

1901

Thirty-seventh Annual Report

OF THE

Chicago, Milwaukee & St. Paul
Railway Company

FOR THE

Fiscal Year ending June 30th, 1901.

DIRECTORS AND OFFICERS
OF THE
CHICAGO, MILWAUKEE & ST. PAUL RAILWAY CO.

DIRECTORS.

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OFFICERS.

ROSSELL MILLER,	-	Chairman of the Board,	-	-	-	NEW YORK.
A. J. EARLING,	-	President,	-	-	-	CHICAGO.
A. C. BIRD,	-	Third Vice-President,	-	-	-	CHICAGO.
P. M. MYERS,	-	Secretary,	-	-	-	MILWAUKEE.
E. W. ADAMS,	-	Assistant Secretary,	-	-	-	MILWAUKEE.
J. M. MCKINLAY,	-	Assistant Secretary and Transfer Agent,	-	-	-	NEW YORK.
C. B. FERRY,	-	Assistant Secretary and Transfer Agent,	-	-	-	NEW YORK.
H. C. WESTON,	-	Assistant Secretary and Transfer Agent,	-	-	-	NEW YORK.
F. G. RANNEY,	-	Treasurer,	-	-	-	CHICAGO.
JOHN McNAB,	-	Assistant Treasurer,	-	-	-	CHICAGO.
W. N. D. WINNE,	-	General Auditor,	-	-	-	CHICAGO.
H. R. WILLIAMS,	-	General Manager,	-	-	-	CHICAGO.
W. J. UNDERWOOD,	-	Assistant General Manager,	-	-	-	CHICAGO.
C. A. GOODNOW,	-	General Superintendent,	-	-	-	CHICAGO.
D. J. WHITTEMORE,	-	Chief Engineer,	-	-	-	CHICAGO.
H. G. BAUGAN,	-	Comptroller,	-	-	-	CHICAGO.
GEORGE R. PECK,	-	General Counsel,	-	-	-	CHICAGO.
BURTON HANSON,	-	General Solicitor,	-	-	-	CHICAGO.
H. U. FIELD,	-	Assistant General Solicitor,	-	-	-	CHICAGO.
C. B. KEELER,	-	Assistant General Solicitor,	-	-	-	CHICAGO.

REPORT
OF THE
BOARD OF DIRECTORS.

THE
THIRTY-SEVENTH ANNUAL REPORT
OF THE DIRECTORS OF THE
CHICAGO, MILWAUKEE & ST. PAUL
RAILWAY COMPANY

TO THE STOCKHOLDERS.

For the Fiscal Year Ending June 30th, 1901.

The Directors submit to the Stockholders the following report of the business and operations of the Company for the year ending June 30th, 1901, and of the condition of its property and finances at the close of that year.

The operations for the year show the following results:

Gross Earnings	\$42,369,012 65
Operating Expenses, including taxes	27,977,503 32
Net Earnings	\$14,391,509 33
Income from other sources	174,682 67
Total	\$14,566,192 00
Fixed Charges—Interest on Bonds	6,383,035 42
Balance above all charges	\$8,183,156 58

During the year two dividends aggregating seven per cent were paid on the preferred stock, and two dividends aggregating five and one-half per cent were paid on the common stock—of which the dividends paid October 22d, 1900—three and one-half per cent on preferred and two and one-half per cent on common stock—were from net earnings of the previous fiscal year, ending June 30th, 1900.

Second main tracks are being constructed from Sabula Junction to Green Island, Iowa, a distance of 11.70 miles, at an estimated cost of \$155,660.00; and from a point three and four-tenths miles west of Preston to Browns, Iowa, a distance of 2.05 miles, at an estimated cost of \$20,800.00.

A second main track from Marion to Martelle, Iowa, a distance of 12.54 miles, which was under construction at the close of last year, has been completed; and second main tracks from Portage to Madison Line Switch, Wisconsin, a distance of 1.65 miles; and from Sparta to Viroqua Junction, Wisconsin, a distance of 2.51 miles, have been constructed during the year.

The construction of ore docks and terminal facilities at Escanaba, Michigan, has been completed at a cost of \$397,864.09, which has been charged to Renewal and Improvement Fund.

ROLLING STOCK.

At the close of the fiscal year ending June 30th, 1900, the Rolling Stock Replacement Fund amounted to \$110,502.50.

During the year just closed there has been added to the fund and charged to Operating Expenses, the sum of \$339,264.23 for the cost of the replacement of five hundred and seventy-six cars destroyed or taken down during the year, and there has been deducted from the fund \$3,564.44, being the excess of estimate over actual cost of ten locomotives purchased and built for replacement.

There was expended of this fund, for the replacement of ten locomotives, \$86,395.56, and for the replacement of four hundred and seventy cars, \$296,956.73—a total of \$383,352.29, as follows:

10 Locomotives	\$86,395 56
1 Passenger Coach	7,488 10
1 Passenger and Baggage Car	3,803 25
1 Baggage Car	2,620 76
300 Box Cars	184,481 23
127 Stock Cars	77,051 59
4 Flat Cars	2,273 22
20 Refrigerator Cars	14,837 35
2 Vegetable Cars	1,408 90
5 Ore Cars	2,902 24

The unexpended balance of the Replacement Fund June 30th, 1901, amounted to \$62,850.00—which is sufficient to replace the shortage of one hundred and thirty-seven cars as shown by statement on page 38.

There has been charged to Operating Expenses during the year, for new cars purchased and built, the sum of \$1,111,255.56, as follows:

2 Sleeping Cars	\$38,069 40
699 Box Cars	389,736 27
123 Stock Cars	74,624 76
298 Vegetable Cars	209,925 74
295 Ore Cars	171,232 38
230 Refrigerator Cars	170,629 52
48 Ballast Cars	31,597 34
2 Ballast Plow Cars	1,243 80
3 Steam Shovels	21,931 35
1 Snow Plow	2,265 00

The average number of freight cars in service June 30th, 1901, per mile of road was 5.72.

There were in freight service June 30th, 1891, 24,814 cars with a carrying capacity of 466,671 tons, while on June 30th, 1901, there were 37,733 cars with a carrying capacity of 925,109 tons.

CAPITAL EXPENDITURES

Charged to Cost of Road and Equipment during year ending June 30th, 1901.

Expended during the year ending June 30th, 1900:

Construction of New Lines	\$2,113,641 93
Construction of Second Main Track	46,859 82
Real Estate	134,753 16

Amount expended from the Earnings of the Company, and carried as due the Treasury in the last Annual Report

\$2,295,254 91

Expended during the year ending June 30th, 1901:

Construction of New Lines	2,186,329 21
Construction of Second Main Track	256,337 08
Real Estate	105,214 96
Purchase of Milwaukee & Superior R'y	341,174 83
New Locomotives and Cars	869,720 82
Purchase of Chicago & Pacific R. R. Co. Stock	25 00
	3,758,801 90
	\$6,054,056 81
Sundry Credits	67,904 62
Total as shown by detailed statement on page 35 of this Report	\$5,986,152 19

MILES OF TRACK.

Owned solely by this Company:

Main track	6,570.68	
Second main track	273.68	
Third main track	5.02	
Fourth main track	1.72	
Connection tracks	33.00	
Yard tracks, sidings and spur tracks	1,621.01	8,505.11

Owned jointly with other Companies:

Main track	25.64	
Second main track	1.83	
Connection tracks	2.16	
Yard tracks, sidings and spur tracks	54.93	84.56

Used by this Company under contracts:

Main track	150.26	
Second main track	18.82	
Third main track	1.14	170.22
Total miles of track		<u>8,759.89</u>

The lines of road are located as follows:

In Wisconsin	1,704.47 miles
" Illinois	347.27 "
" Iowa	1,783.02 "
" Minnesota	1,120.09 "
" North Dakota	118.21 "
" South Dakota	1,224.05 "
" Missouri	140.27 "
" Michigan	158.94 "
Total length of main track	<u>6,596.32 miles</u>

The line of the Milwaukee & Superior Railway, extending from Granville to North Lake in Wisconsin, a distance of 20.08 miles, was purchased by this Company October 18th, 1900.

The extension of the Libertyville Line to Fox Lake, Illinois, under construction at the close of last year, and its extension to Janesville, Wisconsin, a total distance of 63.90 miles, have been completed at a cost of \$1,899,791.97.

The extensions of the line from Napa to Platte, South Dakota, a distance of 82 miles, at a cost of \$829,769.98; and from Bowdle to Evarts, South Dakota, a distance of 40.65 miles, at a

cost of \$392,181.41; and from Kelso to Crystal Falls, Michigan, a distance of 6.94 miles, at a cost of \$146,608.93; have been completed during the year.

The reduction of grades on the La Crosse Division, at a cost of \$1,054,484.57, and on the Chicago & Council Bluffs Division in Iowa, between Marion and Preston, at a cost of \$534,635.54, have been completed and the expense charged to Renewal and Improvement Fund.

The reduction of grades on the River Division, between La Crosse and St. Paul, to three-tenths of one per cent east bound and west bound, at an estimated cost of \$454,000; and on the Chicago & Council Bluffs Division, between Coon Rapids and Perry, to a maximum of sixty-six-hundredths of one per cent west bound, and five-tenths of one per cent east bound, at an estimated cost of \$172,000, have been authorized, and the work is now under way. The expense of this work is to be charged to Renewal and Improvement Fund.

The work of widening the gauge of the line from Reno, Minnesota, to Preston, Minnesota, a distance of 57.77 miles, is nearing completion. The estimated cost is \$150,000.00, which will be charged to Renewal and Improvement Fund.

To secure a more direct line and one of lower grade between Chicago and Kansas City, the construction of a line from Ashdale, Illinois, to a point one and nine-tenths miles south of Thomson, Illinois, a distance of 14.67 miles; and from Muscatine, Iowa, to Rutledge, Iowa, a distance of 75.98 miles, has been begun. These new lines, together with the joint use of the line of the Davenport, Rock Island & Northwestern Railway from East Moline, Illinois, to Davenport, Iowa, and of the line of the Chicago, Rock Island & Pacific Railway from Davenport, Iowa, to Muscatine, Iowa—which have been acquired—will shorten the distance between Chicago and Kansas City 31.96 miles. The total length of lines to be constructed is 90.65 miles, at an estimated cost of \$2,866,932.00.

The plan for reducing the grade of the Chicago & Council Bluffs Division in Iowa includes the construction of a line of low grade from a point three and four-tenths miles west of Preston, Iowa, to Green Island, Iowa, a distance of 11.90 miles, at an estimated cost of \$260,826.00. This line is now under construction.

RENEWAL AND IMPROVEMENT FUND.

Amount credited to Renewal and Improvement Fund, and deposited to credit of Company in New York and Chicago, to June 30th, 1901....	\$6,335,000 00
Interest received on balances.....	218,763 80
Total	<u>\$6,553,763 80</u>

Expenditures:

For Elevation of Tracks in Chicago:		
Chicago & Milwaukee Division	531,300 87	
Chicago & Council Bluffs Division	180,948 06	712,248 93
For Third and Fourth Main Tracks:		
Chicago & Milwaukee Division		145,224 45
For Reducing Grade and Improving Line:		
La Crosse Division.....	1,054,484 57	
Chicago & Council Bluffs Division in Iowa	578,937 10	
River Division.....	46,804 27	1,680,225 94
For Escanaba Docks and Terminal Facilities		397,804 09
For Cost of Second Main Tracks in excess of \$10,000 per mile provided by the terms of the General Mortgage		146,178 93
For Change of Line, Redfield, South Dakota		24,479 48
For Change of Gauge, Preston Branch		28,573 30
For Replacement of the bridge over the Mississippi River between St. Paul and Minneapolis with a double-track structure		6,894 70
Total Expenditure.....	<u>\$3,141,689 82</u>	
Unexpended Balance, June 30th, 1901.....	<u>\$3,412,073 98</u>	

CAPITAL STOCK.

At the close of the last fiscal year the share capital of the Company amounted to \$87,601,500; and consisted of \$40,454,900 of preferred stock, and \$47,146,600 of common stock.

It has been increased during this fiscal year by \$4,203,500 of preferred stock, and \$2,000 of common stock, issued in exchange for the same amount of convertible bonds canceled.

The Company has sold to its stockholders of record the 11th of March, 1901, 86,732 shares of the common stock of this Company at par, to reimburse the Treasury, for amount expended from earnings for construction of various lines, for real estate, etc., to December 31st, 1900—\$4,522,520.25; to provide funds for the shortening of the Kansas City Line—\$2,866,932.00—and for other construction purposes and additions to the property.

The total amount of capital stock at the close of the year is \$100,480,200.

The amount of capital stock per mile of road is \$15,232.77.

FUNDED DEBT.

At the close of the last fiscal year the funded debt of the Company was \$131,147,000.

It has been increased during this fiscal year by the issue of \$92,000 of General Mortgage Bonds and it has been decreased \$4,297,500 by underlying bonds retired and canceled, as shown on page 26 of this report.

The funded debt at the close of the fiscal year ending June 30th, 1901, was \$126,941,500—a decrease of \$4,205,500 since last report.

The amount of funded debt per mile of road is \$19,244.29 on which the interest charge per mile of road is \$990.34.

The total capitalization of the Company per mile of road is \$34,477.06.

TREASURY BONDS.

At the close of the last fiscal year the amount of the Company's bonds in its treasury and due from Trustees was \$8,891,000.

This has been increased during this fiscal year \$92,000, as follows: \$56,000 General Mortgage Bonds received for underlying bonds canceled by sinking funds, and \$36,000 for underlying bonds paid and canceled.

\$4,000,000 of General Mortgage 3½% Bonds and \$100,000 of General Mortgage 4% Bonds have been sold during the year.

Bonds in the treasury or due from Trustees, June 30th, 1901, amount to \$4,883,000, as shown on page 24 of this report.

Of this amount \$224,000 are General Mortgage 4% Bonds; \$3,570,000 are General Mortgage 3½% Bonds, and \$1,089,000 are Milwaukee & Northern R. R. Co. Consolidated Mortgage 6% Bonds.

These treasury bonds represent actual expenditures for extensions, improvements, additional property and underlying bonds paid and canceled.

BONDS IN INVESTMENT ACCOUNT.

At the close of the last fiscal year the amount of bonds purchased by the Company and held in Investment Account for Sinking Fund purposes was as follows:

5 First Mortgage Bonds, Wisconsin Valley Division	\$5,000 00
51 First Mortgage Bonds, Dubuque Division	51,000 00
Total	<u>\$56,000 00</u>

These bonds were canceled during the year through the operation of the Sinking Fund.

INSURANCE DEPARTMENT.

Cash on hand, June 30th, 1900.....	\$84,106	58
Receipts during the year:		
Premiums.....	\$124,341	27
Income from Investment of Guaranty		
Fund	35,657	23
	159,998	50
	244,105	08
Payments during the year:		
For Losses.....	22,893	85
For Expenses.....	3,977	16
For \$100,000 of C. M. & St. P. R'y Co.		
4% bonds	110,062	50
For \$38,000 of Mil. & Nor. R. R. Co.		
6% bonds	46,017	50
For \$2,000 of Fargo & South. R'y Co.		
6% bonds	2,737	50
	185,688	51
Cash on hand, June 30th, 1901	\$58,416	57

The Guaranty Fund June 30th, 1900, was \$709,788.75. It is now \$868,606.25—an increase of \$158,817.50—and is invested as follows:

Chicago, Milwaukee & St. Paul R'y Co. bonds.		
General Mortgage 4%.....	\$535,000	00
Consolidated Mortgage 7%	10,000	00
Southern Minnesota Division 6%	7,000	00
La Crosse & Davenport Div. 5%..	4,000	00
Chicago & Pac. Western Div. 5%	6,000	00
	\$562,000	00
Kansas City Belt R'y Co. 6% bonds.....	110,000	00
Dakota & Great Southern R'y Co. 5% bonds	6,000	00
Chicago, Burlington & Quincy R. R. Co. 4% bonds	50,000	00
Baltimore & Ohio R. R. Co. 3½% bonds.....	50,000	00
Northern Pacific R'y Co. 4% bonds	50,000	00
Milwaukee & Northern R. R. Co. 6% bonds.....	38,000	00
Fargo & Southern R'y Co. 6% bonds	2,000	00
Par value of bonds	\$668,000	00
Amount of annual interest	\$38,070	00

EARNINGS.

The results from operation of your Company's lines during the year ending June 30th, 1901, compared with the previous year, show an increase of \$484,320.65 in gross earnings, a decrease of \$443,333.69 in operating expenses, and an increase of \$927,654.34 in net earnings.

The earnings from freight traffic were \$31,357,992.49—74.01% of total earnings—an increase of \$137,775.22, or .44%.

The number of tons of freight carried was 18,010,683—an increase of 253,264 tons, or 1.43%.

The increase in number of tons of freight carried was in the following commodities: flour and other mill products, 49,344 tons; corn, 18,627 tons; flax seed, 1,900 tons; hay, 12,277 tons; fruit and vegetables, 12,054 tons; live stock, 62,592 tons; dressed meats and other packing house products, 37,765 tons; other animal products, 18,458 tons; anthracite coal, 119,688 tons; bituminous coal, 144,430 tons; iron and other ores, 49,975 tons; stone, sand, etc., 50,249 tons; salt, 27,183 tons; lumber, lath and shingles, 48,606 tons; sash, doors and blinds, 1,175 tons; petroleum and other oils, 4,851 tons; castings and machinery, 6,104 tons; lime, cement and plaster, 542 tons; brick, 12,449 tons; wines, liquors and beers, 28,437 tons; household goods and furniture, 8,529 tons, and other manufactures, 81,908 tons.

The following commodities show a decrease from the previous year: wheat, 44,323 tons; rye, 4,310 tons; barley, 47,814 tons; oats, 84,125 tons; other agricultural products, 7,481 tons; coke, 41,234 tons; other forest products, 196,800 tons; iron and steel, 60,007 tons; agricultural implements, 15,516 tons; wagons, earriages, tools, etc., 3,523 tons; paper, 710 tons, and commodities not specified, 38,036 tons.

The number of tons of all agricultural products carried during the year was 5,018,974 tons—a decrease compared with the previous year of 93,851 tons, or 1.84%. Agricultural products comprised 27.87% of the total tonnage carried as compared with 28.79 % of the total tonnage of last year.

The number of tons of commodities other than agricultural products carried during the year was 12,991,709 tons—an increase compared with the previous year of 347,115 tons, or 2.75% — the per cent of the total being 72.13% against 71.21% last year.

The number of tons of revenue freight carried one mile was 3,639,977,919—an increase of 282,521,335, or 8.41%. The revenue

per ton per mile was .8615 cents—a decrease of .0684 cents, or 7.36%. The average miles each ton of revenue freight was carried, was 202.10 miles—an increase of 13.03 miles, or 6.89%.

The number of tons of revenue freight carried per loaded car was 12.937, against 12.199 last year—an increase of 6.05%. The number of tons of revenue freight per freight train mile was 236.55, against 209.10 last year—an increase of 13.13%. The revenue from freight per freight train mile was \$2.038, as against \$1.944 last year—an increase of 4.84%.

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

1872.....2.43 cts.	1882.....1.48 cts.	1892.....1.026 cts.
1873.....2.50 “	1883.....1.39 “	1893.....1.026 “
1874.....2.38 “	1884.....1.29 “	1894.....1.037 “
1875.....2.10 “	1885.....1.28 “	1895.....1.075 “
1876.....2.04 “	1886.....1.17 “	1896.....1.003 “
1877.....2.08 “	1887.....1.09 “	1897.....1.008 “
1878.....1.80 “	1888.....1.006 “	1898.....0.972 “
1879.....1.72 “	1889.....1.059 “	1899.....0.937 “
1880.....1.76 “	1890.....0.995 “	1900.....0.930 “
1881.....1.70 “	1891.....1.003 “	1901.....0.861 “

The earnings from passenger traffic during the year were \$7,939,215.76—18.74% of total earnings—an increase of \$240,702.25 over the previous year, or 3.13%. The number of passengers carried was 8,319,227—a decrease of 358,595, or 4.13%. The number of passengers carried one mile was 341,643,592—an increase of 13,465,076, or 4.10%; the revenue per passenger per mile was 2.324 cents—a decrease of .022 cent, or .94%; the average miles each passenger was carried was 41.07 miles—an increase of 3.25 miles, or 8.59%.

EXPENDITURES.

The expenses of Maintenance of Way and Structures were \$6,505,864.07; Maintenance of Equipment, \$3,024,725.18; Conducting Transportation, \$13,932,064.43; General Expenses, including Taxes, \$2,218,594.08; Renewal and Improvement Account, \$1,185,000.00; and Additional Equipment, \$1,111,255.56.

There was a decrease in expenditures for Maintenance of Way and Structures of \$997,516.50; for Maintenance of Equipment

of \$23,941.63; for Renewal and Improvement Account of \$365,000.00, and for Additional Equipment of \$364,049.38. There was an increase in expenditures for Conducting Transportation of \$1,170,497.54; and for General Expenses, including Taxes, of \$136,676.28.

In the expenditures pertaining to Maintenance of Way and Structures, there was a decrease in the following items: Roadway, \$510,645.94; Rails, \$315,024.83; Bridges and Culverts, \$233,819.55, and Buildings and Fixtures, \$4,086.34; and an increase in Ties of \$51,149.20; and in Fences, Road Crossings and other items of \$14,910.96.

The expenditures for Roadway include the amount of \$244,965.30 for 54.34 miles of new passing, side and spur tracks; \$50,004.98 for ballasting on lines not previously ballasted; and \$43,548.87 for reducing grades—except on the La Crosse, Council Bluffs and River Divisions, the cost of which was charged to Renewal and Improvement Fund.

The expenditures for Rails include 27,747 tons of new steel rails, costing \$759,848.56. During the previous year 62,624 tons of new steel rails were laid, costing \$1,587,667.18. A large portion of this decrease is due to the delay in delivery by the mills. The weight of steel rails used in renewals is 75 pounds and 85 pounds per yard.

The expenditures for Ties include 1,819,863 new ties—costing \$787,406.37. During the previous year 1,827,838 new ties, costing \$775,581.02 were placed in track.

The expenditures for Bridges and Culverts include the total cost of 74 steel bridges, aggregating 6,024 feet in length—replacing 4,919 feet of wooden bridges, 927 feet of iron bridges and 178 feet of embankment; the filling of about 4.72 miles of pile bridges with earth—224 bridges having been completely filled and 84 reduced in length by filling; and the replacing of 430 wooden culverts with iron. The cost of these above the cost of renewal in the original form was \$264,330.78.

The expenditures for Buildings and Fixtures include the sum of \$9,263.55 for the completion of new structures which were under construction at the close of the previous fiscal year.

The expenditures for Maintenance of Equipment include the amount of \$335,699.79 charged to Operating Expenses to replace the loss of equipment during the year, as against \$527,609.48 charged during the previous year.

In the expenditures pertaining to Conducting Transportation there was an increase, as follows: Engine and Roundhouse Men, \$157,466.77; Fuel and other supplies for Locomotives, \$502,857.75; Train Service and Supplies, \$67,119.98; Station Service and Supplies, \$75,857.42; Switchmen, Flagmen and Watchmen, \$61,480.03; Switching Charges, \$101,920.42; Rents of Tracks and Terminals, \$34,511.05; Outside Agencies, \$57,298.07; and in all other Expenses under this head, \$111,986.05.

The average cost of Repairs and Renewals of Locomotives during the year was \$947.72; of Passenger Cars \$568.38, and of Freight Cars \$26.79.

The amount paid the United States Government for Internal Revenue Tax during the year was \$62,253.08.

The payments of the Company for labor directly employed in its service during the year were \$15,916,128.73, as compared with \$15,502,731.20 last year; and for material and supplies, \$9,801,115.49, as compared with \$11,647,630.05 last year.

The Board has continued the policy of making improvements and additions to the property, and including them in Operating Expenses.

The principal items of improvements and additions to property which have been charged to Operating Expenses during the year are as follows:

Renewal and Improvement Fund, \$1,185,000.00; Additional Equipment, \$1,111,255.56; new passing, side and spur tracks, \$244,965.30; ballasting lines not heretofore ballasted, \$50,004.98; strengthening bridges, \$4,551.00; replacing wooden and iron bridges with steel bridges, filling pile bridges and openings and replacing wooden culverts with iron—excess of cost over renewal in original form, \$264,330.78; new fences, \$9,389.51; new freight and passenger stations and other station buildings—excess of cost over cost of former structures—\$215,796.73; additional machinery, \$24,137.72; improvement of grades and alignment, not charged to Renewal and Improvement Fund, \$43,548.87; a total of \$3,152,980.45. The amount thus charged to Operating Expenses, if deducted therefrom, would reduce the percentage of Operating Expenses to Gross Earnings to 55.42 per cent, exclusive of taxes, which are 3.17 per cent of Gross Earnings.

In addition to these principal items there has been a large amount charged to Operating Expenses for additional weight of rails, fastenings and frogs; repairs of cars and engines used in construction; filling trestles with earthwork; widening cuts and embankments; raising embankments; surfacing and ditching; arch and box culverts and drains, etc. These items are sometimes charged to Improvement.

No charge has been made in the cost of construction of any lines, of rental of engines or cars, nor of any repairs of engines or cars used in construction, nor of any proportion of the general expense of the Company; nor is any credit made to earnings for the transportation of any material for the construction of new lines or for improvements on existing lines.

During the past year the Company has sustained the loss by death of its Director, Mr. Philip D. Armour, and by order of the Board of Directors the following minute was entered upon the records of the Company:

"In the death of PHILIP D. ARMOUR this Company has sustained a great loss. He was elected a Director in 1885 and served until his death. His relations with the members of the Board were most pleasant and cordial. He was always ready to give his time and attention to the consideration of the affairs of the Company and brought to it rare good judgment, breadth of view, and the experience of a successful life. He was loyal to the interests of the Company and served them with a fidelity and devotion that could not be excelled."

To the officers and employes of the Company much credit is due for the faithful and efficient manner in which they have performed the duties assigned them.

For details of operation, reference is made to the statements of the General Auditor, appended hereto.

By order of the Board of Directors.

A. J. EARLING,
President.

ROSSELL MILLER,
Chairman of the Board.

AUGUST, 1901.

To the Board of Directors :

Herewith are submitted the General Accounts of the Company for the fiscal year ending June 30th, 1901, and the Statements of operation for the same period.

W. N. D. WINNE,
General Auditor.

STATEMENT OF INCOME ACCOUNT, JUNE 30TH, 1901.

Credit Balance, June 30th, 1900.....			\$14,887,253 66
Dividend payable October 22d, 1900, from net earnings of fiscal year ending June 30th, 1900, viz.:			
3½% on \$40,454,900—Preferred Stock.....		\$1,415,921 50	
2½% on \$47,146,600—Common Stock.....		1,178,665 00	2,594,586 50
Balance July 1st, 1900.....			\$12,202,667 16
Gross Earnings for the year ending June 30th, 1901.....		\$42,369,012 65	
Less Operating Expenses, including taxes.....		27,977,503 32	
Net Earnings.....		\$14,391,509 33	
Income from other sources.....		174,682 67	
Net revenue for the year ending June 30th, 1901.....		\$14,566,192 00	
Interest accrued during the year on Funded Debt.....	\$6,383,035 42		
Dividend payable April 25th, 1901, from net earnings of fiscal year ending June 30th, 1901, viz.:			
3½% on \$41,003,900—Preferred Stock.....	1,435,136 50		
3 % on \$47,146,600—Common Stock.....	1,414,458 00	9,232,629 92	
Balance for the year ending June 30th, 1901.....			5,333,562 08
Credit Balance, June 30th, 1901.....			<u>\$17,626,229 24</u>

RAILWAY COMPANY.

Dr.

GENERAL ACCOUNT, JUNE 30TH, 1901.

Cr.

Cost of Road and Equipment		\$224,288,832 69	Capital Stock—Preferred	\$44,658,400 00	
Bonds, Stock, etc., of other Companies		2,170,503 25	Capital Stock—Common	55,821,800 00	100,480,200 00
New England Trust Co.—Bonds and Cash, held in Trust, for Dubuque Division and Wisconsin Valley Division Sinking Funds	589,073 72		Funded Debt		126,941,500 00
Cash held in Special Trust for Dubuque Division and Wisconsin Valley Division Sinking Funds	44,110 79	633,184 51	Wisconsin Valley Division Sinking Fund	20,997 99	633 184 51
Farmers Loan and Trust Co., Trustee		409 08	Dubuque Division Sinking Fund	612,186 52	2 100 00
Depositories of Renewal and Improvement Fund—			Sinking Fund, Income Convertible Bonds		3,412 073 98
United States Trust Co., New York	1,535,778 82		Replacement Fund—Cars		62 850 00
Union Trust Co., New York	1,478,682 30		Pay Rolls and Vouchers	2,909,119 78	
Continental National Bank, Chicago	397,612 86	3,412,073 98	Due Transportation Companies	370,288 53	
Insurance Department		10,000 00	Miscellaneous Balances	1,012,524 78	
Stock of Material and Fuel		3,217,291 29	Dividends Unclaimed	68,085 58	
Mortgage Bonds of the Company, unsold, held in its Treasury and due from Trustees	3,794,000 00		Interest Coupons not presented	60,561 11	
Milwaukee & Northern R. R. Co. 6%			Interest Accrued, not yet payable	2,887,117 50	7,307 697 28
Consolidated Mortgage Bonds, unsold, held in the Treasury of this Company	1,089,000 00	4,883,000 00	Income Account		17,626 229 24
Stock of the Company held in its Treasury		4,700 00			
Due from Agents and Conductors	712,912 24				
Due from Transportation Companies	253,564 31				
Miscellaneous Balances	792,174 86				
Due from United States Government	357,362 73				
Deferred Payments for Common Stock	2,206,650 00				
Cash on hand	13,518,176 07	17,845,840 21			
		\$256,465,835 01			\$256,465,835 01

RAILWAY COMPANY.

25

CAPITAL STOCK, JUNE 30TH, 1901.

Preferred Stock.

Amount of Preferred Stock, June 30th, 1900—
 Issued during the year: In exchange for bonds convertible into preferred stock by terms of mortgage, viz.:
 For St. Paul (or River) Division Bonds—608,000 00
 For St. Paul (or River) Division Bonds—Sterling 50,500 00
 For Hastings & Dakota Division Bonds—49,000 00
 For Chicago & Milwaukee Division Bonds—802,000 00
 For Consolidated Mortgage Bonds of 1874—77,000 00
 For Consolidated Mortgage Bonds of 1875—1,800,000 00
 For Iowa & Dakota Division Extension Bonds—727,000 00
 Total Preferred Stock, June 30th, 1901—\$44,658,400 00

Common Stock.

Amount of Common Stock, June 30th, 1900—
 Issued during the year: In exchange for Income Sinking Fund Convertible Bonds—2,000 00
 Sold at par to Stockholders of record March 11th, 1901, according to terms of resolution of the Board of Directors of February 28th, 1901—8,673,200 00
 Total Common Stock, June 30th, 1901—\$55,821,800 00
 Total Capital Stock, June 30th, 1901—\$100,480,200 00

FUNDED DEBT, JUNE 30TH, 1901.

Total Funded Debt, June 30th, 1900, including all liens on purchased roads	\$131,147,000 00
General Mortgage Bonds issued during the year: For underlying bonds paid and canceled as follows:	
Income Sinking Fund Convertible	36,000 00
Dubuque Division	51,000 00
Wisconsin Valley Division	5,000 00
	\$131,239,000 00
Deduct:	
Bonds, paid and canceled:	
Income Sinking Fund Convertible	36,000 00
Dubuque Division	51,000 00
Wisconsin Valley Division	5,000 00
Bonds received in exchange for preferred stock and canceled:	
St. Paul (or River) Division	608,000 00
St. Paul (or River) Division—Sterling	50,500 00
Hastings & Dakota Division	49,000 00
Chicago & Milwaukee Division	892,000 00
Consolidated Mortgage of 1874	77,000 00
Consolidated Mortgage of 1875	1,800,000 00
Iowa & Dakota Division Extension	727,000 00
Bonds received in exchange for common stock and canceled:	
Income Sinking Fund Convertible	2,000 00
Total Funded Debt, June 30th, 1901	\$126,941,500 00
Decrease	\$4,205,500 00
Of the total amount of Bonds outstanding as stated above, there remain in the Treasury unsold, and due from Trustees	\$4,883,000 00

FUNDED DEBT, JUNE 30TH, 1901.

DESCRIPTION OF BONDS.	DATE OF ISSUE.	WHEN DUE.	RATE OF INTEREST.	INTEREST PAYABLE.	AMOUNT OF BONDS OUTSTANDING.	INTEREST.	
						ACCRUED DURING THE YEAR.	PAID DURING THE YEAR.
St. Paul (or River) Division	1872	1902	7 per cent.	Jan. and July.	715,000 00	50,050 00	48,580 00
St. Paul (or River) Division, Sterling	1872	1902	7 " "	" " "	205,000 00	14,350 00	14,315 00
Hastings & Dakota Division	1872	1903	7 " "	" " "	29,000 00	2,030 00	2,030 00
Chicago & Milwaukee Division	1873	1903	7 " "	" " "	398,000 00	27,860 00	27,965 00
Consolidated Mortgage	1874	1904	7 " "	" " "	69,000 00	4,830 00	4,760 00
Consolidated Mortgage	1875	1905	7 " "	" " "	3,518,000 00	246,260 00	246,855 00
Iowa & Dakota Division Extension	1878	1908	7 " "	" " "	1,560,000 00	109,200 00	108,850 00
Southwestern Division	1879	1909	6 " "	" " "	4,000,000 00	240,000 00	238,800 00
Hastings & Dakota Division Extension	1880	1910	7 " "	" " "	5,680,000 00	397,600 00	396,865 00
Hastings & Dakota Division Extension	1880	1910	5 " "	" " "	990,000 00	49,500 00	49,500 00
Chicago & Pacific Division	1880	1910	6 " "	" " "	3,000,000 00	180,000 00	180,300 00
Southern Minnesota Division	1880	1910	6 " "	" " "	7,432,000 00	445,920 00	442,170 00
Mineral Point Division	1880	1910	5 " "	" " "	2,840,000 00	142,000 00	140,650 00
Terminal Mortgage	1884	1914	5 " "	" " "	4,748,000 00	237,400 00	236,450 00
La Crosse & Davenport Division	1879	1919	5 " "	" " "	2,500,000 00	125,000 00	124,900 00
Dubuque Division	1880	1920	6 " "	" " "	6,007,000 00	360,420 00	359,010 00
Wisconsin Valley Division	1880	1920	6 " "	" " "	2,179,000 00	130,740 00	129,000 00
Chicago & Pacific Western Division	1881	1921	5 " "	" " "	25,340,000 00	1,267,000 00	1,266,575 00
Wisconsin & Minnesota Division	1881	1921	5 " "	" " "	4,755,000 00	237,750 00	237,425 00
Chicago & Lake Superior Division	1881	1921	5 " "	" " "	1,360,000 00	68,000 00	67,900 00
Chicago & Missouri River Division	1886	1926	5 " "	" " "	3,083,000 00	154,150 00	153,875 00
General Mortgage	1889	1889	4 " "	" " "	24,000,000 00	960,000 00	1,006,940 00
General Mortgage	1889	1889	3 1/2 " "	" " "	10,070,000 00	352,450 00	121,345 00
Wisconsin Valley R. R. Co.	1879	1909	7 " "	" " "	1,106,500 00	77,455 00	78,330 00
Mil. & Northern R. R. Co. 1st Mortgage	1880	1910	6 " "	June and Dec.	2,155,000 00	129,300 00	127,200 00
Mil. & Northern R. R. Co. Consolidated	1884	1913	6 " "	" " "	5,092,000 00	305,520 00	240,540 00
Dakota & Great Southern R'y Co.	1886	1916	5 " "	Jan. and July.	2,856,000 00	142,800 00	141,925 00
Fargo & Southern R'y Co.	1883	1924	6 " "	" " "	1,250,000 00	75,000 00	74,850 00
^a Income Sinking Fund Convertible					2,000 00	58 61	100 00
^b Iowa & Dakota Division					2,000 00		
Interest on bonds retired						128,385 27	277,653 19
Interest on bonds in the Treasury of the Company and in hands of Trustees						\$6,660,978 88	\$6,545,653 19
Total					\$126,941,500 00	277,943 46	32,103 48
						\$6,383,035 42	\$6,513,554 78

^a Bonds matured and interest ceased February 23, 1901.^b Bonds matured and interest ceased July 1st, 1899.

DETAILED STATEMENT OF EARNINGS AND EXPENSES

FOR THE YEARS ENDING JUNE 30TH, 1900 AND 1901.

EARNINGS.

	1900	1901	INCREASE.	DECREASE.
Freight	\$31,220,217 27	\$31,357,902 49	\$137,775 22	
Passengers	7,698,513 51	7,939,215 76	240,702 25	
Mails, Express, etc.	2,965,961 22	3,071,804 40	105,843 18	
Gross Earnings	\$41,884,692 00	\$42,369,012 65	\$484,320 65	

EXPENSES.

MAINTENANCE OF WAY AND STRUCTURES.				
Roadway	\$3,629,508 51	\$3,118,862 57		\$510,646 94
Rails	888,006 49	573,641 06		315,024 83
Ties	812,188 13	863,337 33	\$51,149 20	
Bridges and Culverts	1,323,668 95	1,080,849 40		233,819 55
Fences, Road Crossings, Signs and Cattle Guards	158,129 43	168,049 01	7,919 58	
Buildings and Fixtures	623,463 87	619,377 53		4,086 34
Docks and Wharves	21,851 28	23,572 19	1,720 91	
Telegraph	44,355 21	48,924 04	4,568 83	
Stationery and Printing	1,548 70	2,250 34	701 64	
MAINTENANCE OF EQUIPMENT.				
Superintendence	86,421 74	94,390 60	7,968 86	
Locomotives	995,198 07	862,650 60		132,547 47
Passenger Cars	433,861 87	497,123 09	13,261 22	
Freight Cars	1,297,683 69	1,334,453 87	36,770 18	
Work Cars	34,231 32	50,507 99	16,276 67	
Shop Machinery and Tools	94,199 15	111,913 87	17,714 72	
Stationery and Printing	5,104 75	7,072 46	1,907 71	
Other Expenses	51,906 22	66,612 70	14,706 48	
CONDUCTING TRANSPORTATION.				
Superintendence	482,751 85	479,954 44		2,797 41
Engine and Roundhouse Men	2,428,125 44	2,585,592 21	157,466 77	
Fuel for Locomotives	2,605,438 94	3,070,772 46	465,333 52	
Water Supply for Locomotives	87,847 82	113,848 02	26,000 20	
Oil, Tallow and Waste for Locomotives	64,515 88	63,624 95	4,109 07	
Carried forward	\$16,220,727 31	\$15,849,381 33	\$327,575 56	\$1,198,921 54

	1900	1901	INCREASE.	DECREASE.
Brought forward	\$16,220,727 31	\$15,849,381 33	\$327,575 56	\$1,198,921 54
Other Supplies for Locomotives	35,175 96	42,500 92	7,414 96	
Train Service	1,858,585 82	1,866,994 46	8,408 64	
Train Supplies and Expenses	285,385 05	344,096 39	58,711 34	
Switchmen, Flagmen and Watchmen	919,248 12	980,728 15	61,480 03	
Telegraph Expenses	264,236 43	276,605 07	12,368 64	
Station Service	1,871,876 27	1,966,824 11	95,447 84	
Station Supplies	181,766 10	162,175 68		19,590 42
Switching Charges—Balance	76,765 44	178,685 96	101,920 42	
Car Mileage—Balance	196,299 65	214,175 48	17,875 83	
Loss and Damage	130,389 79	176,096 72	45,706 93	
Injuries to Persons	190,450 76	223,049 75	32,598 99	
Clearing Wrecks	17,841 27	33,372 75	15,531 48	
Advertising	98,632 18	103,663 37	4,932 19	
Outside Agencies	378,422 92	435,720 99	57,298 07	
Stock Yards and Elevators	41,740 55	45,890 83	4,150 28	
Rents for Tracks and Terminals—Balance	197,388 06	231,899 71	34,511 05	
Rents of Buildings and Other Property	42,404 10	43,107 17	703 07	
Stationery and Printing	159,603 26	160,695 14	1,091 88	
Other Expenses	147,124 63	126,897 80		20,226 83
GENERAL EXPENSES.				
Salaries of General Officers	240,819 29	240,777 47		41 82
Salaries of Clerks and Attendants	233,428 44	243,571 14	10,142 70	
General Office Expenses and Supplies	20,484 12	26,115 76	5,631 64	
Insurance	121,302 27	142,316 80	21,014 53	
Law Expenses	47,854 92	55,379 83	7,524 91	
Stationery and Printing (General Offices)	28,633 92	32,962 35	4,328 43	
Other Expenses	67,348 27	73,827 21	6,478 94	
Taxes—General	1,258,007 84	1,341,390 44	83,382 60	
Taxes—U. S. Gov't Internal Revenue	64,038 73	62,253 08		1,785 65
Renewal and Improvement Account	1,550,000 00	1,185,000 00		365,000 00
Additional Equipment	1,475,304 94	1,111,255 56		364,049 38
Total Expenses	\$28,420,837 01	\$27,977,503 32		\$443,333 69
Net Earnings	\$13,463,854 99	\$14,391,509 33	\$927,654 34	

COMPARATIVE STATEMENT OF EARNINGS AND EXPENSES

FOR THE YEARS ENDING JUNE 30TH, 1898, 1899, 1900 AND 1901.

EARNINGS.

	1898	1899	1900	1901
Freight.....	\$25,468,851 72	\$28,773,222 43	\$31,220,217 27	\$31,357,992 49
Passenger.....	5,983,840 18	6,778,921 20	7,698,513 51	7,939,215 76
Mails, Express, etc.....	2,733,971 78	2,758,488 86	2,965,961 22	3,071,804 40
Gross Earnings.....	\$34,189,663 68	\$38,310,632 49	\$41,884,692 00	\$42,369,012 65

EXPENSES.

Maintenance of Way and Structures.....	\$4,635,270 57	\$5,045,697 14	\$7,503,380 57	\$6,505,864 07
Maintenance of Equipment.....	2,709,115 54	3,229,699 43	3,045,666 81	3,024,725 18
Conducting Transportation.....	10,852,814 07	11,702,325 22	12,761,566 89	13,932,064 43
General Expenses.....	745,235 75	811,766 05	759,871 23	814,950 56
Taxes—General.....	1,134,130 68	1,186,166 40	1,258,007 84	1,341,390 44
Taxes—U. S. Gov't Internal Revenue.....		62,182 58	64,038 73	62,253 08
Renewal and Improvement Account.....	1,125,000 00	1,925,000 00	1,550,000 00	1,185,000 00
Additional Equipment.....			1,475,304 94	1,111,255 56
Total Expenses.....	\$21,201,566 61	\$23,962,836 82	\$28,420,837 01	\$27,977,503 32

RECAPITULATION.

Gross Earnings.....	\$34,189,663 68	\$38,310,632 49	\$41,884,692 00	\$42,369,012 65
Total Expenses.....	21,201,566 61	23,962,836 82	28,420,837 01	27,977,503 32
Net Earnings.....	\$12,988,097 07	\$14,347,795 67	\$13,463,854 99	\$14,391,509 33
Average Miles in Operation.....	6,153 88	6,153 72	6,347 38	6,512 38

STATEMENT OF MONTHLY EARNINGS AND EXPENSES

FOR THE YEAR ENDING JUNE 30TH, 1901.

	FREIGHT	PASSENGER	MAILS, EXPRESS, ETC.	GROSS EARNINGS	OPERATING EXPENSES	NET EARNINGS
July, 1900.....	\$2,193,558 24	\$769,077 95	\$252,690 87	\$3,220,327 06	\$2,059,236 43	\$1,161,090 53
August, ".....	2,477,827 90	865,419 58	251,442 45	3,594,689 93	2,241,520 35	1,353,169 58
September, ".....	2,696,360 81	776,331 39	255,769 39	3,728,461 59	2,487,472 59	1,240,989 00
October, ".....	3,346,837 78	680,485 58	251,514 27	4,278,837 63	2,534,854 64	1,693,982 99
November, ".....	2,955,062 79	581,918 71	250,124 18	3,788,005 68	2,306,648 66	1,481,357 02
December, ".....	2,886,364 79	646,298 15	250,270 42	3,782,933 36	2,298,012 88	1,484,920 48
January, 1901.....	2,511,888 31	545,448 76	261,437 09	3,318,569 16	2,190,125 28	1,128,443 90
February, ".....	2,380,450 16	475,256 31	238,198 55	3,093,905 02	2,168,880 03	925,024 99
March, ".....	2,713,508 56	570,276 98	247,124 15	3,530,904 69	2,290,160 53	1,240,744 16
April, ".....	2,390,033 22	599,409 27	254,753 72	3,244,196 21	2,478,653 86	770,542 35
May, ".....	2,334,051 81	633,467 17	264,673 55	3,232,192 53	2,449,129 80	783,062 73
June, ".....	2,466,353 12	795,830 91	293,805 76	3,555,989 79	2,427,808 24	1,128,181 55
Total.....	\$31,357,992 40	\$7,939,215 76	\$3,071,804 40	\$42,369,012 65	\$27,977,503 32	\$14,391,509 33

COMPARATIVE SUMMARY OF OPERATION

FOR THE YEARS ENDING JUNE 30TH, 1900 AND 1901.

Gross Earnings.

1900	\$41,884,692 00	
1901	42,369,012 65	Increase\$484,320 65

Operating Expenses.

1900	\$28,420,837 01	
1901	27,977,503 32	Decrease\$443,333 69

Net Earnings.

1900	\$13,463,854 99	
1901	14,391,509 33	Increase\$927,654 34

Gross Earnings per Mile of Road.

1900	\$6,598 74	
1901	6,505 92	Decrease\$92 82

Operating Expenses per Mile of Road.

1900	\$4,477 57	
1901	4,296 05	Decrease\$181 52

Net Earnings per Mile of Road.

1900	\$2,121 17	
1901	2,209 87	Increase\$88 70

Freight Earnings per Mile of Road.

1900	\$4,918 60	
1901	4,815 14	Decrease\$103 46

Passenger, Mail and Express Earnings, per Mile of Road.

1900	\$1,680 14	
1901	1,690 78	Increase\$10 64

Average Miles of Road Operated During the Year.

1900	6,347 38	
1901	6,512 38	Increase 165 00

TRANSPORTATION STATISTICS

FOR THE YEARS ENDING JUNE 30TH, 1900 AND 1901.

	1900	1901
Trains run by freight trains	16,058,974	15,388,042
Trains run by passenger trains	9,342,587	9,917,671
Total miles run by revenue trains	25,399,561	25,305,713
Trains run by loaded freight cars	275,219,041	281,366,079
Trains run by empty freight cars	108,389,277	111,989,088
Number of tons of revenue freight carried	17,757,419	18,010,683
Number of tons of revenue freight carried one mile	3,357,456,584	3,630,977,919
Number of tons of Company freight carried one mile	359,473,713	400,588,930
Number of tons of revenue freight per train mile	209.10	236.55
Number of tons of Company freight per train mile	22.38	26.08
Total number of tons of freight per train mile	231.48	262.58
Number of tons of revenue freight per loaded car	12.199	12.937
Number of tons of Company freight per loaded car	1.306	1.424
Total number of tons of freight per loaded car	13.505	14.361
Average number of loaded freight cars per train	17.140	18.285
Average number of empty freight cars per train	6.750	7.277
Average number of loaded and empty freight cars per train	23.890	25.562
Average miles each ton of revenue freight was carried	189.07	202.10
Number of passengers carried	8,677,822	8,319,227
Number of passengers carried one mile	328,178,516	341,643,592
Average miles each passenger was carried	37.82	41.07
Average amount received per ton of revenue freight	\$1.75 8	\$1.74 1
Average revenue from freight per train mile	\$1.94 4	\$2.03 6
Average revenue per ton of revenue freight per mile	.9299 cts.	.8615 cts.
Average revenue from passengers per train mile	82.40 cts.	80.05 cts.
Average revenue per passenger per mile	2.346 cts.	2.324 cts.
Maintenance of Equipment per revenue train mile	12.00 cts.	11.95 cts.
Station Service per revenue train mile	7.37 cts.	7.77 cts.
Train Service per revenue train mile	7.32 cts.	7.38 cts.
Engine and Roundhouse Men per revenue train mile	9.56 cts.	10.22 cts.
Train and Station Supplies per revenue train mile	1.84 cts.	2.00 cts.
Fuel for Locomotives per revenue train mile	10.26 cts.	12.13 cts.
Oil, Tallow and Waste for Locomotives per revenue train mile	.25 cts.	.27 cts.
Other Expenses per revenue train mile	63.30 cts.	58.84 cts.
Total Operating Expenses per revenue train mile	\$1.11 90	\$1.10 56
Percentage of Expenses, including taxes, to Earnings	67.85%	66.03%

STATEMENT OF COMMODITIES TRANSPORTED

DURING THE YEARS ENDING JUNE 30TH, 1900 AND 1901.

COMMODITIES.	1900		1901	
	Tons	Per Cent	Tons	Per Cent
PRODUCTS OF AGRICULTURE:				
Flour	598,052	3.368	613,222	3.405
Other Mill Products	242,687	1.367	276,861	1.537
Wheat	1,470,049	8.279	1,425,726	7.916
Rye	69,878	.303	65,568	.364
Barley	794,198	4.472	746,384	4.144
Oats	616,992	3.475	532,807	2.959
Corn	685,456	3.860	704,083	3.909
Flax Seed	151,797	.855	153,697	.853
Hay	112,543	.634	124,820	.693
Fruit and Vegetables	246,916	1.390	258,970	1.438
Other Agricultural Products	124,257	.700	116,776	.648
	5,112,825	28.793	5,018,974	27.866
PRODUCTS OF ANIMALS:				
Live Stock	836,736	4.712	899,373	4.993
Dressed Meats	184,278	1.038	184,105	1.022
Other Packing House Products	135,443	.763	173,381	.963
Other Animal Products	172,244	.971	190,702	1.059
	1,328,751	7.484	1,447,566	8.037
PRODUCTS OF MINES:				
Anthracite Coal	580,637	3.270	700,375	3.889
Bituminous Coal	1,237,847	6.971	1,382,277	7.675
Coke	265,385	1.494	224,151	1.245
Iron and other Ores	647,967	3.649	697,942	3.875
Stone, Sand, etc.	502,245	2.828	552,494	3.068
Salt	69,002	.389	96,185	.534
	3,303,133	18.601	3,653,424	20.286
PRODUCTS OF FOREST:				
Lumber, Lath and Shingles	1,676,653	9.442	1,725,259	9.579
Sash, Doors and Blinds	45,647	.257	46,822	.260
Other Forest Products	1,857,099	10.468	1,660,399	9.218
	3,579,399	20.157	3,432,380	19.057
MANUFACTURES:				
Petroleum and other Oils	160,053	.901	164,904	.916
Iron and Steel	655,278	3.690	595,271	3.305
Castings and Machinery	139,215	.784	145,319	.807
Agricultural Implements	174,388	.982	158,872	.882
Wagons, Carriages, Tools, etc.	77,543	.437	74,020	.411
Lime, Cement and Plaster	200,531	1.129	201,073	1.116
Brick	221,675	1.248	234,124	1.300
Wines, Liquors and Beers	304,727	1.716	333,184	1.850
Household Goods and Furniture	82,155	.463	90,684	.504
Paper	117,672	.663	116,962	.649
Other Manufactures	497,187	2.799	579,095	3.215
	2,630,424	14.812	2,693,488	14.955
Commodities not specified	1,802,887	10.153	1,764,851	9.799
Total	17,757,419		18,010,683	

DETAIL OF EXPENDITURES

FOR ADDITIONS AND IMPROVEMENTS TO PROPERTY,

*Charged to Cost of Road and Equipment, during the Year
Ending June 30th, 1901.*

Equipment:		
46 Locomotives	\$704,200	16
19 Passenger Coaches	142,245	60
1 Buffet Car	11,700	00
3 Postal Cars	11,575	06
	869,720	82
Construction of New Lines:		
Fonda to Spencer, Iowa	436,499	56
Rockwell City to Storm Lake, Iowa	484,895	85
Fox Lake Extension, Illinois	888,659	99
Janesville Extension, Wisconsin	1,011,731	98
Napa to Platte, South Dakota	829,769	98
Bowdle to Everts, South Dakota	392,181	41
Crystal Falls Extension, Michigan	146,608	93
West of Preston to Green Island, Iowa	110,123	44
	4,299,971	14
Construction of Second Main Track:		
Marion to Martelle, Iowa	207,864	51
Portage to Madison Line Switch, Wisconsin	14,782	74
Sparta to Viroqua Junction, Wisconsin	16,337	09
Sabula Junction to Green Island, Iowa	57,543	62
West of Preston to Browns, Iowa	6,268	94
	303,196	90
Real Estate	239,968	12
Purchase of Milwaukee & Superior R'y	341,174	83
Purchase of Chicago & Pacific R. R. Co. Stock	25	00
	\$6,054,056	81

Credit—		
Cost of tracks taken up, buildings taken down or destroyed, etc.	\$47,842	12
Premium on General Mortgage Bonds sold	20,032	50
	67,904	62
Total	5,986,152	19
Cost of Road and Equipment June 30th, 1900 ..	218,302,680	50
Cost of Road and Equipment June 30th, 1901 ..	\$224,288,832	69

MATERIAL AND FUEL ON HAND JUNE 30TH, 1901.

Coal	52,162 Tons,	\$96,087 98
Wood	3,932 Cords,	7,455 22
Ties	754,634 Number,	301,185 46
New Steel Rails	12,500 Tons,	321,558 42
Old Steel Rails	16,950 Tons,	257,931 27
Old Iron Rails	3,784 Tons,	45,403 17
Rail Fastenings	8,018,480 Pounds,	144,070 55
Oil	101,767 Gallons,	17,545 82
Waste	135,330 Pounds,	7,979 13
Iron (worked and unworked) ..	17,364,221 Pounds,	257,257 16
Copper and Brass	759,133 Pounds,	103,906 29
Lumber and Timber	26,398,879 Feet,	473,004 07
Piles	498,915 Feet,	58,160 74
Posts	106,619 Number,	10,969 31
Engine and Car Wheels	7,281 Number,	59,028 95
Engine and Car Wheels (on axles) ..	2,760 Pairs,	65,543 89
Engine and Car Axles	2,726,751 Pounds,	42,633 36
Tires	371,478 Pounds,	16,971 25
Steel and Steel Springs	1,515,474 Pounds,	53,459 65
Engine, Car and Road Castings ..	7,332,114 Pounds,	128,704 13
Paints and Oils		27,618 32
Stationery Supplies		21,025 88
Other Supplies		699,791 27
Total, June 30th, 1901		\$3,217,291 29
Total, June 30th, 1900		3,494,897 95
Decrease		<u>\$277,606 66</u>

EQUIPMENT JUNE 30TH, 1901.

STANDARD GAUGE.

Locomotives	890
Passenger Cars	451
Sleeping Cars	55
Parlor Cars	17
Dining Cars	8
Baggage, Mail, Express and Combination Cars	320
Freight Cars—	
Box Cars	25,951
Stock Cars	2,937
Flat, Coal and Ore Cars	7,188
Refrigerator and Vegetable Cars	1,252
Ballast Cars	50
Caboose Cars	37,428
Wrecking and Tool Cars	493
Business Cars	82
	14

NARROW GAUGE.

Locomotives	7
Passenger Cars	4
Baggage, Mail, Express and Combination Cars	5
Freight Cars—	
Box Cars	202
Stock Cars	58
Flat Cars	45
Caboose Cars	305
	5
Total	<u>40,084</u>

Four locomotives, one passenger coach, two passenger and baggage cars, thirty-nine box freight cars and fifty flat cars were acquired with the Milwaukee & Superior R'y October 18th, 1900, and are included in statement above.

At the close of the year ending June 30th, 1900, a shortage of ten locomotives was shown by the inventory of equipment, and during the year ten locomotives were purchased or built for their replacement.

At the close of the year ending June 30th, 1900, a shortage of thirty-one cars was shown by the inventory of equipment, and the sum required to replace them had been charged to Operating Expenses at that date.

During the present year five hundred and seventy-six cars were destroyed—three hundred and six by wreck and fire on this and other roads, and two hundred and seventy old cars of small capacity taken down, as unfit for further service.

Four hundred and seventy cars have been built during the present year for replacement, and their cost charged to "Replacement Fund," as shown on page 10 of this report.

At the close of this fiscal year, ending June 30th, 1901, there exists a shortage of one hundred and twenty-nine flat cars and eight caboose cars. The amount required to replace the one hundred and thirty-seven cars—\$62,850.00—has been charged to Operating Expenses and is shown at the credit of the account of "Replacement Fund—Cars" on page 24 of this report.