

1909

Forty-fifth Annual Report

OF THE

**Chicago, Milwaukee & St. Paul
Railway Company**

FOR THE

Fiscal Year Ending June 30th, 1909.

1909

Forty-fifth Annual Report

OF THE

Chicago, Milwaukee & St. Paul
Railway Company

FOR THE

Fiscal Year Ending June 30th, 1909.

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY COMPANY.

DIRECTORS.

TERM EXPIRES SEPTEMBER, 1909.

PETER GEDDES,	NEW YORK.
ROSWELL MILLER,	NEW YORK.
WILLIAM ROCKEFELLER,	NEW YORK.
JOHN A. STEWART,	NEW YORK.

TERM EXPIRES SEPTEMBER, 1910.

J. OGDEN ARMOUR,	CHICAGO.
FREDERICK LAYTON,	MILWAUKEE.
L. J. PETIT,	MILWAUKEE.
PERCY A. ROCKEFELLER,	NEW YORK.

TERM EXPIRES SEPTEMBER, 1911.

WALTER P. BLISS,	NEW YORK.
FRANK S. BOND,	NEW YORK.
A. J. EARLING,	CHICAGO.
CHARLES W. HARKNESS,	NEW YORK.

OFFICERS.

ROSWELL MILLER,	Chairman of the Board,	NEW YORK.
A. J. EARLING,	President,	CHICAGO.
E. W. McKENNA,	Second Vice-President,	CHICAGO.
J. H. HILAND,	Third Vice-President,	CHICAGO.
E. S. KEELEY,	Fourth Vice-President,	CHICAGO.
E. D. SEWALL,	Assistant to the President,	CHICAGO.
E. W. ADAMS,	Secretary,	MILWAUKEE.
T. C. SHERMAN,	Assistant Secretary,	MILWAUKEE.
J. M. McKINLAY,	Assistant Secretary and Transfer Agent,	NEW YORK.
C. B. FERRY,	Assistant Secretary and Transfer Agent,	NEW YORK.
R. J. MARONY,	Assistant Secretary and Transfer Agent,	NEW YORK.
F. G. KANNEY,	Treasurer,	CHICAGO.
JOHN McNAB,	Assistant Treasurer,	CHICAGO.
W. N. D. WINNE,	General Auditor,	CHICAGO.
W. J. UNDERWOOD,	General Manager,	CHICAGO.
D. L. BUSH,	General Superintendent,	CHICAGO.
D. J. WHITEMORE,	Chief Engineer,	CHICAGO.
H. G. HAUGAN,	Comptroller and Land Commissioner,	CHICAGO.
GEORGE E. PECK,	General Counsel,	CHICAGO.
BURTON HANSON,	General Solicitor,	CHICAGO.
CHARLES E. VROMAN,	Assistant General Solicitor,	CHICAGO.

REPORT
OF THE
BOARD OF DIRECTORS.

THE
FORTY-FIFTH ANNUAL REPORT
OF THE DIRECTORS OF THE
CHICAGO, MILWAUKEE & ST. PAUL
RAILWAY COMPANY
TO THE STOCKHOLDERS.

For the Fiscal Year ending June 30th, 1909.

The Directors submit to the Stockholders the following report of the business and operations of the Company for the year ending June 30th, 1909, and of the condition of its property and finances at the close of that year.

The operations for the year show the following results:

Total Operating Revenues	\$59,897,463 49
Total Operating Expenses, excluding Taxes	38,731,238 60
Net Operating Revenues	\$21,166,224 89
Taxes	2,428,675 61
Operating Income	\$18,737,549 28
Fixed Charges—Interest on Bonds	5,855,717 50
Balance	\$12,881,831 78

During the year two dividends of three and one-half per cent each were paid on the capital stock of the Company.

MILES OF TRACK.

Owned solely by this Company:

Main track	7,266.09	
Second main track	485.69	
Third main track	9.39	
Fourth main track	2.63	
Connection tracks	39.13	
Yard tracks, sidings and spur tracks	2,216.61	10,019.54

Owned jointly with other Companies:

Main track	30.46	
Second main track	5.11	
Third main track	.09	
Fourth main track	.07	
Connection tracks	4.72	
Yard tracks, sidings and spur tracks	91.90	132.35

Used by this Company under contracts:

Main track	215.01	
Second main track	62.47	
Third main track	1.14	278.62
Total miles of track		<u>10,430.51</u>

The lines of road are located as follows:

In Wisconsin	1,783.10	miles
" Illinois	414.99	"
" Iowa	1,871.09	"
" Minnesota	1,245.01	"
" North Dakota	153.31	"
" South Dakota	1,529.66	"
" Missouri	140.27	"
" Michigan	159.12	"
Total length of main track	7,296.55	miles

The line from Everts Junction to Everts, South Dakota, 5.30 miles, mentioned in last year's report, has been abandoned and the track taken up.

A second main track on the River Division, between Lake City and Hastings, Minnesota, a distance of 37.29 miles, was constructed during the year.

There has been expended during the year for reduction of grades and improvement of alignment at sundry points the sum of \$497,277.54, which has been charged to Capital Account.

ROLLING STOCK.

At the close of the fiscal year, ending June 30th, 1908, there was at the credit of Equipment Replacement Account the sum of \$247,157.85.

During the present year four hundred and twenty-six cars of various classes were destroyed by wreck or fire, sold or taken down on account of small capacity, viz.:

1 Dining Car	2 Coal Cars	1 Ore Car
1 Baggage Car	20 Refrigerator Cars	5 Dump Cars
184 Box Cars	12 Caboose Cars	1 Cinder Dump Car
67 Stock Cars	9 Ballast Cars	2 Cable Stretchers
121 Flat Cars		

The original cost of these cars and a certain percentage of the total cost of equipment, aggregating \$997,469.08, has been credited to the replacement accounts of locomotives, passenger train cars, freight train cars and work train cars.

To these accounts there has been charged the cost of the following equipment purchased or built during the year, viz.:

4 Extra Locomotive Tenders	\$ 5,622 46
4 Sleeping Cars	73,695 69
20 Caboose Cars	11,003 00
2 Lidgerwood Unloaders	13,220 36
2 Wrecking Derricks	3,674 35
11 Pilot Snow Plows	1,586 45
2 Flangers	658 42
Additional cost of Equipment purchased and built last year	12,029 36
	<u>\$121,490 09</u>

The balance standing at the credit of Equipment Replacement Account at the close of the year is \$1,123,136.84, as shown on page 19 of this report.

CAPITAL EXPENDITURES.

Additional Equipment.....	\$ 94,229 49
Construction of Sundry Lines.....	322,646 53
Construction of Second Main Track.....	509,933 99
Construction of Third and Fourth Main Track...	145,224 45
Reducing Grade and Improving Line.....	5,337,123 18
Other Additions and Betterments.....	1,740,476 16
	<u>\$8,149,633 80</u>
Sundry Credits	74,539 42
Total as shown by detailed statement on page 28 of this report	<u>\$8,075,094 38</u>

RENEWAL AND IMPROVEMENT ACCOUNT.

Amount credited to Renewal and Improvement Account, to June 30th, 1909.....	\$11,426,758 23
Interest received on balances.....	1,101,466 75
Total	<u>\$12,528,224 98</u>
Expenditures:	
Elevation of Tracks:	
Chicago & Milwaukee Division \$1,434,282 43	
Chicago & Evanston " 300,681 44	
Chicago & Council Bluffs Divis- ion in Illinois	566,252 49
	<u>\$2,301,216 36</u>
Improvements at Western Avenue, Chicago..	234,803 23
Transfer House and Tracks at Galewood, Ill..	55,029 52
Escanaba Docks and Terminal Facilities.....	1,277,611 66
Change of Gauge, Preston Branch.....	173,785 64
Change of Gauge, Wabasha Division.....	275,051 92
Menomonee Valley Connecting Track.....	57,135 08
Repairs of Damage caused by Kansas City Flood	125,093 34
New Yard and Structures at Laredo, Missouri	57,788 96
New Subway, Fond du Lac Ave., Milwaukee ..	45,439 62
Filling Levee in Mississippi River at Red Wing, Minnesota	20,550 00
Replacement of Bridge over the Mississippi River between St. Paul and Minneapolis with a double-track structure	336,422 77
Carried forward	<u>\$4,959,928 10</u>

RENEWAL AND IMPROVEMENT ACCOUNT—CONTINUED.

Brought forward	\$4,959,928 10
Replacement of Bridge over the Mississippi River at La Crosse, Wisconsin.....	275,901 31
Replacement of Bridge over the Menomonee River at Milwaukee, Wisconsin.....	99,554 09
Replacement of Bridge over the Mississippi River at Sabula, Iowa.....	218,001 27
Replacement of Bridge over the Cedar River at Cedar Rapids, Iowa.....	63,321 44
Replacement of Bridge over the Rock River at Byron, Illinois.....	87,287 91
Replacement of Bridge over the Wisconsin River at Sauk City, Wisconsin.....	7,319 30
Replacement of Bridge over Burnham's Canal, Milwaukee, Wisconsin.....	120,405 35
Replacement of Sixth Street Viaduct, Mil- waukee, Wisconsin.....	104,892 99
Replacement of First Avenue Viaduct, Mil- waukee, Wisconsin	80,539 97
Replacement of Bridge over the Kinnickinnick River, at Stowell, Wisconsin	132,479 50
Improvements at Milwaukee Shops.....	362,936 46
Improvements at Dubuque Shops.....	9,380 65
Additional Weight of Rails.....	115,631 27
Additional Ties.....	83,446 20
Total Expenditure.....	<u>\$6,721,025 81</u>
Unexpended Balance, June 30th, 1909.....	<u>\$5,807,199 17</u>

CAPITAL STOCK.

At the close of the last fiscal year the share capital of the Company amounted to \$133,354,300, and consisted of \$49,976,400 of preferred stock and \$83,377,900 of common stock.

It has been increased during this fiscal year by \$66,298,500 of preferred stock and \$32,970,300 of common stock, issued during the year.

The total amount of capital stock at the close of the year is \$232,623,100. Of this amount \$99,492,800 was issued for the acquisition of the securities of the Chicago, Milwaukee & Puget Sound Railway Company and \$277,200 of stock, the issue of which was previously authorized, is held in the treasury of the Company. The remainder is \$132,853,100, an average of \$18,207.66 per mile of road.

FUNDED DEBT.

At the close of the last fiscal year the funded debt of the Company was \$125,679,500.

It has been increased during this fiscal year by \$19,227,000 of General Mortgage Bonds, and it has been decreased \$1,313,000 by underlying bonds retired and canceled, as shown on page 20 of this report.

The amount of bonds at the close of the year is \$143,593,500. Of this amount \$27,828,000 is the amount of bonds in the treasury of the Company or due from Trustees.

The remainder—bonds outstanding—is \$115,765,500, an average of \$15,865.79 per mile of road.

The amount of accrued interest on bonds outstanding at the close of the year, and those retired and canceled during the year was \$5,855,717.50, an average of \$802.53 per mile of road.

The amount of stock and bonds outstanding at the close of the year, per mile of road, exclusive of the \$99,492,800 of stock referred to above, is \$34,073.45.

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 \$8,601,000.

This has been increased during this fiscal year by \$1,313,000, General Mortgage Bonds for underlying bonds paid and canceled, and \$17,914,000 for additions and improvements to property to June 30th, 1908.

Bonds in the treasury or due from trustees, June 30th, 1909, amount to \$27,828,000, as shown on page 19 of this report.

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

INSURANCE DEPARTMENT.

Cash on hand, June 30th, 1908..... \$33,382 95

Receipts during the year:

Premiums	\$158,975 06	
Income from Investment of Guaranty Fund.....	74,295 56	
Losses paid by reinsurance.....	7,969 33	
Received for two Wisconsin Valley R. R. Co. Bonds, matured.....	2,000 00	
Interest on Cash on deposit.....	1,945 02	245,184 97
		<u>\$278,567 92</u>

Payments during the year:

Losses	\$74,444 94	
Expenses	4,186 84	
Reinsurance	116,826 48	
Purchase of bonds and stock	29,185 00	224,643 26
Cash on hand, June 30th, 1909		<u>\$53,924 66</u>

The Insurance Fund, June 30th, 1909, amounts to \$1,740,324.66, of which \$1,686,400 is invested in securities at par, as shown in the following statement:

Chicago, Milwaukee & St. Paul R'y Co. Bonds:

General Mortgage 4%.....	\$600,000 00	
Southern Minnesota Division 6%..	32,000 00	
La Crosse & Davenport Div. 5%..	4,000 00	
Chicago & Pac. Western Div. 5%..	6,000 00	
Mineral Point Division 5%.....	7,000 00	\$649,000 00

Chicago, Mil. & St. Paul R'y Co. Preferred Stock..	86,100 00	
Chicago, Mil. & St. Paul R'y Co. Common Stock..	5,300 00	
Kansas City Belt R'y Co. 6% Bonds.....	150,000 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.....	100,000 00	
Milwaukee & Northern R. R. Co. 6% Bonds.....	38,000 00	
Fargo & Southern R'y Co. 6% Bonds	2,000 00	
Atchison, Topeka & Santa Fe R'y Co. 4% Bonds	100,000 00	
Union Pacific R. R. Co. 4% Bonds.....	50,000 00	
Chicago & Western Indiana R. R. Co. 4% Bonds	125,000 00	
Lake Shore & Michigan South. Ry. Co. 4% Bonds	100,000 00	
City of New York 4% Bond	75,000 00	
Pennsylvania R. R. Co. 4% Bonds.....	100,000 00	
Total	\$1,686,400 00	
Amount of annual interest and dividends on same..	\$74,618 00	

OPERATING REVENUES.

The total Operating Revenues for the year were \$59,897,-463.49—an increase of \$2,964,842.99 as compared with the previous year.

The revenue from freight traffic was \$42,341,650.62—70.69% of total revenue—an increase of \$1,914,770.98, or 4.74%.

The number of tons of freight carried was 27,499,704—an increase of 1,309,851 tons, or 5.00%.

The following classes of commodities show an increase over the previous year: Products of Agriculture, 227,647 tons; Products of Mines, 479,284 tons; Products of Forests, 321,083 tons, and Manufactures, 376,700 tons. There was a decrease in Products of Animals of 41,748 tons, and Commodities not specified, of 53,115 tons.

The number of tons of all agricultural products carried during the year was 5,868,017 tons—an increase compared with the previous year of 4.04%. Agricultural products comprised 21.34% of the total tonnage carried, as compared with 21.54% of the total tonnage of last year.

The number of tons of commodities other than agricultural products carried during the year was 21,631,687 tons—an increase compared with the previous year of 1,082,204 tons, or 5.27%—the per cent of the total being 78.66%, against 78.46% last year.

The number of tons of revenue freight carried one mile was 5,051,527,001—an increase of 71,040,758, or 1.43%. The revenue per ton per mile was 8.382 cents—an increase of .0265 cents, or 3.26%. The average miles each ton of revenue freight was carried was 183.69 miles—a decrease of 6.48 miles, or 3.41%.

The number of tons of revenue freight carried per loaded car was 14.633, against 14.837 last year—a decrease of 1.37%. The number of tons of revenue freight per freight and mixed train mile was 273.56, against 273.59 last year—a decrease of .011%. The revenue from freight per freight and mixed train mile was \$2.2929, as against \$2.2208 last year—an increase of 3.25%.

The revenue from passenger traffic during the year was \$12,774,851.93—21.33% of the total revenue—an increase of \$891,457.27 compared with the previous year, or 7.50%. The number of passengers carried was 15,261,551—an increase of 1,027,424 or 7.22%. The number of passengers carried one mile was 674,072,186—an increase of 54,603,938, or 8.81%; the revenue per passenger per mile was 1.895 cents—a decrease of .023 cent, or 1.20%; the average miles each passenger was carried was 44.17 miles—an increase of .65 miles, or 1.49%.

OPERATING EXPENSES.

The operating expenses for the year, excluding taxes, were \$38,731,238.60, an increase of \$1,567,870.17, as compared with the report of the previous year.

The expenses of Maintenance of Way and Structures were \$7,288,602.68; Maintenance of Equipment, \$7,270,774.16; Traffic Expenses, \$1,334,006.19; Transportation Expenses, \$21,764,470.86, and General Expenses, \$1,073,384.71.

There was an increase in Maintenance of Way and Structures of \$837,014.53; Maintenance of Equipment of \$191,345.59; Traffic Expenses of \$52,323.18; Transportation Expenses of \$417,921.80, and General Expenses of \$69,265.07.

During the year 28 steel bridges, aggregating 4,267 feet in length, were built—replacing 1,484 feet of wooden bridges, 1,505 feet of iron bridges and 1,278 feet of embankment; and 470 wooden culverts were replaced with iron. About 1.70 miles of pile bridges were filled with earth, 51 bridges having been completely filled and 53 reduced in length by filling.

Improvements of the Company's shops have been made during the year at an aggregate cost of \$81,731.40, as follows:

Milwaukee	\$47,948 20
Dubuque	3,465 70
Minneapolis	30,317 50

Of this amount \$58,929.81 has been charged to Capital Account and \$22,801.59 to Renewal and Improvement Account.

Since the date of the last report, the corporate title of the Chicago, Milwaukee and St. Paul Railway Company of Washington has been changed to the Chicago, Milwaukee and Puget Sound Railway Company, and the last-named Company has acquired the railroad, property and franchises of the Chicago, Milwaukee and St. Paul Railway Companies of South Dakota, Idaho and Montana—which Companies were constructing a line of railway from the Missouri River to the Washington State Line—and the Montana Railroad Company.

Track laying on the line from the Missouri River to Tacoma and Seattle was completed May 14th, 1909, and the line was opened for the transportation of freight July 1st, 1909. During the present month the facilities for a local passenger service will be extended to cover the entire line. About 520 miles of branch lines are being constructed by the Chicago, Milwaukee and Puget Sound Railway Company, of which 160 miles are in the State of South Dakota, 120 miles in the State of North Dakota, 70 miles in the State of Idaho, and 170 miles in the State of Washington.

During the past year the Company has sustained a severe loss by the death of Mr. Henry H. Rogers, which occurred on the 19th day of May, 1909.

At a meeting of the Board of Directors, held in New York City on the 20th day of May, 1909, the following resolution was submitted and, on motion duly seconded, it was unanimously adopted;

"WHEREAS, it is appropriate that this Board should express its profound sorrow at the death of HENRY H. ROGERS, a highly useful and valued Director of the Company;

"THEREFORE, be it

"RESOLVED, that we deeply lament the death of Mr. Rogers, and desire to embody in the permanent records of the Company the sorrow felt by his associates in the management of its affairs at the great loss it has sustained.

"RESOLVED FURTHER, that we tender to the widow and family of Mr. Rogers our sincere sympathy, and that the Secretary be instructed to send a duly certified copy of these resolutions to the widow and family."

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.

AUGUST, 1909.

To the President:

Herewith are submitted the General Accounts and Statements of Operation of the Company for the fiscal year ending June 30th, 1909.

W. N. D. WINNE,

General Auditor.

STATEMENT OF INCOME ACCOUNT, JUNE 30TH, 1909.

Credit Balance, June 30th, 1908			\$42,641,978 47
Premium on Common Stock sold in 1901 and 1902		\$ 1,532,335 68	
Nominal value of securities of Insurance Department credited Income Account in June, 1893		10,000 00	1,522,335 68
Operating Revenues for the year ending June 30th, 1909		\$59,897,463 49	\$44,164,309 15
Operating Expenses, excluding Taxes	\$38,731,238 60		
Taxes	2,428,675 61		
Operating Expenses, including Taxes		41,159,914 21	
Operating Income		\$18,737,549 28	
Interest accrued during the year on Funded Debt		5,855,717 50	12,881,831 78
Income from other sources		\$ 1,090,245 01	
Rents received		228,227 88	
Revenue from operation of Sleeping, Parlor and Dining Cars, Elevators, Hotels and Restaurants		1,398,577 98	2,717,050 87
Hire of Equipment	\$ 811,978 99		\$59,763,191 80
Rents paid	455,807 93		
Expenses of Operation of Sleeping, Parlor and Dining Cars, Elevators, Hotels and Restaurants	1,218,895 41	\$ 2,486,682 33	
Dividend payable October 20th, 1908:			
3¼% on \$49,976,400—Preferred Stock	\$ 1,749,174 00		
3¼% on \$83,103,800—Common Stock	2,908,633 00	4,657,807 00	
Dividend payable March 1st, 1909:			
3¼% on \$49,976,400—Preferred Stock	\$ 1,749,174 00		
3¼% on \$83,103,800—Common Stock	2,908,633 00	4,657,807 00	11,802,296 33
Credit Balance, June 30th, 1909			\$47,960,895 47

18 CHICAGO, MILWAUKEE & ST. PAUL

GENERAL ACCOUNT, JUNE 30TH, 1909.

Cr.

Land and Equipment	\$274,468,163 11	Capital Stock—Preferred	\$116,274,900 00	
Land and Stock of other Companies	105,470,166 47	Capital Stock—Common	116,348,200 00	\$232,623,100 00
England Trust Co.—Bonds and cash in Trust for Dubuque Division Sinking Fund	\$358,483 71	Funded Debt		143,593,500 00
First Loan & Trust Co.—Cash held in Trust for Dubuque Division Wisconsin Valley Division Sinking Fund	71,680 17	Dubuque Division Sinking Fund	429,459 42	
Red Stock of the Company unsold, in its Treasury	343,000 00	Wisconsin Valley Division Sinking Fund	704 46	430,163 88
Common Stock of the Company unsold, in its Treasury	402,200 00	Renewal and Improvement Account		5,807,199 17
Mortgage Bonds, unsold, held in Treasury of the Company and due to Trustees	26,730,000 00	Equipment Replacement Account		1,123,136 84
Chicago & Northern R. R. Co. 6% Consolidated Mortgage Bonds, unsold, held in Treasury of this Company	1,089,000 00	Insurance Department		1,740,324 66
Investment Department—Investments	1,686,400 00	Pay Rolls and Vouchers	5,488,822 63	
Cash on hand	53,924 66	Due Transportation Companies	574,038 44	
Material and Fuel		Miscellaneous Balances	1,450,927 40	
Loans to other Companies	20,232,355 48	Dividends Unclaimed	14,959 00	
Agents and Conductors	1,901,996 74	Interest Coupons not presented	43,827 50	
Transportation Companies	1,161,328 17	Interest Accrued, not yet payable	2,648,008 75	10,221,483 72
Miscellaneous Balances	1,382,049 00	Income Account		47,960,895 47
United States Government	142,884 64			
Cash on hand	1,860,470 06			
	\$443,499,803 74			\$443,499,803 74

RAILWAY COMPANY.

CAPITAL STOCK, JUNE 30TH, 1909.

Amount of Preferred Stock, June 30th, 1908--	\$ 49,976,400 00
Amount of Common Stock, " " " "	88,877,900 00
Total Capital Stock, June 30th, 1908...	\$138,854,300 00
Preferred Stock issued during year-----	66,298,500 00
Common Stock " " " "	92,970,300 00
Total Capital Stock, June 30th, 1909...	\$225,623,100 00

FUNDED DEBT, JUNE 30TH, 1909.

Total Funded Debt, June 30th, 1908, including all liens on purchased roads-----	\$125,679,500 00
General Mortgage Bonds issued for Additions and Improvements to Property to June 30th, 1908-----	17,914,000 00
General Mortgage Bonds issued for underlying bonds retired and canceled-----	1,313,000 00
Deduct:	\$144,906,500 00

Bonds, retired and canceled as follows:

Wisconsin Valley R. R. Co-----	\$1,101,000 00
Iowa & Dakota Division Extension-----	212,000 00
Total Funded Debt, June 30th, 1909---	\$143,593,500 00

Of the total amount of bonds as stated above, there remain in the Treasury unsold and due from Trustees-----

\$27,828,000 00

FUNDED DEBT, JUNE 30TH, 1909.

DESCRIPTION OF BONDS.	DATE OF MATURITY.	INTEREST.				AMOUNT OF BONDS.
		RATE.	PAYABLE.	ACCRUED DURING THE YEAR.	PAID DURING THE YEAR.	
Southwestern Division	July 1, 1909	6 %	Jan'y and July	\$240,000 00	\$240,210 00	\$4,000,000 00
Hastings & Dakota Division Extension ..	Jan'y 1, 1910	7 "	" " "	397,600 00	397,520 00	5,680,000 00
Hastings & Dakota Division Extension ..	Jan'y 1, 1910	5 "	" " "	49,500 00	49,500 00	990,000 00
Chicago & Pacific Division	Jan'y 1, 1910	6 "	" " "	180,000 00	180,660 00	3,000,000 00
Southern Minnesota Division	Jan'y 1, 1910	6 "	" " "	445,920 00	444,750 00	7,432,000 00
Mineral Point Division	July 1, 1910	5 "	" " "	142,000 00	141,875 00	2,840,000 00
Terminal Mortgage	July 1, 1914	5 "	" " "	237,400 00	236,425 00	4,748,000 00
La Crosse & Davenport Division	July 1, 1919	5 "	" " "	125,000 00	124,775 00	2,500,000 00
Dubuque Division	July 1, 1920	6 "	" " "	302,940 00	303,450 00	5,049,000 00
Wisconsin Valley Division	July 1, 1920	6 "	" " "	115,680 00	115,770 00	1,928,000 00
Chicago & Pacific Western Division	Jan'y 1, 1921	5 "	" " "	1,267,000 00	1,265,875 00	25,340,000 00
Wisconsin & Minnesota Division	July 1, 1921	5 "	" " "	237,750 00	236,925 00	4,755,000 00
Chicago & Lake Superior Division	July 1, 1921	5 "	" " "	68,000 00	68,100 00	1,360,000 00
Chicago & Missouri River Division	July 1, 1926	5 "	" " "	154,150 00	154,675 00	3,083,000 00
General Mortgage	May 1, 1989	4 "	" " "	2,023,200 00	954,180 00	50,580,000 00
General Mortgage	May 1, 1989	3½ "	" " "	313,250 00	314,133 75	8,950,000 00
Mil. & Northern R. R. Co. 1st Mortgage ..	June 1, 1910	6 "	June and Dec.	129,300 00	126,900 00	2,155,000 00
Mil. & Northern R. R. Co. Consolidated ..	June 1, 1913	6 "	" " "	305,520 00	238,680 00	5,092,000 00
Dakota & Great Southern R'y Co.	Jan'y 1, 1916	5 "	Jan'y and July	142,800 00	142,525 00	2,856,000 00
Fargo & Southern R'y Co.	Jan'y 1, 1924	8 "	" " "	75,000 00	74,880 00	1,250,000 00
* Wisconsin Valley R. R. Co.				192 50		5,500 00
Interest on bonds retired				38,535 00	84,857 50	
				\$6,990,737 50		
Less amount of interest on bonds in the treasury of the Company and in hands of Trustees—not payable—included above				1,135,020 00		
Total				\$5,855,717 50	\$5,806,676 25	\$143,593,500 00

* Bonds matured and interest ceased January 1st, 1909.

DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES **FOR THE YEARS ENDING JUNE 30TH, 1908 AND 1909**

OPERATING REVENUES

	1908	1909	INCREASE	DECREASE
Freight Revenue.....	\$40,426,879 64	\$42,341,650 62	\$1,914,770 98	
Passenger Revenue.....	11,833,304 66	12,774,851 93	891,457 27	
Other Transportation Revenue.....	4,213,791 58	4,325,534 85	111,743 27	
Non-transportation Revenue.....	408,554 62	455,426 09	46,871 47	
TOTAL—Operating Revenues.....	\$56,932,620 50	\$59,897,463 49	\$2,964,842 99	

OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES				
Superintendence.....	\$227,451 10	\$258,129 22	\$30,678 12	
Ballast.....	36,896 18	112,108 31	75,212 13	
Ties.....	947,801 50	1,314,791 80	366,990 30	
Rails.....	336,238 69	206,335 22		\$129,903 47
Other Track Material.....	450,344 20	435,409 68		14,934 52
Roadway and Track.....	2,300,204 01	2,448,205 45	148,001 44	
Removal of Snow, Sand and Ice.....	155,433 65	186,409 34	30,925 69	
Bridges, Trestles and Culverts.....	668,835 72	792,099 82	123,264 10	
Over and Under Grade Crossings.....	14,914 18	17,905 25	2,991 07	
Grade Crossings, Fences, Cattle Guards and Signs.....	151,301 05	185,787 25	34,486 20	
Snow and Sand Fences and Snow Sheds.....	19,281 02	16,771 22		2,509 80
Signals and Interlocking Plants.....	84,082 92	106,818 62	22,735 70	
Telegraph and Telephone Lines.....	52,052 75	76,001 81	23,949 06	
Buildings, Fixtures and Grounds.....	526,488 01	609,504 39	83,016 38	
Docks and Wharves.....	55,976 23	9,977 52		45,998 71
Roadway Tools and Supplies.....	121,729 16	145,767 89	24,038 73	
Injuries to Persons.....	64,759 39	44,605 27		20,154 12
Stationery and Printing.....	9,007 03	10,587 19	1,580 16	
Other Expenses.....	736 10	247 45		488 65
Maintaining Joint Tracks, etc.—Dr.....	299,107 98	376,721 15	77,613 17	
Maintaining Joint Tracks, etc.—Cr.....	71,102 72	65,581 17	5,521 55	
TOTAL—Maintenance of Way and Structures.....	\$6,451,588 15	\$7,288,602 68	\$837,014 53	

MAINTENANCE OF EQUIPMENT				
Superintendence.....	\$130,276 13	\$130,008 17		\$267 96
Steam Locomotives—Repairs.....	2,246,478 97	2,299,638 40	\$53,159 43	
Steam Locomotives—Depreciation.....	180,878 55	192,083 78	11,405 21	
Passenger Train Cars—Repairs.....	548,099 87	541,269 75		6,830 12
Passenger Train Cars—Renewals.....	14,177 34	5,307 52		8,869 82
Passenger Train Cars—Depreciation.....	105,187 25	74,968 40		30,218 85
Freight Train Cars—Repairs.....	2,881,654 82	3,093,778 35	212,123 53	
Freight Train Cars—Renewals.....	84,173 74	89,056 03	4,882 29	
Freight Train Cars—Depreciation.....	434,141 76	437,609 37	3,467 61	
Work Equipment—Repairs.....	65,309 63	86,057 28	20,747 65	
Work Equipment—Renewals.....	14,499 95	4,254 07		10,245 88
Work Equipment—Depreciation.....	8,521 10	11,435 13	2,914 03	
Shop Machinery and Tools.....	184,104 53	234,417 35	50,312 77	
Injuries to Persons.....	23,296 84	31,573 95	8,277 11	
Stationery and Printing.....	13,587 28	12,785 08		802 20
Other Expenses.....	1,829 77	874 60		955 17
Maintaining Joint Equipment at Terminals—Dr.....	34,509 59	26,872 04		7,637 55
Equipment Borrowed—Dr.....	808,809 93			808,809 93
Maintaining Joint Equipment at Terminals—Cr.....	1,971 99	1,215 09	756 90	
Equipment Loaned—Cr.....	697,936 54		697,936 54	
TOTAL—Maintenance of Equipment.....	\$7,079,428 57	\$7,270,774 16	\$191,345 59	
TRAFFIC EXPENSES				
Superintendence.....	\$242,749 66	\$260,220 59	\$17,470 93	
Outside Agencies.....	585,355 74	623,159 79	37,804 05	
Advertising.....	334,085 54	273,813 41		\$60,272 13
Traffic Associations.....	28,981 25	29,005 85	24 60	
Industrial and Immigration Bureaus.....	7,404 53	26,297 81	18,993 28	
Stationery and Printing.....	81,149 76	118,332 95	37,183 19	
Other Expenses.....	1,956 53	3,075 79	1,119 26	
TOTAL—Traffic Expenses.....	\$1,281,683 01	\$1,384,006 19	\$52,323 18	

OPERATING EXPENSES—CONTINUED

TRANSPORTATION EXPENSES	1908	1909	INCREASE	DECREASE
Superintendence.....	\$325,568 45	\$326,021 76	\$453 31	
Dispatching Trains.....	296,780 80	334,444 85	37,664 05	
Station Employees.....	3,040,891 49	3,082,632 08	41,740 59	
Weighing and Car-Service Associations.....	82,833 47	79,036 63		\$3,796 84
Coal and Ore Docks.....	25,791 52	31,957 43	6,165 91	
Station Supplies and Expenses.....	210,548 80	217,678 04	7,129 24	
Yardmasters and their Clerks.....	174,732 16	182,686 39	7,954 23	
Yard Conductors and Brakemen.....	1,237,507 11	1,239,171 81	1,664 70	
Yard Switch and Signal Tenders.....	100,301 80	106,172 83	5,871 03	
Yard Supplies and Expenses.....	11,910 20	13,002 09	1,091 89	
Yard Enginemen.....	710,442 50	717,764 57	7,322 07	
Enginehouse Expenses—Yard.....	189,703 40	196,429 12	6,725 72	
Fuel for Yard Locomotives.....	648,963 06	636,444 41		12,518 65
Water for Yard Locomotives.....	32,673 30	35,501 41	2,828 11	
Lubricants for Yard Locomotives.....	8,145 31	10,451 93	2,306 62	
Other Supplies for Yard Locomotives.....	14,124 62	12,873 23		1,251 39
Operating Joint Yards and Terminals—Dr.....	515,942 66	509,815 10		6,127 56
Operating Joint Yards and Terminals—Cr.....	150,784 58	91,945 32	58,839 26	
Road Enginemen.....	2,617,197 27	2,701,370 86	84,173 59	
Enginehouse Expenses—Road.....	733,173 15	798,348 79	75,176 64	
Fuel for Road Locomotives.....	4,772,344 39	4,714,949 59		57,394 80
Water for Road Locomotives.....	184,447 12	195,799 60	11,352 48	
Lubricants for Road Locomotives.....	76,823 25	91,100 07	14,276 82	
Other Supplies for Road Locomotives.....	79,498 98	84,654 79	5,155 81	
Road Trainmen.....	2,846,152 46	2,934,733 52	88,581 06	
Train Supplies and Expenses.....	653,413 27	710,157 45	56,744 18	
Interlockers and Block and Other Signals—Operation.....	118,235 68	117,824 02		411 06
Crossing Flagmen and Gatemen.....	179,482 57	178,576 53		906 04
Drawbridge Operation.....	33,516 91	37,625 13	4,108 22	
Clearing Wrecks.....	68,160 89	73,041 57	4,880 68	
Telegraph and Telephone—Operation.....	39,395 79	44,154 86	4,759 07	
Stationery and Printing.....	152,131 69	157,265 73	5,134 04	
Other Expenses.....	29,781 48	27,803 52		1,978 16

24

CHICAGO, MILWAUKEE & ST. PAUL

TRANSPORTATION EXPENSES—Continued	1908	1909	INCREASE	DECREASE
Loss and Damage—Freight.....	\$742,067 25	\$625,660 38		\$116,406 87
Loss and Damage—Baggage.....	6,495 19	3,775 85		2,719 34
Damage to Property.....	61,436 49	84,263 89	\$22,827 40	
Damage to Stock on Right of Way.....	22,991 69	22,102 11		889 58
Injuries to Persons.....	438,222 51	525,422 25	87,199 74	
Operating Joint Tracks—Dr.....	44,069 39	55,032 81	10,963 42	
Operating Joint Tracks—Cr.....	18,563 43	59,331 22		40,767 79
TOTAL—Transportation Expenses.....	\$21,846,549 06	\$21,764,470 86	\$82,078 20	
GENERAL EXPENSES				
Salaries and Expenses of General Officers.....	\$172,606 72	\$186,309 92	\$13,703 20	
Salaries and Expenses of Clerks and Attendants.....	354,212 79	376,493 93	22,281 14	
General Office Supplies and Expenses.....	45,435 45	50,684 03	5,198 58	
Law Expenses.....	177,754 74	190,934 28	13,179 54	
Insurance.....	165,092 23	149,815 21		\$15,277 02
Stationery and Printing.....	49,939 57	50,549 73	610 16	
Other Expenses.....	23,502 16	50,989 12	27,486 96	
General Administration, Joint Tracks, Yards, etc.—Dr.....	16,279 61	17,971 06	1,691 45	
General Administration, Joint Tracks, Yards, etc.—Cr.....	753 63	362 57	391 06	
TOTAL—General Expenses.....	\$1,004,119 64	\$1,073,384 71	\$69,265 07	
TOTAL—Operating Expenses.....	\$27,163,365 43	\$28,781,238 60	\$1,567,870 17	
Net Operating Revenues.....	\$19,769,252 07	\$21,166,224 89	\$1,396,972 82	

RAILWAY COMPANY

COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES

FOR THE YEARS ENDING JUNE 30TH, 1908 AND 1909.

OPERATING REVENUES.

	1908		1909	
	AMOUNT	PER CENT	AMOUNT	PER CENT
Freight	\$40,426,879 64	71.01	\$42,341,650 62	70.69
Passenger	11,883,394 66	20.87	12,774,851 93	21.33
Mails, Express, etc.	4,622,316 20	8.12	4,780,960 94	7.98
Operating Revenues	\$56,932,620 50	100.00	\$59,897,463 49	100.00

OPERATING EXPENSES.

Maintenance of Way and Structures	\$6,451,588 15	11.33	\$7,288,602 68	12.17
Maintenance of Equipment	7,079,428 57	12.44	7,270,774 16	12.14
Traffic Expenses	1,281,683 01	2.25	1,334,006 19	2.23
Transportation Expenses	21,346,549 06	37.50	21,764,470 86	36.33
General Expenses	1,004,119 64	1.76	1,073,384 71	1.79
Operating Expenses, excluding Taxes	\$37,163,368 43	65.28	\$38,731,238 60	64.66

RECAPITULATION.

Operating Revenues	\$56,932,620 50	100.00	\$59,897,463 49	100.00
Operating Expenses, excluding Taxes	37,163,368 43	65.28	38,731,238 60	64.66
Net Operating Revenues	\$19,769,252 07	34.72	\$21,166,224 89	35.34
Average miles in operation during the year, including miles of main track used under contracts	7,499.23		7,511.73	

COMPARATIVE SUMMARY OF OPERATION

FOR THE YEARS ENDING JUNE 30TH, 1908 AND 1909.

	1908	1909	INCREASE
Operating Revenues	\$56,932,620 50	\$59,897,463 49	\$2,964,842 99
Operating Expenses, excluding Taxes	37,163,368 43	38,731,238 60	1,567,870 17
Net Operating Revenues	\$19,769,252 07	\$21,166,224 89	\$1,396,972 82
Freight Revenues per mile	\$5,390 80	\$5,636 74	\$245 94
Passenger and Miscellaneous Revenues per mile	2,200 99	2,337 12	136 13
Operating Revenues per mile	\$7,591 79	\$7,973 86	\$382 07
Operating Expenses, excluding Taxes, per mile	4,955 62	5,156 10	200 48
Net Operating Revenues per mile	\$2,636 17	\$2,817 76	\$181 59
Average miles in operation during the year, including miles of main track used under contracts	7,499.23	7,511.73	12.50

EXPENDITURES CHARGED TO CAPITAL ACCOUNTS

DURING THE YEAR ENDING JUNE 30TH, 1909.

Additional Equipment:			
221 Cinder Dump Cars.....	\$	90,729 49	
1 Motor Poling Car.....		3,500 00	\$ 94,229 49
Construction of Sundry Lines:			
Chamberlain to Rapid City, South Dakota ..		185,063 97	
Albert Lea to St. Clair, Minnesota		11,213 48	
Rutledge to Muscatine, Iowa		93,411 76	
Madison to Renner, South Dakota		6,884 60	
Completion of Sundry Lines		26,072 72	322,646 53
Second Main Track, River Division			509,933 99
Third and Fourth Main Tracks, Chicago & Milwaukee Div.			145,224 45
Reducing Grade and Improving Line:			
LaCrosse Division		1,207,308 39	
Chicago & Council Bluffs Division in Iowa ..		2,574,543 79	
River Division		693,077 05	
Iowa & Minnesota Division		266,031 29	
Chicago & Milwaukee Division		36,811 29	
Dubuque Division		1,000 00	
Hastings & Dakota Division		19,505 98	
James River Division		346,148 67	
Kansas City Division		3,847 47	
Change of Line, Redfield, South Dakota ..		24,729 48	
Change of Line, Oakwood, Wisconsin		146,484 76	
Change of Line, Portage, Wisconsin		17,635 01	5,337,123 18
Other Additions and Betterments:			
Additions and Improvements to Shops		58,929 81	
Tomah Frog Shop		13,063 65	
Galewood Yard and Structures		3,863 15	
Stock-Feeding Yards, Montevideo, Minn.		32,107 37	
General Office Building, Chicago		10,904 38	
Aberdeen Yard Improvements		45,289 85	
Yard Tracks, Sidings and Spur Tracks		317,192 88	
Ballast		284,167 34	
Interlocking and Automatic Signals		17,944 25	
Fences		3,007 74	
Bridges		380,224 41	
Loundhouses, Fuel and Water Stations, etc.		186,208 49	
Station Buildings, Platforms, Sidewalks, etc.		340,587 63	
Telegraph and Telephone Lines		11,459 47	
Miscellaneous		34,625 74	1,740,473 16
			\$8,149,633 80
Credit—Property sold, buildings destroyed, etc.....			74,539 42
			\$8,075,094 38
Road and Equipment, June 30th, 1908	\$264,860,733 05		
Premium on Stock sold in 1901 and 1902	1,522,335 68	266,393,068 73	
Road and Equipment, June 30th, 1909			\$274,468,103 11

TRANSPORTATION STATISTICS

FOR THE YEARS ENDING JUNE 30TH, 1908 AND 1909.

	1908	1909
Miles run by freight trains	16,715,119	17,052,972
Miles run by passenger trains	11,980,088	12,420,382
Miles run by mixed trains	1,488,921	1,413,101
Total miles run by revenue trains	30,184,128	30,886,455
Miles run by loaded freight cars	335,685,027	345,206,055
Miles run by empty freight cars	128,917,870	137,084,182
Tons of revenue freight carried	26,189,853	27,499,704
Tons of revenue freight carried one mile	4,980,486,245	5,051,527,001
Tons of Company freight carried one mile	776,949,058	881,652,408
Tons of revenue freight per freight and mixed train mile ..	273 59	273 58
Tons of Company freight per freight and mixed train mile ..	42 68	47 74
Total tons of freight per freight and mixed train mile	316 27	321 30
Average revenue per ton of revenue freight per mile	.3117 cts.	.3382 cts.
Average distance haul per ton of revenue freight	190.17	183.69
Average amount received per ton of revenue freight	\$1.5436	\$1.5397
Average revenue from freight per freight and mixed train mile	\$2.2208	\$2.2929
Tons of revenue freight per loaded car	14.837	14.633
Tons of Company freight per loaded car	2.314	2.554
Total tons of freight per loaded car	17.151	17.187
Average number of loaded freight cars per train	18.440	18.694
Average number of empty freight cars per train	7.082	7.424
Average number of freight cars per train	25.522	26.118
Passengers carried	14,234,127	15,261,551
Passengers carried one mile	619,468,248	674,672,186
Passengers carried per passenger and mixed train mile	45.99	48.73
Average revenue per passenger per mile	1.918 cts.	1.895 cts.
Average distance each passenger was carried	43.52	44.17
Average amount received per passenger	83.49 cts.	83.71 cts.
Average revenue from passengers per passenger and mixed train mile	83.23 cts.	92.35 cts.
Operating Expenses, including taxes, per revenue train mile ..	\$1.2312	\$1.2540

STATEMENT OF COMMODITIES TRANSPORTED

DURING THE YEARS ENDING JUNE 30TH, 1908 AND 1909.

COMMODITIES	1908		1909	
	Tons	Per Cent	Tons	Per Cent
PRODUCTS OF AGRICULTURE:				
Flour.....	818,482	3.125	837,222	3.044
Other Mill Products.....	370,866	1.416	427,813	1.556
Wheat.....	1,276,735	4.875	1,483,790	5.396
Rye.....	69,312	.265	72,020	.262
Barley.....	713,415	2.724	852,967	3.101
Oats.....	778,519	2.973	660,052	2.400
Corn.....	693,876	2.649	690,228	2.543
Flax Seed.....	101,056	.386	141,531	.515
Hay.....	182,442	.697	150,356	.547
Fruit and Vegetables.....	256,905	.981	360,238	1.310
Other Agricultural Products.....	378,072	1.446	182,800	.664
	5,640,370	21.537	5,868,017	21.335
PRODUCTS OF ANIMALS:				
Live Stock.....	1,198,676	4.569	1,118,853	4.068
Dressed Meats.....	353,181	1.349	326,556	1.187
Other Packing House Products.....	94,012	.359	78,590	.286
Other Animal Products.....	161,562	.617	239,684	.872
	1,805,431	6.894	1,763,683	6.413
PRODUCTS OF MINES:				
Anthracite Coal.....	834,521	3.186	826,818	3.007
Bituminous Coal.....	3,043,083	11.610	3,545,418	12.892
Coke.....	523,608	2.000	490,781	1.785
Iron and other Ores.....	1,574,219	6.010	1,541,241	5.604
Stone, Sand, etc.....	1,390,651	5.310	1,442,542	5.246
Salt.....	102,818	.393	101,354	.369
	7,468,900	28.518	7,948,184	28.903
PRODUCTS OF FOREST:				
Lumber, Lath and Shingles.....	1,649,425	6.298	1,904,196	6.925
Sash, Doors and Blinds.....	37,479	.143	57,321	.208
Other Forest Products.....	1,703,256	6.503	1,749,726	6.363
	3,390,160	12.944	3,711,243	13.496
MANUFACTURES:				
Petroleum and other Oils.....	286,729	1.095	304,549	1.108
Iron and Steel.....	991,661	3.442	914,094	3.324
Castings and Machinery.....	201,232	.768	199,110	.724
Agricultural Implements.....	130,902	.523	142,975	.520
Wagons, Carriages, Tools, etc.....	61,173	.234	59,282	.216
Lime, Cement and Plaster.....	459,544	1.755	641,073	2.331
Brick.....	548,963	2.096	737,539	2.682
Wines, Liquors and Beers.....	699,362	2.670	599,524	2.180
Household Goods and Furniture.....	130,449	.498	162,379	.590
Paper.....	158,010	.603	191,851	.698
Other Manufactures.....	938,223	3.582	946,572	3.442
	4,522,248	17.267	4,898,948	17.815
COMMODITIES NOT SPECIFIED.....	3,362,744	12.840	3,309,629	12.035
Total.....	26,189,853	100.000	27,499,704	100.000

EQUIPMENT, JUNE 30TH, 1909.

STANDARD GAUGE.

Locomotives.....	1,146
Passenger Cars.....	521
Sleeping Cars.....	100
Parlor Cars.....	24
Dining Cars.....	20
Observation Cars.....	6
Baggage, Mail, Express and Combination Cars.....	436
Freight Cars—	
Box Cars.....	29,498
Stock Cars.....	3,502
Flat, Coal and Ore Cars.....	8,833
Refrigerator and Vegetable Cars.....	1,859
Ballast Cars.....	1,463
	45,155
Caboose Cars.....	627
Wrecking and Tool Cars.....	585
Business Cars.....	15

NARROW GAUGE.

Locomotives.....	3
Passenger Cars.....	3
Baggage, Mail, Express and Combination Cars.....	1
Freight Cars—	
Box Cars.....	40
Stock Cars.....	36
Flat Cars.....	15
Caboose Cars.....	1
Total.....	48,734

During the year two locomotives were sold, ten passenger cars were changed to baggage cars and two motor poling cars previously omitted were included in the inventory.