

50623
No. H

Car Fare Hearing
United Railways
& Electric Co.

PEOPLE'S COUNSEL EXHIBITS

- (1) Estimate of Income for 1927.
- (2) Estimate of Income for 1928, with 10¢ Fare.
- (3) Comparison Street Car & Auto. Passengers.
- (4) Outstanding Securities.
- (5) Comparison Various Cities for 1926.
- (6) Securities Issued Since 1910.
- (7) Surplus Compared with Dividends.
- (8) Wages & Fare, Compared with "Cost of Living".
- (9) Decrease of Receipts by Days of the Week.
- (10) August Report, Indust. Bureau, B.A. of C.
- (11) Clipping Fr. U.S. Daily - Trade Reduction = Seasonal.
- (12) Income & Surplus Accts. 1920-1926.
- (13) Income for 1st & last 6 Mos. 1920-1926.
- (14) Taxes, 1923-1926, & Est. for 1927.
- (15) Free Tickets Issued in 1926.
- (16) Effect, Notes of 3/1/27, on Income Acct.
- (17) Accident & Damage Accts.
- (18) Cost of Special Painting of Cars.
- (19) Effect of Change of Fare on Revenue.
- (20) " " " " " " " Charles St. Bus.
- (21) E. Fayette St. Bus - Passengers 1926, 1927.
- (22) Comparison, Cost of Living with Fares.
- (23) " " " " " " " "
- (24) Fares in Cities of Over 100,000 Population.
- (25) Street Rwy. Operations in Other Cities.
- (26) Probable Trend of Business in 1928.
- (27) Cartoon "Still Up & Going Strong".
- (28) President's Comment on Business Trend.
- (29) Estimate of 1928 Revenue with 1¢ charge for Transfers.
- (30) Study of Transfer Passengers, Harford Ave. Line.
- (31) Estimate of 1928 Revenue with 8¢ Fare.
- (32) Estimate of Net Income for 1928 with 1¢ for Transfers.
- (33) Comm. Tests of 1924 Applied to Estimated Net Income.
- (34) Company's Exhibit #24, Corrected (Estimate of Earnings).
- (35) " " " Continued.
- (36) 1927 Operation Compared with 1922.
- (37) Cost of Superintendence.
- (38) Depreciation Allowance Based on Co's. Est. of Condition.
- (39) " " " " Comm's." " "
- (40) " " " " Case No. 533.
- (41) Rev., Exp., Reductions from Income, 1926, 1927.
- (42) Depreciation, 1912 to 1927.
- (43) Accident & Damage Account.
- (44) Appraisal Costs, 1913 to 1927.
- (45) Estimated Revenue Lost by Passing Park Concessionaires & Rwy. Employees.
- (46) Valuation Brought Up to Date.
- (47) Rate Base & Net Return, 1924-1926.
- (48) Investment in Road & Equipment.
- (49) Av. Rate of Interest on Indebtedness.
- (50) Notes Outstanding.
- (51) Av. Weighted Interest Rates of Securities.
- (52) Balance Sheets.

- (53) Sunday Pass In Cincinnati.
(54) " " " "
(55) Value of Service.

COMPARABLE EXHIBITS.

<u>COMPANY</u>	<u>PEOPLE'S COUNSEL</u>	<u>PEOPLE'S COMMITTEE</u>
3,4,5,7,8	1,14,41	
6A, 6B	47, 48	
6A, 6C, 9,10	12, 13	
6B, 23	46	
11, 30	5	
15, 16	36, 37	8, 9
17, 18, 26	5, 24, 25, 53, 54	
19, 22, 24, 27, 28	19, 20, 21, 29, 30, 31,	
	33, 34, 35, 45, 2	
20, 29	8, 22, 23	
25	38, 39, 40, 42	5
51	4, 6, 16, 49, 51	



PEOPLE'S COMMITTEE EXHIBITS

- (1) Rides Per Capita, 1900-1927.
- (2) Distribution & Density of Population.
- (3) Balance to Surplus, 1912-1927.
- (4) Gross Income or Return, 1915-1927.
- (5) Depreciation Allowances, 1912-1926.
- (6) Per Cent Return, 1923-1926.
- (7) Weekly Pass - Bul. 85, Am. Elec. Rwy. Assn.
- (8) United Rwys. - Monthly Pay Roll
- (9) Increases in Salaries, Wages & Employees.
- (10) Gen. Elec. Co. Add. - Cars for Grand Rapids Rwy.
- (11) Solution for Poor Railway Earnings (Magazine)

UNITED RAILWAYS EXHIBITS

- (1) Decrease in Passenger Revenue.
- (1-a) " " " "
- (2) Comparative Statement of Revenue Passengers
- (2-a) " " " " "
- (3) Comparison August 1927 & August 1926.
- (3-a) Comparison Pass. Receipts for Oct. & Sept. 1926, 1927.
- (4) Comparison of Receipts - July & August 1927 & 1926.
- (5) Monthly Net Income - Chart for 1920-1926 & 1927.
- (6-a) Income, Return & Rate of Return, 1920-1926.
- (6-b) Valuation Adjusted to 1927.
- (6-c) Revised Statement of Return & Rate of Return.
- (7-a) Estimate of Income for 1927.
- (7-b) Revenue Passengers & Pass. Revenue for 1927.
- (7-c) Estimate of Income for 1927.
- (8) Ann. Shortages in Net Income, 1924-1927.
- (8-a) " " " " " " " "
- (9) Net Income, 1920-1926.
- (10) Gross Income, 1920-1926.
- (11) Chart Showing Influence of Automobile.
- (12) Car Miles & Passengers, Long & Short Lines. 1915-1926.
- (13) Losses Due to Zone Extensions, 1924.
- (14) Comparison Earnings & Expenses, 1923 & 1926.
- (15) & (16) Wages, 1923-1927.
- (17) Comparison Operating Costs, Various Cos.
- (18) Average Fare in Large Eastern Cities.
- (19) Estimated Effect of 4 Tokens for 25¢.
- (20) Comparison, Cost of Living, Fares & Wages.
- (21) Retail & Wholesale Trade of Baltimore.
- (22) Estimated Income for 1928 at Present Fare.
- (23) Additions to and Retirements from Valuation.
- (24) Estimate of Net Income with 10¢ Fare.
- (25) Report on Depreciation.
- (26) Comparison, Baltimore, St. Louis & Cleveland.
- (26-a) Twin City Rapid Transit Co., Revenue Passengers.
- (26-b) Birmingham Ry. Lt. & Power Co. " "
- (26-c) Oklahoma Ry. Co., Androscooggin & Kennebec Ry.
- (26-d) Dallas Ry. & Terminal Co., Nashville Ry. & Light Co.
- (27) Charles St. Bus Line; Revenue Passengers.
- (27-a) " " " " " "
- (27-b) Mt. Royal Ave. Bus Line, " "
- (28) Rerouting of #5 Line - Fayette St. Traffic.
- (29) Cost & Fare Curves.
- (30) Increase in Motor Fuel Consumption.
- (31) Cost of Financing.
- (32) Comparison of Passenger Receipts, Nov. 1926-1927.
- (33) Dwelling Permits, 1925, 1926, 1927.

Burden of Proof - Brunswick $\{ 99 Me 371 \}$

6% or 8% Confiscation = + Value of Service
Nash + Downs =

[Marshall's Brief] -

Confiscation elsewhere no excuse for confiscation here -

P. U. R.:

Ability to pay - Not all enjoying prosperity

Public Opinion - P. U. R.

Oklahoma

Reduction of Riding from increase in fares

Increases have not helped -

Mr. Chairman,

You will not expect us to
go on day? CDB

ineluctable?
ineluctible?

Waters -

Urgency of Co's present position

Net income for 1927 will be \$24,000

highlighted average int. rate of 18 million } 7.23%
loans during 8 yrs.

Markell - August -

8% is line of Confiscation -

Our argument that others in the same business
are having their property confiscated.

Novel Contention - That Value of Service is
greater than cost to produce it.



CO Canal - cited
gradual abandonment of street railway travel
— will make United's position approach to
that of the Canal —

DE

v. Dec of 27

In interpreting Commission's statement re
value of service at 6¢

- Marshall adds this means - "provided"

S.W. Bell Tele. case 162 US

See Brandeis Dissent -

M. A. Miller v. Minn. Water 272 US

Georgia Case

Pac Gas Case

165 US - Brandeis again dissented
Appreciation -

~~Illustration of \$5000 car (consumed)
in public service -
Co entitled to be compensated value
of property -~~

Burden of proof

Nash & Downs

Truly proves how of St. Car Cos making 6%
without Marshall point out that they were earning
more

13/

Rates by Contract - in other cities

Tingley

- Sunday Pass -

Was stimulated pass.

The merit of naivete - a vicious absurdity.

Nash & Downs gave vivid x-section of industry
- in Es -

Just awakened to its rights?

Indifferent to their rights?

Or - Underlying economic condition.

Hoyt - Said value of service must be taken
into acct.

Limitation of value of service as well as
regulation - Smyth v Ames 169 US.

7/2 & held beyond value of the service.
of the 30 cities called 3/5 of them charge
higher rates equal to or lower than UPR fares

Markels Brief in 1915 -

10 PSC 58-59-60

Record 264 -

4

Stahl v Bledyn + C B L W. Co. (1917)

C. Exhibit #29 1913 -

Time limited to value of the service to be rendered.

Burden of Proof

Six % - 8% - Line of Confiscation = + Value of Service

Market's own Brief = + Commission's Findings

Burdensome?

City grants Tax Exemptions to manufacturers.

Not all

Public Opinion ✓ P. U. R.

Oklahoma - Reduction in Riding - Md. Commission

Increases have not helped -

Other cities which have gotten increases - Earning less -

Confiscation elsewhere - no excuse -

Nash + Downs.

Procrustean Bed =

Rate of 8% may be needed to attract new capital

But this is quite different from allowing them 8% or even 6% in an industry already charging all the service is worth -

COMMISSIONERS

HAROLD E. WEST
CHAIRMAN
J. FRANK HARPER
STEUART PURCELL

STATE OF MARYLAND



THOMAS J. TINGLEY,
PEOPLE'S COUNSEL
FRANK HARPER,
EXECUTIVE SECRETARY

PUBLIC SERVICE COMMISSION

MUNSEY BUILDING

S.E. COR. CALVERT & FAYETTE STS.

BALTIMORE

November 28,

1928

In the matter of the application of *
The United Railways and Electric Com- *
pany of Baltimore for the establish- *
ment of a permanent rate of fare of *
10 cents, etc. *

Case No. 2648.

Simon E. Sobeloff, Esq.,
Deputy City Solicitor,
Court House,
Baltimore, Maryland.

Dear Sir:

Enclosed please find copy of Opinion and certi-
fied copy of an Order this day passed by the Commission
in the above entitled matter, together with form for ad-
mission of service, which please fill out, sign and return.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Frank Harper".

Executive Secretary.

MW

MADE IN U.S.A.
BASIC BOND

_____ 19 _____

I/We _____

hereby admit service on this date of a certified copy of an order
of the Public Service Commission of Maryland, dated _____,
in the matter of _____

Case No. 2648

(Sign Here) _____

B

MADE IN U.S.A.
BASIC BOND

C O P Y

MAYOR'S OFFICE

BALTIMORE

December 8, 1923.

Mr. Thomas J. Tingley.
Peoples Counsel,
Public Service Commission
Munsey Building, City.

Dear Sir:-

In the absence of the Mayor, who is out of the City on a short vacation, I am acknowledging receipt of your letter of the 6th instant, relative to the United Railways 10¢ fare case.

I shall be very glad to bring your communication to the Mayor's attention immediately upon his return to the City. In the meantime, however, I am advising Mr. Sobeloff of your kind expressions in his interest.

Very truly yours,

(SIGNED) THEO. R. MCKELDIN

Theodore R. McKeldin
Secretary to the Mayor.

msb.

Copy to Mr. Sobeloff.

When same has served your purpose kindly return it for our files.

McK.

5

Derivation of Annual Rate of Depreciation for

ELECTRIC DISTRIBUTION PLANT

THE UNITED RAILWAY AND ELECTRIC COMPANY OF BALTIMORE

RECAPITULATION

<u>Annual</u> <u>Amortization</u> <u>Cost</u>	<u>Cost to</u> <u>Reproduce New</u>	<u>Group</u>
\$ 40,168	\$1,258,820	Poles and Structures
2,137	219,752	Underground Conductors
842,204	2,782,227	Distribution System
22,727	782,828	Transmission System
<u>\$210,623</u>	<u>\$6,077,228</u>	Total

$$\underline{\$210,623} + \$6,077,228 = \underline{\$6,287,851}$$

EX R 5

Derivation of Annual Rate of Depreciation for

ELECTRIC DISTRIBUTION PLANT

THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

Poles and Fixtures

Cost to Reproduce New	\$1,339,820
Estimated Life	33-1/3 years
Annual Amortization Cost	\$ 40,165

Underground Conduits

Cost to Reproduce New	\$ 219,723
Estimated Life	100 years
Annual Amortization Cost	\$ 2,197

Distribution System

	<u>Cost to Reproduce New</u>	<u>Salvage</u>	<u>Estimated Life</u>	<u>Annual Amortization Cost</u>
Overhead Feeders	\$ 729,870	\$145,974	25	\$ 23,356
Underground Cables	1,780,894	356,179	15	94,981
Trolley Wire	367,962	73,592	20	14,718
Trolley Bars and Special Work	205,250	----	4	51,512
Trolley Wire Supports	229,448	----	10	22,945
Negative Cables	160,196	53,399	40	26,699
Track Bonding	123,232	----	20	6,161
Submarine Cable	22,811	4,562	25	729
Cluster Lights	24,797	(Replaced through Maintenance)		
Pole Taps	72,939	----	25	2,917
Switches, Breakers, etc.	42,158	----	25	1,686
Total	\$3,759,567			\$ 245,504

Transmission System

Cost to Reproduce New	\$759,898
Salvage	189,974
Net Depreciable Cost	\$569,924
Estimated Life	25 years
Annual Amortization Cost	\$ 22,797

Derivation of Annual Rate of Depreciation for

ELECTRIC DISTRIBUTION PLANT

THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

RECAPITULATION

<u>Group</u>	<u>Cost to Reproduce New</u>	<u>Annual Amortization Cost</u>
Poles and Fixtures	\$1,338,820	\$ 40,165
Underground Conduits	219,723	2,197
Distribution System	3,759,557	245,504
Transmission System	759,898	22,797
Total	\$6,077,998	\$310,663

$$\$310,663 \div \$6,077,998 = \underline{5.1\%}$$

5¢ : 10¢ -
 100 : 220 / 235 - Wages -

1. wages in Union industries in certain cities.
2. " " representative N.Y. establishments
3. Computations by authorities Fed. Reserve Bank
 Nat. Ind. Conf. Bd

1. 835,000 workers in 66 cities May 1927

1913 — 100 = 1927 259 1/2

In Balto — 1913 Bricklayer 62 1/2 ¢

1927 " 162 1/2 ¢

1913 Bldg. 20 ¢

1927 " 60 ¢

1913 Carpenter 43.8 ¢

1927 " 110 -

1913 Cement fin 50 ¢

1927 " " 125 ¢

US Bureau of
 Labor Stat.

2. Price of sheep.

Gains per wk = 1914 - 1926 1927
 12.48 - 29.02 29.57

✓ Wed NOV 30/27

3. Index of ways increase -
 Carl Snyder - ex Statist - Fed Reserve

1913	1926	Oct 1926
100	220	222

Observed - Thus higher -

Jan without Board	1913	Oct 1926
per mo -	30.21	50.10

with Index	unskilled labor wages	1913	Jan 27
		100	220
			24.02

Cost of living - Index

- 150 Wholesale Commod monthly
- 154 Retail food "
- 173 Cost of Living quarterly - now semiannually

Probable stability of prices in future e. 150
 1913 = 100

Q 150 = 150
 Car fare has increased to 150.

3/

tempus not occur regi

1897 — was 63 as compared with 100 for 1913

Unemployment -

no precise data -

Volume of production +
" " trade -

Bank Clearings

Average income of people per A. 1913 = 864 =
1926 2010 =

Dingley - Value of service fixed by Commission
per 6¢

McAllister

6 of 1919 vol -

Municipalities needs of community.

Range 6% High in Electricity Field

a) Average fare is lower here.
units Exhibit #18.

30 small cities with 10¢ fare

(Journaleville trolley fare)



World's Exhibit 81 cities

only 3 have higher fare

(all cities are 10¢ fare)

b) How far has Commission gone
in protecting credit of Co.

Range 1 $\frac{1}{3}$ - 1 $\frac{1}{2}$ times fares charges.

PUBLIC UTILITIES REPORTS, INC.
614-616 DUFFY-POWERS BLDG.
ROCHESTER, N. Y.

Letter No. 18

October 24, 1927

Dear Sir:

We think you will be much interested to know that the Massachusetts Department of Public Utilities, contrary to the generally accepted opinion, does not decide rate cases on the so-called "Prudent Investment" theory of valuation, in opposition to the Federal rule.

MASSACHUSETTS MISUNDERSTOOD. When the Worcester case, mentioned in our Letter No. 3 was decided, it was generally supposed to indicate that Massachusetts would adhere to the prudent investment theory, as distinguished from the value or cost of reproduction theory laid down by the United States Supreme Court. That this is not so came out at the Annual Convention of the National Association of Railroad and Utilities Commissioners, at Dallas, Texas, on October 18, in an explanatory statement by Commissioner Henry G. Wells, of Massachusetts, following an able address by Commissioner William A. Prendergast, Chairman of the New York Public Service Commission, who attacked the prudent investment theory and referred to the Worcester case.

Commissioner Wells, who, by the way, is the new president of the National Association of Railroad and Utilities Commissioners, in replying, said in substance: "We are not so foolish in Massachusetts as to think that we are above the law."

The impression that the prudent investment theory is the Massachusetts doctrine, continued Commissioner Wells, grew out of a decision of the earlier Public Service Commission of Massachusetts in which prudent investment was adopted as the rate base, where it appeared that the value of the property had

2.

Letter No. 18

October 24, 1927

fallen below the cost. In other words, the investment theory was adopted in that case to increase rather than to reduce rates. The present Commission, Commissioner Wells pointed out, has decided no rate case on a prudent investment or any other basis of valuation.

This statement as to the attitude of the Massachusetts Department of Public Utilities on this subject will be a great surprise to many persons who have come to look upon that state as the great champion of the investment theory, especially in view of rather recent opinions on this subject by Justice Brandeis, of the United States Supreme Court, and Commissioner Eastman, of the Interstate Commerce Commission, both Massachusetts men.

STATES' RIGHTS OVER WATER POWER. The people of this country are vitally interested in water power development. We have heard a good deal for the last two or three years about a possible conflict between state and Federal authorities concerning this subject. Within the last few days the Tennessee Railroad and Public Utilities Commission has taken the position that water power within its borders, that is to say, purely intrastate projects, shall not be developed without its consent. The Tennessee Commission, in an order issued October 10, says:

"The right of selection as among applicants for the development of any water power site and of determining the necessity for the development of any project and the time and terms upon which such development may be made, belongs to the state, and is of very great value to the people and should be exercised by this Commission."

This action is taken on the ground that the Commission has the authority to prevent the exploitation of water powers and other natural resources.

The policy of the Tennessee Commission is to encourage the development of the water power of the state, to protect the rights of the people by making it impossible for selfish interests, for purely speculative purposes, to ac-

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Letter No. 18

October 24, 1927

quire and hold water power rights without development for an indefinite time; also to prevent utilities that make developments from claiming or asserting rights which belong to the state and its people, and from including in the rate base a separate element of water power value for which the utility has paid nothing.

In order that the financial ability and good faith of those seeking water power sites may be fully investigated, the Tennessee Commission has ordered all such persons to appear before it on November 1, 1927, and succeeding days, when the Commission, after full hearing, will decide whether it will grant or refuse certificates permitting development and fix the conditions upon which they shall be issued.

Very truly yours

PUBLIC UTILITIES REPORTS, INC.

HCS:0

By H. C. Spurr, Editor

Savage re

S. Report

Indianapolis Water Co

U.S. Sup. Ct.

Whitten (Valuation) Fair Value

Agreement with City
sent below
actual value
City quotes 69%
But not justified
held private ownership
& management
Dis use does not increase
value of service remaining

Cincinnati Case:

Boston

Elec. Reg Industry in its back
Stone & Webster - none earning fair return
only asking increase

Because property falling into disuse

Distinction between disuse because other means provided
& disuse thru obsolescence

Transportation needs of paramount importance

Detroit - city owned - fluctuating fare

Opinions -

Backs

- Fair Return on value
- Value of Service

Compel URB to try all other methods

London Gas - 210 US 262

Ct supports view that before
it will interfere with a rate it
must be shown that it was
tried out & found inadequate.

~~50~~

70,000

}
↓

Return of on Grants granted
by public?

See P 71 Miles Brief

Ask Beck to determine what Rwy's paid for
franchises of City -

~~See~~

D.K.
Dennis

151 MD - Miles & Commissioner

See Harper's dissenting
opinion in Valuation Case

PUBLIC SERVICE COMMISSION OF MARYLAND
MUNSEY BUILDING
BALTIMORE, MARYLAND

CITY SOLICITOR'S OFFICE

In obedience to instructions of his Honor, the Mayor, I have the honor to represent the Mayor and City Council of Baltimore in these proceedings.

The City Government has profound interest in the outcome of this case. Not only will the comfort and general welfare of all the citizens of Baltimore be affected by the rate of fare, but the City Government itself, is directly interested because of its park tax, in any matter which vitally effects the United Railways and Electric Company.

It may not be amiss to say at this time that our attitude is not narrow or unreasonable. We keenly appreciate that the solvency and prosperity of the United Railways & Electric Company must be safeguarded to assure the public of Baltimore the proper street car service which is so necessary to the normal life of the community. We also appreciate on the other hand the extreme importance to many people of Baltimore in moderate circumstances of the establishment of a higher rate of fare.

Our position, therefore, is that we should participate in this hearing to assist as far as possible, in a thorough discovery and analysis of all the facts pertaining to the issue, so that no increase in the fare be allowed unless the necessity for it and the practicability of the new rate be clearly demonstrated. Toward this end, we respectfully tender any facility of the City Government which may be of help to the Commission.

COPY.

BOARD OF PARK COMMISSIONERS)
)
) BEFORE THE BOARD OF ESTIMATES
)
)
UNITED RAILWAYS & ELECTRIC COMPANY)

BRIEF

The Park Tax is upon gross receipts from passenger traffic; not upon gross revenue.

The car riders always have paid the Park Tax and always will, but carfares have never been higher in Baltimore than in other cities of the same class where the street railway franchise was either given away or sold outright - the only exception being the public ownership experiments in Cleveland and elsewhere.

The fact that an increasing number of people are discontinuing the use of street cars for automobiles is not a sound argument for the reduction or abolition of the Park Tax, but it does give those who are interested in reduction a chance to make a "class appeal", and capitalize the fact that the many automobiles who use the Parks pay nothing toward their extension and upkeep.

The fact that some do not pay anything toward the support of Parks is not a reason for exempting others. The problem is to bring in the others by a levy of some kind which will reach them.

The people have always opposed reductions in the Park Tax when it was proposed openly before the State Legislature.

Cutting off its growth is an indirect method of reduction and should not be permitted without full public discussion and understanding.

It is natural that the territory covered by the street railways should expand more rapidly than the City's boundaries, but as the City follows along increasing its needs for Parks, Parkways, and Playgrounds, just as much as its needs for schools, water supply, and highways, efforts of the Railway Company to exempt itself from the Park Tax by trading its private rights of way 50 - 50 for parallel locations upon public streets should be resisted.

If it is not resisted the eventual situation will be that a little core in the center of a much expanded metropolis will be carrying a street railway Park Tax for the whole municipality.

The Park Tax will have gone to seed.

Even then the larger part of the City in which no Park Tax, or a much reduced Tax is paid, will by the increase in the number of cars operated therein, continually cut down the Park Tax return on the central taxed area.

Anyone will agree that if 5 miles of track upon a private right of way within the City should not be subjected to the Park Tax, that 5 miles entirely upon public streets should be fully subjected and return a full 9% of the total fares collected.

But no such full return is made. If 10 trips per day are made over 5 miles of track upon City streets by each of 5 cars making 250 miles and the fares collected total \$200.00, the Company does not return 9% upon the \$200.00. It counts the number of cars operated over its private right of way and the number of trips made by each. If 5 trips per day by each of 5 cars is made over its 5 miles of private way - making 125 car miles, it does not trouble itself whether the cars were full or empty when running on the private way; but as 125 car miles are to 250 car miles, so the part of the \$200.00 not taxed is to the Park Tax. In other words the 9% Park Tax is figured upon \$100.00 of the \$200.00 collected in fares.

This would not be so bad if the 5 miles of track upon City streets and the 5 miles upon private right of way were in a single line so that the fares collected might reasonably have paid for one half as much transportation over the private way as over the public street, but when the transfer privilege gives the Company the right to assume that every fare paid on a wholly public street line entails transportation over its private ways, then it becomes most important that these private ways be taken over as rapidly as City extension makes the space they occupy necessary or desirable for street purposes.

A method was provided by Law for taking over such private rights of way in the Old Annex subject to a graduated Park Tax, increasing it to the full rate at the end of a period when transportation demands in the Old Annex would approximate the demand in the old City.

Now we have a Law for the New Annex under which it is argued that the Board of Estimates is given discretionary power.

The appeal is made that this power if it exists, be used to preserve and not to destroy the Park Tax.

Here you are asked to exchange the Park Tax upon gross passenger fares for an Easement Tax upon an extremely low assessment upon a private right of way.

The City's interests demand that the private right of way be condemned at its fair value as real property and the tracks thereon be made subject to the Park Tax; and that then the car tracks be moved to the center of Belvedere Avenue for the general improvement of the City and the enhancement of assessed value along that thoroughfare.

It is to be borne in mind that this $\frac{3}{5}$ of a mile strip feeds into a commodious car barn into which and out of which an increasing number of cars will go, thereby increasing car mileage that will be pro-rated against the fares collected on Baltimore Street.

The exemption of the strip from Park Tax in perpetuity will effect a perpetual whittling down of the entire Park Tax.

A precedent established upon the $\frac{3}{5}$ of a mile eventually will expand to 32 odd miles, and means that \$230,000.00 in Park Tax now lost to the City must increase and continue to increase in perpetuity.

Of the total track mileage within the present City limits - 329 miles, only 40 miles is upon private rights of way, so that only $\frac{1}{8}$ of the total is exempt from the Park Tax.

However, for the last quarter of 1924 the car mileage not taxed was about $\frac{1}{5}$ of the total - $8\frac{1}{2}$ million car miles taxed against $1\frac{2}{3}$ million miles not taxed.

For the last quarter ending June 30, 1925 the car mileage not taxed was nearer $\frac{1}{4}$ than $\frac{1}{5}$ of the total.

It is easy to see how the track mileage upon the Company's private property may remain constant in its relation to track mileage upon City streets, while the percentage of non-taxed revenue increases with the number of cars operated over the private right of ways and the number of trips each car makes.

As the density of population increases in the New Annex, making more cars and more trips for each car profitable the Company will enjoy a continuing reduction in the Park Tax without any knowledge on the part of the general public that the reduction is going on.

If the Park Tax is a mistake it should be abolished and the cost of Parks put upon the general levy, but if it is wise (and Baltimore is the envy of other cities in this respect) it should be made to apply, eventually, to every foot of track within the City, no matter how widely its boundaries may grow.

We are now losing \$230,000.00 a year upon carfares not taxed in addition to the loss upon bus traffic. In ten years this means a loss (excluding interest) of 2-1/3 million dollars.

It seems to me that wherever private ways parallel public streets condemnation and street widening should proceed forthwith.

The question of "loops" in car yards and car barns, and the "cross-over" switches upon which cars are operated at the ends of the lines, after all passengers (save an occasional round-tripper) are off is not so large a matter in dollars and cents (\$250.00 per year at one point), but the fact that the feet in such non-revenue producing trackage is reduced to miles and multiplied by the number of cars going over it - (1,000 miles per month at the Druid Hill Park Terminal alone when last measured) goes to show that the Railway Company takes the relation of car mileage to Park Tax very seriously and that the City should do likewise.

The Railway Company's officers and representatives should not be permitted to argue here that the Park Tax is burdensome. They confess passing it on to the car riders anyway and it is up to the car riders to do the objecting when fares are too high by resorting to other means of transportation.

SAYS UNITED AVOIDS And 3 FULL CITY PARK TAX

S. E. Sobeloff Asserts Company Pays Little Over 7 Instead Of 9 Per Cent.

FARE CASE THURSDAY

Mayor To Order Audit Suggested In Letter By Deputy Solicitor.

(Continued from Page 20.)

have been made, are about seven per cent.

"Everything the company has done in this respect is open and above board. The books are open to the city at any time and the city can learn for itself how the books have been kept and the city's income reached."

Park Board Estimates Income.
In its budget for 1928, which was sent to Herbert Fallin, budget clerk to

the Board of Estimates, last Saturday, the Park Board estimated its income from the United Railways for 1928 would be \$1,081,000, a decrease of \$34,000 from 1927.

The income of the Park Board from all sources was estimated at \$1,164,000. Because of decreased income, the board explained, certain needed improvements in the park system must be curtailed.

Hospital Patient Falls Or Leaps To Death

James E. McGinley, Chicago Lawyer And Former Legislator, Is Victim.

Chicago, Oct. 23 (P).—James E. McGinley, 61, Chicago lawyer and a former member of the State Legislature, leaped or fell to his death from the fourth-story window of the Garfield Park Hospital this morning.

Returning to his room after a few minutes' absence, his nurse noticed an open window and saw his body below. He was dead when attendants reached him. He had entered the institution last Saturday.

Mr. McGinley was born in Chicago and served as a member of the legislature in 1902. He is survived by a wife and three daughters.

Saloon Cost

Treasury Week

New York representative of public administration by the city under a plan itemizing expenditures operating the government system on the fourth street expense as \$

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By Sol Hess



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SAYS UNITED RAILWAYS ESCAPES FULL TOL CITY PARK TAX TO

S. E. Sobeloff Asserts Company Pays About 7 Instead Of 9 Per Cent.

HEARING THURSDAY ON 10-CENT FARE

Mayor To Order Audit Suggested By Deputy Solicitor.

Because of methods of computation employed by the United Railways the city is receiving slightly more than seven per cent. of the gross receipts of the company as park tax instead of the nine per cent. to which the city is entitled, it was asserted in a letter made public yesterday and addressed to Mayor Broening by Simon E. Sobeloff, Deputy City Solicitor.

Mr. Sobeloff has been appointed by the Mayor to represent the city in the company's rate case before the Public Service Commission.

The hearing on the application of the company for a 10-cent fare will begin Thursday. It is expected to last several weeks.

Urges Audit Of Books.

Mr. Sobeloff suggested to the Mayor that a careful audit of the company's books be made by the city to determine the company's income. He also recommended that Howard C. Beck, Jr., City Auditor, make some preliminary examination of the books to learn "how extensive an audit would be necessary and the procedure to be followed."

Mayor Broening said he would approve Mr. Sobeloff's letter and instruct Mr. Beck to carry out Mr. Sobeloff's suggestion and recommendation.

Says Audit Is Welcomed.

Charles D. Emmons, president of the company, asserted that when the proper deductions were made from the company's gross receipts the income to the city approximated the figure named by Mr. Sobeloff. He said the company would welcome an audit by Mr. Beck.

Mr. Sobeloff's letter to the Mayor is as follows:

In preparing to participate in the hearing of the United Railways rate case before the Public Service Commission, in obedience to your instructions, it occurs to me that there should be a careful audit to determine the income of the United Railways and Electric Company.

Accurate information on this subject is not only essential for the determination of a proper rate of fare to be allowed this company but the city has a special interest in the subject matter, as the law requires the park tax to be computed on the basis of the company's receipts.

While the tax to which the city is entitled is nine per cent. of the gross receipts from operations in the city the City Auditor informs me that the method of computation heretofore employed by the United Railways and Electric Company results in an actual payment of slightly more than seven per cent., thus diminishing the sums payable to the city by almost one-fourth. This is occasioned partly by the company's claims for exemption upon certain of its rights of ways.

I respectfully recommend that you request the City Auditor to make some preliminary examination of the books of the company to determine how extensive an audit would be necessary and the procedure to be followed.

Sobeloff Explains Letter.

Mr. Sobeloff last night explained his letter.

"It is agreed that what the United calls nine per cent. is actually seven per cent.," he said. "Some of the adjustments are debatable and the company arrives at payment of the franchise tax by calculation on total trackage. Much of this trackage is outside the city and some other of it on private right of way.

"The company arbitrarily assumes that the rider rides equally on the sparsely ridden lines and others in the city. What the city should know is whether the United is determining its franchise payment by a proper method. In such a case everybody concerned should know what is the gross income of the company in order that there may be a proper hearing.

"The fundamental question is what the company's gross income is. The facts, as far as the city and the franchise tax is concerned, should be carefully analyzed."

Cites Audit Made.

Mr. Emmons explained that a similar audit was made some years ago and that the books of the company were gone over carefully by the city authorities. He asserted the records had been kept properly.

Mr. Emmons presumably referred to an investigation started many years ago by George Stewart Brown while a member of the old First Branch City Council. As a result of that investigation the tax was increased and lines on which the United claimed exemption from the park tax were placed on a graded basis until all reached the nine per cent. rate as at present.

Notes Free Rights Of Way.

"The company has a lot of free rights of way," Mr. Emmons said. "Because of the mileage over privately owned rights of way the gross receipts given the city, after deductions

(Continued on Page 5, Column 4.)



W. D. TOWERS

AGENCIES ROAD EVENT

Asserts Ad Club, Counties And State Opening.

CRITICISM

Came From Crain Highway Announces.

The opening celebration with the dedication of Crain Highway at Baltimore, the city of five counties participated in the celebration and the Mackall, chairman of the commission, said last night in a letter which appeared in the SUNDAY SUN.

The writer's opening celebration was "the public treasury" it was "important to know the source of the justification for

Funds Not Used.

A share did not come out of the operation of the tax, as hinted in the Mackall said. The State asserted, were part of the original apportioning from the new highway. Mr. Mackall was unable to estimate last night the cost of the celebration had cost.

He detailed the items of the cost as follows: of the airplane which was borne by the club of Baltimore; the cost of Southern Maryland for a portion of the demonstration of Baltimore paid for a float in the parade and for the food.

Bills Awaited.

About \$6,000 or \$7,000 for highway appropriation, he said.

The food, which was prepared in the vicinity of the celebration, was not submitted as a bill, this fact making it difficult to figure out the exact cost of the opening ceremonies at

Men And Driver Injured In Crash

Golab And Daughter

M. Melvin Faces Charge.

John, 2600 block West Baltimore, was charged with driving the right of way yesterday when an automobile he was driving collided with a taxicab on Mount Vernon avenue and Mount Vernon street.

Sarah Golab, 47; her daughter Fay Golab, 23 years old; and John Ford, 20 years old, were injured. John, driver of the taxicab, was taken to the hospital, where physicians said he was slightly sprained.

POISON, REPORT

Price, 19, Not Serious.

A love affair is the cause of the poisoning of Leroy Price, 19, of 1000 Oak street, today, according to a report from the northern district today to the Union Police.

His condition is reported as serious. He is 3600 years old, 3600 years old, 3600 years old, yesterday after being treated for poisoning. His wrist with a

Source Of Water To

HEARING THURSDAY NEARBY MAY

Mayor To Order Audit Natural City Wply

Tolson ago when water supply formerly were

Health Dep Water Supp seeped into yesterday.

The spring and Public temporarily departments be taken to G. Rost, head of Supply, said

Hampson Jones had told him and should be the public cou

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In the days Baltimore had grown capacity of the near by obtained ing water from became city wide

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Posters Bea Ann Forbu In Cap

Washington settled sect Maryland to posters bearing Forbush, of mysteriously Washington A reward lea formation lea

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STOLE PAPER

14-Year-Old N Larceny O

Lee H. Jones, N 1800 block Brunt the Northwestern night on a charge of the theft of twenty from Leon Detteld street and Callow a

Patrolman Charles Northwestern district. It is alleged that the copies of THE SUN and copies of the Baltimore seven out-of-town pap

STARTING The ATTRACTI

ROSCOE KATIE PUL AND COMP ALSO A GREAT MOTION PICT THIS WEEK NEW THE

Service Built O Sincere Id

CHAS. F. EVANS FUNERAL DIRECT INC. 118-120 W. MT. ROY

Maryland Mat. 2 P. M. 3 Shows Saturday, 2. 4. 15. 24th Anniversary JOHN ST

Bobbie Johnstone, Cook, M Joe Marks—May Raymond Bond Ruiz & Bonita and Ge FANN

6 (100)

TAX DELINQUENTS

south- of be- a one and a Jennie \$80.51

ET W. the same side of 2.2 feet formed avenue street; ending on avenue 50 allel to easterly 50 feet; Fifth begin- ed to \$16.78

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S. E. or the the east- at 675 intersec- side of utheast, running on the ue 25 ue 25.10% 5 feet; westerly in this r place assessed \$9.55

ES (104)

Manila

Yokohama, Kobe, Shanghai, Hong Kong one way via Honolulu if you choose

Los Angeles or San Francisco for the Ori- onolulu. Return from Yokohama to Seattle. e the itinerary.

board magnificent President Liners, luxuri- painted. Outside rooms. A famous cuisine. povers at any port. And the entire trip in- portation, accommodations and meals aboard ut \$750 per capita.

an Mail Liner sails every two weeks from Se- n, China and Manila.

ilings of Dollar Liners from New York for the ana, Panama and California. Sailing every week es and San Francisco for the Orient (via Hono- the World.

American Mail Line Steamship Line

venue, New York Phone Bryant 5900
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ay, New York Phone HANover 7394
al Building, Baltimore Phone Calvert 2910
Seattle Robert Dollar Bldg., San Francisco

ES (106)

Well & Co.

ERSEY, 514 W. d, that we M. CURRAN'S mises, GARRI- N STREET, on t, at 10 o'clock ar, Engine No. age and repairs

GES. Lienor.

Well & Co.

Auctioneers. Plaza 7576.

BENTZ, 3442 n address, that of J. M. CUR- their premises. FRANKLIN OBER 24, 1927. Liberty Touring or storage as of

GES. Lienor.

Well & Co.

Auctioneers. Plaza 7576.

WILLIAMS & CO.

AY SALE ITURE AND S

ION ROOMS, WARD ST. 24, 10 A. M.

ers, O. S. Living Room Furniture, Dining Suits, Bureaus, Chif- and Fibre Furniture, nster and Velvet Rugs, Tables, Radio Cabinets, and Metal Beds, Springs, Library and Davenport s, Closets, Breakfast and s, Ornaments, Glassware, apt removal.

WAPLAN & CO.

o23x2t Auctioneers.

MILLER & CO., INC.

ON SALE OF ARTMENT DWELL- ROPERTY,

also all Household Furni- ained within said premises. MONDAY, OCTOBER 24, g. At 3 o'clock P. M., ng of 3-Story Brick Dwel- ng, gas and electricity and n apartments, with water in terms, \$800 cash, balance in to day of transfer. At 10 Furniture, consisting of Metal Mattresses, Bureaus, Chiffon- Wardrobes, Buffets, China Cabinets, Stands and Tables, s, Rugs and Carpets, Living as Ranges, Refrigerators, Liv- etc., etc. Immediate removal required.

MILLER & CO. INC.

CTIONEERS. o20.23.24x

BILLIG & CO.

te Auction Sale eashold Corner Business on the Premises, EDWOOD STREET, DEMONT AVENUE, ON OCTOBER 25, 1927, O'CLOCK P. M. corner business property with rent \$33. \$300; balance within 45 days.

BILLIG & CO.,

Auctioneers.

VEE'S SALE.

VE. BROOKLYN PARK. room cottage with all improve- ed at public auction in front of SE AT ANNAPOLIS TUES- CH. AT 11 A. M. under a building association. Can be own price and will be well REISEFELD, Trustee. 215 St. o22-5t

UBLIC AUCTIONS.

fy Hugh Anderson, Public De- t we will sell at Public Sale 27, motor No. 9839046, on 27, 10 A. M. at Chase and o24n3x2t

HEINEKAMP MOTOR CO.

LEGAL NOTICES (100)

TAX DELINQUENTS

SIPPLE AVE. Beginning for the same at a point on the northeast side of Rosalie avenue distant 700 feet southeasterly from the inter- section formed by the northeast side of Rosalie avenue and the southeast side of Sipple avenue; running thence southeasterly binding on the north- east side of Rosalie avenue 25 feet; thence northwesterly at right angles to Rosalie avenue 121.2% feet; thence northwesterly parallel to the second line in this description 125.10% feet to the place of begin- ning. Unimproved. Assessed to William Gohl.....\$9.55

T.—SIXTH ST., 150 FEET S. SECOND AVE. Beginning for the same at a point on the east side of Sixth street distant 150 feet southerly from the intersection formed by the east side of Sixth street and the south side of Second avenue; running thence southerly binding on the east side of Sixth street 15 feet; thence easterly to and through the center line of partition wall between the house on the lot now being described and the house on the lot adjacent to the south, in all 150 feet; thence northerly parallel to Sixth street 15 feet; thence westerly 150 feet to the place of beginning. Being im- proved by a two-story frame dwell- ing house. Assessed to S. McCoy.....\$102.74

T.—N. E. S. WIRT AVE. 200 FEET N. CARROLL RD. Beginning for the same at a point on the north- east side of Wirt avenue distant 200 feet northwesterly from the inter- section formed by the northeast side of Wirt avenue and the northwest side of Carroll road; running thence northwesterly binding on the north- east side of Wirt avenue 50 feet; thence northeasterly parallel to Car- roll road 200 feet; thence southeast- erly parallel to Wirt avenue 50 feet; thence southwesterly 200 feet to the place of beginning. Unimproved. Assessed to George C. White.....\$60.11

(OS)—Opening streets.
(T)—Taxes.

JOHN T. DONOHUE,
Collector.
MEYERS & MEYERS, INC.,
Auctioneers.
o24.31n7.14x

EDUCATIONAL (102)

RADIO LABORATORY

An engineering course under supervision Of Westinghouse Electrical Engineer. Two evenings a week, beginning November 8th. Enroll Now. Literature on Application.

COMMERCIAL RADIO INSTITUTE.
10 E. Centre st. Vernon 3302.

STEAMSHIP LINES (104)

Manila

Yokohama, Kobe, Shanghai, Hong Kong one way via Honolulu if you choose

Los Angeles or San Francisco for the Ori- onolulu. Return from Yokohama to Seattle. e the itinerary.

board magnificent President Liners, luxuri- painted. Outside rooms. A famous cuisine. povers at any port. And the entire trip in- portation, accommodations and meals aboard ut \$750 per capita.

an Mail Liner sails every two weeks from Se- n, China and Manila.

ilings of Dollar Liners from New York for the ana, Panama and California. Sailing every week es and San Francisco for the Orient (via Hono- the World.

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ay, New York Phone HANover 7394
al Building, Baltimore Phone Calvert 2910
Seattle Robert Dollar Bldg., San Francisco

AUCTION SALES (106)

By N. B. LOBE & CO.

103 HOPKINS PLACE. PAWNBROKERS' SALE. BOSTON LOAN OFFICE, CROWN LOAN OFFICE, WEDNESDAY, OCTOBER 26, AT 10 A. M. 300 OVERCOATS, CLOTHING, MUSICAL INSTRUMENTS AND MISCELLANEOUS GOODS. ALSO ON THE SAME DAY AT 1 P. M. Diamonds, Watches and Jewelry Of All Description. Terms—Cash. SAMUELSON LOAN OFFICE, BOSTON LOAN OFFICE, CROWN LOAN OFFICE. Brokers. o16x11t N. B. LOBE & CO., Auctioneers.

103 HOPKINS PLACE. THURSDAY, OCTOBER 27th AT 10 O'CLOCK A. M. ABSOLUTE SALE 1,500 pairs Ladies' Hose in original packages, Underwear, Sweaters, Dry Goods, Ladies' Silk Crepe and Satin Underwear, Men's and Boys' Hosiery, Hats and Caps, Boots and Shoes, Men's and Boys' Ready-Made Cloth- ing, etc. Terms—Cash. Immediate Removal, N. B. LOBE & CO., Auctioneers. o24.26.27x3t

103 HOPKINS PLACE. PAWNBROKER'S SALE. CENTRAL LOAN COMPANY. TUESDAY, OCTOBER 25, AT 10 A. M. 100 Overcoats, 75 Suits, Men's and Ladies' Clothing, Guns, Pistols, Musical Instruments and miscellaneous goods. Also on same day at 1 o'clock P. M. Diamonds and Jewelry of all description. Terms—Cash. CENTRAL LOAN CO., Brokers. N. B. LOBE & CO., Auctioneers. o15x11t

103 HOPKINS PLACE. PAWNBROKER'S SALE. STAR LOAN OFFICE. MONDAY, OCTOBER 24, AT 10.00 A. M. 150 OVERCOATS, 150 SUITS, MUSICAL INSTRUMENTS, PISTOLS AND MISCELLANEOUS GOODS. ALSO ON SAME DAY AT 1 O'CLOCK P. M. DIAMONDS AND WATCHES OF ALL DESCRIPTION. ELIZABETH WINAKUR, Broker. N. B. LOBE & CO., Auctioneers. o14x11t

103 HOPKINS PLACE. PAWNBROKERS' SALES FOR ACCOUNT OF CONSOLIDATED LOAN COMPANY. Tuesday, November 1, at 10 o'clock A. M., un- usually large collection of Diamonds, Gold, Sil- ver and Filled Watches, Jewelry of every de- scription and Sterling Silverware. LEWY & SALABES, Bonded Brokers. N. B. LOBE & CO., Auctioneers. oc22x11t

By O. T. BUTTERWORTH & CO.

John H. Hessey, Attorney,
1520 Fidelity Building.

ESTATE SALE

Valuable Dwelling Property
1715 N. WASHINGTON ST.
IN FEE ON THE PREMISES
MONDAY, OCT. 24
AT 3 P. M.

Improved by a two-story brick dwelling, con- taining 6 rooms, kitchen and bath; gas and electric.

Terms—Cash. A cash deposit of \$300 re- quired at time and place of sale. Settlement in thirty days. All expenses, if any, adjusted to time of transfer.

JOHN H. HESSEY,
Attorney.
O. T. BUTTERWORTH & CO.,
Auctioneers.
oc16.18.21.23.24x

AUCTION

By SAM W. PATTON

AUCTION

50-AUTOMOBILES

By order of the U. S. Marshal, sold at public auc- tion at 329 N. CALVERT ST. MONDAY, OCTOBER 23, 1927. Commencing at 10 o'clock A. M.

Stock Co. ST. CHEV. STUDEB. OLDSMO. FORD

All Cars Guaranteed
Terms of Sale—
ance in 12 months
weekly payments to
or parties of financ
LaPorte-Heinekamp
SAM W. PATTON

o13.16.19.23.24x5t

SPECIAL AUCTION

Large Collection of
RUGS AND
Axminster, Ve
Smyrna,
Assorted
Hall and S
Also Crex, Fiber
Within Our A
407 N. How
Tuesday, Oct
At 10 o'cl
Terms
Prompt
SAM W. PATTON
o23.24.25x

John W. Lohman
Calvert Bu

MORTGAGE S
VALUABLE IMPROV
CORNER OF REGESTE
BANBURY ROAD,
COUNTY,
ON THE PREM
MONDAY, OCTOBER
AT 3 O'CLOCK
Improved by a LARGE
two-car garage, electric
\$300. For full description
see The Jeffersonian.
JOHN W. LOHMAN
SAM W. PATTON
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By S. SIEGEL & CO.

The Biggest Opportunity
Vicinity. Must Be
At a sacrifice public
store-front dwelling and
fee. 225 feet on Liberty
feet, more or less. Also
a cash register, wall
pumps, service station.
North Branch, about 3
SALE ON
MONDAY, OCTOBER
Will also offer 52 ac
by a large farmhouse,
large orchard; also all
about 20 tons of hay;
county road leading fr
the right at North Bran
Michael J. Fitzpatrick's
as Lurie's Farm, in th
scribed property. Sale o
Deposit \$350 each. b
S. SIEGEL & CO.

Special Public Auction Sale
Ground Rent \$75. Well financed
Premises,
2270 WOODBERRY
MONDAY, OCTOBER 24, 1927.
Deposit \$300; balance with
S. SIEGEL & CO.
o2.9.16.23.24x

Will Offer at Public Auction
Lots in Fee. Sale of
89 TO 94 SEVILLE AVE.,
BELVEDERE AVE., AVE.
MONDAY, OCT. 24,
Deposit \$50 each, balance
S. SIEGEL & CO.,

Sacrifice Public Auction Sale
Ground rent \$75. Well financed
2268 WOODBERRY
MONDAY, OCT. 24, AT
Deposit \$300, balance with
S. SIEGEL & CO.,

By THE E. T. NEWELL

Harry Coller, Attorney
Equitable Build

RECEIVER'S SALE OF
BOTTLING WORKS AND
OFFICE FURNITURE, C
TRUCK, ETC.
ON THE PREM
NO. 834 GREENMOUNT
MONDAY, OCTOBER 24, 1927
Pursuant to an order of
the undersigned receiver will
chattels, consisting, in part,
Bottle Washing Machine, B
Filler, Carbonizing Outfit, Wa
Tanks (with motors attached),
ing Bowls, Empty Soft-Drink B
Filled Bottles of Soda Drinks,
Flat-Top Desk, Addressogra
Steel Cabinets, 1 Chevrolet Exp
etc.

The first offering will be as
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be held in reserve. Said equ
be offered in detail, subject to
that may be thereon, and w
manner producing the greater
Terms—Cash. Immediate
ERWIN I

THE E. T. NEWELL

AUCTIONEER
323-325 Park ave. o13.16.23.24x

AUCTION SALE OF VAL
HOLD DWELLING P
ON THE PREM
4228 PARK HEIG
MONDAY, OCTOBER
AT 21 O'CLOCK
Lot about 21x100. Groun
proved by a TWO-STORY
DWELLING. Pipeless fu
electric.
Terms: A deposit of \$25
balance thirty days. Adju
transfer.

THE E. T. NEWELL

323-325 Park ave. o16.23.24x



the
opport
every
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CLAS
A

First appearance -

~~Attention to public interest - minded~~

Represent City - Its interest

Respectful subordination -

Attitude toward Co = Its prosperity

Park tax = 9% - 7%

Improved Service -

Efforts at Economy

Complete investigation
+ offer of facilities.

ALC

Cost of living declining - 4% since last yr!

Going value + Easement value = Intangible value

Return should be only on physical value -
§ 385 = Bagby's code - Common may value
§ 404 -

How much replacement done in part then
profits

France = Cost immaterial; value of ride is 5¢

CITY SOLICITOR'S OFFICE

December 3, 1927.

Mr. J. Frank Harper, Secretary,
Public Service Commission,
Munsey Building,
Baltimore, Maryland.

Dear Mr. Harper:

I shall appreciate it if you will furnish me
copies of the following publications issued by the Public
Service Commission:

1. Uniform System of Accounts for Electric
Railways.
2. Opinion in case No. 1568 and case No. 1583
filed May 16th, 1919.
3. Opinion in case No. 1682, filed September
30th, 1919.
4. Opinion in same case filed May 26th, 1924.
5. Opinion in case No. 533, filed March 9th,
1926.

Thanking you for your courtesy, I am,

Very truly yours,

SES:RS

CITY SOLICITOR'S OFFICE

December 3, 1927.

Clarence W. Miles, Esq.,
Mansey Building,
Baltimore, Maryland.

Dear Mr. Miles:

I should greatly appreciate a copy of your
brief filed on behalf of the people before the Public
Service Commission in the United Railways Valuation Case.

Very truly yours,

SES:RS



LAW DEPARTMENT
THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE
1310 CONTINENTAL BUILDING

JOSEPH C. FRANCE
J. PEMBROKE THOM

BALTIMORE, February 20, 1928.

Simon E. Sobeloff, Esq.,
Deputy City Solicitor,
Court House, Baltimore, Md.

Dear Sir:

Enclosed you will find a copy of a NOTICE to
the Public Service Commission of Maryland, which we
are filing this afternoon with the Commission.

Very truly yours,

Henry H. Waters
Special Counsel.

M

THE PUBLIC SERVICE COMMISSION
OF MARYLAND.

IN THE MATTER OF THE APPLICATION
OF THE UNITED RAILWAYS AND ELEC-
TRIC COMPANY OF BALTIMORE FOR
THE ESTABLISHMENT OF A PERMANENT
RATE OF FARE OF 10 CENTS, ETC.

CASE NO. 2648

NOTICE TO THE PUBLIC SERVICE
Commission.

IN THE MATTER OF THE APPLICATION OF THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE FOR THE ESTABLISHMENT OF A PERMANENT RATE OF FARE OF 10 CENTS AND FOR THE ESTABLISHMENT OF A TEMPORARY EMERGENCY RATE OF FARE PENDING THE ESTABLISHMENT OF SUCH PERMANENT RATE OF FARE.

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BEFORE THE
PUBLIC SERVICE
COMMISSION OF
MARYLAND.

CASE NO. 2648

ORDER NO. 12639.

I. The United Railways and Electric Company of Baltimore notifies the Commission that it is complying with the Commission's Order of February 10, 1928; the schedule of fares authorized in said Order having been put into effect at midnight February 12, 1928.

II. The Company will not apply for a rehearing before the Commission in respect to the matter determined in the said Order. The Company reserves its rights under Section 404 of Article 23, Code of Public General Laws of Maryland, 1924, and generally all its rights given by law.

THE UNITED RAILWAYS AND ELECTRIC
COMPANY OF BALTIMORE,

By (Signed) C. D. EMMONS,
President.

(Signed) VENABLE, BAETJER & HOWARD

(Signed) HAMAN, COOK, CHESTNUT & MARKELL

(Signed) HENRY H. WATERS
Counsel.

CITY SOLICITOR'S OFFICE

March 16, 1928.

Henry H. Waters, Esq.,
Continental Building,
Baltimore, Maryland.

Dear Mr. Waters:

Thanks for the copy of the bill filed
in Circuit Court No. 2 by the United Railways and Electric
Company against the Public Service Commission.

The language of line 10 on page 9 may be
a lese majeste, and I respectfully suggest the advisability
of an amendment. The Public Service Commission may not
appreciate the subtlety of your zoological allusion.

Very truly yours,

SES:RS

CITY SOLICITOR'S OFFICE

March 2, 1928.

Mr. Harold E. West,
Public Service Commission,
Baltimore, Maryland.

Dear Mr. West:

Thanks very much for the opinions
you sent me in the fare and valuation cases of the
United. The portion you have marked should
be of help to me in connection with the problem
we were discussing.

Very truly yours,

SES:RS

CITY SOLICITOR'S OFFICE

June 26th, 1928.

Linwood L. Clark, Esq.,
333 St. Paul Place,
Baltimore, Maryland.

Dear Mr. Clark:-

Enclosed herewith is a copy of the brief
of the City of New York and other municipalities in opposition
to the increase in intrastate commutation fares. I thought
this might be of some interest to you. When you have finished
with it, please return it to me.

Very truly yours,

Deputy City Solicitor.

SES-HC.
Encl.

COPY

Schuloff

MAYOR'S OFFICE
BALTIMORE

Unnted

May 29th, 1928.

Mr. Louis Vogle,
809 Belgian Avenue,
Baltimore, Maryland.

My dear Sir:

This will acknowledge receipt of your letter of
May 28th. I appreciate your interest in the matter and have
referred it for the attention of the City Solicitor, with in-
structions to take it up with a view of doing everything that
is legally possible to protect the interest of the people of
Baltimore.

Yours very truly,

Mayor.

G.

Copy to A. Walter Kraus, Esq.,
City Solicitor.

809 Belgian Ave.,

Baltimore, Md.,

May 28, 1928.

Hon. Wm. F. Broening, Mayor,
Baltimore, Md.

Honorable Sir:

As a citizen and a tax-payer of Baltimore, I respectfully submit the following for your kind consideration.

The United Railway & Electric Co. recently won a court decision against the Public Service Commission and incidently against the people of Baltimore. In effect, the ten-cent decision abolishes the commission as a protector of the people, at least so far as the United is concerned.

The poor people of this city who depend upon the street cars to go to and from their work are the ones who are now suffering because of the present extortionate fare. These are times of business depression and many people are without employment. If ever the poor class needed protection against extortionate and unfair demands, it is now!

When the United's demands are not complied with by the Public Service Commission, the matter is taken to the courts. I respectfully submit to your Honor that the citizens of Baltimore, through their representative the Mayor, can also (and should by all means), take their case to court if the facts are as I believe them to be.

The United is operating by reason of a charter granted to them by the City (the people) of Baltimore. The charter is, in effect, a contract between the City and the United, a contract whose provisions should be carried out by both of the parties involved. If the contract is broken by either party, there is a legal remedy in the courts.

The charter of the United should be examined by the City Solicitor and its provisions checked up. If this is done I am confident it will be found that the United has not been, and is not now, carrying out their part of the contract. In this connection I mention the provision covering repairs to streets on which cars are run. Whose is the duty to see that these repairs are made? Or, is it not true that the United makes them at their own pleasure, or not at all?

If the Public Service Commission is not legally competent to set the rate of fare, why was it legally competent to allow the United to remove the maximum capacity cards which were formerly posted in the cars? Why was the commission legally

competent to allow the fenders to be discarded, when it is expressly stipulated in the charter that each car should be equipped with the particular type of fender which was discarded? Why was the commission legally competent to permit the "skip-stop", when the charter provides that cars must stop at each corner? The charter further provides that each car "shall be manned by a moterman and a conductor". Why was the commission legally competent to allow the "one-man" cars in the face of such a provision? Obviously, the Public Service Commission has only helped the United, not restricted it in any way.

I assume there is nothing personal and private in the charter to the United - nothing in its provisions that should not be divulged to the people of this city who are an interested party to the contract. Therefore I respectfully suggest that a copy of the charter be published in the daily papers, so that every citizen may have the opportunity to read it, and to submit to the proper city official evidences of the failure of the United to carry out their contract.

I believe there is now (before the Court of Appeals rules on the pending case), an opportunity to render a great service to the citizens of your city - particularly to the poor. Let it be ascertained whether or not the United has voided their contract. If the United is living up to their part of the agreement it is only fair that the public should know; if they are not, the public is due, not only an explanation, but legal representation by the City of Baltimore to enforce the provisions of the charter.

In conclusion, I submit that this matter is a contract between the people of Baltimore and the United, in which the Public Service Commission should play no future part. If it is legal for the United to demand something that is not in the contract with the City, then it is certainly legal for the City to require the United to carry out their part of the contract.

With assurances of my highest esteem, I am,

Yours respectfully,


Louis Vogle.

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Handwritten text below the signature, possibly a name or title.

UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

Statement of Average Annual Property Retirements, and
Other Depreciation Reserve Charges Applicable to the
Ten Year Period January 1, 1918, to December 31, 1927,
at Present Values.

Total Equated Retirements (per sheets 2 and 3),	\$ 13,312,598.03
Less 15% Depreciation found in the physical property by the Commission in determining per cent condition of the property in the Valuation Case,	<u>1,981,859.70</u>
Present Value of Retirements,	\$ 11,230,528.33
Value (in Valuation of December 31, 1923) of property no longer used and useful, not yet retired. (See Sheet 4).	<u>1,465,114.19</u>
	\$ 12,695,652.52
Average annual amount of property retired and to be retired,	<u>1,269,565.25</u>

UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

Statement of Average Annual Retirements and Other Charges to Depreciation Reserve Account, together with Charges for Retirements to "Property Abandoned" Account, based on Retirements and Charges during the Ten Year Period ended Dec. 31, 1927.

Year	Net Charge Applicable to Each Year*	Conversion Factor (1928 = 1.00)	Estimated Value, in 1928
(1)	(2)	(3)	(4)
1890 and prior	\$ 58,394.54	2.26	\$ 131,971.21
1891	22,123.46	2.36	54,571.37
1892	66,182.97	2.48	164,133.77
1894	236,445.95	2.73	657,319.74
1895	10,374.29	2.71	28,114.33
1896	50,812.66	2.71	137,705.02
1897	302,574.46	2.94	892,508.91
1898	270,342.00	2.86	772,178.12
1899	221,871.02	2.40	532,490.45
1900	456,319.59	2.26	1,031,282.27
1901	18,763.00	2.36	44,280.68
1902	209,471.00	2.36	494,351.56
1903	10,842.78	2.31	25,046.82
1904	73,610.00	2.26	166,358.60
1905	174,650.01	2.21	385,976.52
1906	96,577.71	2.12	204,744.75
1907	217,779.79	2.07	450,804.17
1908	2,275.00	2.26	5,141.50
1909	922.50	2.12	1,955.70
1910	24,845.23	2.12	52,671.89
1911	440.00	2.16	950.40
1912	33,359.86	1.99	66,386.12
1913	5,313.64	2.03	10,796.84
1914	186,195.99	2.16	402,183.34
1915	2,650.00	2.10	5,565.00
1916	71,697.87	1.68	120,452.42
1917	39,099.52	1.24	48,483.40
1918	405,131.00	1.06	429,438.86
1919	891,794.65	0.95	847,204.92
1920	680,737.55	0.82	565,012.17
1921	861,935.45	1.01	870,554.80
1922	445,914.16	1.16	517,260.43
1923	722,981.25	1.01	730,211.06
1924	640,761.36	0.95	608,723.29

Year (1)	Net Charge Applicable to Each Year * (2)	Conversion Factor (1928 = 1.00) (3)	Estimated Value in 1928 (4)
1925	\$ 631,352.57	1.00	\$ 631,352.57
1926	384,893.61	1.00	384,893.61
1927	731,011.31	1.01	738,321.42
Total -			\$13,212,298.03
Average Annual Retirement -			1,321,229.80

* The amount in this column represents:

- (a) The original (estimated if not known) cost of property retired during the period January 1, 1918, to December 31, 1927, the amount set opposite each year being the aggregate cost of installations made in that year.
- (b) The cost of removal (less salvage recovered) of property retired during the 10 year period covered by the statement.
- (c) The cost of renewals, repairs, replacements, alterations, etc., during the ten year period where such charges were made to Depreciation Reserve.
- (d) The cost of replacement in kind of all track reconstruction jobs, completed during the ten year period.

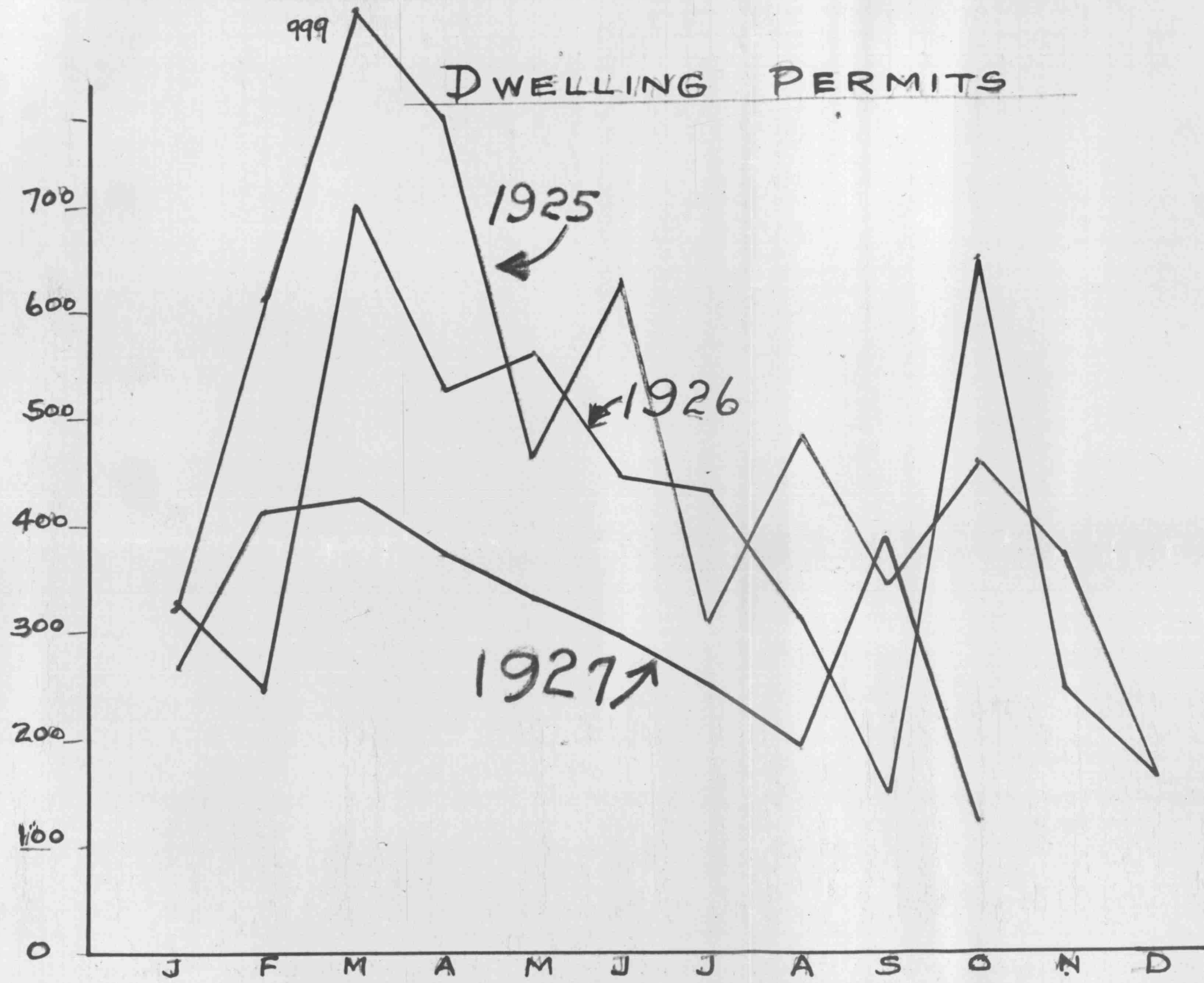
ELECTRICAL RAILWAY CONSTRUCTION COST INDEX

AND

CONVERSION FACTOR ON BASE OF JUNE 30, 1928.

	<u>Index</u> <u>1913 - 100</u>	<u>Conversion</u> <u>Factor</u>		<u>Index</u> <u>1913 - 100</u>	<u>Conversion</u> <u>Factor</u>
1890	90	2.26	1910	96	2.12
91	86	2.36	11	94	2.16
92	82	2.48	12	102	1.99
93	82	2.48	13	100	2.03
94	73	2.78	14	94	2.16
95	75	2.71	15	97	2.10
96	75	2.71	16	121	1.68
97	69	2.94	17	163	1.24
98	71	2.86	18	192	1.06
99	85	2.40	19	205	0.95
1900	90	2.26	1920	245	0.82
01	86	2.36	21	201	1.01
02	86	2.36	22	175	1.16
03	88	2.31	23	200	1.01
04	90	2.26	24	205	0.95
05	92	2.21	25	203	1.00
06	96	2.12	1926	203	1.00
07	98	2.07	27	201	1.01
1908	90	2.26	28	203	1.00
09	96	2.12			

NOTE: The index from 1913 to 1928 is the A.E.R.A. index as officially published. From 1890 to 1913 the index is the one evolved by R.M. Feustel in his P.R.T. investigation and put on the same base. The two indexes have been compared and checked in several ways and found to agree. The figure for 1928 is for June 30, 1928, and will also apparently be close to the average for the year.



33
United

THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

PASSENGER RECEIPTS - ACTUAL DAY BY DAY COMPARISONS - NOVEMBER 1927 WITH NOVEMBER 1926

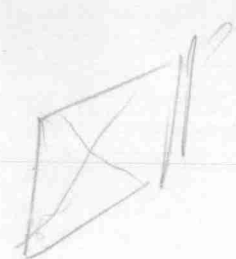
(INCLUDING CHARTERED CARS).

Day	1927		1926		PASSENGER RECEIPTS		Per Cent		WEATHER				TEMPERATURE			
	1927	1926	1927	1926	Increase	Decrease	Inc.	Dec.	1927 AM	1927 PM	1926 AM	1926 PM	1927 AM	1927 PM	1926 AM	1926 PM
		November 1		\$53,891											52	37
Tuesday	November 1	November 2	\$47,788	\$47,158	\$ 630	\$	1.34		C	C	C	Cl	72	50	51	41
Wednesday	" 2	" 3	47,245	48,707		1,462		3.00	Cl	Cl	Cl	C	72	54	49	37
Thursday	" 3	" 4	44,564	47,746		3,182		6.66	R	R	C	C	64	43	50	33
Friday	" 4	" 5	47,353	48,732		1,379		2.83	Cl	Cl	C	C	51	40	54	40
Saturday	" 5	" 6	52,047	55,930		3,883		6.94	Cl	C	C	C	54	38	59	35
Sunday	" 6	" 7	25,331	30,111		4,780		15.87	C	C	Foggy	C	45	36	62	39
Monday	" 7	" 8	49,394	51,129		1,735		3.39	C	Cl	Cl	R	45	31	66	55
Tuesday	" 8	" 9	46,106	48,528		2,422		4.99	Cl	R	R	R	43	36	68	55
Wednesday	" 9	" 10	46,654	48,691		2,037		4.18	Cl	C	Pcl	C	49	37	56	35
Thursday	" 10	" 11	45,842	46,267		425		.92	Cl	Cl	C	C	48	36	38	30
Friday	" 11	" 12	45,626	48,890		3,264		6.68	Pcl	Pcl	C	C	66	45	44	28
Saturday	" 12	" 13	51,104	55,345		4,241		7.66	Pcl	C	Pcl	Pcl	73	52	50	35
Sunday	" 13	" 14	26,249	28,302		2,053		7.25	C	C	Pcl	C	50	40	63	46
Monday	" 14	" 15	48,798	50,857		2,059		4.05	C	C-Cl	R	Cl-R	58	36	70	51
Tuesday	" 15	" 16	46,388	43,399	2,989		6.89		Cl	C	R	Cl	69	53	66	50
Wednesday	" 16	" 17	46,128	50,067		3,939		7.87	Cl	Cl	C	C	70	56	60	42
Thursday	" 17	" 18	44,060	47,016		2,956		6.29	Cl	R	Cl	R	67	53	58	44
Friday	" 18	" 19	46,457	48,436		1,979		4.09	Cl	C	C	C	48	37	44	36
Saturday	" 19	" 20	52,031	54,929		2,898		5.28	C	C	Cl	C	43	33	41	33
Sunday	" 20	" 21	24,992	25,969		977		3.76	C	C	Cl	Cl	46	29	39	35
Monday	" 21	" 22	48,300	51,303		3,003		5.85	Cl	R	C	C	48	33	45	31
Tuesday	" 22	" 23	46,999	48,845		1,846		3.78	Pcl	C	C	C	69	46	53	34
Wednesday	" 23	" 24	48,469	50,735		2,266		4.47	Cl	Cl	C	C	73	52	54	38
Thursday	" 24	" 25	28,845	31,184		2,339		7.50	Pcl	Pcl	C	Cl	71	56	43	34
Friday	" 25	" 26 (Est)	45,671	47,127		1,456		3.09	Cl	Cl	R	Cl-R	55	48	55	39
MONTH TO NOV. 25 (DAY BY DAY)			\$1,102,441	\$1,155,403		\$52,962		4.58								
MONTH TO NOV. 25			\$1,102,441	\$1,162,167		\$59,726		5.14								

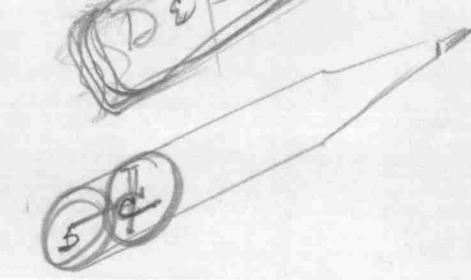
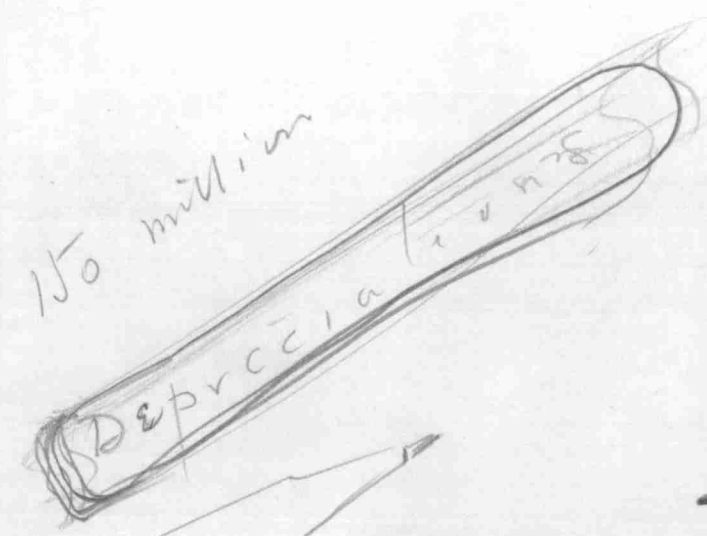
Holidays & Special Events

	1927	1926
Pimlico Racing Season	Nov. 1-5,7-12	Nov. 1-6, 8-13
Armistice Day	Nov. 11	Nov. 11
Football-Stadium	Nov. 11	
Dedication St. Mary's (Lakeside)	Nov. 16	
Football-Stadium	Nov. 19	Nov. 20
Thanksgiving Day	Nov. 24	Nov. 25

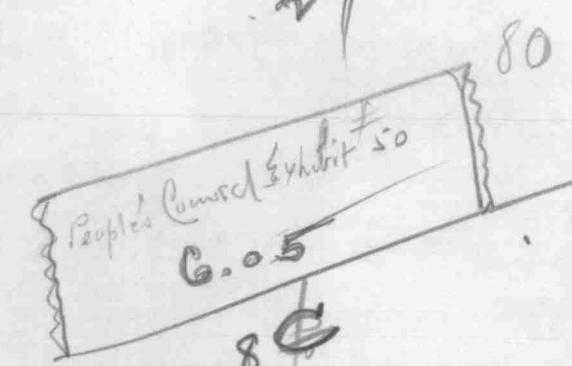
C-Clear
 Cl-Cloudy
 Pcl-Partly Cloudy
 R-Rain



150 million



27



People's Council Exhibit #50
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Gross

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73

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20,000,000
100,000,000

#25

60

THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

THE MARYLAND ELECTRIC RAILWAYS COMPANY

COMPARATIVE CONSOLIDATED GENERAL BALANCE SHEETS - YEARS ENDED DECEMBER 31, 1923, 1924, 1925 AND 1926, AND AT AUG. 31, 1927.

ASSETS	Dec. 31, 1923	Dec. 31, 1924	Dec. 31, 1925	Dec. 31, 1926	Aug. 31, 1927
Road and Equipment	\$88,571,841.34	\$90,396,714.05	\$91,085,815.44	\$90,394,877.14	\$90,575,521.66
Sinking and Depreciation Funds (The Md. Elec. Rys. Co.)					
1% General - 1st Mtge. 5% Bonds	129.55	532.67	818.01	606.64	211.64
7% Special - Cars and Rolling Stock	260,362.61	321,258.15	358,156.47	426,778.08	434,434.48
Series "A" Sinking Fund - 6% Bonds	-	100.00	175.00	350.00	350.00
Series "B" " " - 6% " "	-	150.00	25.00	200.00	200.00
Series "A" Depreciation Fund - 6% Bonds	-	-	14,872.97	19,309.52	26,347.94
Series "B" " " - 6% " "	-	-	2,500.00	-	-
Total Sinking and Depreciation Funds	260,492.16	322,040.82	376,547.45	447,244.24	461,544.06
Deposits in Lieu of Mortgaged Property Sold	35,312.32	55,072.59	-	-	-
Investments in Affiliated Companies					
Stocks	73,197.00	73,197.00	273,497.00	273,497.00	273,497.00
Bonds	72,050.00	72,050.00	72,050.00	72,050.00	72,050.00
Notes	14,087.70	14,087.70	14,087.70	14,087.70	14,087.70
Advances	497,127.57	450,421.66	454,936.91	457,947.15	445,628.21
Other Investments					
Stocks	1,030.00	1,030.00	1,030.00	1,000.00	1,000.00
Miscellaneous	1,635.42	1,400.00	-	-	-
Total Investments	659,127.69	612,186.36	815,601.61	818,581.85	806,262.91
Current Assets					
Cash	309,129.82	421,051.17	155,381.78	247,661.44	282,064.39
Special Deposits	135,304.00	457,823.05	287,673.25	294,739.75	294,739.75
Miscellaneous Accounts Receivable	126,017.55	74,519.67	108,453.49	183,459.43	95,456.11
Material and Supplies	1,022,380.33	1,129,602.19	1,192,200.84	1,161,103.36	1,122,771.61
Interest, Dividends and Rents Receivable	22,415.81	25,674.44	28,593.38	32,050.93	60,446.29
Total Current Assets	1,615,247.51	2,108,670.52	1,772,302.74	1,919,014.91	1,855,478.06
Deferred Assets					
Md. Elec. Rys. Lessor A/c					
Payments of 10% on a/c Equipment Purchased	145,877.16	96,892.61	96,892.61	20,417.08	20,417.08
Improvements to Property	55,129.23	84,621.04	117,600.48	131,145.79	151,694.62
Miscellaneous Deferred Debit Items	3,426.15	-	-	-	-
Total Deferred Assets	204,432.54	181,513.65	214,493.09	151,562.87	172,111.70
Unadjusted Debits					
Rents and Insurance Premiums Paid in Advance	93,913.95	39,725.28	9,382.54	113,815.50	92,030.00
Discount on Funded Debt	700,875.81	865,190.53	805,872.21	746,877.82	782,652.15
Property Abandoned - to be Amortized	59,500.11	108,087.42	121,226.57	1,076,062.63	1,196,328.42
Other Unadjusted Debits	45,650.76	350,127.95	837,280.08	886,454.73	919,734.70
Total Unadjusted Debits	899,940.63	1,363,131.18	1,773,761.40	2,823,210.68	2,990,745.27
TOTAL	92,246,394.19	95,039,329.17	96,038,521.73	96,554,491.69	96,861,663.66

Capital Stock	\$20,461,200.00	\$20,461,200.00	\$20,461,200.00	\$20,461,200.00	\$20,461,200.00
Grants in Aid of Construction	90,259.45	90,259.45	90,259.45	90,259.45	118,471.10
Funded Debt					
Mortgage Bonds	43,497,000.00	47,304,000.00	47,101,500.00	46,892,500.00	46,806,500.00
Income Bonds	13,977,000.00	13,977,000.00	13,977,000.00	13,977,000.00	13,977,000.00
Miscellaneous Obligations	6,392,700.00	6,392,700.00	6,392,700.00	6,392,700.00	6,392,700.00
Total Funded Debt	63,866,700.00	67,673,700.00	67,471,200.00	67,262,200.00	67,176,200.00
Non-Negotiable Debt to Affiliated Co.	-	-	200,000.00	200,000.00	200,000.00
Current Liabilities					
Loans and Notes Payable	1,068,000.00	-	900,000.00	1,025,000.00	1,925,000.00
Audited Accounts and Wages Payable	426,526.94	505,369.88	363,143.27	342,445.87	371,338.73
Matured Interest, Dividends & Rents Unpaid	135,304.00	151,394.50	287,673.25	294,739.75	294,739.75
Accrued Interest, Dividends & Rents Payable	775,938.56	767,676.66	767,676.66	767,676.66	406,649.15
Total Current Liabilities	2,405,769.50	1,424,441.04	2,318,493.18	2,429,862.28	2,997,727.63
Other Deferred Liabilities	-	-	-	264,485.59	618,291.49
Unadjusted Credits					
Tax Liability	442,239.51	294,796.30	297,608.86	367,571.44	168,557.83
Reserve for Injuries and Damages	355,317.15	359,485.55	326,910.63	302,160.97	241,038.36
Accrued Depreciation Road and Equipment	1,187,374.92	1,195,693.32	1,303,799.05	1,520,541.26	1,413,792.79
Other Unadjusted Credits	869,547.17	717,179.15	721,820.74	738,620.46	713,061.44
Total Unadjusted Credits	2,654,478.75	2,567,154.32	2,650,139.28	2,928,894.13	2,536,450.42
Corporate Surplus					
Reserve for Depreciation of Investments and for Contingent Liability	383,280.00	590,780.00	590,780.00	645,750.00	645,750.00
Profit and Loss	1,782,706.49	1,980,817.52	2,005,472.98	2,020,863.40	1,856,596.18
Total Corporate Surplus	2,165,986.49	2,571,597.52	2,596,252.98	2,666,613.40	2,502,346.18
To Balance: par value of Capital Stock (Eliminated) and also book value (Eliminated) at which it is carried on U.R. & E. Co. books as follows:					
B. Sp. Pt. & C. Ry. Co.	392,000.00				
B. H. & E. Ry. Co.	10,000.00				
Maryland Elec. Rys. Co.					
After eliminating Book Value of Leases (\$1,164,000)		250,976.84	250,976.84	250,976.84	250,976.84
TOTAL	92,246,394.19	95,039,329.17	96,038,521.73	96,554,491.69	96,861,663.66

THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

COMPARATIVE BALANCE SHEETS - YEARS ENDED DECEMBER 31, 1923, 1924, 1925 AND 1926, AND AT AUG. 31, 1927.

A S S E T S	Dec. 31, 1923	Dec. 31, 1924	Dec. 31, 1925	Dec. 31, 1926	Aug. 31, 1927	L I A B I L I T I E S	Dec. 31, 1923	Dec. 31, 1924	Dec. 31, 1925	Dec. 31, 1926	Aug. 31, 1927
	Investments							Capital Stock	\$ 20,461,200.00	\$20,461,200.00	\$20,461,200.00
Road and Equipment	\$80,194,395.41	\$81,162,446.35	\$81,649,734.05	\$81,560,416.23	\$81,720,538.73	Grants in Aid of Construction	-	-	-	-	28,211.65
Deposits in lieu of Mortgaged Property Sold	35,312.32	55,072.59	-	-	-	Funded Debt	37,992,000.00	37,992,000.00	37,992,000.00	37,992,000.00	37,992,000.00
Investments in Affiliated Companies	81,197.00	232,020.16	432,320.16	432,320.16	432,320.16	Mortgage Bonds	13,977,000.00	13,977,000.00	13,977,000.00	13,977,000.00	13,977,000.00
Stocks	72,050.00	235,550.00	406,050.00	584,550.00	677,550.00	Income Bonds	6,392,700.00	6,392,700.00	6,592,700.00	6,592,700.00	6,592,700.00
Bonds	14,087.70	14,087.70	14,087.70	14,087.70	14,087.70	Miscellaneous Obligations	58,361,700.00	58,361,700.00	58,561,700.00	58,561,700.00	58,561,700.00
Notes	582,066.16	450,421.66	454,936.91	457,947.15	445,628.21	Current Liabilities	-	-	900,000.00	1,025,000.00	1,925,000.00
Advances	-	-	-	-	-	Loans and Notes Payable	-	-	-	-	-
Other Investments	1,030.00	1,030.00	1,030.00	1,000.00	1,000.00	Audited Accounts & Wages Payable	405,697.84	505,369.88	363,143.27	342,445.87	371,338.73
Stocks	1,635.42	1,400.00	-	-	-	Matured Interest, Dividends & Rents Unpaid	135,304.00	151,394.50	287,673.25	294,739.75	294,739.75
Miscellaneous	-	-	-	-	-	Accrued Interest, Dividends & Rents Payable	775,938.56	773,611.16	773,611.16	773,611.16	416,539.99
Total Investments	80,981,774.01	82,152,028.46	82,958,158.82	83,050,321.24	83,291,124.80	Total Current Liabilities	1,316,940.40	1,430,375.54	2,324,427.68	2,435,796.78	3,007,618.47
Current Assets						Deferred Liabilities	-	-	-	-	-
Cash	309,129.82	292,666.77	155,381.78	247,661.44	282,064.39	Maryland Elec. Rys. Co., Bond Issue	4,946,000.00	-	-	264,485.59	618,291.49
Special Deposits	135,304.00	457,823.05	287,673.25	294,739.75	294,739.75	Other Deferred Liabilities	-	-	-	-	-
Loans and Notes Receivable	-	75,000.00	75,000.00	75,000.00	75,000.00	Total Deferred Liabilities	4,946,000.00	-	-	264,485.59	618,291.49
Miscellaneous Accounts Receivable	126,017.55	99,521.14	112,676.00	233,862.82	128,589.94	Unadjusted Credits	-	-	-	-	-
Material and Supplies	1,022,380.33	1,129,602.19	1,192,200.84	1,161,103.36	1,122,771.61	Tax Liability	442,239.51	294,796.30	297,608.86	367,571.44	168,557.83
Interest, Dividends and Rents Receivable	22,415.81	31,657.15	34,527.88	37,985.43	60,446.20	Insurance and Casualty Reserves	-	-	6,688.00	6,522.50	7,772.77
Total Current Assets	1,615,247.51	2,086,270.30	1,857,459.75	2,050,352.80	1,963,611.89	Operating Reserves	355,317.15	359,485.55	326,910.63	302,160.97	241,038.36
Deferred Assets						Accrued Depreciation Road and Equipment	1,187,374.92	1,195,693.32	1,303,799.05	1,520,541.26	1,413,792.79
Other Deferred Assets:						Other Unadjusted Credits	785,929.42	1,326,546.31	1,335,236.11	1,365,918.89	1,346,492.22
Maryland Elec. Rys. Co. Lessor A/c	4,477,300.00	-	6.19	12.38	1,946,358.07	Total Unadjusted Credits	2,770,861.00	3,176,521.48	3,270,242.65	3,562,715.06	3,177,653.97
Bond Proceeds	1,357,511.80	-	-	-	118,775.00	Corporate Surplus	-	-	-	-	-
Payments under 1% Sinking Fund	1,715,816.88	1,800,958.45	1,870,080.06	1,938,701.67	1,946,358.07	Miscellaneous Fund Reserves	383,280.00	590,780.00	590,780.00	645,750.00	645,750.00
" " 7 1/2% " " "	-	40,000.00	79,600.00	118,775.00	118,775.00	Profit and Loss	1,844,963.58	1,980,817.52	2,005,472.98	2,020,863.40	1,856,596.16
" " Ser. "A" " " "	-	1,650.00	5,025.00	10,200.00	10,200.00	Total Corporate Surplus	2,228,243.58	2,571,597.52	2,596,252.98	2,666,613.40	2,502,346.16
" " "B" " " "	-	-	59,400.00	98,575.00	137,350.00						
" " "A" Deprec. " " "	-	-	2,500.00	6,740.00	12,795.00						
" " "B" " " "	-	-	-	-	-						
Initial Payment 10% A/c Equipment Purchased	145,877.16	96,892.61	96,892.61	20,417.08	20,417.08						
Improvements to Property	55,129.23	84,621.04	117,600.48	131,145.79	151,694.62						
Less Property Retired	7,751,635.07	2,024,122.10	2,231,104.34	2,324,566.92	2,397,589.77						
Total	1,167,078.39	1,605,161.00	1,606,661.00	2,295,940.81	2,295,940.81						
Miscellaneous Deferred Debit Items	6,584,556.68	418,961.10	624,443.34	28,626.11	101,648.96						
Total Deferred Assets	6,587,982.83	418,961.10	624,443.34	28,626.11	101,648.96						
Other Unadjusted Debits											
Rents and Insurance Premiums Paid in Advance	93,913.95	39,725.28	9,382.54	113,815.50	92,030.00						
Discount on Funded Debt	700,875.81	865,190.53	805,872.21	746,877.82	782,652.15						
Property Abandoned - to be Amortized	59,500.11	108,087.42	121,226.57	1,076,062.63	1,196,326.42						
Other Unadjusted Debits	45,650.76	331,131.45	837,280.08	886,454.73	929,625.54						
Total Unadjusted Debits	899,940.63	1,344,134.68	1,773,761.40	2,823,210.68	3,000,636.11						
TOTAL	90,084,944.98	86,001,394.54	87,213,823.31	87,952,510.83	88,357,021.76	TOTAL	90,084,944.98	86,001,394.54	87,213,823.31	87,952,510.83	88,357,021.76

THE MARYLAND ELECTRIC RAILWAYS COMPANY

COMPARATIVE BALANCE SHEETS - YEARS ENDED DECEMBER 31, 1923, 1924, 1925 AND 1926,
AND AT AUG. 31, 1927.

A S S E T S						L I A B I L I T I E S					
	Dec. 31, 1923	Dec. 31, 1924	Dec. 31, 1925	Dec. 31, 1926	Aug. 31, 1927		Dec. 31, 1923	Dec. 31, 1924	Dec. 31, 1925	Dec. 31, 1926	Aug. 31, 1927
<u>Road and Equipment</u>											
In Road and Equipment A/c	\$ 7,206,777.13	\$ 8,034,359.58	\$ 8,164,416.24	\$ 7,762,214.38	\$ 7,744,944.82	Capital Stock	\$ 410,000.00	\$ 1,573,800.00	\$ 1,573,800.00	\$ 1,573,800.00	\$1,573,800.00
In 7½% Sinking Fund A/c	1,170,668.80	1,199,908.12	1,227,138.12	986,241.05	986,241.05	Grants in Aid of Construction	90,259.45	90,259.45	90,259.45	90,259.45	90,259.45
In Depreciation Fund A/c	-	-	44,527.03	86,005.48	123,797.06	Funded Debt	6,946,000.00	11,069,500.00	11,197,500.00	11,336,000.00	11,561,500.00
Total Road and Equipment	8,377,445.93	9,234,267.70	9,436,081.39	8,834,460.91	8,854,982.93	Less amount retired through Sinking Funds	1,441,000.00	1,594,000.00	1,754,000.00	1,923,000.00	2,141,500.00
<u>Sinking and Depreciation Funds</u>						5,505,000.00	9,475,500.00	9,443,500.00	9,413,000.00	9,420,000.00	
1½% General Sinking Fund Cash Balance	129.55	532.67	818.01	606.64	211.64	Current Liabilities					
7½% Special Sinking Fund	260,362.61	321,258.15	358,156.47	426,778.08	434,440.28	Notes Payable	1,068,000.00	75,000.00	75,000.00	75,000.00	75,000.00
Series "A" Sinking Fund	-	100.00	175.00	350.00	350.00	Accounts Payable	105,767.69	25,001.47	4,222.51	50,403.39	33,133.83
Series "B" " " "	-	150.00	25.00	200.00	200.00	Total Current Liabilities	1,173,767.69	100,001.47	79,222.51	125,403.39	108,133.83
Series "A" Depreciation Fund	-	-	14,872.97	19,309.52	26,347.94	<u>Sinking and Depreciation Fund Reserves</u>					
Series "B" " " "	-	-	2,500.00	-	-	1½% General Sinking Fund	1,357,511.80	9.64	6.19	12.38	-
Total Sinking & Deprec. Funds	260,492.16	322,040.82	376,547.45	447,244.24	461,549.86	7½% Special Sinking Fund	1,715,816.88	1,800,997.02	1,870,080.06	1,938,701.67	1,946,363.87
Lessors Interest in U.R. & E. Co. Leases (Book Value)	-	1,164,000.00	1,164,000.00	1,164,000.00	1,164,000.00	Series "A" " " "	-	40,000.00	79,600.00	118,775.00	118,775.00
<u>Current Assets</u>						Series "B" " " "	-	1,650.00	5,025.00	10,200.00	10,200.00
Cash	-	128,384.40	-	-	-	Series "A" Depreciation Fund	-	-	59,400.00	98,575.00	137,350.00
U. R. & E. Co. Excess rent over Int.	-	5,934.50	5,934.50	5,934.50	9,890.84	Series "B" " " "	-	-	2,500.00	6,740.00	12,795.00
	-	134,318.90	5,934.50	5,934.50	9,890.84	Total Sinking Fund Reserves	3,073,328.68	1,842,656.66	2,016,611.25	2,173,004.05	2,225,483.87
<u>Unadjusted Debits</u>						<u>Unadjusted Credits</u>					
Work in Progress	-	18,996.50	-	-	-	U. R. & E. Co. Discount on Bonds Purchased through Sinking Funds	83,617.75	89,076.50	96,456.50	102,267.75	102,702.75
Property Released, Sold, etc.	1,167,078.39	1,605,161.00	1,606,661.00	2,295,940.81	2,295,940.81	U. R. & E. Co. Dividends Accrued	-	5,934.50	5,934.50	5,934.50	9,890.84
U. R. & E. Co. Discount on Funded Debt, etc.	468,700.00	698,443.66	716,559.87	736,088.68	743,906.30	Total Unadjusted Credits	83,617.75	95,011.00	102,391.00	108,202.25	112,593.59
Total Unadjusted Debits	1,635,778.39	2,322,601.16	2,323,220.87	3,032,029.49	3,039,847.11	Profit and Loss (Deficit)	62,257.09				
TOTAL	10,273,716.48	13,177,228.58	13,305,784.21	13,483,669.14	13,530,270.74	TOTAL	10,273,716.48	13,177,228.58	13,305,784.21	13,483,669.14	13,530,270.74

(6) Deficit.

THE MARYLAND ELECTRIC RAILWAYS COMPANY
BALTIMORE, SPARROWS POINT AND CHESAPEAKE RAILWAY COMPANY
BALTIMORE, HALETHORPE AND BLKBRIDGE RAILWAY COMPANY

CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 1923

A S S E T S	The Md. Elec. Railways Co.	B. Sp. Pt. & Ches. Ry. Co.	Balto. Hale- thorpe & Blk. Ry. Co.	Consolidated TOTAL
Road and Equipment	\$3,595,007.08	\$3,489,710.04	\$122,060.01	\$ 7,206,777.13
" " " in Special Sinking Fund	1,170,668.80			1,170,668.80
Total Road and Equipment	4,765,675.88	3,489,710.04	122,060.01	8,377,445.93
<u>Sinking Funds</u>				
1½% General	129.55			129.55
7½% Special	260,362.61			260,362.61
Total Sinking Funds	260,492.16			260,492.16
<u>Unadjusted Debits</u>				
Property Released, Sold, etc.	1,167,078.39			1,167,078.39
U.R. & E. Co. Discount on Funded Debt, etc.	468,700.00			468,700.00
Total Unadjusted Debits	1,635,778.39			1,635,778.39
TOTAL ASSETS	6,661,946.43	3,489,710.04	122,060.01	10,273,716.48
<u>L I A B I L I T I E S</u>				
Capital Stock (Common)	-	400,000.00	10,000.00	410,000.00
Grants in Aid of Construction		90,259.45		90,259.45
Funded Debt	4,946,000.00	2,000,000.00		6,946,000.00
Less Amount retired through Sinking Fund	1,441,000.00			1,441,000.00
	3,505,000.00	2,000,000.00		5,505,000.00
<u>Current Liabilities</u>				
Notes Payable	-	918,000.00	150,000.00	1,066,000.00
Accounts Payable	-	81,450.59	24,317.10	105,767.69
Total Current Liabilities	-	999,450.59	174,317.10	1,173,767.69
<u>Sinking Fund Reserves</u>				
1½% General	1,357,511.80			1,357,511.80
7½% Special	1,715,816.88			1,715,816.88
Total Sinking Fund Reserves	3,073,328.68	-	-	3,073,328.68
<u>Unadjusted Credits</u>				
U.R. & E. Co. For Discount on bonds Purchased through Sinking Fund	83,617.75			83,617.75
Total Unadjusted Credits	83,617.75	-	-	83,617.75
TOTAL LIABILITIES	6,661,946.43	3,489,710.04	184,317.10	10,335,973.57
Profit and Loss Deficit			62,257.09	62,257.09
TOTAL	6,661,946.43	3,489,710.04	122,060.01	10,273,716.48

UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

Statement of Notes Outstanding September 30, 1927.

<u>No.</u>	<u>Name of Bank</u>	<u>Date of Note</u>	<u>Due Date</u>	<u>Rate</u>	<u>Amount</u>
874	Merchants National	June 27, 1927	Oct. 27/27	4 1/2%	100,000
875	"	"	"	4 1/2%	100,000
876	"	"	"	4 1/2%	100,000
877	"	"	"	4 1/2%	100,000
878	"	"	"	4 1/2%	100,000
879	Bank of Manhattan Co. N. Y.	July 28, 1927	Nov. 28/27	4 1/2%	100,000
880	"	"	"	4 1/2%	100,000
881	"	"	"	4 1/2%	100,000
882	"	"	"	4 1/2%	100,000
883	Maryland Trust Co.	Aug. 1, 1927	Dec. 1/27	5%	100,000
885	National Bank of Baltimore	"	Oct. 31/27	5%	25,000
886	"	"	Dec. 1/27	5%	25,000
887	Continental Trust Co.	"	"	5%	50,000
888	Baltimore Trust Co.	Aug. 18, 1927	Dec. 19/27	4 1/2%	100,000
889	"	"	"	4 1/2%	100,000
890	"	"	"	4 1/2%	100,000
891	"	"	"	4 1/2%	100,000
892	"	"	"	4 1/2%	100,000
893	Baltimore Commercial	"	"	5%	100,000
894	Drovers and Mechanics	Aug. 19, 1927	Dec. 19/27	5%	100,000
895	Equitable Trust Co.	"	"	4 1/2%	100,000

1,900,000

Weighted Average Interest Rate ----- 4 3/4%

THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

THE MARYLAND ELECTRIC RAILWAYS COMPANY

Average Rate of Interest on Indebtedness at September 30, 1927.

<u>United Company</u>	<u>Securities Outstanding</u>	<u>Interest Rate</u>	<u>Annual Interest</u>
Underlying Bonds	\$ 5,542,000	5%	\$ 277,100.00
1st Consolidated Mortgage	23,766,000	4%	950,640.00
" " "	8,684,000	6%	521,040.00
Funding Bonds	3,892,700	5%	194,635.00
Three Year Gold Notes	2,500,000	6%	150,000.00
Income Bonds	13,977,000	4%	559,080.00
Notes (Bank Loans)	1,900,000	4.75	90,250.00
TOTAL	<u>60,261,700</u>	<u>4.5514</u>	<u>2,742,745.00</u>

Maryland Elec. Rys. Co.

1st Mtg. Gold Bonds	2,937,000	5%	146,850.00
1st & Refunding Mtg. Series "A"	3,877,500	6½%	252,037.50
Balto. Sp. Pt. & Ches. Ry. Co.	2,000,000	4½%	90,000.00
	<u>8,814,500</u>	<u>5.5464</u>	<u>488,887.50</u>
TOTAL	<u>69,076,200</u>	<u>4.6783</u>	<u>3,231,632.50</u>

Average Rate of Interest

4.6783%

AVERAGE WEIGHTED INTEREST RATES OF SECURITIES AUTHORIZED
 TO BE ISSUED BY THE PUBLIC SERVICE COMMISSION OF MD.
 FROM JANUARY 1, 1921 to DECEMBER 31, 1926.

<u>YEAR</u>	<u>AVERAGE INTEREST RATE</u>
1921	6.33%
1922	5.84%
1923	5.46%
1924	5.33%
1925	5.32%
1926	5.12%

Weighted Average $4 \frac{3}{4} \%$
Rate

AND

THE MARYLAND ELECTRIC RAILWAYS COMPANY

Investment in Road and Equipment as Shown by Books as of December 31, 1923 and Net Additions thereto for the Years 1924, 1925, 1926, and Eight Months to August 31, 1927.

Account No.	Account Name	Investment in Road & Equipment as of December 31, 1923.		1924		1925		1926		Eight Months to August 31, 1927		Total Investment to August 31, 1927.		
		United Rys. & Electric Co.	Md. Elec. Rys. Co.*	United Rys. & Electric Co.	Md. Elec. Rys. Co.	United Rys. & Electric Co.	Md. Elec. Rys. Co.	United Rys. & Electric Co.	Md. Elec. Rys. Co.	United Rys. & Electric Co.	Md. Elec. Rys. Co.	United Rys. & Electric Co.	Md. Elec. Rys. Co.	Total
	Investment as of June 30, 1914	69,963,603.75	5,691,628.65	100,865.66	-	45,231.29	1,500.00	1,079,032.56	1,000.00	-	-	68,738,474.24	5,679,128.65	74,417,602.89
	I. Way and Structures.													
501	Engineering & Superintendence	124,853.78	13,759.63	11,867.80	15,802.88	14,684.25	2,212.89	10,162.76	1,441.33	298.29	272.35	161,290.30	33,488.06	194,778.36
502	Right of Way	23,407.34	3,312.55	-	-	5,521.39	2,364.00	600.00	34.35	83.10	1,424.50	29,611.83	7,135.40	36,747.23
503	Other land used in elec. railway operations	17,194.07	84,024.35	-	47,673.04	2,040.00	25,542.50	-	25,100.09	-	-	19,234.07	183,340.08	202,574.15
504	Grading	431,482.27	69,813.22	41,217.52	4,656.67	51,689.20	2,724.45	30,260.96	5,406.91	492.95	595.62	555,342.90	93,199.07	638,541.97
505	Ballast	375,866.82	26,413.58	9,405.82	4,185.07	40,931.71	868.89	29,342.48	3,941.06	22,752.89	1,949.25	478,300.72	39,356.85	517,657.57
506	Ties	93,240.52	34,778.18	12,946.91	2,466.64	16,336.06	611.00	14,507.76	4,865.18	8,286.57	35.15	145,317.82	42,756.15	188,073.97
507	Rails, rail fastenings and joints	551,609.41	85,692.53	52,673.74	9,485.01	58,964.13	2,204.49	46,262.07	11,132.14	12,075.79	307.56	721,585.14	106,827.73	830,412.87
508	Special Work	659,530.22	89,679.78	48,269.01	7,305.51	35,958.16	1,097.62	25,457.35	13,772.60	21,384.82	5.24	790,599.56	111,850.27	902,449.83
509	Underground construction	-	-	-	-	-	-	-	-	-	-	-	-	-
510	Track and roadway labor	527,865.42	116,022.24	53,125.74	6,305.00	68,529.34	1,977.05	46,430.78	6,848.88	26,215.10	1,496.96	722,167.38	132,650.13	854,817.51
511	Paving	802,821.73	42,630.91	124,310.41	20,957.56	78,960.98	5,309.80	43,841.71	987.58	1,278.87	30.83	1,048,655.96	69,916.68	1,118,572.64
512	Roadway machinery and tools	67,567.56	28.00	11,308.11	121.74	7,691.10	-	-	-	552.51	-	87,319.28	149.74	87,469.02
513	Tunnels and subways	-	-	-	-	-	-	-	-	-	-	-	-	-
514	Elevated structures and foundations	-	-	-	-	-	-	-	-	-	-	-	-	-
515	Bridges, trestles and culverts	14,673.79	16,451.52	3,977.47	596.47	3,037.92	283.33	3,424.37	107.43	1,054.33	110.53	26,167.88	17,549.28	43,717.16
516	Crossings, fences and signs	5,297.67	3,029.61	1,651.96	56.70	678.18	-	1,056.71	1,056.71	5,110.90	120.15	11,682.00	4,263.17	15,945.17
517	Signals and interlocking apparatus	24,474.50	136,780.17	2,903.63	4,382.00	1,409.46	-	618.19	1,206.07	-	-	29,405.78	142,368.24	171,774.02
518	Telephone and telegraph lines	-	361.63	-	-	-	-	-	-	-	-	-	361.63	361.63
519	Poles and fixtures	65,829.19	25,467.64	8,368.87	5,109.88	3,377.82	902.17	1,764.81	3,084.98	9,033.46	156.71	88,394.15	34,407.96	122,802.11
520	Underground conduits	2,202.78	-	-	458.34	-	-	-	-	-	-	2,202.78	-	2,661.12
521	Distribution system	1,113,602.03	88,137.28	47,821.48	7,523.43	35,577.42	2,650.21	37,706.53	3,066.79	12,096.08	190.20	1,246,803.54	101,567.91	1,348,371.45
522	General Office buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
523	Shops and carhouses	81,296.20	4,746.87	12,817.84	10,538.99	8,266.69	-	3,064.29	-	2,033.19	-	107,478.21	15,285.86	122,764.07
524	Stations, Miscellaneous buildings and structures	118,886.47	30,467.68	7,964.33	2,840.48	3,519.24	-	495.18	1,550.20	140.82	-	130,015.68	34,858.36	164,874.04
526	Park and resort property	40,933.42	25,592.53	898.00	-	-	-	-	-	3,500.00	-	45,331.42	25,592.53	70,923.95
527	Cost of road purchased	-	-	-	75,037.50	-	-	-	-	-	39.90	-	75,077.40	75,077.40
528	Reconstruction of road purchased	-	-	-	4,910.17	-	712.68	-	-	-	12,865.68	-	18,488.53	18,488.53
529	Other expenditures - way and structures	37,464.46	10,098.14	7,502.42	2,880.80	8,060.24	-	5,027.31	1,464.83	9,097.17	588.16	67,151.60	15,031.93	82,183.53
	Unclassified Ways and Structures	-	-	-	-	-	-	-	-	93,745.36	-	93,745.36	-	93,745.36
	Total expenditures for Way and Structures	5,180,100.65	909,287.04	459,072.06	233,295.88	445,633.29	49,461.18	296,919.48	86,073.13	38,587.16	19,864.09	6,420,312.64	1,297,981.32	7,718,293.96
	II. Equipment													
530	Passenger and combination cars	3,298,195.31	888,504.78	361,958.99	106,788.71	50,157.27	-	398,028.21	416,018.65	212,884.62	-	3,915,465.16	579,274.84	4,494,740.00
531	Freight, express and mail cars	-	-	-	-	-	-	-	-	-	-	-	-	-
532	Service equipment	110,961.65	-	-	-	42,683.91	-	891.09	-	1,999.20	-	156,535.85	-	156,535.85
533	Electric equipment of cars	735,021.10	598,132.90	177,847.81	47,963.84	3,779.16	-	276,685.35	272,261.16	366,871.22	-	1,552,646.32	373,835.58	1,926,481.90
536	Shop equipment	61,089.08	-	1,855.27	-	4,400.02	-	2,457.16	-	2,549.78	-	72,351.31	-	72,351.31
537	Furniture	11,743.76	-	890.00	-	5,952.87	-	-	-	-	-	18,586.63	-	18,586.63
538	Miscellaneous equipment	169,079.60	-	2,711.38	-	1,046.55	-	3,107.22	-	24,490.83	-	181,453.92	-	181,453.92
	Total expenditures for Equipment	4,386,090.50	1,486,637.68	565,263.45	154,752.55	100,471.46	-	681,189.03	688,279.81	134,044.75	-	5,867,039.19	953,110.42	6,820,149.61
	III. Power													
539	Power plant buildings	620.80	-	-	-	-	-	-	-	-	-	620.80	-	620.80
540	Substation buildings	49,652.97	22,538.28	-	90,231.74	-	36,796.03	-	-	-	-	49,652.97	149,566.05	199,219.02
543	Substation equipment	286,540.41	176,247.61	2,319.82	303,002.84	30,234.24	115,541.48	-	-	385.78	-	261,011.77	596,791.93	857,803.70
544	Transmission system	89,251.25	88,562.88	20,762.74	-	421.44	-	1,222.96	-	-	-	110,615.51	68,562.88	199,378.39
	Total expenditures for Power	428,065.43	289,348.77	23,082.56	393,234.58	30,655.68	152,337.51	1,222.96	-	385.78	-	422,101.05	834,920.86	1,257,021.91
	IV. General and Miscellaneous													
545	Franchises	138,835.90	4,343.25	8,537.86	100.00	-	537.68	-	518.35	-	364.50	147,371.76	5,863.78	153,235.54
546	Law expenditures	-	-	-	64,517.60	-	-	-	-	1,303.65	-	1,303.65	64,517.60	65,821.25
547	Interest during construction	59,691.62	1,515.93	-	-	-	-	-	-	11,499.05	-	48,192.57	1,515.93	49,708.50
549	Taxes	-	-	-	-	-	-	-	-	1,039.02	-	-	-	1,039.02
550	Miscellaneous	38,009.55	4,684.61	12,960.67	10,921.16	17,069.92	977.32	10,403.27	1,067.85	946.53	293.43	79,389.95	17,944.37	97,334.32
	Total General & Miscellaneous Expenditures	236,535.08	10,543.79	21,498.53	75,538.76	17,069.92	1,515.00	10,403.27	1,586.20	12,895.19	657.93	272,611.61	89,641.68	362,253.29
	Total Investment in Road and Equipment	60,194,395.41	6,377,445.93	966,050.94	856,821.77	487,287.70	201,815.69	89,317.82	601,620.48	160,122.50	20,522.02	61,720,538.73	8,854,982.93	90,575,521.66

* Includes Baltimore, Halethorpe and Elk Ridge Ry. Co. and Baltimore, Sparrows Point and Chesapeake Ry. Co., which were consolidated with Maryland Electric Ry. Co. March 20, 1924.

BOARD OF PARK COMMISSIONERS

WILLIAM I. NORRIS,
PRESIDENT
EDWARD HANLON
WILLIAM A. DICKEY, JR.
ADAM H. KROMM
AUGUSTINE J. RYAN

G. L. NICHOLS,
GENERAL SUPERINTENDENT OF PARKS
J. V. KELLY, SECRETARY



DEPARTMENT OF PUBLIC PARKS AND SQUARES

October 24, 1927.

Mr. S. E. Sobeloff,
Deputy City Solicitor,
Law Dept., Court House, City.

My dear Mr. Sobeloff:

I was much interested in the Sun news item this morning concerning the park tax. George Weems Williams, when President of the Park Board, raised the question of having the street railway books audited, and at a meeting of the Board on March 6, 1913, approval was given to the employment of Messrs. Haskins and Sells, expert railroad accountants as well as the employment of four men by them to make a count of fares collected by the railway company.

The audit was complete in April 1913, and disclosed that the railway company was strictly within its legal rights as to certain deductions with the possible exception of car barn loops and cross-overs being used to reduce taxable car mileage.

At a meeting of the Board on October 6, 1914, the following minute was taken.

The President reported that he had been keeping after the Law Dept. in reference to the Haskins & Sells Report, and read a letter dated Sept. 16, 1914, from Deputy City Solicitor Preston, suggesting that in view of other railway cases the questions raised by the auditors' report be not taken up at this time.

The President inquired if it was the pleasure of the Board that he defer to the suggestion of the Deputy City Solicitor or whether it be insisted that the Park Tax question be settled irrespective of other cases.

Mr. Ramsay asked to be excused from expressing an opinion owing to his interests in the United Railways Co., and Mr. Gittings suggested that the subject had better be left alone.

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DEPARTMENT OF PUBLIC PARKS AND SQUARES

-2-

The President reviewed some of the points raised by the auditors, which he thought should be pressed to a settlement, and after careful discussion, it was the sense of the Board that the matter rest until the Law Dept. could take up the subject.

There is no record that any steps were taken by the Law Department, and I assume it is entirely in order for you to proceed at this time.

Early in the administration of Mayor Jackson, the question of perpetual exemption of track mileage on certain streets paralleling private rights-of-way, being given in exchange for highway space, was before the Board of Estimates, and I am enclosing herewith a brief prepared for President Norris when he went before the Board of Estimates on the subject.

I am sending you this information unofficially for what it may be worth to you, and to correct the newspaper statement that the last audit was started by George Stewart (Stovey) Brown when he was in the Council. It was Stovey Brown who first brought up the question of applying the park tax to certain private rights-of-way and there is some legislation giving the Board of Estimates power to provide for perpetual exemption in similar cases.

Very truly yours,


J. V. Kelly

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REPORT TO
HON. WM. F. BROENING, MAYOR,
ON AN AUDIT
OF THE PASSENGER REVENUE ACCOUNTS
OF THE
UNITED RAILWAYS AND ELECTRIC COMPANY
TO DETERMINE THE AMOUNT OF PARK TAX DUE
THE CITY OF BALTIMORE
FROM JANUARY 1 - SEPTEMBER 30, 1927

HOWARD C. BECK, JR.,
CITY AUDITOR

Bureau of Audits,
City Hall,
December 2, 1927.

Hon. Wm. F. Broening, Mayor,
City of Baltimore.

Dear Sir:

In compliance with your request, we have made an examination of the records of the United Railways and Electric Company for the purpose of determining the accuracy of the amount of Park Tax paid for the first three quarters of the year 1927 and have to report thereon as follows:

An audit was made of a number of the conductors' manifests for the Catonsville, York and Frederick Roads, Towson, Emory Grove City, Emory Grove County, Pikesville and Owings Mills lines to determine the method by which the revenue is established and divided between the city and county. These records were found to be correct. City fares and county fares are recorded on separate manifests; the conductor is aided in this division by the recording register or clock in the car which is set back upon approaching a new fare zone. This subject is discussed more fully hereinafter.

We have checked all of the daily summaries of conductors' manifests for the month of May to the monthly summary. In this manner we have, we think, sufficiently established the accuracy of the passenger earnings for May, 1927. Having made such check for that month, we have used the figures of the other months of the year as reported by the Company in making our calculations of Park Tax.

It is necessary before figuring the Park Tax on passenger revenue to allow for certain exemptions. The right of the United Railways Company to claim such exemptions may be clearly understood from the following extract from

the reporter's syllabus of the opinion of the Court of Appeals in 71 Maryland, page 407, in the case of the Union Passenger R.R. Company vs. The Mayor and City Council of Baltimore,

p.415

"That in the absence of a more accurate basis of calculation, the greatest sum to which the defendant was entitled, as a deduction from its total gross receipts from passenger travel during the period embraced in the suit, in respect of its passenger travel outside the city limits, was that sum which bore the same proportion to said total gross receipts, as the number of miles travelled by said cars outside the city limits bore to the total mileage travelled by said cars. pp.416-417

That in the absence of evidence showing how far each passenger who rode on the cars travelled, the only way to approximate a fair basis of settlement was to act on the assumption that each part of each line carried as many as any other part."

and later the opinion of the Court of Appeals of Maryland, in what is known as the Park Tax Case, 84 Maryland, page 16, among other things held as follows:

"The history of the legislation relating to this subject would, apart altogether from the explicit language used in 71 Md. supra, be sufficient to demonstrate, we think, that the tax was a franchise tax exacted in exchange for the privilege accorded these several companies to lay their rails and run their cars upon city streets - streets subject to the control of the Mayor and City Council of Baltimore and subject to no other dominion whatever. This is emphasized by the ordinance which reduced the rate of the tax to twelve per cent, for it provided that the several railway companies named in it (and the appellee is not included) should be required to pay to the City Register twelve per cent. of their gross receipts "in lieu of the one-fifth as now required under their respective grants." Clearly this language indicates, if it does not expressly declare, that the tax was the equivalent for the grant; and consequently if there were no grant there was to be and in reality was, no tax. When subsequent legislation spoke of streets in connection with this class of railways, it manifestly meant streets and not private rights of way. It would do violence to the words employed in the Act of 1894, ch.550, relating to this subject, and would ignore the distinctive character of the tax itself, if the term street railway were stretched so far from its natural and primary meaning as to force it to include railways, that though operated like street railways, are in fact not built upon and do not occupy streets at all.

As the Act of 1888 has brought a part of the appellee's tracks within the new limits, it is insisted by the city that the appellee became liable to pay this tax upon the earnings received from that part of the road, solely because of the extension of the city outlines, even though the turnpike road still continues a turnpike road and has not become a street at all. But the obvious answer, it seems to us, is that appellee's road was not constructed upon a street of the city; is not now located on such a street; but was built upon and still occupies its own

purchased right of way over which the city has not now and never has had control; and as to the occurrence of which the city could not confer and never undertook to confer on the appraiser any right or privilege whatever."

In order for the United Railways Company to determine the proportion of exemption from Park Tax, it is necessary for them to maintain an accurate record of the daily car mileage and to record what portion of this mileage has been made over their private rights of way in the City of Baltimore.

We have accordingly tested the accuracy of the daily returns of car mileage, which are reported by codes, and found them to be correct. These returns are tabulated on tabulating machines which record among other things the number of trips, total mileage, and exempt mileage.

We have checked complete the summary of these returns by lines for the month of May and have calculated the amount of exemption by multiplying the number of trips over a given route by the exempt mileage for that route and have found them to be correct.

In order to check the accuracy of the exempt mileage claimed over the various routes, I have requested the Bureau of Plans and Surveys to scale some of these exemptions on their maps. I have received a letter from Mr. W. O. Atwood, Engineer, dated November 29, 1927, reading as follows:

" This office has checked the mileage that is exempt from park tax from the information obtained from The United Railways and Electric Company.

We find that the results check so closely that you will be safe in using their mileage. It is to be understood, however, that this office has not investigated the correctness of the limits which The United Railways claim are exempt from park tax. "

This convinces me that this phase of the matter has had satisfactory attention. I do however, recommend that the Law Department make an investigation of each exemption claimed for the purpose of determining whether or not the Company is legally entitled to such exemption.

So far as the accounting to determine the Park Tax is concerned, we are satisfied that the United Railways and Electric Company have taken all precautions to accurately record the details. However, there is one phase of the matter that is relatively unimportant so far as the amount of Park Tax is concerned, but should be mentioned in order that the matter may be clear. There are a number of lines that extend into the county where the county fares are collected from boarding passengers before the city line is reached. These points have been established by order of the Public Service Commission. The same thing applies on the inbound trip; passengers pay one fare in the county which brings them a short distance into the city. It may easily be seen that a portion of the fare is earned in the City of Baltimore, and should be credited as earnings in the City and not as earnings in the county. As there is no equitable way of dividing these earnings, it is our opinion that it would be to the City's interest to have the division of fares made between county and city at the city line only. In other words, a passenger boarding a car in the city would be obliged to pay a city fare and another in the county and vice versa coming from the county to the city.

The preamble of order #7383 of the Public Service Commission of Maryland, December 28, 1922, in the matter of the petition of the United Railways and Electric Company, reads in part as follows:

"WHEREAS, the changes in fare zones hereinafter ordered have the effect of extending unduly certain existing fare zone overlaps and of creating further operating difficulties, and while these overlaps will not be disturbed at the present time, the advisability of their elimination will be given early consideration by the Commission. "

So far as we know no definite action has been taken to eliminate these fare overlaps.

We have appended hereto a statement showing the Park Tax and the figures upon which it has been calculated for the first nine months of this year.

In conclusion, I wish to say that the officials and employess of the United Railways and Electric Company were most courteous to us during the audit and were ready to place any records at our disposal on short notice.

Respectfully submitted,

Howard C. Phelps
City Auditor

TABLE SHOWING PARK TAX COMPUTATION

JANUARY 1 - SEPTEMBER 30, 1927

UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE

	<u>Total Passenger Revenue</u>	<u>Passenger Revenue Not Taxable</u>	<u>Passenger Revenue Taxable</u>	<u>Park Tax 9%</u>
January	\$ 1,310,286 00	\$ 271,318 68	\$ 1,038,467 32	\$ 93,462 06
February	1,183,859 01	246,155 71	937,703 30	84,393 30
March	1,325,360 96	274,578 70	1,050,782 26	94,570 40
April	1,304,537 87	270,367 62	1,034,170 25	93,075 32
May	1,304,884 56	277,548 85	1,027,335 71	92,460 21
June	1,235,837 71	266,207 83	969,629 88	87,266 69
July	1,160,250 50	256,427 74	903,822 76	81,344 05
August	1,151,882 86	252,771 11	899,111 75	80,920 06
September	1,196,677 25	261,481 71	935,195 54	84,167 60
	<u>\$11,173,576 72</u>	<u>\$ 2,377,357 95</u>	<u>\$ 8,796,218 77</u>	<u>\$ 791,659 69*</u>

* Amounts to 7.0851054% of gross passenger earnings in the City of Baltimore

STATEMENT PREPARED FOR

HON. HOWARD W. JACKSON, MAYOR

CITY OF BALTIMORE

SHOWING INDEBTEDNESS OF THE

UNITED RAILWAYS AND ELECTRIC COMPANY

TO THE

CITY OF BALTIMORE AND STATE OF MARYLAND

FOR

REAL ESTATE TAXES, FRANCHISE PARK TAX,

LICENSES, SPECIAL ADVANCES,

AND MISCELLANEOUS CHARGES

AS OF JANUARY 21, 1933

(Compiled from information obtained from the rec-)
(ords of the City Collector, State Roads Commis-)
(sion, and the United Railways and Electric Company)

HOWARD C. BECK, JR.
CITY AUDITOR

Bureau of Audits
City Hall
January 25, 1933

Hon. Howard W. Jackson, Mayor
City of Baltimore

Dear Sir:

Under date of January 5th, you referred to me a letter received from Mr. Thomas G. Young, City Collector, itemizing charges aggregating \$1,681,728.76, appearing on the records of the Bureau of Receipts against the United Railways and Electric Company which were unpaid as of that date.

Mr. Young pointed out in his letter to you, which I am returning herewith, that inasmuch as miscellaneous charges originate in other departments, his list was not furnished as a full and complete list but only as a list of the items then appearing on his books.

I have checked the detailed items making up the above amount with the Treasurer of the United Railways and Electric Company and, after allowing for certain discrepancies and omissions, have reconciled the principal amount of the charges with their records with the exception of a few cases where they dispute the figures submitted by the State Roads Commission as due for the account of the Mayor and City Council of Baltimore. Such disputed charges, they have advised me, will be taken up in an effort to effect suitable adjustment.

For your information, I am submitting the following:

	Page
Consolidated Statement of Indebtedness to the City of Baltimore and State of Maryland as of January 21, 1933, aggregating \$1,890,610.32	2
Statement of Indebtedness as of December 31, 1932	3
Statement of Accumulated Indebtedness from January 1 to 21, 1933	4
Statement of Advances not yet due under the terms of agreements	5
Statement of Indebtedness to the State Roads Commission for use of Baltimore City	6

Like the City Collector, I am unable to certify that this is a full and complete list, inasmuch as charges are accumulating from day to day and it is possible that some of them may not have actually reached the stage of billing, which would make them a matter of record. I do believe, however, that this is a full and complete list from the check that has been made with the exception of possible work in progress.

Respectfully submitted,


City Auditor

STATEMENT OF INTERESTS OF

THE UNITED RAILWAYS AND ELECTRIC COMPANY

TO THE CITY OF BALTIMORE AND STATE OF MARYLAND FOR

REAL ESTATE TAXES, FRANCHISE PARK TAX, LICENSES, SPECIAL ADVANCES, AND MISCELLANEOUS DEBITS,
UNPAID AS OF JANUARY 21, 1913

to the City of Baltimore, Maryland, obtained from the records of the City Collector.

to the State of Maryland, obtained from the records of the State Collector.

to the United Railways and Electric Company, obtained from the records of the United Railways and Electric Company.

Category	Amount	Interest	Total to	Total Jan.	Grand
Real Estate Taxes	\$21,717 57	\$28,238 25	\$505,910 12	\$381,018 22	\$1,888,810 25
State	\$31,901 21	\$638 02	\$32,539 23	\$31,844 35	\$4,375 60
City of Baltimore	212,192 46	19,274 15	231,466 61	228,971 23	460,731 25
City of Baltimore - State	80,895 29	7,339 85	88,235 14	89,423 82	177,588 32
City of Baltimore - City	5,081 76	461 58	5,543 34	5,762 00	11,252 00
City of Baltimore - City	26 71	2 42	29 13	512 00	541 00
City of Baltimore - City	617 61	56 12	673 73	\$200 00	\$200 00
City of Baltimore - City	\$330,625 24	\$27,772 14	\$358,397 38	\$356,211 00	\$712,211 00
City of Baltimore - City	325,288 08	28,977 43	354,265 51	182,028 37	536,293 88
City of Baltimore - City	2,668 20		2,668 20	288,013 15	314,681 35
City of Baltimore - City	81,028 21	1,182 22	82,210 43	21,888 50	104,098 93
City of Baltimore - City	10,120 84		10,120 84		10,120 84
City of Baltimore - City	80,108 20		80,108 20		80,108 20

STATEMENT OF INDEBTEDNESS OF
 THE UNITED RAILWAYS AND ELECTRIC COMPANY
 TO THE CITY OF BALTIMORE AND STATE OF MARYLAND FOR
 REAL ESTATE TAXES, FRANCHISE PARK TAX, LICENSES, SPECIAL ADVANCES, AND MISCELLANEOUS CHARGES,
 UNPAID AS OF JANUARY 21, 1933

(Compiled from information obtained from the records of the City Collector,
 the State Roads Commission, and the United Railways and Electric Company)

Real Estate Taxes	Amount	Interest and Penalty	Total to Dec. 31, 1932	Total Jan. 1-21, 1933	Grand Total
State	\$ 31,901 21	\$ 638 02	\$ 32,539 23	\$ 31,844 38	\$ 64,383 61
City Full Rate	212,192 46	19,274 15	231,466 61	228,907 58	460,374 19
City New Addition Rate	80,805 29	7,339 85	88,145 14	89,442 60	177,587 74
City Suburban Rate	5,081 76	461 58	5,543 34	5,700 99	11,244 33
City Rural Rate	26 71	2 42	29 13	31 89	61 02
Special Paving Taxes (Act 1912)	617 81	56 12	673 93	664 41	1,338 34
Total Real and Special Paving Taxes	\$330,625 24	\$27,772 14^a	\$358,397 38	\$356,591 85	\$ 714,989 23
Park Tax	320,698 46	28,977 43 ^b	349,675 89	182,088 97	531,764 86
Flat Rate Water				109 00	109 00
Metered Water	1,055 46		1,055 46	202 20	1,257 66
Annual Rental Waiting Station Falls Road	6 50		6 50		6 50
Conduit Rentals	80,108 30		80,108 30		80,108 30
Track Reconstruction (City)	16,430 67	1,789 95	18,220 62	57,968 74 ^c	76,189 36
Track Reconstruction (State Roads)	87,059 31		87,059 31	386,073 72 ^c	473,133 03
Inspection - Bureau of Highways	5,666 69		5,666 69		5,666 69
Miscellaneous Accounts Receivable	2,389 08		2,389 08		2,389 08
Damages to City Truck	91 53		91 53		91 53
Damage to Fire Hose				57 00	57 00
Car License				4,500 00	4,500 00
Pole License				278 00	278 00
Wagon and Push Cart License				8 00	8 00
Minor Privilege				22 25	22 25
Supervision of Tree Trimming - Park Board				37 83	37 83
Turn off and on of Water Meter for repairs				2 00	2 00
TOTALS	\$844,131 24	\$58,539 52	\$902,670 76	\$987,939 56	\$1,890,610 32

- a Interest and Penalty figured for January payment.
 b Penalty figured to January 10, 1933 @ 30%.
 c Not yet due under terms of agreements.

STATEMENT OF TAXES AND MISCELLANEOUS CHARGES DUE AND PAYABLE TO
THE MAYOR AND CITY COUNCIL OF BALTIMORE
BY THE UNITED RAILWAYS AND ELECTRIC COMPANY
AS OF DECEMBER 31, 1932

1932 Real Estate Taxes	Assessed Valuation	Tax	Interest and Penalty*	Total
State	\$12,760,435 00	\$ 31,901 21	\$ 638 02	\$ 32,539 23
City Full Rate	8,660,915 00	212,192 46	19,274 15	231,466 61
City N. A. Rate	3,835,085 00	80,805 29	7,339 85	88,145 14
City Suburban Rate	262,555 00	5,081 76	461 58	5,543 34
City Rural Rate	1,880 00	26 71	2 42	29 13
Special Paving Taxes (Act 1912)		617 81	56 12	673 93
Total Real Estate and Special Paving		\$330,625 24	\$27,772 14	\$358,397 38
Park Tax		Tax	Penalty	
Second Quarter 1932		\$193,182 86	\$28,977 43**	\$222,160 29
Third Quarter 1932 (Amount deferred Ord. 281, 9/1/32)		127,515 60		127,515 60
Total Park Tax***		\$320,698 46	\$28,977 43	\$349,675 89
Metered Water Bills to December 31, 1932				\$ 1,055 46
Annual Rental Waiting Station, Falls Road & Elmwood				6 50
Conduit Rentals				80,108 30
Date	Bill No.			
4/ 5/32	92396		\$39,890 40	
8/25/32	94673		13	
10/13/32	97617		40,110 10	
10/13/32	97615		43 03	
11/23/32	97637		6 25	
12/20/32	98871		58 39	
Track Reconstruction				18,220 62
Perlmán Agreement (Ord. 1181-26) Bill No. 98304			\$ 3,471 17	
75% Agreement (See Board of Estimates Minutes 6/29/29)			14,514 64	
Date	Bill No.	Installment	Interest	
8/ 1/32	93517	\$5,160 51	\$619 26	\$5,779 77
10/ 1/32	93523	3,326 64	399 20	3,725 84
10/ 1/32	93524	4,472 35	536 68	5,009 03
Additional Interest to December 31, 1932				234 81
Date	Bill No.			
From 8/ 1/32	93517		\$ 129 01	
" 10/ 1/32	93523		49 90	
" 10/15/32	93524		55 90	
Inspection - Bureau of Highways				5,666 69
Date	Bill No.			
6/ 1/32	94502		\$ 833 33	
7/ 5/32	94521		833 34	
8/ 9/32	94554		666 67	
9/10/32	94573		666 67	
10/13/32	94590		666 67	
11/ 7/32	98354		666 67	
12/10/32	98371		666 67	
12/30/32	98375		666 67	
Miscellaneous Accounts Receivable				2,389 08
Bureau of Mechanical-Electrical Service			\$ 154 06	
Date	Bill No.			
7/ 1/32	94643		\$ 72 81	
8/ 6/32	94665		9 90	
10/ 7/32	97575		28 90	
11/25/32	97639		39 30	
12/19/32	98869		3 15	
Bureau of Highways				2,235 02
Date	Bill No.			
6/27/32	94926		\$ 165 26	
6/29/32	94929		540 79	
7/ 7/32	94946		10 28	
7/ 7/32	94947		706 72	
7/ 7/32	94948		104 57	
7/20/32	94968		173 25	
7/26/32	94974		80 00	
12/12/32	96749		3 80	
12/19/32	98980		450 35	
Damages to City Truck - Check #024547 (Refused by Bank)				91 53
TOTAL AMOUNT DUE as of December 31, 1932				\$815,611 45

* Interest and Penalty figured for January payment.
 ** Penalty figured to January 10, 1933 @ 30%.
 *** Park Tax for 4th Quarter actually due and payable in 1933.

BUREAU OF AUDITS

**STATEMENT OF TAXES AND MISCELLANEOUS CHARGES ACCUMULATED AGAINST
THE UNITED RAILWAYS AND ELECTRIC COMPANY
DURING THE PERIOD FROM JANUARY 1 TO 21, 1933**

<u>Real Estate</u>	<u>Assessed Valuation</u>	<u>Tax</u>
State	\$12,737,700 00	\$ 31,844 38
City	8,638,020 00	228,907 58
New Addition Rate	3,835,445 00	89,442 60
Suburban	262,355 00	5,700 99
Rural	1,880 00	31 89
Paving, Special (Act 1912)		664 41
<u>Total Real Estate and Special Paving</u>		<u>\$356,591 85</u>
Park Tax - Fourth Quarter 1932 - Due 1/10/33		\$182,088 97*
Flat Rate Water		109 00
Metered Water		202 20
Minor Privilege		22 25
406-08 W. Lombard - Gas Tank	\$ 10 25	
500 Cumberland Street	12 00	
Supervision of Tree Trimming - Park Board - 1/5/33 - No. 98834		37 83
Damage to Fire Hose - 1/16/33 - No. 100326		57 00
Turn off and Turn on of Water Meter for Repairs - 1/17/33 - No. 99839		2 00
Wagon and Push Cart License (Check G-24590 Received - Refused by Bank)		8 00
Pole License - 139 Poles @ \$2 00 - Due 1/7/33		278 00
Car License - 900 @ \$5 00		4,500 00
<u>TOTAL</u>		<u>\$543,897 10</u>

* Penalty not computed.

STATEMENT OF ADVANCES MADE BY THE MAYOR AND CITY COUNCIL OF BALTIMORE
FOR TRACK RECONSTRUCTION NOT YET DUE UNDER THE TERMS OF AGREEMENTS
WITH THE UNITED RAILWAYS AND ELECTRIC COMPANY

<u>Project</u>	<u>Due Date</u>	<u>Amount</u>	<u>Interest</u>	<u>Detail Total</u>	<u>Grand Total</u>
Harford Road (Perlman Agreement)	11/ 1/33	\$ 3,471 17		\$ 3,471 17	\$ 3,471 17
Lexington Street	8/ 1/33	5,160 51	\$ 309 63	5,470 14	5,470 14
Oldham Street	10/15/33	4,472 35	268 34	4,740 69	4,740 69
Monument Street	10/ 1/33	3,326 64	199 60	3,526 24	3,526 24
Falls Road - Between 36th Street and 41st Street					17,428 97
	2/ 1/33	\$ 7,994 94	\$ 959 39	\$ 8,954 33	
	2/ 1/34	7,994 94	479 70	8,474 64	
Falls Road - Between 41st Street and Hillside Road					23,331 53
	5/ 1/33	\$10,702 54	\$1,284 30	\$11,986 84	
	5/ 1/34	10,702 54	642 15	11,344 69	
<u>TOTALS</u>		<u>\$53,825 63</u>	<u>\$4,143 11</u>	<u>\$57,968 74</u>	<u>\$57,968 74</u>

BUREAU OF AUDITS

UNITED RAILWAYS AND ELECTRIC COMPANY INDEBTEDNESS TO
THE STATE ROADS COMMISSION OF MARYLAND
FOR THE USE OF BALTIMORE CITY*

Project	Due Date	Overdue	Future	Detail Total	Grand Total
Belair Road	6/29/32	\$33,308 53		\$ 33,308 53	\$ 33,308 53
Harford Road	10/20/32 10/20/33	\$20,901 96	\$ 20,901 96	\$ 20,901 96 20,901 96	41,803 92
York Road	12/31/32 12/31/33 12/31/34	\$20,571 05	\$ 20,571 05 20,571 05	\$ 20,571 05 20,571 05 20,571 05	61,713 15
Gwynn Oak Avenue	10/ 1/32 10/ 1/33 10/ 1/34 10/ 1/35	\$12,277 77	\$ 12,277 77 12,277 77 12,277 77	\$ 12,277 77 12,277 77 12,277 77	49,111 08
Wilkens Avenue	3/27/33 3/27/34 3/27/35 3/27/36		\$ 6,512 13 6,512 13 6,512 13 6,512 13	\$ 6,512 13 6,512 13 6,512 13 6,512 13	26,048 52
Frederick Road	3/ 1/33 3/ 1/34 3/ 1/35 3/ 1/36 3/ 1/37		\$ 20,632 35 20,632 35 20,632 35 20,632 35 20,632 35	\$ 20,632 35 20,632 35 20,632 35 20,632 35 20,632 35	103,161 75
Patapsco Avenue	3/ 1/33 3/ 1/34 3/ 1/35 3/ 1/36 3/ 1/37		\$ 7,920 18 7,920 18 7,920 18 7,920 18 7,920 19	\$ 7,920 18 7,920 18 7,920 18 7,920 18 7,920 19	39,600 91
Falls Road, Hillside Road to Belvedere Avenue	2/ 1/33 2/ 1/34 2/ 1/35 2/ 1/36 2/ 1/37		\$ 11,601 85 11,601 85 11,601 86 11,601 86 11,601 86	\$ 11,601 85 11,601 85 11,601 86 11,601 86 11,601 86	58,009 28
Falls Road, Belvedere Avenue to Mattfeldt Avenue	8/31/33 8/31/34 8/31/35 8/31/36 8/31/37		\$ 2,919 66 2,919 66 2,919 66 2,919 66 2,919 66	\$ 2,919 66 2,919 66 2,919 66 2,919 66 2,919 66	14,598 30
Patapsco Avenue, Brooklyn to Pennington Avenue	9/30/33 9/30/34 9/30/35 9/30/36 9/30/37		\$ 9,155 51 9,155 52 9,155 52 9,155 52 9,155 52	\$ 9,155 51 9,155 52 9,155 52 9,155 52 9,155 52	45,777 59
TOTALS		<u>\$87,059 31</u>	<u>\$386,073 72</u>	<u>\$473,133 03</u>	<u>\$473,133 03</u>

* Information submitted by Mr. William A. Codd, Chief Auditor, State Roads Commission.

BUREAU OF AUDITS

CITY SOLICITOR'S OFFICE

December 10, 1927.

Theodore R. McKeldin, Esq.,
Secretary to the Mayor,
City Hall,
Baltimore, Maryland.

Dear Mac:

It was very nice of Tom Tingley to indite to the
Mayor the panegyric upon me which you sent me and which I
return herewith, and it was very good of you to let me read
it.

COPY

Sincerely yours,

SESRS

Enc.



**MAYOR'S OFFICE
CITY OF BALTIMORE**

WILLIAM F. BROENING

MAYOR

December 28, 1927.

Mr. Simon E. Sobeloff,
Deputy City Solicitor.

Dear Mr. Sobeloff:-

The Mayor directs that the attached communication from Mr. C. D. Emmons, President of the United Railways, be referred for your consideration.

If agreeable to you the Mayor will send Mr. Emmons a copy of the report mentioned.

Very truly yours,

Theodore R. McKeldin
Theodore R. McKeldin
Secretary to the Mayor.

msb.

BE COURTEOUS, EFFICIENT AND ECONOMICAL



HOWARD C. BECK, JR.
CITY AUDITOR

BUREAU OF AUDITS

Dec. 20, 1927.

Mr. Simon E. Sobeloff, Deputy City Solicitor,
City of Baltimore.

My dear Mr. Sobeloff:

The Mayor has requested that I forward you a copy of my report submitted to him on an audit of the passenger revenue accounts of the United Railways and Electric Company, and has asked me to advise you that he would like to have the Law Department make an investigation of each exemption from Park Tax claimed by the United Railways and Electric Company for the purpose of determining whether or not the Company is entitled to such exemption, as I have suggested in the report.

Yours very truly,

Howard C. Beck, Jr.

City Auditor.

Rev. Lyland A. Brown



**MAYOR'S OFFICE
CITY OF BALTIMORE**

WILLIAM F. BROENING

MAYOR

December 22, 1927.

Mr. Simon E. Sobeloff,
Deputy City Solicitor.

Dear Mr. Sobeloff:-

Attached is copy of communication sent me by Mr. Howard C. Beck, Jr., City Auditor, as well as report covering an audit of the passenger revenue accounts of the United Railways and Electric Company, etc, which the Mayor directs me to refer for your consideration and with the request that you prepare a statement on the matter for the Press, after which he will thank you to discuss the matter with him.

Very truly yours,

W. H. Brand
Assistant Secretary.

msb.

BE COURTEOUS, EFFICIENT AND ECONOMICAL



HOWARD C. BECK, JR.
CITY AUDITOR

BUREAU OF AUDITS

Dec. 20, 1927.

Mr. Simon E. Sobeloff, Deputy City Solicitor,
City of Baltimore.

My dear Mr. Sobeloff:

The Mayor has requested that I forward you a copy of my report submitted to him on an audit of the passenger revenue accounts of the United Railways and Electric Company, and has asked me to advise you that he would like to have the Law Department make an investigation of each exemption from Park Tax claimed by the United Railways and Electric Company for the purpose of determining whether or not the Company is entitled to such exemption, as I have suggested in the report.

Yours very truly,

Howard C. Beck, Jr.
City Auditor.

Rev. Lyland A. Brown

Copy: *C*
The Mayor
Mr. Kraus

1-105-2-
19.4. - v b -
4. - 10 -

CITY SOLICITOR'S OFFICE

May 18, 1929.

Mr. Charles E. Hammersley,
714 Majestic Building,
Milwaukee, Wisconsin.

Dear Sir:-

This office participated in the case of the United Railways and Electric Company when it was heard by the Public Service Commission, and I enclose herewith a copy of our brief which you will observe is only a sketchy discussion of the issues of the case. After you have read it, I shall appreciate your returning it as we have no other copy in our file. The burden of the case was on the shoulders of People's Counsel, Mr. Thomas J. Fingley, Munsey Building. A brief was also filed by Mr. Linwood L. Clark, 333 St. Paul Place. The Counsel for the United Railways were Mr. Charles Markell, Calvert Building, and Mr. Charles McHenry Howard, Continental Building, Baltimore.

We did not participate in the trial of the case in the Circuit Court of Baltimore City or in the Court of Appeals of Maryland, and will not participate in the case in the Supreme Court; but, doubtless, the gentlemen whom I have named will be glad to send you copies of their briefs.

Very truly yours,

SES:DS.

Deputy City Solicitor.

Mr. Sobeloff

LAW OFFICES OF
HAMMERSLEY & TORKE

CHARLES E. HAMMERSLEY
NORTON A. TORKE

TELEPHONE GRAND 1173

714-715 MAJESTIC BUILDING
MILWAUKEE

May 16th, 1929

City Attorney
Baltimore, Maryland

Dear Sir:

Will you kindly send me a copy of your brief in the case of the United Railways & Electric Company of Baltimore vs. West, et al, constituting the Public Service Commission of the State of Maryland, No. 792, pending in the Supreme Court of the United States, and also advise me the names of the attorneys representing the other party.

I am the attorney in a somewhat similar case here and I am trying to keep in touch with similar cases.

Thanking you, I am,

Yours very truly,

Charles E. Hammersley

CEH:ET

PUBLIC SERVICE COMMISSION
OF MARYLAND

50623

ORDER NO. 13347.

IN THE MATTER OF THE APPLICATION OF
THE UNITED RAILWAYS AND ELECTRIC
COMPANY OF BALTIMORE FOR THE ESTAB-
LISHMENT OF A PERMANENT RATE OF FARE
OF 10 CENTS AND FOR THE ESTABLISHMENT
OF A TEMPORARY EMERGENCY RATE OF FARE
PENDING THE ESTABLISHMENT OF SUCH
PERMANENT RATE OF FARE.

BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND.

CASE NO. 2648.

ORDERED: This 7th day of November, 1928, by the
Public Service Commission of Maryland, that the further hearing in
the above entitled matter set for Thursday, November 15th, 1928, at
10:00 o'clock, A.M., be, and the same is hereby, postponed until
Monday, November 19th, 1928, at 10:00 o'clock, A.M., at the office
of the Commission, Baltimore, Maryland.

True Copy - Test:

Ernest Stape
Secretary.



COMMISSIONERS

HAROLD E. WEST
CHAIRMAN
J. FRANK HARPER
STEUART PURCELL

STATE OF MARYLAND



THOMAS J. TINGLEY,
PEOPLE'S COUNSEL
FRANK HARPER,
EXECUTIVE SECRETARY

PUBLIC SERVICE COMMISSION

MUNSEY BUILDING

S. E. COR. CALVERT & FAYETTE STS.

BALTIMORE

November 7,

1928

In the matter of the application
of The United Railways and Elec-
tric Company of Baltimore for the
establishment of a permanent rate
of fare of 10 cents, etc.

*
*
*
*

Case No. 2648.

Simon E. Sobeloff, Esq.,
Deputy City Solicitor,
Court House,
Baltimore, Maryland.

Dear Sir:

Enclosed please find attested copy of an Order
this day passed by the Commission in the above entitled
matter, together with form for admission of service, which
please fill out, sign and return.

Very truly yours,

Executive Secretary.

MW
Enc.

COMMISSIONERS

HAROLD E. WEST

CHAIRMAN

J. FRANK HARPER

STEUART PURCELL

STATE OF MARYLAND



THOMAS J. TINGLEY,

PEOPLE'S COUNSEL

FRANK HARPER,

EXECUTIVE SECRETARY

PUBLIC SERVICE COMMISSION

MUNSEY BUILDING

S. E. COR. CALVERT & FAYETTE STS.

BALTIMORE

November 7,

1928

In the matter of the application *
of The United Railways and Elec-
tric Company of Baltimore for the*
establishment of a permanent rate
of fare of 10 cents, etc. *

Case No. 2648.

*

A. Walter Kraus, Esq.,
City Solicitor,
Court House,
Baltimore, Maryland.

Dear Sir:

Enclosed please find attested copy of an Order
this day passed by the Commission in the above entitled
matter, together with form for admission of service, which
please fill out, sign and return.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'Frank Harper'.

Executive Secretary.

MW
Enc.

PUBLIC SERVICE COMMISSION
OF MARYLAND

ORDER NO. 13347.

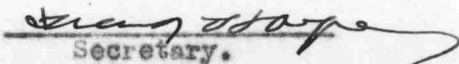
IN THE MATTER OF THE APPLICATION OF
THE UNITED RAILWAYS AND ELECTRIC
COMPANY OF BALTIMORE FOR THE ESTAB-
LISHMENT OF A PERMANENT RATE OF FARE
OF 10 CENTS AND FOR THE ESTABLISHMENT
OF A TEMPORARY EMERGENCY RATE OF FARE
PENDING THE ESTABLISHMENT OF SUCH
PERMANENT RATE OF FARE.

BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND.

CASE NO. 2648.

ORDERED: This 7th day of November, 1928, by the
Public Service Commission of Maryland, that the further hearing in
the above entitled matter set for Thursday, November 15th, 1928, at
10:00 o'clock, A.M., be, and the same is hereby, postponed until
Monday, November 19th, 1928, at 10:00 o'clock, A.M., at the office
of the Commission, Baltimore, Maryland.

True Copy - Test:


Secretary.

7



City of Buffalo

DEPARTMENT OF LAW

GREGORY U. HARMON
CORPORATION COUNSEL

November 26, 1928.

Mr. A. Walter Kraus,
City Solicitor,
217 Court House,
Baltimore, Maryland.

Dear Sir:

I am in receipt of your communication of November 22, 1928, in re records on appeal in the United Railways Rate Cases.

I am also in receipt of a communication from Mr. Thomas J. Tingley, People's Counsel, to whom you referred my letter of November 21st.

I thank you very much for your prompt action in the matter and will be pleased if I can be of service to you at any time.

Very truly yours,

Gregory U. Harmon
Corporation Counsel.

CITY SOLICITOR'S OFFICE

November 22nd, 1928

Mr. Thomas J. Tingley,
Mansey Building,
Baltimore, Maryland.

Dear Mr. Tingley:

The enclosed letter from the Corporation
Counsel of the City of Buffalo, requesting to be furnished with
copies of the records and briefs in the United Railways Rate Cases,
recently dismissed by the United States Supreme Court, is obviously
intended for you.

I am accordingly forwarding same to you.

Very truly yours,

A.W.K.
R.R.S.

City Solicitor

CITY SOLICITOR'S OFFICE

November 22nd, 1928

Mr. Gregory U. Harmon,
Corporation Counsel,
City Hall,
Buffalo, New York.

Dear Sir:

I have forwarded your letter of November 21st, requesting to be furnished with copies of the records and briefs in the United Railways Rate Cases, recently dismissed by the United States Supreme Court, to Mr. Thomas J. Tingley, who is the official charged with the responsibility of representing the public in cases of this character and who actually represented the public in these cases before the Public Service Commission of Maryland and in the State and Federal Courts.

Mr. Tingley will doubtless furnish you with the documents requested.

Very truly yours,

A.W.K.
R.R.S.

City Solicitor

COMMISSIONERS

STATE OF MARYLAND

HAROLD E. WEST
CHAIRMAN
J. FRANK HARPER
STEUART PURCELL

THOMAS J. TINGLEY,
PEOPLE'S COUNSEL
FRANK HARPER,
EXECUTIVE SECRETARY



PUBLIC SERVICE COMMISSION

MUNSEY BUILDING

S. E. COR. CALVERT & FAYETTE STS.

BALTIMORE

November 23,

1928

In the matter of the application of *
The United Railways and Electric Com- *
pany of Baltimore for the establish- *
ment of a permanent rate of fare of *
10 cents, etc. *

Case No. 2648.

A. Walter Kraus, Esq.,
City Solicitor,
Court House,
Baltimore, Maryland.

Dear Sir:

Enclosed please find copy of Opinion and certi-
fied copy of an Order this day passed by the Commission
in the above entitled matter, together with form for ad-
mission of service, which please fill out, sign and return.

Very truly yours,

Executive Secretary.

MW

COMMISSIONERS

HAROLD E. WEST
CHAIRMAN
J. FRANK HARPER
STEUART PURCELL

STATE OF MARYLAND



THOMAS J. TINGLEY
PEOPLE'S COUNSEL
FRANK HARPER
EXECUTIVE SECRETARY

PUBLIC SERVICE COMMISSION

MUNSEY BUILDING

S. E. COR. CALVERT & FAYETTE STS.

BALTIMORE

October 19,
1927

In the matter of the application
of The United Railways and Elec-
tric Company of Baltimore for
the establishment of a permanent
rate of fare of 10 cents, etc.,

*

*

*

*

Case No. 2648.

A. Walter Kraus, Esq.,
City Solicitor,
Court House,
Baltimore, Maryland.

Dear Sir:-

Enclosed please find attested copy of an
Order this day passed by the Commission in the above
entitled matter, together with form for admission of
service, which please fill out, sign and return.

Yours very truly,

Handwritten signature of Frank Harper in cursive.

Executive Secretary.

MW

PUBLIC SERVICE COMMISSION
OF MARYLAND

ORDER NO. 11883

IN THE MATTER OF THE APPLICATION *
OF THE UNITED RAILWAYS AND ELEC- *
TRIC COMPANY OF BALTIMORE FOR THE *
ESTABLISHMENT OF A PERMANENT RATE *
OF FARE OF 10 CENTS AND FOR THE *
ESTABLISHMENT OF A TEMPORARY *
EMERGENCY RATE OF FARE PENDING *
THE ESTABLISHMENT OF SUCH PERMA- *
MENT RATE OF FARE. *

BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND

CASE NO. 2648

ORDERED: This 19th day of October, 1927, by
the Public Service Commission of Maryland, that the hearing
in the above entitled matter set for Wednesday, October 26th,
1927, at 10:00 o'clock, A.M., be, and the same is hereby
postponed until Thursday, October 27th, 1927, at 10:00 o'clock,
A.M., at the office of the Commission, Baltimore, Maryland.

True Copy - Test:

Wm. Harper
Secretary.



CITY SOLICITOR'S OFFICE

October 19th, 1927.

Hon. William F. Broening,
 Mayor of Baltimore City,
 City Hall,
 Baltimore, Maryland.

Dear Mayor Broening:-

In preparing for participation in the hearing of the United Railways' rate case before the Public Service Commission, in obedience to your instructions, it occurs to me that there should be a careful audit to determine the income of The United Railways & Electric Company.

Accurate information on this subject is not only essential for the determination of a proper rate of fare to be allowed this Company, but the City has a special interest in the subject matter as the law requires the park tax to be computed on the basis of the Company's receipts.

While the tax to which the City is entitled is 9% of the gross receipts, from operations in the City, the City Auditor informs me that the method of computation heretofore employed by The United Railways & Electric Company results in an actual payment of slightly more than 7%, thus diminishing the sums payable to the City by almost one-fourth. This is occasioned partly by the Company's claims for exemption upon certain of its rights of ways.

I respectfully recommend that you request the City Auditor to make some preliminary examination of the books of the Company to determine how extensive an audit would be necessary and the procedure to be followed.

Very truly yours,

(Signed) SIMON E. SOBLOFF,

Deputy City Solicitor.

SRS/AA.

CITY SOLICITOR'S OFFICE

October 19th, 1927.

Hon. William F. Broening,
Mayor of Baltimore City,
City Hall,
Baltimore, Maryland.

Dear Mayor Broening:-

In preparing for participation in the hearing of the United Railways' rate case before the Public Service Commission, in obedience to your instructions, it occurs to me that there should be a careful audit to determine the income of The United Railways & Electric Company.

Accurate information on this subject is not only essential for the determination of a proper rate of fare to be allowed the Company, but the City has a special interest in the subject matter as the law requires the park tax to be computed on the basis of the Company's receipts.

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I respectfully recommend that you request the City Auditor to make some preliminary examination of the books of the Company to determine how extensive an audit would be necessary and the procedure to be followed.

Very truly yours,

(Signed) SIDON E. SOBELOFF,

Deputy City Solicitor.

SES/AA.

CITY SOLICITOR'S OFFICE

October 19th, 1927.

Hon. William F. Broening,
 Mayor of Baltimore City,
 City Hall,
 Baltimore, Maryland.

Dear Mayor Broening:-

In preparing for participation in the hearing of the United Railways' rate case before the Public Service Commission, in obedience to your instructions, it occurs to me that there should be a careful audit to determine the income of The United Railways & Electric Company.

Accurate information on this subject is not only essential for the determination of a proper rate of fare to be allowed this Company, but the City has a special interest in the subject matter as the law requires the park tax to be computed on the basis of the Company's receipts.

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I respectfully recommend that you request the City Auditor to make some preliminary examination of the books of the Company to determine how extensive an audit would be necessary and the procedure to be followed.

Very truly yours,

Deputy City Solicitor.

SES/AA.

CITY SOLICITOR'S OFFICE

February 7, 1928.

Alabama Public Service Commission,
Montgomery, Alabama.

Attention: Mr. C. H. Rittenhouse,
Engineering Department.

Gentlemen:

Thank you very much for the information contained
in your letter of February 3rd, 1928.

Very truly yours,

SES:RS

Deputy City Solicitor.

CITY SOLICITOR'S OFFICE

February 7, 1928.

Linwood L. Clark, Esq.,
333 St. Paul Place,
Baltimore, Maryland.

Dear Mr. Clark:

I enclose herewith letter I received from
the Alabama Public Service Commission.

Very truly yours,

SES:RS

Enc.

HUGH WHITE, PRESIDENT
H. F. LEE, ASSOCIATE COMMISSIONER
FRANK P. MORGAN, ASSOCIATE COMMISSIONER



I. F. McDONNELL, CHIEF ENGINEER

J. H. ALLDREDGE, CHIEF RATE EXPERT

LAMAR WILEY, SECRETARY

Alabama Public Service Commission Montgomery

January 26, 1928

Mr. Simon E. Sobeloff,
Deputy City Solicitor,
Baltimore, Md.

Dear Sir:

Kindly pardon our delay in answering your letter of October 24, 1927, due to same being misplaced in the engineering files.

We do not have all of the information you ask for in our records and are requesting the street railway company for same. We will forward this information as soon as we receive word from the company.

Yours very truly,

ENGINEERING DEPARTMENT

BY: *A. H. Kitchinhouse*

CITY SOLICITOR'S OFFICE

January 5, 1928.

Public Utilities Commission,
State of Rhode Island,
Baltimore, Maryland.

Gentlemen:

Many thanks for your letter of January 3rd, 1928,
giving me information concerning the changes in railway
fares.

Very truly yours,

SES:RS

CITY SOLICITOR'S OFFICE

January 5, 1928.

Linwood L. Clark, Esq.,
333 St. Paul Place,
Baltimore, Maryland.

Dear Mr. Clark:

I enclose herewith letter I have just
received from the Public Utilities Commission of the
State of Rhode Island.

Very truly yours,

SES:RS

Enc.

CITY SOLICITOR'S OFFICE

December 30, 1927.

Hon. William F. Broening,
City Hall,
Baltimore, Maryland.

Dear Mr. Mayor:

I see no objection to giving Mr. Emmons a copy of the City Auditor's Report. A great deal of the information contained in the Report was obtained from the United Railways and Electric Company.

You will note, however, that Mr. Beck's Report recommends that a check be made of the United Railways and Electric Company's claim for exemptions on certain lines. This check is now being made in the office and I shall communicate with you as soon as it is complete.

Mr. Emmons' letter to you is returned herewith.

Very truly yours,

SES:RS

Enc.

H. GAMSE & BRO.

INCORPORATED

LITHOGRAPHERS

419-421-423 E. LOMBARD STREET

BALTIMORE, MD.

Dec. 21, 1927

Mr. Simon E. Sobeloff,
Deputy City Solicitor,
Baltimore, Md.

Dear Mr. Sobeloff:

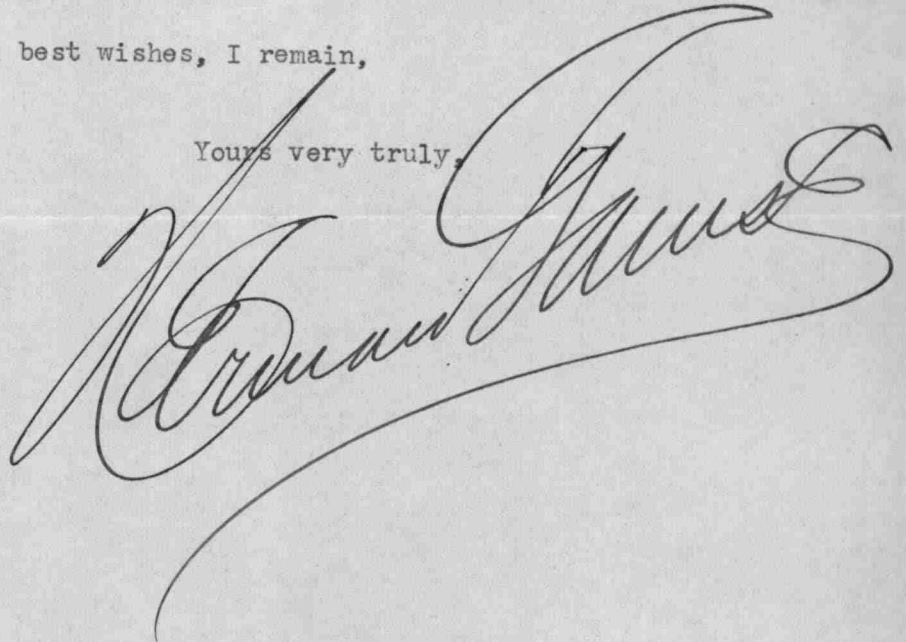
I wish to compliment you on the splendid presentation as contained in the booklet recently sent out by you on the subject of Public Service Commission of Maryland "In the Matter of the United Railways and Electric Company's Application for Increase of Fares to 10¢."

The arguments presented by you in this booklet are certainly sound and logical and justly represent the interest of the people of Baltimore.

With best wishes, I remain,

Yours very truly,

HG:LH

A large, elegant handwritten signature in cursive script, reading "Herman Gamse". The signature is written in dark ink and spans across the lower right portion of the page, starting below the typed name and extending towards the bottom edge.

GEORGE B. McALLISTER
DIRECTOR

TELEPHONE: PLAZA 2000,
STATION 273



MUNICIPAL EMPLOYMENT BUREAU

Dec. 3, 1927.

Mr. Simon Sobeloff,
Assistant City Solicitor,
Baltimore, Maryland.

Dear Sir:-

I inclose copies respectively of a letter from me dated Aug. 5th last to Mr. Gildea of the Public Service Commission and a statistical statement which accompanied this letter.

These papers will serve to indicate such relations as have heretofore existed between the commission and this Bureau in connection with its present car-fare inquiry.

I should state, more or less confidentially, that I did not at that time furnish the commission with these unemployment figures without having previously sought and obtained the assent of his Honor, the Mayor, to my doing so. For much the same reason which then actuated me with respect to the minimizing of publicity as regards unemployment conditions, I am refraining from an additional statement which would bring these figures up to date because of the lack of opportunity at present first to take up the matter with the Mayor.

Very respectfully,

Geo. B. McAllister
DIRECTOR

IN RE.

PHONE, PLAZA 6227

OFFICE OF

HENRY JACOB BROENING.

ATTORNEY-AT-LAW,

222 ST. PAUL STREET.

vs.

BALTIMORE, MD.,

December 12, 1927

Simon E. Sobeloff Esq.
Deputy City Solicitor
Baltimore, Md.,

My dear Sobeloff:-

I have yours enclosing to me your "Memoranda" filed in the Matter of the United Railways and Electric Company, asking an increase of car fare.

I have perused the same and to my mind you said all that could be said on the subject matter of the inquiry and in such a way that it gives no offense to the Company and at the same time, from my view point should satisfy the PEOPLE that the Mayor and City Council of Baltimore by its representative before the Commission has done its part in their behalf.

The duty devolving on you has to my mind been well performed be the outcome what it may.

Very truly yours

Henry J. Broening

B-B.

CITY SOLICITOR'S OFFICE

December 9, 1927.

Mr. Clarence M. Lehman,
316 North Charles Street,
Baltimore, Maryland.

Dear Mr. Lehman:

The enclosed brief filed by me on behalf
of the Mayor and City Council of Baltimore in the Car Fare
Hearing before the Public Service Commission may be of
interest to you.

COPY

Sincerely yours,

SES:RS

Enc.

CITY SOLICITOR'S OFFICE

December 9, 1927.

Henry J. Broening, Esq.,
222 St. Paul Street,
Baltimore, Maryland.

Dear Mr. Broening:

The enclosed brief filed by me on behalf of
the Mayor and City Council of Baltimore in the Car Fare Hear-
ing before the Public Service Commission may be of interest to
you.

COPY
Sincerely yours,

SES:RS

Enc.

CITY SOLICITOR'S OFFICE

December 9, 1927.

Mr. Max Brafman,
Equitable Building,
Baltimore, Maryland.

Dear Mr. Brafman:

The enclosed brief filed by me on
behalf of the Mayor and City Council of Baltimore
in the Car Fare Hearing before the Public Service
Commission may be of interest to you.

COPY

Very truly yours,

SES:RS

Enc.

CITY SOLICITOR'S OFFICE

December 9, 1927.

Hon. William F. Broening,
City Hall,
Baltimore, Maryland.

Dear Chief:

The enclosed brief filed by me on behalf of
the Mayor and City Council of Baltimore in the Car Fare
Hearing before the Public Service Commission may be of
interest to you.

Sincerely yours,

SES:RS

Enc.

CITY SOLICITOR'S OFFICE

December 10, 1927.

Linwood L. Clark, Esq.,
333 St. Paul Street,
Baltimore, Maryland.

Dear Mr. Clark:

In the advanced sheets of the Public
Utility Reports, dated February 10th, 1927, page 478, I
find an article on Overhead and State Railway Valuation.
If it is of any use you probably know about it.

Very truly yours,

SES:RS

CITY SOLICITOR'S OFFICE

December 10, 1927.

Thomas J. Tingley, Esq.,
Munsey Building,
Baltimore, Maryland.

Dear Tom:

In the advanced sheets of the Public Utility Reports, dated February 10th, 1927, page 478, I find an article on Overhead and State Railway Valuation. If it is of any use, you probably know about it.

Very truly yours,

SES:RS

10/27/27

P. S. C.

U.R. & Co. Petition for 10¢ fare

Charles Marshall - Atty for U.R. & Co.

No Emergency - but a very serious condition

Record of Emergency case is in evidence

Admissions made that Co. has not received fair return.

Depreciation - 1924 Opinion

Return must cover (1) fair income on property which is used in pub. service

(2) Current of future retirements for property consumed in public service

allowance 5% on gross income (unscientific)
(If gross income inadequate, 5% allowance is inadequate)

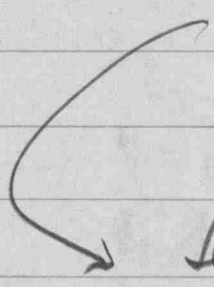
No precision. —

Experience shows allowances of 4½ - 5% on value of depreciable property needed to provide for present & future retirements.

In 40 yrs horse to cable to trolley =
shows enormous changes due to loss of economic value.

changes not only in cars, but power houses passed, + power no purchased. Sale of power houses below cost of reproduction or actual cost

Set aside - \$500,000 per year, should be over 2,700,000 " "



Less than actual cost of retirements during past 3 yrs. No adequate retirement reserve.

| Valuations in 1924. represented no allowance for accumulated obsolete + depreciated property.

Maintenance accounts do not include allowance for depreciation.

Should be allowed for depreciation 4 1/2% of depreciable property

Hin - United - Valuation Engineers -

- 1. Value of dollar less
- 2. Now using more expensive equipment.

Bridges.
Buildings]

Bridges - Howe de Grace Bridge 40 yrs not retired. But
 mt Wash Bridge made old bridge worthless.

Points raised vs. U. Case economic limit
 will yield ⁽¹⁾ ~~economic~~ ^{increased} return. & above point value
 & above value of service -

Must be proved by evidence.
 would be provable by " if sound -

Tingley cited Honham Case Mass.
 Partial increase for limited time.

Question not only of rates

As to value 10¢ is now less than
 5¢ in 1897 or even 1913.

Mr. Ruy is a break-down service - to supplement
 auto transportation

Case is not to make adjustment between
car riders. (Relative to Halethorpe)

No issue presented as to particular fares.

All will agree - the rate which is low high is
my rate - not other fellow's rate.

This is not an ideal rate structure.

Picks out mileage - disregards: density of traffic etc.
Selection of centre of city is arbitrary.

Halethorpe residents in determining City limits
by legislature regarded itself as a rural
community.

What is test?

Is it discriminatory?

Is it unjustly discriminatory?

Rates

- devices of selection vs. Co -

Several employees riding on same w/dly pass.

These devices do not increase Revenue.

Tingley

Nothing about Service or Improvement in Service.

Before fixing rates by valuation.
Co didn't earn return.

Value of Service -

Co's short rates falling off -

Service = not as good - as 1913.

"If free rates were drawn - wage increases would be necessary" - Emmons -

Trying to transplant 8% return from Gas field to Runfield -

Co's charging higher rates earn 6% or less.

6

Commissions have not been less
favorable to St Remy than in
other fields.
But diff-

Warping war Relief to Emergency Relief

Duluth - 70% appropriate - Rate of fares 6¢

Service Value

Until 1919 - fares 5¢ - Result of
competitive factors

Valuation of United not yet finished.
1919 - Co. recognized 5¢ had been limit of
value.

Commission found 6¢ is value.
Service value fluctuates with value of commodities
So recognized elsewhere

Earned 6% -

Even if no return, no confiscation
because of value of service

3

Co's property not being confiscated.
Co's earning more charge less rates.
Co should not be permitted to charge where
fare exceeds ~~for~~ service value.

Economic factors preclude 8% return

Present rates high.

Every recourse should be just exhausted.

6% fair return for St. Rwy.

Mr. Hoyt. recognized in 1915. Service Value
plays a part.

Said 8% fair for St. Rwy.
why service val. is important
Competition in this field.

1919 - mounting costs

Coming to Sanford, Sup. Ct
Competition from autos not suffic. excuse
for raising rate. Even if

f.

(1) Economic limits

- (1) Service value may be reached before
- (2) Economic limit
- (3) Burdensome rates may be reached still earlier.

When 2 & 3 reached - Communism should
be as closely to line of confiscation.

Quote Marshall in Gas Case.

If no zeal for economy - Return not
assured -

6% Return fixed by U.S. Ct as maximum
unless peculiar conditions warrant higher
return

6 1/2% Set aside by Sup. Ct. of Va.

Interest rate - 4 3/4% - 5%

6% ^{unreal yield}
\$1,800,000

9.

Daylin - Goose Creek Case

Transportation Act 1920. Limit to 6%
Sup. Ct. 6% is not confiscatory.

Other expedients should be resorted to to
increase earnings.

Service Value. 6% said the Comm
less than 8¢
must resort to objective standard, not
opinion.

N.Y. Pub. Serv. Comm -

8¢ & 9¢ flat fare beyond
communi limit

7½¢ beyond service value -

Wood v Elmira P. U. R. 1927.

p400 at x65

fare 7¢ surcharge

2½% decline in passenger

10.

When revenue passengers fall off Rates
are burdensome —
& value of service has been reached.

Mr. France in 1924 Case
valuation may not have accomplished
the alchemy

10¢ not warranted
when allowed 6% is not being earned

Burden of Proof on Co's

Respectful Subordinate

Increase in park
tax does not
incline us to fund
increases in costs

Improved Service

Efforts at Economy

Mr. Howard's Exam of Mr. Wrey

Nov. 27/27

When rate causes diminution in travel
it is burdensome -

∴ If free service, we succeeded by
if fare. This would be burdensome?

See Exhibit 19.

Birmingham Rwy. - 7¢ - to - 8¢ decreased
fare passengers 24%
8¢ to 7¢ increased
fare passengers 28%

These cities selected by A. E. R. Assn to
prove relation between change of fare +
converse increase or decrease in riding.

Howard suggests prices may have had effect.

Exhibit # 20 - Effect of increase
of fares on Charles St Bus line on
riding

? Effect of Re routing Mt Royal Ave Bus

Exhibit # 21 - E. Fayette St - Bus Route
1926 + 1929 - 7¢ fare - 22¢
increase.

22 - Wholesale Commodity Index of fares
23 -

Exhibit 24 - Present fares in cities over 100,000
Population

25 - Results in operation in other cities

26 - Probable trend of business in 1929

27 - Increase in fare decrease riders -
Putting on transfer charge does not
decrease riders - because rider has option

Exhibit 30 — Hartford,

CITY SOLICITOR'S OFFICE

October 24th, 1927.

Mr. J. B. Dugan, Secretary,
Public Utilities Commission of Ohio,
Columbus, Ohio.

Dear Sir:-

Will you kindly let me have, as promptly as you conveniently can, full information as to all changes in railway fares from 1919 to date, including the present schedule, affecting the City of Akron, and the total revenue passengers for each year from 1919 to 1927?

Your courtesy will be very much appreciated.

Very truly yours,

Deputy City Solicitor.

SES-Q

CITY SOLICITOR'S OFFICE

October 24th, 1927.

Street Railway Company,
Akron, Ohio.

Gentlemen:—

Will you kindly let me have, as promptly as you conveniently can, full information as to all changes in railway fares from 1919 to date, including the present schedule, affecting the City of Akron, and the total revenue passengers for each year from 1919 to 1927?

Will you also kindly send me, if it is available, a copy of the annual report to your stockholders for the year 1926?

Your courtesy will be very much appreciated.

Very truly yours,

Deputy City Solicitor.

SES-Q

Bow protection -
(so far as possible)

1 1/2 Rule unmaterial
in view of valuation.

PHARMACEUTICAL BOARD



PHARMACEUTICAL BOARD
10, BROADWAY
NEW YORK, N. Y.

OFFICE OF THE
SECRETARY
10, BROADWAY
NEW YORK, N. Y.

Bolshevik up credit.

11F3 case 1919.

~~Co. 1's sketch #18~~

Average Farming in Datto
is higher —

Enumerations. 30 cities with higher

~~But~~ This list furnishes an interesting lesson in geography in that it calls to attention to evidence of many villages unknown to fame, but the card indexes are so distinguishable from Ball's card indexes as to furnish us a guide to this ~~Country~~

& even the Enumerations admit that these are not comparable to Ball's

They propose flat fare for Big City
like Balto.

only 1 city (Balto) of this size does
this, operating at loss.

~~When we get to cities comparable~~

~~to Batts - \$500,000 + over -~~

~~And~~ we find
8¢ basic fare presently in

7¢ basic rate -

Dehydration

~~Low~~ Worcester only city in US
which charges 10¢ flat fare.

13
8

104

7 1/3

CITY OF BALTIMORE
LAW DEPARTMENT
COURT HOUSE

CHARLES C. WALLACE
CITY SOLICITOR

Judgements and Taxes

SYDNEY R. TRAUB
JOHN J. MCCUSKER
STEPHEN J. McDONOUGH
JOSEPH PATTI, JR.

Fuel River	9	for 50¢
Lower	14	for 1.00¢
Syren	17	" 1.00
New Bedford	4	" 75

United Reports -

Nash - Boston (Stone + Webster)

Downs - Phila (Day + Zimmerman)

admit that no Co. under their
management earns as much as UPR

Singular fact that those
cities with highest fares
than Balt. earn less than
Balt Co. lines.

They In this case

no offer or promise of
improved service.

12

11

Depreciation.

5% on gross receipts.

7% Arbitrarily fixed to justify the figure demanded —

Not based on experience

They have been able to keep plant in good normal condition on

500,000 —

Commission has power to
require test -

Ask Commission to require
test of schedules -

Distribution of population
and type -

~~There~~

The alternative is not
recognition.

REPT. PUBLIC RECORD
MILWAUKEE
WPE

CITY OF BALTIMORE
LAW DEPARTMENT
COURT HOUSE

CHARLES C. WALLACE
CITY SOLICITOR

Judgements and Taxes

SYDNEY R. TRAUB
JOHN J. MCCUSKER
STEPHEN J. McDONOUGH
JOSEPH PATTI, JR.

No offer of improved service

Marshall's Brief in Gas Case -

2 tests -

(1) Reasonableness to customer

(2) " " " Utility

(1) Paramount -

Rate must not exceed value to customer
+ to meet this it may be less than (2)

1919 - All Commodities Wholesale Index 206

226

1920

150

1926

In 1919 Commission indicates 6% value
of service.

Why is 7 1/2 not enough word

People Council Est. #55

Platform wraps

6 of in 1919

1919 - 45¢

1927 - 53¢

Invent

100

118

Operating exp per mile

1919 28.6¢ - 1.73

Cost buying Batts

184 -

177

.96

All Amwood - whole

195

146

1.03

Cost of Service

Fixed Return on Val.

not exclusive test.

Property going out of use -

who should suffer this loss -

Whitten says:

The City's attitude

The City's position in this case is perhaps somewhat different from that of either the Co. or the protestants as such. Our position accords more nearly with that of the P. S. C. in its desire to arrive at a just result to all the interests involved in the case.

The great transportation needs of the City, affecting vitally the growth, prosperity & orderly existence of the community are the first consideration of the municipal corporation.