861		10 061 174	
49 (80)	Other elements of investment-----	(2 265 872)				(2 265 872)	
50 (90)	Construction work in progress-----	7 829 163		33 861		7 795 302	
51	Grand Total-----						

2002. RAILWAY OPERATING EXPENSES

1. State the railway operating expenses of the respondent for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies.
2. Any unusual accruals involving substantial amounts included in columns (b), (c), (e), and (f), should be fully explained in a footnote.

Line No.	Name of railway operating expense account (a)	AMOUNT OF OPERATING EXPENSES FOR THE YEAR			State (c)	Name of railway operating expense account (d)	AMOUNT OF OPERATING EXPENSES FOR THE YEAR			State (f)
		Entire line (b)					Entire line (e)			
		\$			\$				\$	
1	MAINTENANCE OF WAY AND STRUCTURES					(2247) Operating joint yards and terminals—Cr.		46 005		
2	(2201) Superintendence.....		49	834		(2248) Train employees.....		190 407		
3	(2202) Roadway maintenance.....		238	431		(2249) Train fuel.....		9 795		
4	(2203) Maintaining structures.....		4	327		(2251) Other train expenses.....		66 270		
5	(2203½) Retirements—Road.....		4	994		(2252) Injuries to persons.....		191 004		
6	(2204) Dismantling retired road property.....			530		(2253) Loss and damage.....		6 150		
7	(2208) Road Property—Depreciation.....		72	487		(2254) Other casualty expenses.....		11 879		
8	(2209) Other maintenance of way expenses.....		35	283		(2255) Other rail transportation expenses.....		53 120		
9	(2210) Maintaining joint tracks, yards, and other facilities—Dr.		62	769		(2256) Operating joint tracks and facilities—Dr.		41 980		
10	(2211) Maintaining joint tracks, yards, and other facilities—Cr.		1	894		(2257) Operating joint tracks and facilities—Cr.		30 721		
11	Total maintenance of way and struc.		466	761		Total transportation—Rail line.....		1 119 879		
12	MAINTENANCE OF EQUIPMENT					MISCELLANEOUS OPERATIONS				
13	(2221) Superintendence.....			768		(2258) Miscellaneous operations.....				
14	(2222) Repairs to shop and power-plant machinery.....					(2259) Operating joint miscellaneous facilities—Dr.				
15	(2223) Shop and power-plant machinery—Depreciation.....					(2260) Operating joint miscellaneous facilities—Cr.				
16	(2224) Dismantling retired shop and power-plant machinery.....					Total miscellaneous operating.....				
17	(2225) Locomotive repairs.....		71	335		GENERAL				
18	(2226) Car repairs.....		75	652		(2261) Administration.....		132 216		
19	(2227) Other equipment repairs.....		2	446		(2262) Insurance.....				
20	(2228) Dismantling retired equipment.....					(2264) Other general expenses.....		10 417		
21	(2229) Retirements—Equipment.....		(4	000)		(2265) General joint facilities—Dr.				
22	(2234) Equipment—Depreciation.....		115	050		(2266) General joint facilities—Cr.				
23	(2235) Other equipment expenses.....		17	305		Total general expenses.....		142 633		
24	(2236) Joint maintenance of equipment expenses—Dr.			9 100		RECAPITULATION				
25	(2237) Joint maintenance of equipment expenses—Cr.					Maintenance of way and structures.....		466 761		
26	Total maintenance of equipment.....		269	456		Maintenance of equipment.....		269 456		
27	TRAFFIC					Traffic expenses.....		25 880		
28	(2240) Traffic Expenses.....		25	880		Transportation—Rail line.....		1 119 879		
29	TRANSPORTATION—RAIL LINE					Miscellaneous operations.....		142 633		
30	(2241) Superintendence and dispatching.....		105	857		General expenses.....				
31	(2242) Station service.....		140	297		Grand Total Railway Operating Exp.		2 024 609		
32	(2243) Yard employees.....		319	734						
33	(2244) Yard switching fuel.....		6	523						
34	(2245) Miscellaneous yard expenses.....		3	594						
35	(2246) Operating joint yard and terminals—Dr.		49	995						
36	Operating ratio (ratio of operating expenses to operating revenues),			63.38						
	(Two decimal places required.)									

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

Give particulars of each class of miscellaneous physical property or plant operated during the year. Group the properties under the heads of the classes of operations to which they are devoted. In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, stating whether the respondent's title is that of ownership or whether the property is held under lease or other incomplete title. All peculiarities of title should be explained in a footnote.

The totals of columns (b), (c), and (d) should agree with the totals of accounts Nos. 502, "Revenue from miscellaneous operations," 534, "Expenses of miscellaneous operations," and 535, "Taxes on miscellaneous operating property" in respondent's Income Account for the Year. If not, differences should be explained in a footnote.

Line No.	Designation and location of property or plant, character of business, and title under which held (a)	Total revenue during the year (Acct. 502) (b)		Total expenses during the year (Acct. 534) (c)		Total taxes applicable to the year (Acct. 535) (d)	
		\$		\$		\$	
50	NONE						
51							
52							
53							
54							
55							
56							
57							
58							
59							
60							
61	TOTAL						

2301. SUMMARY STATEMENT OF TRACK MILEAGE WITHIN THE STATE AND OF TITLES THERETO AT CLOSE OF YEAR*

Line No.	Item	LINE OPERATED BY RAILROAD							
		Class 1: Line owned		Class 2: Line of proprietary companies		Class 3: Line operated under lease		Class 4: Line operated under contract	
		Added during year (b)	Total at end of year (c)	Added during year (d)	Total at end of year (e)	Added during year (f)	Total at end of year (g)	Added during year (h)	Total at end of year (i)
	(a)								
1	Miles of road.....		170 20				7 19		
2	Miles of second main track.....		2 09						
3	Miles of all other main tracks.....								
4	Miles of passing tracks, crossovers, and turnouts.....								
5	Miles of way switching tracks.....	0 08	50 71						
6	Miles of yard switching tracks.....	0 48	20 77				6 02		
7	All tracks.....	0 56	243 77				13 21		

Line No.	Item	LINE OPERATED BY RESPONDENT				LINE OWNED BUT NOT OPERATED BY RESPONDENT	
		Class 5: Line operated under trackage rights		Total line operated		Added during year (e)	Total at end of year (p)
		Added during year (k)	Total at end of year (l)	At beginning of year (m)	At close of year (n)		
1	Miles of road.....		165 45	342 84	342 84		
2	Miles of second main track.....		34 78	36 87	36 87		
3	Miles of all other main tracks.....						
4	Miles of passing tracks, crossovers, and turnouts.....		20 54	20 54	20 54		
5	Miles of way switching tracks—Industrial.....		3 70	3 70	3 70		
6	Miles of way switching tracks—Other.....			50 63	50 71		
7	Miles of yard switching tracks—Industrial.....		7 01	7 01	7 01		
8	Miles of yard switching tracks—Other.....			26 31	26 79		
9	All tracks.....		231 48	487 90	488 45		

* Entries in columns headed "Added during the year" should show net increases.

2302. RENTS RECEIVABLE

INCOME FROM LEASE OF ROAD AND EQUIPMENT

Line No.	Road leased	Location	Name of lessee	Amount of rent during year		
	(a)	(b)	(c)	(d)		
	NONE			\$		
11						
12						
13						
14						
15			TOTAL			

2303. RENTS PAYABLE

RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)	
				\$	
21	CONNECTING TRACK	Marysville, Calif.	The Western Pacific RR Co.		506
22	Minor Item				10
23					
24					
25					
			TOTAL		516

2304. CONTRIBUTIONS FROM OTHER COMPANIES

2205. INCOME TRANSFERRED TO OTHER COMPANIES

Line No.	Name of contributor (a)	Amount during year (b)			Name of transferee (c)	Amount during year (d)		
		\$				\$		
31	NONE				NONE			
32								
33								
34								
35								
36	TOTAL				TOTAL			

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