

FISK & HATCH.

1883.

TWENTIETH ANNUAL REPORT

OF THE

Chicago, Milwaukee and St. Paul

RAILWAY COMPANY.

FISK & HATCH.

MILWAUKEE:

CRAMER, AIKENS & CRAMER, PRINTERS.

1884.

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OFFICERS AND DIRECTORS

OF THE

CHICAGO, MILWAUKEE AND ST. PAUL RAILWAY COMPANY.

DIRECTORS.

ALEX. MITCHELL, - - - - -	MILWAUKEE.
JULIUS WADSWORTH, - - - - -	NEW YORK.
SELAH CHAMBERLAIN, - - - - -	OHIO.
JEREMIAH MILBANK, - - - - -	NEW YORK.
ABRAHAM R. VAN NEST, - - - - -	"
JAMES T. WOODWARD, - - - - -	"
WM. ROCKEFELLER, - - - - -	"
PETER GEDDES, - - - - -	"
HUGH T. DICKEY, - - - - -	"
JAMES STILLMAN, - - - - -	"
JOHN PLANKINTON, - - - - -	MILWAUKEE.
S. S. MERRILL, - - - - -	"
JASON C. EASTON, - - - - -	MINNESOTA.

OFFICERS.

ALEX. MITCHELL, - - - - - President, - - - - -	MILWAUKEE.
JULIUS WADSWORTH, - - - - - Vice President, - - - - -	NEW YORK.
J. B. DUMONT, - - - - - Second Vice President, - - - - -	"
S. S. MERRILL, - - - - - General Manager, - - - - -	MILWAUKEE.
ROSWELL MILLER, - - - - - Assistant General Manager, - - - - -	"
P. M. MYERS, - - - - - Secretary and Assistant to Manager, - - - - -	"
J. M. MCKINLAY, - - - - - Assistant Secretary and Transfer Agent, - - - - -	NEW YORK.
J. M. BOKEE, - - - - - Assistant Secretary and Transfer Agent, - - - - -	"
R. D. JENNINGS, - - - - - Treasurer, - - - - -	MILWAUKEE.
JOHN W. CARY, - - - - - General Solicitor, - - - - -	"
DAVID S. WEGG, - - - - - Assistant General Solicitor, - - - - -	"
J. P. WHALING, - - - - - General Auditor, - - - - -	"
E. Q. SEWALL, - - - - - Comptroller, - - - - -	"
A. V. H. CARPENTER, - - - - - General Passenger and Ticket Agent, - - - - -	"
A. C. BIRD, - - - - - General Freight Agent, - - - - -	"
D. J. WHITTEMORE, - - - - - Chief Engineer, - - - - -	"
JOHN T. CROCKER, - - - - - Purchasing Agent, - - - - -	"
J. T. CLARK, - - - - - General Superintendent, - - - - -	"
H. C. ATKINS, - - - - - Assistant General Superintendent, - - - - -	"
CHAS. H. PRIOR, - - - - - Assistant General Superintendent, - - - - -	MINNEAPOLIS.
D. A. OLIN, - - - - - Assistant General Superintendent, - - - - -	RACINE.
L. B. ROCK, - - - - - Superintendent Northern Division, - - - - -	MILWAUKEE.

REPORT
OF THE
BOARD OF DIRECTORS.

THE
TWENTIETH ANNUAL REPORT
OF THE DIRECTORS OF THE
CHICAGO, MILWAUKEE & ST. PAUL RAILWAY Co.,
TO THE STOCKHOLDERS,
For the Year Ending December 31st, 1883.

The President and Directors of the Chicago, Milwaukee & St. Paul Railway Company submit to the stockholders the following report of the Company's business for the year ending December 31st, 1883:

Gross Earnings.....	\$23,659,823 48
Gross Expenses (including taxes and insurance).....	13,778,037 95
Net Earnings.....	\$9,881,785 53

The comparative earnings, expenses and general condition of the Company for the years 1882 and 1883 are as follows, viz:

GROSS EARNINGS.		
1882.....	\$20,386,725 86	
1883.....	23,659,823 48	Increase\$3,273,097 62
OPERATING EXPENSES.		
1882.....	\$12,186,073 21	
1883.....	13,778,037 95	Increase\$1,591,964 74
NET EARNINGS.		
1882.....	\$8,200,652 65	
1883.....	9,881,785 53	Increase\$1,681,132 88

INTEREST ON MORTGAGE BONDS.

1882.....	\$4,786,053	50		
1883.....	5,373,925	50	Increase	\$587,872 00

TONS OF FREIGHT MOVED.

1882.....	5,127,767			
1883.....	5,661,667		Increase	533,900

NUMBER OF PASSENGERS CARRIED.

1882.....	3,956,814			
1883.....	4,591,232		Increase	634,418

MILES RUN BY FREIGHT AND PASSENGER TRAINS.

1882	16,185,034			
1883	19,060,435		Increase	2,875,401

COST OF OPERATING ROAD PER MILE RUN.

188275			
188372		Decrease03

GROSS EARNINGS PER MILE OF ROAD.

1882	\$4,745	51		
1883*	5,201	10	Increase.....	455 59

VALUE OF SUPPLIES AND MATERIAL, DECEMBER 31ST.

1882.....	\$1,495,112	82		
1883.....	1,223,043	17	Decrease	\$272,069 65

The average price per ton per mile received for freights for a series of years past, has been as follows:

For 1865.....	4 ¹ / ₁₀ cts.	For 1875.....	2 ¹ / ₁₀ cts.
For 1866.....	3 ⁷ / ₁₀ cts.	For 1876.....	2 ⁸ / ₁₀ cts.
For 1867.....	3 ² / ₁₀ cts.	For 1877.....	2 ¹ / ₁₀ cts.
For 1868.....	3 ¹ / ₁₀ cts.	For 1878.....	1 ⁸ / ₁₀ cts.
For 1869.....	3 ¹ / ₁₀ cts.	For 1879.....	1 ⁷ / ₁₀ cts.
For 1870.....	2 ⁸ / ₁₀ cts.	For 1880.....	1 ⁷ / ₁₀ cts.
For 1871.....	2 ⁵ / ₁₀ cts.	For 1881.....	1 ⁷ / ₁₀ cts.
For 1872.....	2 ¹ / ₁₀ cts.	For 1882.....	1 ¹ / ₁₀ cts.
For 1873.....	2 ⁵ / ₁₀ cts.	For 1883.....	1 ² / ₁₀ cts.
For 1874.....	2 ³ / ₁₀ cts.		

* Average number of miles in operation for the year, 4,549 miles.

STATEMENT OF INCOME ACCOUNT.

1883.

Jan. 1—By balance, surplus of 1882.....				\$3,619,407 54
Apr. 16—To dividend out of Net Earnings of 1882, viz :				
On Preferred Stock, (\$16,447,483),	} 3½%	\$575,661 90	976,649 14	1,552,311 04
On Common Stock, (\$27,904,261),				
Balance.....				\$2,067,096 50
Dec. 31—By Gross Earnings 1883.....	23,659,823 48			
“ “ Less Operating Expenses (includ- ing Taxes and Insurance) 58.23%	13,778,037 95			
Balance	9,881,785 53			
“ “ By Income from other sources.....	164,706 80			
				\$10,046,492 33
To interest on Bonds in 1883.....	5,373,925 50			
Oct. 16—To 3½% Dividend on Preferred and Common Stock... } Full amount of Stock } \$47,445,244	1,660,583 54	7,034,509 04	3,011,983 29	
Surplus 1883.....				\$5,079,079 79

CAPITALIZATION AND COST OF PROPERTY.

Common stock at date of last report.....	\$27,904,261		
Issued on vote of stockholders at annual meeting in June, 1883.....	3,000,000		
Total Common stock.....	\$30,904,261		
Preferred stock at date of last report.....	\$16,447,483		
Issued in 1883, in exchange for First Mortgage :			
La Crosse Division Bonds	\$93,000		
For River Division, Sterling Bonds	500	93,500	
Total Preferred stock.....		\$16,540,983	
Total bonded debt at date of last report, including all liens on purchased roads.....		\$89,635,500	
Issued and sold in 1883:			
Hastings & Dakota Div. Extension.....	\$390,000		
Chicago & Pacific, West. Div.....	3,360,000		

Wisconsin & Minnesota Div.....	1,420,000	
Land Grant Bonds, 2d series.....	1,600,000	6,770,000
		<u>\$96,405,500</u>
Less Land Grant Bonds, 1st series, re- deemed.....	40,000	
Exchanged for Preferred stock :		
La Crosse Div. Bonds.....	93,000	
River Division, Sterling bonds.....	500	133,500
		<u>\$96,272,000</u>
Total Bonded Debt.....		\$96,272,000
Increase during the year		\$6,636,500

The entire cost of the Company's property, including rolling-stock, depot-grounds, cattle-yards, elevators, machine-shops, warehouses, docks, coal lands, and other property, together with five bridges across the Mississippi River, is represented by stock and bonds:

Common stock.....	\$30,904,261
Preferred stock.....	16,540,983
	<u>\$47,445,244</u>
Total stock.....	\$47,445,244

Mortgage and Land Grant Bonds, including all liens on purchased roads.....	96,272,000
	<u>\$143,717,244</u>
Total Capitalization, Stock and Bonds....	\$143,717,244
For 4,760 miles of road, being at the rate of \$30,192 per mile.	

EXTRAORDINARY EXPENDITURES.

There have been purchased and added to the equipment of the company, as follows :

Locomotives.....	15	
Passenger Cars.....	21	
Box Freight Cars	1,000	At a cost of \$679,631 75
Additional equipment has been built in the company's shops, costing.....	185,776	22
Making the cost of additions to Rolling Stock		<u>\$865,407 97</u>
Real Estate, Depot-Grounds, etc., purchased:		
At Chicago.....	\$ 4,008	91
At Milwaukee.....	43,686	54

At Sioux City.....	23,134	50
At Cedar Rapids.....	20,000	00
And for additional grounds at other points	8,791	21
Total.....	\$ 99,621	16

There have also been expended for new buildings (shops, freight-houses, foundries, depots, warehouses, etc.), at different points on the road.....\$ 316,381 58

Viaducts and Iron Bridges.....	56,980	08
Machinery and Equipment for New Shops.....	81,361	41
New Fences.....	26,031	51
New Side-Tracks.....	178,349	00

Making the total Extraordinary Expenditures..\$1,624,132 71

At the date of the last report the company owned 4,520 miles of road. During the year 1883 there have been constructed or purchased 240 miles.

In the Territory of Dakota..... 146 miles.

In extension of the Southern Minnesota

Division, from Howard to Woonsocket Junction..... 38 miles.

From Letcher to Ashton, in the James

River Valley..... 81 "

And in extension of the Hastings and

Dakota Div., from Aberdeen west to Ipswich..... 27 "

146 miles.

In the State of Iowa..... 50 miles.

From Sigourney to Ottumwa.. 26 miles.

From Cedar Rapids to Amana..... 21 "

And from Okoboji to Spirit Lake..... 3 "

50 miles.

In the State of Wisconsin..... 44 miles.

From Eau Claire to Chippewa Falls..... 12 miles.

From North La Crosse to Onalaska..... 4 "

And from Iron Ridge Junction to Fond

du Lac..... 28 "

44 miles.

Length of road at last report.....4,520 miles.

Making the present mileage of the road.....4,760 "

All of which is owned by the company. No part of it is held upon leases on which rents are reserved, and the property is only encumbered by the bonded debt above mentioned. The company has never guaranteed the bonds or indebtedness of any other company, and has no contingent liabilities of any kind or description.

Since the last report 420 miles of new steel rails have been laid, 213 of which were on the new road constructed, and 207 miles in renewal of track in place of iron rails taken up.

The 81 miles of road constructed in Dakota, from Letcher to Ashton, make a continuous line in the James River Valley from Yankton, by way of Mitchell, through Aberdeen to Ellendale, a distance of about 250 miles, reaching a point within 65 miles of Jamestown, on the Northern Pacific. The 38 miles constructed from Howard City to Woonsocket, are an extension of the Southern Minnesota line to a connection with the James River Valley line. By means of these additions, all the lines of the company in Dakota are connected.

The rapidity of the settlement of Dakota is a marvel of the times. During the last year over 12,000,000 of acres of land were taken up for cultivation by settlers, and from present advices we have every reason to believe that the immigration the present year will equal that of the past. The lines in Dakota, although mostly built in advance of settlements, will at an early day be supplied with an abundance of traffic, the product of the rich prairies, through which they run, now peopled by an energetic and thrifty race of settlers.

The construction of the line from Cedar Rapids to Ottumwa opens to the company one of the richest and most densely populated portions of the State of Iowa, passing through several large and flourishing towns, with extensive manufactories, and at Ottumwa reaching a city of over twelve thousand inhabitants, having an extensive water-power and large manufactories of various kinds, and at that point connecting with lines to the southwest. This line, in its southern portion, passes through the great coal belt of Iowa, and several rich mines are already opened on the line between Sigourney and Ottumwa. A large addition to the business of the road, both freight and passenger, is anticipated on its completion.

The Chippewa Valley & Superior Division of the road has been extended from Eau Claire to Chippewa Falls, a distance of twelve miles, between which cities are located several large lumber manufacturing establishments directly upon the line of the road, and Chippewa Falls is one of the larger towns and great lumber centers of northern Wisconsin. Over a hundred millions of feet are produced annually on the line of this extension.

The purchase of the road from Iron Ridge to Fond du Lac, a distance of 28 miles, secures to this company a large and important business in the city of Fond du Lac and the country adjacent thereto.

The general condition of the property of the company was never better than at the present time. The road-bed, track and rolling-stock are all in excellent condition, and the equipment of the road is not surpassed by any road in the country. From the indications of business, we are led to hope that, with average crops, the increase in earnings for 1884 will equal that of 1883.

You are referred to the annexed report of S. S. Merrill, General Manager, for the details of the management and operation of the road, to whom and to the other officers and employes of the company much credit is due for the faithful and efficient manner in which they have discharged their respective duties.

Respectfully submitted,

ALEX. MITCHELL,

President.

March 5, 1884.