1921

FIFTY-SEVENTH ANNUAL REPORT

OF THE

CHICAGO MILWAUKEE & ST. PAUL RAILWAY COMPANY

FOR THE

FISCAL YEAR ENDED DECEMBER 31, 1921

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CHICAGO, MILWAUKEE & ST. PAUL
RAILWAY COMPANY

DIRECTORS.

TERM EXPIRES MAY, 1922.

J. OGDEN ARMOUR	CHICAGO
STANLEY FIELD	CHICAGO
BURTON HANSON	CHICAGO
SAMUEL McROBERTS	NEW YORK

TERM EXPIRES MAY, 1923.

H. E. BYRAM	CHICAGO
A. J. EARLING	CHICAGO
W. E. S. GRISWOLD	NEW YORK
EDWARD S. HARKNESS	NEW YORK
G. G. MASON	NEW YORK

TERM EXPIRES MAY, 1924.

M. N. BUCKNER	NEW YORK
SAMUEL H. FISHER	NEW YORK
DONALD G. GEDDES	NEW YORK
WILLIAM ROCKEFELLER	NEW YORK

EXECUTIVE COMMITTEE.

H. E. BYRAM
SAMUEL H. FISHER
EDWARD S. HARKNESS
SAMUEL McROBERTS
G. G. MASON
WILLIAM ROCKEFELLER

OFFICERS.

H. E. BYRAM	President	CHICAGO
R. M. CALKINS	Vice-President in charge of Traffic	CHICAGO
B. B. GREER	Vice-President in charge of Operation	CHICAGO
H. B. EARLING	Vice-President	SEATTLE
E. D. SEWALL	Vice-President	CHICAGO
R. J. MARONY	Vice-President	NEW YORK
LEE W. SPRATLEN	Assistant to President	CHICAGO
J. W. TAYLOR	Assistant to President	CHICAGO
W. W. K. SPARROW	Assistant to President	CHICAGO
E. W. ADAMS	Secretary	MILWAUKEE
A. C. HAGENSICK	Assistant Secretary	MILWAUKEE
A. G. LOOMIS	Treasurer	CHICAGO
JOHN DICKIE	Assistant Treasurer	CHICAGO
R. J. MARONY	Ass't Treas., Ass't Sec'y and Transfer Agent	NEW YORK
F. B. SIMPSON	Ass't Treas., Ass't Sec'y and Transfer Agent	NEW YORK
WALTER V. WILSON	Comptroller	CHICAGO
C. F. LOWETH	Chief Engineer	CHICAGO
BURTON HANSON	General Counsel	CHICAGO
H. H. FIELD	General Solicitor	CHICAGO
J. T. GILLICK	General Manager—Lines East	CHICAGO
MACY NICHOLSON	General Manager—Lines West	SEATTLE

REPORT

OF THE

BOARD OF DIRECTORS.

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

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1921.

The Directors submit to the Stockholders the following report of the operations of the Company for the year ended December 31, 1921.

INCOME ACCOUNT.

RAILWAY OPERATING INCOME:		
Railway operating revenues...	$146,765,766.04	
Railway operating expenses...	127,957,001.87	
Net railway operating revenue.	$ 18,808,764.17	
Railway tax accruals.........	8,762,089.33	
Uncollectible railway revenues..	283,545.53	
Railway operating income.....................		$ 9,763,129.31
NON OPERATING INCOME:		
Rents received—Equipment..	$ 218,995.34	
Rents received—Other......	711,481.44	
Income from lease of road....	300,574.54	
Dividends on stocks.........	74,496.83	
Interest on bonds...........	48,790.17	
Interest on other securities and accounts..................	225,624.38	
Amount accrued under guarantee provision Section 209, Transportation Act 1920...	2,277,796.51	
Miscellaneous income........	514,098.77	$ 4,371,857.98
Gross income.......................		$14,134,987.29
DEDUCTIONS:		
Interest on funded debt......	$ 18,767,680.70	
Interest on unfunded debt....	180,424.29	
Rents paid—Equipment.....	3,485,115.38	
Rents paid—Lease of road...	459,593.53	
Rents paid—Other..........	1,751,880.86	
Miscellaneous..............	560,901.19	25,205,595.95
NET DEFICIT		$ 11,070,608.66

ACQUISITION OF CONTROL OF THE CHICAGO, MILWAUKEE & GARY RAILWAY COMPANY.

January 1, 1922, your Company acquired the control of the Chicago, Milwaukee & Gary Railway Company, a corporation of the State of Illinois. This control was acquired pursuant to the terms and provisions of an agreement dated December 31, 1921, between your Company and the St. Louis Union Trust Company, the owner and holder of all of the securities of the Chicago, Milwaukee & Gary Railway Company, consisting of the capital stock of that company, of the par value of $1,000,000 and of First Mortgage Five Percent Forty Year Gold Bonds of that Company of the par value of $5,700,000. By the terms of that Agreement, the St. Louis Union Trust Company has delivered to your Company all of said capital stock and $2,700,000 of said bonds, in consideration of your Company guaranteeing the payment of the principal of $3,000,000 of said bonds and the interest thereon accruing after January 1st, 1924. The principal of these bonds does not mature until April 1st, 1948. The Interstate Commerce Commission, pursuant to the provisions of the Transportation Act, 1920, has approved and authorized such control on the terms and conditions of the Agreement of December 31st, 1921.

The railway of the Chicago, Milwaukee & Gary Railway Company comprises 96.83 miles of main track and 9.74 miles of branch lines, which connects with the railway of the Terre Haute Division of your Company at Delmar, Illinois, with the railway of the Illinois Division of your Company at Kirkland, Illinois, and with the railway of the Racine & Southwestern Division of your Company at Rockford, Illinois. It has direct connections at Delmar and Momence, Illinois, with the New York Central and Chicago & Eastern Illinois lines, and forms an outer belt line around Chicago.

The control of the Chicago, Milwaukee & Gary Railway Company by your Company, enables it to transport Company and commercial coal originating on the Terre Haute Division, as well as on the lines of the Chicago & Eastern Illinois Railway Company, direct to points on its lines west and north, without hauling the same through the expensive terminals of Chicago, and with shorter haulage. This not only expedites movement, but greatly reduces the cost of transportation.

ACQUISITION BY LEASE OF THE CHICAGO, TERRE HAUTE & SOUTHEASTERN RAILWAY.

The Stockholders having given their approval of the transaction at the last annual meeting on May 12th, 1921, the lease of the railway property and franchises of the Chicago, Terre Haute and Southeastern Ry. Co. to the Chicago, Milwaukee & St. Paul Ry. Co. for a term of nine hundred and ninety nine years became effective on July 1st, 1921.

These leased lines extend from Chicago Heights, Illinois, a point about twenty-seven miles south of Chicago, to Westport, Indiana, and consist of 361.41 miles of main track, 7.64 miles of second main track, 5.44 miles of connection tracks, and 196.41 miles of yard tracks, sidings and spur tracks, a total of 570.90 miles of track.

Under this lease valuable trackage rights are acquired over about 48 miles of other railway lines, of which about 35 miles has second main track, making direct connections with the lines of this company near Franklin Park, Illinois, on the Illinois Division.

The revenues and expenses of the lines mentioned above have been included since July 1st, 1921, with the revenues and expenses of this company's lines.

ADDITIONS AND BETTERMENTS.

EQUIPMENT:

Authority has been given for the purchase of 2500, fifty ton, steel underframe gondola cars. 1500 to be purchased from the Haskell & Barker Company and 1000 from the Bettendorf Company. Authority was also granted for the conversion of 12 Class A-1 compound locomotives to simple type, of which 8 were completed during the year, the remainder will be completed early in 1922.

BRIDGES:

Reconstruction of Bridges FF-1014 over the Ebey Slough and FF-1018 over the Snohomish River, near Everett, Washington, on the Coast Division, was practically completed during the year. Both structures span navigable waterways and include movable spans to permit the passage of waterway traffic.

WATER STATIONS:

The following water treating plants, referred to in last year's report as being under construction were completed and placed in operation during the year: Iowa and Dakota Division—Sanborn, Iowa, Lennox, Marion Junction, and Bridgewater, S. D. Sioux City and Dakota Division—Ethan, Avon, Tyndall and Platte, S. D. A water treating plant at Scotland, S. D., on the Sioux City and Dakota Division, was constructed during the year and placed in service in January 1922.

The new water station at Tyndall and the work necessary to increase the quantity and improve the quality of the present supplies at Yankton and Platte, S. D., on the Sioux City and Dakota Division, and at Plankinton, S. D., on the Iowa and Dakota Division, commenced in 1920, was completed before the close of the year 1921. Similar work at Lennox, S. D., on the Iowa and Dakota Division, mentioned in last year's report, has been temporarily deferred, but its completion is expected in 1922. During the year work was commenced at Sanborn, Iowa for new water station facilities to increase the quantity over that obtained with the present facilities.

BALLAST:

On the Trans-Missouri Division Branch Line, Trail City to Faith, S. D., approximately 25,000 yards of cinders were placed on parts of 20 miles of line not previously ballasted.

INTERLOCKING PLANTS:

An interlocking plant was constructed and placed in operation at University Place, Evanston, Illinois. This plant controls the movement of Chicago, North Shore & Milwaukee R. R. trains to and from that company's Church Street Station.

GRADE SEPARATION:

The elevation of tracks on the Evanston Line of the Chicago Terminal Division between Montrose Avenue and Howard Street, a distance of 4.4 miles, was continued. At the end of the year approximately 90% of the work was completed, 5% having been done during the year.

The new stations at Loyola and Morse Avenues and Howard Street,on which work was started in 1920 were completed and placed in operation. Approximately 80,000 cubic yards of filling was placed, completing the filling for the third and fourth tracks.

The work remaining to be done consists of the completion of unfinished bridge floors, the laying of the fourth main track and the construction of six permanent stations located at Argyle Street, and Berwyn, Bryn Mawr, Thorndale, Granville and Jarvis Avenues.

CHICAGO,TERRE HAUTE & SOUTHEASTERN RAILWAY.

ADDITIONAL TRACKS:

Trackage of 9,097 lineal feet to serve the J. W. Hamilton and the Baker Mines was constructed at Hawton, Indiana, completing a system of tracks at these mines—9.602 lineal feet having been laid prior to July 1, 1921.

Construction of an additional loading track, 811 feet long and of 2.466 feet of storage tracks serving the Talleydale Mine at Clovelly, and the Fayette, Talleydale and Bardyke Mines at Bridge Junction, Indiana, respectively, was commenced and has been completed since the close of the year.

Crossovers were constructed at Posen and Blue Island, Illinois, providing permanent connections with the Indiana Harbor Belt R. R. at Posen and the Baltimore and Ohio Chicago Terminal Railroad, at Blue Island, to accomodate freight service between Faithorn and Bensenville, Illinois.

Construction of an additional passing track, 2353 ft. long at Belt Junction, Indiana, to expedite train movement, was commenced and since the close of the year the work has been completed.

TURNTABLES:

Work was commenced on the replacement of a 62 ft. steel turntable at Terre Haute, Indiana, with a 70 ft. steel turntable and incidental changes, including rearrangement of tracks and turnouts. The work has been completed since the close of the year.

GUARANTY PERIOD.

As stated in report for last year, the Company filed with the Interstate Commerce Commission a statement of its operations during the guaranty period under the provisions of the Transportation Act, 1920. In addition to the amount of \$14,297,702.00 reported received in last year's report, further advances were made during the year 1921, amounting to \$8,137,190.05, which were used in payment of interest on funded debt and other miscellaneous current obligations.

A claim is pending before the Interstate Commerce Commission for the balance of the amount due under the guaranty.

FEDERAL VALUATION.

Satisfactory progress was made on the Federal Valuation of the Company's property during the year. All field work was completed. All maps were completed and delivered to the Bureau of Valuation and final certificate of completion was filed. Joint work was continued with the Bureau of Valuation on the final collection and adjustment of quantities. Final collections are 20% completed and the Bureau is now applying prices to the inventory. Considerable progress has been made in the development of original costs and reproduction prices to be used in the application of prices to the inventory. During the latter part of the year the District offices of the Bureau of Valuation were consolidated at Washington, D. C., thereby somewhat delaying the progress of the work, and it is now probable that the Tentative Valuation will not be served upon the Company until sometime during the year 1923.

MILES OF TRACK, DECEMBER 31, 1921.

Owned solely by this Company:		
Main track	10,159.53	
Second main track	1,050.12	
Third main track	22.30	
Fourth main track	15.47	
Connection tracks	42.64	
Yard tracks, sidings and spur tracks	3,372.69	14,662.75
Owned jointly with other Companies:		
Main track	109.32	
Second main track	6.10	
Third main track	1.95	
Fourth main track	1.90	
Connection tracks	8.03	
Yard tracks, sidings and spur tracks	214.25	341.55
Used by this Company under contracts:		
Main track	407.16	
Second main track	123.34	
Third main track	1.14	531.64
Used by this Company under lease:		
Main track	361.41	
Second main track	7.64	
Connection tracks	5.44	
Yard tracks, sidings and spur tracks	196.41	570.90
Total miles of track		16,106.84

Average miles of main track in operation during the year:

Owned solely	10,152.16 miles
Owned jointly	108.95 "
Used under contracts and under lease	547.52 "
Total average miles operated	10,808.63 miles

The lines of road of this Company owned solely and jointly are located in the following States:

Wisconsin	1,793.12 miles
Illinois	418.75 "
Iowa	1,865.40 "
Minnesota	1,230.85 "
North Dakota	379.81 "
South Dakota	1,795.95 "
Missouri	140.25 "
Michigan	199.22 "
Montana	1,235.29 "
Idaho	230.67 "
Washington	979.54 "
Total main track owned solely and jointly	10,268.85 miles

EQUIPMENT CHANGES.

During the year the remaining twenty nine of the one hundred Mikado Steam Locomotives mentioned in the 1920 report as being constructed under contract were received. Equipment rebuilt during the year consisted of 44 steam locomotives, 150 coal cars, 2 express refrigerator cars and 1 Company service car. One locomotive was converted for use as a shop switching locomotive, 4 open top observation cars and 7 Company service cars were converted from other passenger and freight equipment and 28 freight train cars and one Company service car previously reported as taken out of service were reinstated, as follows:

73 Locomotives—steam	4 Ore cars
17 Box cars	2 Express refrigerator cars
151 Coal cars	4 Open top observation cars
4 Flat cars	9 Work train cars
2 Refrigerator cars	1 Company service locomotive

During the year 46 steam locomotives and 1512 cars were destroyed by wreck or fire, sold or taken down on account of small capacity, converted or rebuilt, as follows:

46 Locomotives—steam	10 Ore cars
766 Box cars	3 Gas-electric motor cars
134 Flat cars	1 Sleeping car
132 Stock cars	2 Parlor cars
231 Coal cars	1 Observation car
91 Refrigerator cars	1 Passenger and baggage car
14 Caboose cars	101 Work train cars
22 Ballast cars	

RESERVE FOR ACCRUED DEPRECIATION.

At the close of the fiscal year, ending December 31, 1920 there was at the credit of reserve for accrued depreciation the sum of $17,863,662.62.

A certain percentage of the total cost of equipment has been credited to this reserve for the estimated depreciation of locomotives, passenger train cars, freight train cars and work equipment, accrued during the year, which, together with other adjustments, aggregates $3,237,496.29.

There has been charged to this reserve an amount of $373,411.97 representing the accrued depreciation, previously credited, on locomotives and cars destroyed, sold or taken down during the year, which results in a net increase in this reserve of $2,864,084.32 for the year.

The balance of this reserve, December 31, 1921, as shown in the balance sheet is $20,727,746.91, which represents the estimated depreciation of rolling stock from June 30, 1907, to December 31, 1921.

EQUIPMENT, DECEMBER 31, 1921.

	C.M.&St.P. Ry.Co.	C.T.H.&S. E.Ry.Co.
Locomotives—steam	1,945	70
Locomotives—electric	62	——
Freight-Train Cars:		
Box cars	37,883	191
Flat cars	4,668	905
Stock cars	4,670	7
Coal cars	6,859	5,309
Refrigerator cars	1,696	24
Caboose cars	992	48
Other freight-train cars (ore cars)	1,913	——
Ballast cars	2,277	——
	60,958	6,484
Passenger-Train Cars:		
Coaches	635	64
Combination passenger cars		
Passenger, baggage and mail	4	——
Passenger and baggage	98	7
Gas-electric motor cars	4	——
Baggage-buffet	5	——
Buffet-observation	16	——
Buffet-lounging cars	2	——
Other Combination Cars		
Baggage, mail and express	4	——
Baggage and mail	83	4
Mail and express	51	——
Dining cars	56	——
Parlor cars	23	——
Sleeping cars—standard	201	——
Sleeping cars—tourist	36	——
Baggage and express cars	338	2
Postal cars	42	——
Opentop observation cars	4	——
	1,602	77
Company Service Cars:		
Officers' and pay cars	23	3
Derrick cars	52	1
Steam shovels	23	1
Wrecking cars	19	10
Other company service cars	2,650	133
	2,767	148
Floating Equipment:		
Tug boats	1	——
Barges	8	——
Total	67,343	6,779

INSURANCE FUND.

INSURANCE RESERVE ACCOUNT

INCOME:	
Premium received:	
For Insurance of railway properties	$ 390,976.63
Less—reinsurance paid	146,001.59
Net premium income	$ 244,975.04
Other Income:	
Interest received on securities owned	$ 92,991.96
Gross Income	$ 337,967.00
DISBURSEMENTS:	
Fire losses—Net	$ 337,967.00

ASSETS AND LIABILITIES

ASSETS:	
Funded	
Securities as shown on page 15	$ 3,296,748.77
LIABILITIES:	
Insurance Reserve	$ 3,296,748.77

INSURANCE FUND.

INVESTMENTS—SECURITIES

The Insurance Reserve December 31, 1921, amounts to $3,296,748.77, which is invested in securities at par, as shown in the following statement:

Chicago, Milwaukee & St. Paul Ry. Co. Stock:

Preferred stock	$ 86,100.00
Common stock	5,300.00
Total C. M. & St. P. Ry. Co. Stock	$ 91,400.00

Chicago, Milwaukee & St. Paul Ry. Co. Bonds:

Chicago, Milwaukee & Puget Sound Ry. Co. 4%	$ 1,000,000.00
Fargo & Southern Ry. Co. 6%	2,000.00
Milwaukee & Northern R. R. Co. First 4½%	38,000.00
Milwaukee & Northern R. R. Co., Cons., 4½%	20,000.00
General Mortgage 4%	759,000.00
General & Refunding Mortgage Convertible 5%	11,500.00
Twenty-five Year Gold 4%	83,000.00
Convertible Gold 4½%	19,200.00
Tacoma Eastern R. R. Co. 5%	51,000.00
Four per cent Gold of 1925	1,121,648.77
Total C. M. & St. P. Ry. Co. Bonds	$ 3,105,348.77

Bonds of other Companies:

Chicago & Western Indiana R. R. Co. 4%	$ 100,000.00
Total Bonds of other Companies	$ 100,000.00
Grand Total	$ 3,296,748.77

CAPITAL STOCK.

At the close of the last fiscal year (December 31, 1920), the share capital of the Company amounted to $233,686,200.00 and consisted of $117,411,300.00 of Common Stock and $116,274,900.00 of Preferred Stock, of which $429,100.00 Preferred Stock and $5,300.00 Common Stock are held by the Company.

Of the Preferred Stock held by the Company, $343,000.00 is in the Treasury and $86,100.00 is in the Insurance Reserve Fund.

All of the $5,300.00 of Common Stock held by the Company is in the Insurance Reserve Fund.

No Capital Stock has been issued during the year ended December 31, 1921.

FUNDED DEBT.

At the close of the last fiscal year the Funded Debt of the Company was $529,562,654.66.

It has been decreased during this fiscal year by $25,340,000.00 Chicago and Pacific Western Division 5% Bonds matured January 1st, 1921; by $4,755,000.00 Wisconsin and Minnesota Division 5% Bonds matured July 1st, 1921; by $1,360,000.00 Chicago and Lake Superior Division 5% Bonds matured July 1st, 1921; by $2,192,600.00 6% Equipment Gold Notes matured January 15th, 1921 and January 15th, 1922, by $15,000.00 Bellingham and Northern Railway 5% Bonds retired and $557,981.96 European Loan 4% Bonds of 1910 retired.

It has been increased during this fiscal year by $557,981.96 Four Per Cent Gold Bonds of 1925 issued in place of European Loan 4% Bonds of 1910 retired.

There have been issued during the year $43,000,000.00 General Mortgage 5% Bonds maturing May 1st, 1989 in place of underlying bonds, which have been retired and cancelled during this and previous years, and these bonds have been used by the company for collateral purposes.

There have been issued during the year notes in favor of the United States Government bearing interest at 6% for $25,340,000.00. maturing March 1st, 1922 and $10,000,000.00 maturing January 1st, 1923. The first mentioned note will be extended by the Government at $25,000,000.00 to mature March 1st, 1927.

The amount of Bonds and Notes at the close of this fiscal year is $574,240,054.66, of which $160,257,358.24 are in the treasury of the Company, and $413,982,696.42 have been issued and are outstanding.

Mortgage Bonds of the Company known as the Wisconsin and Minnesota Division Bonds in the principal amount of $4,755,000.00 and the Chicago and Lake Superior Division Bonds in the principal amount of $1,360,000.00, matured July 1, 1921.

On account of the prevailing high rates of interest, it was not deemed advisable to issue, at this time, either General Mortgage Bonds or General and Refunding Mortgage Bonds of the Company for the purpose of meeting this maturity and other obligations.

Accordingly, an application was made to the Interstate Commerce Commission under the Transportation Act, 1920 for the loan of $10,000,000.00.

The application was granted, and this amount was loaned to the Company on its note which matures January 1st, 1923 bearing interest at the rate of six per cent per annum. Substantially all of the bonds have been paid, and the remainder will be paid when presented.

TREASURY BONDS.

At the close of the year ending December 31st, 1920 there were in the Treasury, bonds to the amount of............................	$117,247,200.00
There have been added during the year, bonds as follows:	
General Mortgage 5% Bonds................	43,000,000.00
Tacoma Eastern R. R. Co. 5% Bonds.........	10,000.00
Four per cent Gold Scrip of 1925............	158.24
Treasury Bonds December 31st, 1921.........	$160,257,358.24
Composed of the following:	
General and Refunding Mortgage bonds certified for the acquisition of additional property or additions and betterments and other lawful corporate purposes..................	$73,495,200.00
General and Refunding Mortgage bonds certified by the Trustee against expenditures for additional properties or additions and betterments, and available for sale at any time:	
Pledged with United States Government....	43,722,000.00
	$117,247,200.00
General Mortgage 5% Bonds	
Pledged with United States Government....	43,000,000.00
Tacoma Eastern R. R. Co.	
First Mortgage 5% Bonds................	40,000.00
Four per cent Gold Scrip of 1925............	158.24
Total............................	$160,257,358.24

For the purpose of consistent comparison, the statements on pages 27 to 39 inclusive, cover the results of two months of federal operation, and ten months of corporate operation for the year 1920, and corporate operations for the entire year 1921.

General balance sheet, income, profit and loss and other tables relating to corporate affairs and statements showing results of operation are appended hereto.

By order of the Board of Directors.
April, 1922.

H. E. BYRAM,
President.

GENERAL BALANCE SHEET AS OF DECEMBER 31, 1921
ASSET SIDE.

INVESTMENTS:		
Road and equipment		$661,811,512.64
Miscellaneous physical property		3,528,016.09
Investments in affiliated companies:		
Stocks	$ 4,472,424.08	
Bonds	110,387.00	
Notes	522,338.65	
Advances	22,320,837.76	27,425,987.49
Other investments:		
Stocks	$ 1,728,421.99	
Bonds	367,189.25	
Notes	436,300.00	
Advances	91,145.12	2,623,056.36
Total investments		$695,388,572.58
CURRENT ASSETS:		
Cash	$ 7,729,919.26	
Special deposits	1,388,520.16	
Loans and bills receivable	48,633.64	
Traffic and car-service balances	816,364.21	
Due from agents and conductors	3,384,237.72	
Miscellaneous accounts receivable	4,781,391.81	
Material and supplies	15,480,393.71	
Interest receivable unmatured	55,125.74	
Due from United States Government under Transportation Act 1920	2,093,715.51	
Total current assets		35,778,301.76
DEFERRED ASSETS:		
Working fund advances	$ 119,156.49	
Securities in Insurance fund	3,296,748.77	
Other deferred assets	143,339.11	
Total deferred assets		3,559,244.37
UNADJUSTED DEBITS:		
Insurance premiums paid in advance	$ 183,412.84	
Other unadjusted debits	2,987,378.80	
Total unadjusted debits		3,170,791.64
GRAND TOTAL		$737,896,910.35

GENERAL BALANCE SHEET AS OF DECEMBER 31, 1921
LIABILITY SIDE.

CAPITAL STOCK:			
Common stock			
In hands of public	$ 117,406,000.00		
In Insurance reserve	5,300.00	$117,411,300.00	
Preferred Stock			
In hands of Public	$ 115,845,800.00		
Held by Company	343,000.00		
In Insurance reserve	86,100.00	116,274,900.00	
Premiums realized on capital stock		36,183.87	
		$233,722,383.87	
Less Preferred Stock held by Company unsold		343,000.00	
Total Capital Stock			$233,379,383.87
GOVERNMENTAL GRANTS:			
Grants in aid of construction			27,002.08
FUNDED DEBT—UNMATURED			
Mortgage Bonds:			
In hands of public	$ 341,285,447.65		
Held by Company	160,257,358.24		
In Insurance reserve	3,105,348.77	$504,648,154.66	
Equipment Obligations:			
Equipment gold notes		14,251,900.00	
Miscellaneous Obligations:			
United States Government Notes		55,340,000.00	
		$574,240,054.66	
Less bonds held by company unsold		160,257,358.24	
Total Funded Debt unmatured			413,982,696.42
Total Capital Stock and Funded Debt			$647,389,082.37
CURRENT LIABILITIES:			
Loans and bills payable		$ 2,575,438.93	
Traffic and car-service balances		2,139,066.97	
Payrolls and vouchers		13,628,007.62	
Miscellaneous accounts payable		875,772.62	
Interest matured unpaid		1,631,314.43	
Dividends matured unpaid		3,213.50	
Funded debt matured unpaid		123,400.00	
Unmatured interest accrued		5,948,464.60	
Unmatured rents accrued		312,168.00	
Total current liabilities			27,236,846.67
DEFERRED LIABILITIES:			
Other deferred liabilities		$ 364,951.79	
Total deferred liabilities			364,951.79
UNADJUSTED CREDITS:			
Tax liability		$ 4,906,112.03	
Insurance fund reserve		3,296,748.77	
Operating reserves		690,598.44	
Accrued depreciation—Equipment		20,727,746.94	
Other unadjusted credits		4,134,142.00	
Total unadjusted credits			33,755,348.18
CORPORATE SURPLUS:			
APPROPRIATED SURPLUS:			
Additions to property through income and surplus		$ 603,389.61	
Funded debt retired through income and surplus—B. & N. Ry.		387,000.00	
Sinking fund reserves—B. & N. Ry.		1,250.00	991,639.61
PROFIT AND LOSS—BALANCE:			
Surplus			28,159,041.73
GRAND TOTAL			$737,896,910.35

STATEMENT OF INCOME ACCOUNT

YEAR ENDED DECEMBER 31, 1921.

I. OPERATING INCOME.		
Railway operating revenues	$146,765,766.04	
Railway operating expenses	127,957,001.87	
Net revenue from railway operations	$ 18,808,764.17	
Railway tax accruals	8,762,089.33	
Uncollectible railway revenues	283,545.53	
Railway operating income		$ 9,763,129.31
II. NONOPERATING INCOME.		
Rent from locomotives	$ 39,817.94	
Rent from passenger-train cars	142,518.11	
Rent from floating equipment	3,008.94	
Rent from work equipment	33,650.35	
Joint facility rent income	348,208.43	
Income from lease of road	300,574.54	
Miscellaneous rent income	17,541.61	
Misc. nonoperating physical property	345,733.40	
Separately operated properties—Profit	212,583.91	
Dividend income	74,496.83	
Income from funded securities	48,790.17	
Income from unfunded securities and accounts	218,177.16	
Income from sinking and other reserve funds	7,447.22	
Amount accrued under guarantee provision Section 209 Transportation Act 1920	2,277,796.51	
Miscellaneous income	301,514.86	
Total nonoperating income		4,371,857.98
Gross income		$ 14,134,987.29
III. DEDUCTIONS FROM GROSS INCOME.		
Hire of freight cars—Debit balance	$ 3,354,199.72	
Rent for locomotives	17,827.53	
Rent for passenger-train cars	101,845.58	
Rent for floating equipment	3.22	
Rent for work equipment	11,239.33	
Joint facility rents	1,727,886.30	
Rent for leased roads	459,593.53	
Miscellaneous rents	23,994.56	
Miscellaneous tax accruals	188,502.35	
Separately operated properties—Loss	20,486.20	
Interest on funded debt, and notes	18,767,080.70	
Interest on unfunded debt	180,424.29	
Miscellaneous income charges	243,920.68	
Total deductions from gross income		25,097,603.99
Net deficit		$ 10,962,616.70
IV. DISPOSITION OF NET INCOME		
Income applied to sinking and other reserve funds	$ 107,991.96	
Total appropriations of income		107,991.96
Deficit transferred to Profit and Loss		$ 11,070,608.66

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1921.

DEBIT		CREDIT	
Debit balance for year brought forward from Income Account	$11,070,608.66	Balance December 31, 1920	$38,376,166.05
Surplus applied to sinking and other reserve funds	441,375.15	Profit on road and equipment sold	24,610.73
Surplus appropriated for investment in physical property	280,816.46	Unrefundable overcharges	98,142.20
Loss on retired road	373,883.85	Construction donations	280,816.46
Loss on retired equipment	275,450.67	Miscellaneous credits	2,160,379.88
Miscellaneous debits	338,939.70		
Balance Credit, December 31, 1921, carried to general balance sheet	28,159,041.73		
	$40,940,116.22		$40,940,116.22

CAPITAL STOCK, DECEMBER 31, 1921.

Common Stock, December 31, 1920	$117,411,300.00
Preferred Stock, December 31, 1920	116,274,900.00
No changes during the year.	
Total Capital Stock December 31, 1921	$233,686,200.00

FUNDED DEBT AND NOTES UNMATURED, DECEMBER 31, 1921.

Total Funded Debt, Unmatured December 31, 1920, including all liens on purchased roads		$529,562,654.66
Decrease during the year:		
Chicago & Pacific Western Division Bonds matured January 1st, 1921	$ 25,340,000.00	
Wisconsin & Minnesota Division Bonds matured July 1st, 1921	4,755,000.00	
Chicago & Lake Superior Division Bonds matured July 1st, 1921	1,360,000.00	
Equipment Gold Notes paid		
Due January 15th, 1921	1,096,300.00	
Due January 15th, 1922	1,096,300.00	
European Loan Bonds of 1910, purchased	557,981.96	
Bellingham & Northern Ry. Co. bonds, retired	15,000.00	34,220,581.96
		$495,342,072.70
Increase during the year:		
Note in favor of United States Government at 6% due March 1st, 1922	$ 25,340,000.00	
Note in favor of United States Government at 6% due January 1st, 1923	10,000,000.00	
General Mortgage 5% Bonds due May 1st, 1989	43,000,000.00	
Four Per Cent Gold Bonds of 1925, issued in place of European Loan Bonds	557,981.96	78,897,981.96
Total Funded Debt and Notes Unmatured December 31, 1921		$574,240,054.66
Of the total amount of bonds as stated above, there remains in the Treasury		$160,257,358.24

SECURITIES OWNED.

Investments in affiliated companies:	
Capital stock:	Book Value
Davenport, Rock Island & Northwestern Ry. Co	$ 1,750,000.00
Indiana Harbor Belt R. R. Co	1,000,000.00
White Sulphur Springs & Yellowstone Park Ry. Co	173,645.07
Kansas City Terminal Ry. Co	183,333.33
Des Moines Union Ry. Co	126,000.00
Minneapolis Eastern Ry. Co	15,475.00
Minnesota Transfer Ry. Co	7,000.00
St. Paul Union Depot Co	103,600.00
Chicago Union Station Co	7,000.00
Milwaukee Land Co	500,000.00
St. Paul Coal Co	350,000.00
Excelsior Coal Co	150,000.00
Republic Coal Co	100,000.00
Continental Telegraph Co	299.30
Reliance Power Co	6,071.38
	$ 4,472,424.08
Bonds:	
Minneapolis Eastern Ry. Co	110,000.00
Des Moines Union Ry. Co	387.00

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY COMPANY
FUNDED DEBT AND NOTES UNMATURED. DECEMBER 31, 1921.

Description of Bonds and Notes	Date of Maturity	Total Funded Debt and Notes	In Treasury and Insurance Reserve	In Hands of Public	Interest: Rate	Interest: Payable	Interest: Accrued During the Year
Tacoma Eastern R. R. 1st Mtg	Jan. 1, 1923	$ 884,000.00	$ 91,000.00	$ 793,000.00	5 %	Jan. & July	$ 39,650.00
Fargo & Southern Ry. Co	Jan. 1, 1924	1,250,000.00	2,000.00	1,248,000.00	6 %	Jan. & July	74,880.00
European Loan of 1910	June 1, 1925	11,954,847.65	....	11,954,847.65	4 %	June & Dec.	485,329.38
Four per cent Gold of 1925	June 1, 1925	36,221,807.01	1,121,807.01	35,100,000.00	4 %	June & Dec.	1,404,000.00
Chicago & Missouri River Div	July 1, 1926	3,083,000.00	....	3,083,000.00	5 %	Jan. & July	154,150.00
Convertible Gold	June 1, 1932	50,000,000.00	19,200.00	49,980,800.00	4½ %	June & Dec.	2,249,136.00
Bell'ham & Nor. Ry. 1st Mtg	Dec. 1, 1932	469,000.00	....	469,000.00	5 %	June & Dec.	23,450.00
Mil. & Nor. R. R. Co. 1st Mtg	June 1, 1934	2,155,000.00	38,000.00	2,117,000.00	4½ %	June & Dec.	95,265.00
Mil. & Nor. R. R. Co. Consol	June 1, 1934	5,092,000.00	20,000.00	5,072,000.00	4½ %	June & Dec.	228,240.00
Twenty-five Year Gold	July 1, 1934	33,369,000.00	83,000.00	33,286,000.00	4 %	Jan. & July	1,331,440.00
Chi., Mil. & Puget Sound Ry	Jan. 1, 1949	27,175,000.00	1,000,000.00	26,175,000.00	4 %	Jan. & July	1,047,000.00
General Mortgage	May 1, 1989	49,000,000.00	759,000.00	48,241,000.00	4 %	Jan. & July	1,929,640.00
General Mortgage	May 1, 1989	8,950,000.00	....	8,950,000.00	3½ %	Jan. & July	313,250.00
General Mortgage	May 1, 1989	42,597,000.00	....	42,597,000.00	4½ %	Jan. & July	1,916,865.00
General Mortgage	May 1, 1989	43,000,000.00	43,000,000.00	....	5 %	Jan. & July	....
General and Refund. Mtge	Jan. 1, 2014	43,089,000.00	....	43,089,000.00	4½ %	Apl. & Oct.	1,939,005.00
General and Refund. Mtge. Conv.	Jan. 1, 2014	29,141,300.00	11,500.00	29,129,800.00	5 %	Feb. & Aug	1,456,490.00
General and Refund. Mtge	Jan. 1, 2014	117,217,200.00	117,217,200.00	....	6 %	Not fixed	....
Equipment Gold Notes	*Jan. 15, 1935	14,251,900.00	....	14,251,900.00	6 %	Jan. & July	855,114.00
U. S. Government Note	Mar. 1, 1930	20,000,000.00	....	20,000,000.00	6 %	Mar. & Sep.	1,197,790.05
U. S. Government Note	Mar. 1, 1922	25,340,000.00	....	25,340,000.00	6 %	Mar. & Sep.	1,506,400.00
U. S. Government Note	Jan. 1, 1923	10,000,000.00	....	10,000,000.00	6 %	Jan. & July	301,657.46
Int. on bonds mat. and retired	....	....	....	....			218,928.81
Total		$574,240,054.66	$163,362,707.01	$410,877,347.65			$18,767,680.70

*One note $1,096,300.00 matures each year, the last one January 15, 1935.

CHICAGO, TERRE HAUTE & SOUTH EASTERN RAILWAY COMPANY

FUNDED DEBT AND NOTES UNMATURED, DECEMBER 31, 1921.

Description of Bonds and Notes	Date of Maturity	Total in hand of Public	Interest: Rate	Interest: Payable	Interest: Accrued July 1st. to Dec. 31st. 1921
Bedford Belt Ry. Co., First Mortgage	July 1, 1938	$ 250,000.00	5%	Jan. & July	$ 6,250.00
Southern Indiana Ry. Co., First Mortgage	Feb. 1, 1951	7,287,000.00	4%	Feb. & Aug.	145,740.00
First and Refunding Mortgage	Dec. 1, 1960	4,554,000.00	5%	June & Dec.	110,150.00
Income Mortgage	Dec. 1, 1960	6,336,000.00	5%	Mch. & Sept.	158,400.00
Equipment Gold	Apl. 1, 1922	40,000.00	5%	Apl. & Oct.	1,000 00
Equipment Gold	Oct. 1, 1922	45,000.00	5%	Apl. & Oct.	1,125.00
Equipment Gold	Apl. 1, 1923	45,000.00	5%	Apl. & Oct.	1,125 00
Equipment Gold	July 1, 1922	10,000.00	5%	Jan. & July	250.00
Equipment Gold	July 1, 1923	10,000.00	5%	Jan. & July	250.00
Demand Notes	Oct. 1, 1922	167,400.00	7%	Apl. & Oct.	5,859.00
Demand Notes	Oct. 1, 1923	167,400.00	7%	Apl. & Oct.	5,859.00
Demand Notes	Oct. 1, 1924	167,400.00	7%	Apl. & Oct.	5,859.00
Demand Notes	Oct. 1, 1925	167,400.00	7%	Apl. & Oct.	5,859.00
Interest on bonds and notes matured and retired					3,592.25
Total		$19,246,600.00			$451,318.25

CHARGES TO PROPERTY INVESTMENT—ROAD & EQUIPMENT

DURING THE YEAR ENDED DECEMBER 31, 1921.

Additional equipment purchased, built, reinstated, or converted:		
29 Steam locomotives, new, including part cost of 71 units delivered in 1920	$ 3,892,862.29	
44 Steam locomotives, rebuilt—part cost	1,422,715.69	
1 Shop locomotive, converted	4,915.42	
17 Box cars, reinstated	10,131.95	
150 Coal cars, rebuilt	267,230.66	
1 Coal car, reinstated	388.67	
4 Flat cars, reinstated	2,456.59	
2 Refrigerator cars, reinstated	1,674.49	
4 Ore cars, reinstated	2,625.28	
4 Observation cars, converted	30,891.61	
2 Express refrigerator cars, rebuilt	10,908.56	
7 Company service cars, converted	38,296.52	
1 Company service car, reinstated	539.20	
1 Company service car, rebuilt	4,920.11	
Miscellaneous equipment		
1 Ford Sedan	739.51	
Improvements to Locomotives and Cars	930,955.04	
Gross Additions and Betterments—Equipment		$ 6,622,251.59
Less original cost of equipment destroyed, sold or taken down during the year:		1,784,909.70
Net Additions and Betterments—Equipment		$ 4,837,341.89
Additions and Betterments—Road:		
Land for transportation purposes	$ 94,787.89	
Grading	259,798.70	
Elevated structures	5,947.23	
Bridges, trestles and culverts	420,502.24	
Ties	132,445.81	
Rails	66,674.30	
Other track material	247,877.40	
Ballast	91,669.37	
Track laying and surfacing	32,804.17	
Right of way fences, etc	21,937.28	
Crossings and signs	117,386.24	
Station and office buildings	181,694.32	
Roadway and miscellaneous buildings	29,486.48	
Water and fuel stations	181,229.03	
Shops and enginehouses	259,485.82	
Grain elevators and storage warehouses	117.26	
Wharves and docks	1,676.34	
Telegraph and telephone lines	8,279.20	
Signals and interlockers	14,569.67	
Power stations, transmission systems, etc.	*61,994.18*	
Paving and assessments	152,738.91	
Roadway machines and tools	11,282.17	
Shop machinery	143,425.30	
Miscellaneous	*49,257.54*	
Gross Additions and Betterments—Road	$ 2,364,563.41	
Credit—Road property retired or converted	616,352.68	
Net Additions and Betterments—Road		$ 1,748,210.73
Net Additions and Betterments—Road and Equipment		$ 6,585,552.62
Road and Equipment, December 31, 1920	$658,157,161.47	
Less Miscellaneous Physical Property	2,931,201.45	655,225,960.02
Road and Equipment, December 31, 1921		$661,811,512.64

DETAILED STATEMENT OF RAILWAY OPERATING REVENUES, EXPENSES AND INCOME

For the years ended December 31, 1920 and 1921.

RAILWAY OPERATING REVENUES.

Transportation	1920*	1921*	Increase	Decrease
Freight	$117,183,815.31	$104,894,847.55	....	$ 12,288,967.76
Passenger	31,033,594.19	26,915,455.94	....	4,118,138.25
Excess baggage	247,066.18	259,372.49	$ 12,306.31	....
Sleeping car	2,025,315.73	1,609,679.21	....	415,636.52
Parlor and chair car	83,216.17	67,011.27	....	16,204.90
Mail	6,207,635.60	3,159,611.17	....	3,048,024.43
Express	4,477,179.49	3,009,236.48	....	1,467,943.01
Other passenger train	42,555.77	45,578.11	3,022.34	....
Milk	1,338,882.69	1,571,640.17	232,757.48	....
Switching	2,287,184.14	2,812,873.19	525,689.05	....
Special service train	30,561.83	56,664.96	26,103.13	....
Total—Transportation revenue	$164,957,007.10	$144,401,970.54	....	$ 20,555,036.56
Incidental				
Dining and buffet	$ 1,139,879.58	$ 861,932.63	....	$ 277,946.95
Hotel and restaurant	7,283.59	6,063.13	....	1,220.46
Station, train and boat privileges	108,078.54	83,786.28	....	24,292.26
Parcel room	4,255.24	4,035.31	....	219.93
Storage—Freight	173,027.50	156,399.88	....	16,627.62
Storage—Baggage	25,627.86	23,010.01	....	2,617.85
Demurrage	826,387.23	475,369.28	....	351,017.95
Telegraph and telephone	137,247.37	111,293.57	....	25,953.80
Stock yards	136,408.03	46,484.12	....	89,923.91
Rent of buildings and other property	145,563.48	145,785.58	$ 222.10	....
Miscellaneous	419,261.05	317,265.43	....	101,995.62
Total—Incidental revenue	$ 3,123,019.47	$ 2,231,425.22	....	$ 891,594.25
Joint Facility				
Joint facility—Credit	$ 85,047.89	$ 136,416.15	$ 51,368.26	....
Joint facility—Debit	*6,340.31*	*4,045.87*	2,294.44	....
Total—Joint facility revenue	$ 78,707.58	$ 132,370.28	$ 53,662.70	....
Total—Railway operating revenues	$168,158,734.15	$146,765,766.04	....	$ 21,392,968.11

*See note on page 18.

RAILWAY OPERATING REVENUES, EXPENSES AND INCOME—Continued.

RAILWAY OPERATING EXPENSES.

Maintenance of Way and Structures	1920*	1921*	Increase	Decrease
Superintendence	$ 1,532,024.73	$ 1,399,865.10	....	$ 132,159.63
Roadway maintenance	3,720,005.68	2,080,937.54	....	1,639,068.14
Tunnels and subways	21,310.11	11,351.43	....	9,958.68
Bridges, trestles and culverts	1,815,616.45	1,176,246.25	....	639,370.20
Elevated Structures		883.27	$ 883.27	....
Ties	3,502,138.93	2,986,113.31	....	516,025.62
Rails	443,678.06	284,745.62	....	158,932.44
Other track material	878,955.16	498,391.08	....	380,564.08
Ballast	760,729.09	149,861.41	....	610,867.68
Track laying and surfacing	8,990,156.81	4,878,630.55	....	4,111,526.26
Right of way fences	381,320.48	145,730.79	....	235,589.69
Snow and sand fences and snowsheds	39,152.57	25,447.15	....	13,705.42
Crossings and signs	399,334.43	245,138.82	....	154,195.61
Station and office buildings	917,082.22	518,630.03	....	398,452.19
Roadway buildings	93,085.22	21,611.34	....	71,473.88
Water stations	383,269.98	239,047.17	....	144,222.81
Fuel stations	148,202.58	106,917.58	....	41,285.00
Shops and enginehouses	1,152,007.34	571,112.37	....	580,894.97
Storage warehouses	*437.13*	....	437.13	....
Wharves and docks	103,540.60	47,896.27	....	55,644.33
Coal and ore wharves	80,877.10	33,562.10	....	47,315.00
Telegraph and telephone lines	253,884.47	216,075.95	....	37,808.52
Signals and interlockers	723,586.62	367,882.51	....	355,704.11
Power plant buildings	15,295.24	10,001.16	....	5,294.08
Power sub-station buildings	5,884.02	4,097.46	....	1,786.56
Power transmission systems	10,869.81	11,519.60	649.79	....
Power distribution systems	181,364.26	137,500.47	....	43,863.79
Power line poles and fixtures	30,174.97	19,611.03	....	10,563.94

*See note on page 18.

RAILWAY OPERATING REVENUES, EXPENSES AND INCOME—Continued.

Maintenance of Way and Structures—Concluded	1920*	1921*	Increase	Decrease
Miscellaneous structures	$ 39,294.41	$ 3,335.77	$	$ 35,958.64
Paving	9,538.19	2,369.65	....	7,168.54
Roadway machines	146,868.80	94,289.04	....	52,579.76
Small tools and supplies	384,265.71	208,990.48	....	175,275.23
Removing snow, ice and sand	540,284.26	210,355.21	....	329,929.05
Assessments for public improvements	14,348.59	16,527.20	2,178.61	....
Injuries to persons	214,209.38	183,751.75	....	30,457.63
Insurance	45,563.68	167,558.84	121,995.16	....
Stationery and printing	21,744.78	26,397.24	4,652.46	....
Other expenses	27,657.46	3,563.31	....	24,094.15
Maintenance joint tracks, yards and other facilities—Debit	1,106,591.60	1,150,397.36	43,805.76	....
Maintenance joint tracks, yards and other facilities—Credit	*322,843.61*	*269,051.11*	53,792.50	....
Total maintenance of way and structures	$28,810,633.05	$17,987,292.10	....	$10,823,340.95
Maintenance of Equipment				
Superintendence	$ 1,489,184.08	$ 1,436,263.04	....	$ 52,921.04
Shop machinery	635,559.62	440,015.25	....	195,544.37
Power plant machinery	124,244.69	114,391.88	....	9,852.81
Power sub-station apparatus	33,895.23	5,530.80	....	28,364.43
Steam locomotives—Repairs	17,468,777.58	14,441,993.75	....	3,026,783.83
Steam locomotives—Depreciation	695,686.74	792,963.97	97,277.23	....
Steam locomotives—Retirements	53,182.20	199,236.07	146,053.87	....
Other locomotives—Repairs	1,111,110.63	488,838.26	....	622,272.37
Other locomotives—Depreciation	178,637.53	208,830.33	30,192.80	....
Freight train cars—Repairs	12,533,344.77	11,193,219.81	....	1,340,124.96
Freight train cars—Depreciation	1,962,021.68	1,903,484.90	....	58,536.78
Freight train cars—Retirements	268,143.82	197,771.38	....	70,372.44
Passenger train cars—Repairs	3,476,871.58	2,998,328.45	....	478,543.13
Passenger train cars—Depreciation	281,257.41	281,508.38	250.97	....
Passenger train cars—Retirements	9,668.15	260.18	....	9,407.97

*See note on page 18.

RAILWAY OPERATING REVENUES, EXPENSES AND INCOME—Continued.

Maintenance of Equipment—Concluded	1920*	1921*	Increase	Decrease
Motor equipment of cars—Repairs	$ 16,049.54	$ 13,436.27	....	$ 2,613.27
Motor equipment of cars—Depreciation	2,197.81	2,211.30	$ 13.49	....
Floating equipment—Repairs	58,052.79	18,162.39	....	39,890.40
Floating equipment—Depreciation	4,830.97	4,931.21	100.24	....
Work equipment—Repairs	538,681.90	282,570.48	....	256,111.42
Work equipment—Depreciation	41,159.14	43,566.20	2,407.06	....
Work equipment—Retirements	14,188.57	7,978.44	....	6,210.13
Miscellaneous equipment—Repairs	216.03	675.60	459.57	....
Miscellaneous equipment—Retirements		1,028.51	1,028.51	....
Injuries to persons	252,853.89	175,482.65	....	77,371.24
Insurance	142,818.62	146,864.18	4,045.56	....
Stationery and printing	73,001.03	73,526.94	525.91	....
Other expenses	26,062.41	11,407.69	....	14,654.72
Maintaining joint equipment at terminals—Debit	73,302.40	63,611.87	....	9,690.53
Maintaining joint equipment at terminals—Credit	*7,849.84*	*4,239.93*	3,609.91	....
Total maintenance of equipment	$41,557,150.97	$35,543,850.25	....	$ 6,013,300.72
Traffic				
Superintendence	$ 529,155.41	$ 489,426.17	....	$ 39,729.24
Outside agencies	784,769.71	1,128,337.66	$ 343,567.95	....
Advertising	95,732.06	106,547.45	10,815.39	....
Traffic associations	80,978.70	81,740.17	761.47	....
Industrial and immigration bureaus	10,496.50	17,401.13	6,904.63	....
Insurance	226.46	483.36	256.90	....
Stationery and printing	224,397.90	268,301.80	43,903.90	....
Other expenses	6.68	926.62	919.94	....
Total traffic expenses	$ 1,725,763.42	$ 2,093,164.36	$ 367,400.94	....

*See note on page 18.

RAILWAY OPERATING REVENUES, EXPENSES AND INCOME—Continued.

Transportation	1920*	1921*	Increase	Decrease
Superintendence	$ 1,352,603.51	$ 1,157,318.92	....	$ 195,284.59
Dispatching trains	930,937.75	789,971.35	....	140,966.40
Station employes	11,212,403.65	8,985,280.35	....	2,227,123.30
Weighing, inspection and demurrage bureaus	239,084.82	190,098.73	....	48,986.09
Coal and ore wharves	173,783.23	52,033.98	....	121,749.25
Station supplies and expenses	678,132.61	663,633.91	....	14,498.70
Yardmasters and yard clerks	1,549,347.58	1,330,061.69	....	219,285.89
Yard conductors and brakemen	4,692,907.03	3,264,372.21	....	1,428,534.82
Yard switch and signal tenders	519,743.56	362,501.62	....	157,241.94
Yard enginemen	2,895,401.01	2,122,249.06	....	773,151.95
Yard motormen	41,601.80	24,667.68	....	16,934.12
Fuel for yard locomotives	3,659,738.94	2,568,854.47	....	1,090,884.47
Yard switching power produced	3,083.60	5,941.30	$ 2,857.70	....
Yard switching power purchased	21,728.58	16,778.42	....	4,950.16
Water for yard locomotives	121,828.24	125,086.70	3,258.46	....
Lubricants for yard locomotives	57,619.12	59,320.06	1,700.94	....
Other supplies for yard locomotives	50,975.82	42,710.16	....	8,265.66
Enginehouse expenses—Yard	2,184,163.66	1,832,844.26	....	351,319.40
Yard supplies and expenses	345,167.41	81,737.45	....	263,429.96
Operating joint yards and terminals—Debit	1,527,542.83	1,403,036.58	....	124,506.25
Operating joint yards and terminals—Credit	*371,807.80*	*246,031.13*	125,776.67	....
Train enginemen	7,486,759.18	5,771,328.09	....	1,715,431.09
Train motormen	586,043.37	414,574.63	....	171,468.74
Fuel for train locomotives	17,073,424.28	11,942,776.34	....	5,130,647.94
Train power produced	192,461.12	156,247.43	....	36,213.69
Train power purchased	1,044,180.07	967,761.93	....	76,418.14
Water for train locomotives	616,466.52	576,135.62	....	40,330.90
Lubricants for train locomotives	313,192.68	282,613.23	....	30,579.45
Other supplies for train locomotives	269,886.26	191,490.41	....	78,395.85
Enginehouse expenses—Train	4,196,342.08	3,710,286.68	....	486,055.40
Trainmen	9,427,482.66	7,219,107.16	....	2,208,375.50
Train supplies and expenses	4,540,421.26	3,445,657.57	....	1,094,763.69
Operating sleeping cars	644,159.77	584,436.78	....	59,722.99
Signals and interlocker operation	486,001.55	470,456.43	....	15,545.12

*See note on page 18.

RAILWAY OPERATING REVENUES, EXPENSES AND INCOME—Continued.

Transportation—Concluded	1920*	1921*	Increase	Decrease
Crossing protection	$ 628,509.04	$ 584,584.31	$	$ 43,924.73
Drawbridge operation	82,325.58	70,687.51	....	11,638.07
Telegraph and telephone operation	390,898.12	297,110.95	....	93,787.17
Operating floating equipment	128,003.02	142,596.78	14,593.76	....
Stationery and printing	313,875.57	332,686.29	18,810.72	....
Other expenses	69,124.94	68,138.07	....	986.87
Operating joint tracks and facilities—Debit	623,347.99	596,568.13	....	26,779.86
Operating joint tracks and facilities—Credit	*353,109.99*	*301,799.30*	51,310.69	....
Insurance	39,331.84	101,282.11	61,950.27	....
Clearing wrecks	541,892.89	229,937.69	....	311,955.20
Damage to property	168,011.52	290,744.59	122,733.07	....
Damage to live stock on right of way	137,444.32	102,938.81	....	34,505.51
Loss and damage—Freight	3,513,516.05	2,720,060.20	....	793,455.85
Loss and damage—Baggage	10,262.10	5,578.40	....	4,683.70
Injuries to persons	1,219,906.95	1,072,872.42	....	147,034.53
Total transportation expenses	$86,276,147.69	$66,879,327.03	....	$ 19,396,820.66
Miscellaneous Operations				
Dining and buffet service	$ 1,201,850 85	$ 954,618.32	....	$ 247,232.53
Hotels and restaurants	5,527.06	6,914.89	$ 1,387.83	....
Stockyards	140,656.83	61,651.79	....	79,005.04
Other miscellaneous operations	466.35	....	....	466.35
Total miscellaneous operations	$ 1,348,501.09	$ 1,023,185.00	....	325,316.09
General				
Salaries and expenses of general officers	$ 370,707.53	$ 431,694.55	$ 60,987.02	....
Salaries and expenses of clerks and attendants	3,443,305.61	2,884,183.02	....	$ 559,122.59
General office supplies and expenses	144,166.38	145,425.55	1,259.17	....
Law expenses	331,748.74	415,812.18	84,063.44	....

*See note on page 18.

RAILWAY OPERATING REVENUES, EXPENSES AND INCOME—Concluded.

General—Concluded	1920*	1921*	Increase	Decrease
Insurance	$ 294.65	$ 621.48	$ 326.83	$ ....
Stationery and printing	176,271.54	145,093.21	....	31,178.33
Valuation expenses	543,872.46	372,098.96	....	171,773.50
Other expenses	109,730.31	102,142.61	....	7,587.70
General joint facilities—Debit	71,794.56	75,800.98	4,006.42	....
General joint facilities—Credit	*1,390.06*	*256.08*	1,133.98	....
Total general expenses	$ 5,190,501.72	$ 4,572,616.46	$	$ 617,885.26
Transportation for Investment—Credit	$ *211,576.96*	$ *142,433.33*	$ 69,143.63	....
Total railway operating expenses	$164,697,120.98	$127,957,001.87	....	$36,740,119.11

SUMMARY

	1920*	1921*	Increase	Decrease
Railway operating revenues	$168,158,734.15	$146,765,766.04	....	$ 21,392,968.11
Railway operating expenses	164,697,120.98	127,957,001.87	....	36,740,119.11
Net railway operating revenue	$ 3,461,613.17	$ 18,808,764.17	$ 15,347,151.00	....
Railway tax accruals	*11,872,832.09	8,762,089.33	....	$ 3,110,742.76
Uncollectible railway revenues	39,948.22	283,545.53	243,597.31	....
Railway operating income	$ ‡8,451,167.14	$ 9,763,129.31	$ 18,214,296.45	....

‡Deficit. *See note on page 18.

* Taxes were accounted for during the year 1920 on the basis of accruals. In previous years taxes were accounted for on the basis of payments during the year For this reason year 1920 not only includes taxes paid in that year but also accruals for current year.

COMPARATIVE STATEMENT OF RAILWAY OPERATING REVENUES AND EXPENSES

For the years ended December 31, 1920 and 1921.

RAILWAY OPERATING REVENUES.

	1920*		1921*	
	Amount	Per Cent	Amount	Per Cent
Freight revenue	$117,183,815.31	69.68	$104,894,847.55	71.47
Passenger revenue	31,033,594.19	18.46	26,915,455.94	18.34
Other transportation revenue	16,739,597.60	9.95	12,591,667.05	8.58
Incidental revenue	3,123,019.47	1.86	2,231,425.22	1.52
Joint facility revenue	78,707.58	.05	132,370.28	.09
Railway operating revenues	$168,158,734.15	100.00	$146,765,766.04	100.00
RAILWAY OPERATING EXPENSES.				
Maintenance of way and structures	$28,810,633.05	17.13	$17,987,292.10	12.25
Maintenance of equipment	41,557,150.97	24.71	35,543,850.25	24.22
Traffic expenses	1,725,763.42	1.03	2,093,164.36	1.43
Transportation expenses	86,276,147.69	51.31	66,879,327.03	45.56
Miscellaneous operations	1,348,501.09	.80	1,023,185.00	.70
General expenses	5,190,501.72	3.09	4,572,616.46	3.12
Transportation for investment—Credit	*211,576.96*	*.13*	*142,433.33*	*.10*
Railway operating expenses	$164,697,120.98	97.94	$127,957,001.87	87.18
RECAPITULATION.				
Railway operating revenues	$168,158,734.15	100.00	$146,765,766.04	100.00
Railway operating expenses	164,697,120.98	97.94	127,957,001.87	87.18
Net railway operating revenue	$ 3,461,613.17	2.06	$ 18,808,764.17	12.82
Average miles in operation during the year, including miles of main track used under contracts and lease	10,623.64	....	10,808.63	....

*See note on page 18

COMPARATIVE SUMMARY OF OPERATION

For the years ended December 31, 1920 and 1921.

	1920*	1921*	Increase	Decrease
Railway operating revenues	$168,158,734.15	$146,765,766.04	....	$21,392,968.11
Railway operating expenses	164,697,120.98	127,957,001.87	....	36,740,119.11
Net railway operating revenue	$ 3,461,613.17	$18,808,764.17	$15,347,151.00	....
Freight revenue per mile of road	$ 11,030.48	$ 9,704.73	....	$ 1,325.75
Passenger revenue per mile of road	2,921.18	2,490.18	....	431.00
Miscellaneous revenues per mile of road	1,877.07	1,383.66	....	493.41
Railway operating revenues per mile of road	$ 15,828.73	$ 13,578.57	....	$ 2,250.16
Railway operating expenses per mile of road	15,502.89	11,838.41	....	3,664.48
Net railway operating revenue per mile of road	$ 325.84	$ 1,740.16	$ 1,414.32	....
Average miles in operation during the year, including miles of main track used under contracts and lease	10,623.64	10,808.63	184.99	....

*See note on page 18.

RAILWAY OPERATING REVENUES, EXPENSES, TAXES AND INCOME

By months for the year ended December 31, 1921.*

Month	Railway Operating Revenues	Railway Operating Expenses	Net Railway Operating Revenue	Railway Tax Accruals	Uncollectible Railway Revenues	Railway Operating Income
January 1921	$11,587,656.27	$11,749,406.79	$‡ 161,750.52	$ 719,401.35	$ 1,333.60	$‡ 882,485.47
February "	10,152,244.76	10,202,432.94	‡ 50,188.18	719,401.35	1,119.05	‡ 770,708.58
March "	11,995,681.12	11,119,500.33	876,180.79	727,401.35	1,959.06	146,820.38
April "	10,621,047.50	10,337,166.60	283,880.90	744,435.44	4,785.72	‡ 465,340.26
May "	11,059,949.62	10,412,697.35	647,252.27	744,410.44	8,744.98	‡ 105,903.15
June "	12,353,000.65	10,456,789.35	1,896,211.30	744,410.45	50,664.99	1,101,135.86
July "	12,197,539.69	10,008,264.34	2,189,275.35	765,410.36	29,367.03	1,394,497.96
August "	14,381,659.92	11,106,573.96	3,275,085.96	747,449.29	17,017.58	2,510,619.09
September "	14,271,444.27	10,548,622.44	3,722,821.83	747,449.29	5,676.76	2,969,695.78
October "	14,989,443.85	11,214,898.18	3,774,545.67	740,733.36	8,419.77	3,025,392.54
November "	11,808,316.47	10,659,716.92	1,148,599.55	740,733.36	15,713.74	392,152.45
December "	11,347,781.92	10,140,932.67	1,206,849.25	620,853.29	138,743.25	447,252.71
Total	$146,765,766.04	$127,957,001.87	$18,808,764.17	$ 8,762,089.33	$ 283,545.53	$ 9,763,129.31

‡ Deficit

*See Note on page 18.

STATEMENT OF COMMODITIES TRANSPORTED
DURING THE YEARS ENDED DECEMBER 31, 1920 AND 1921.

COMMODITIES	1920*		1921*	
	TONS	PER CENT	TONS	PER CENT
PRODUCTS OF AGRICULTURE:				
Wheat	1,560,455	3.6	1,634,683	4.8
Corn	1,020,445	2.3	1,549,370	4.5
Oats	809,025	1.8	669,209	2.0
Other grain	603,596	1.3	417,966	1.2
Flour and meal	830,566	1.8	816,893	2.4
Other mill products	439,256	1.0	363,711	1.1
Hay, straw and alfalfa	389,891	.9	176,512	.5
Tobacco	53,067	.1	40,151	.1
Cotton			22,531	.1
Cotton seed and products, except oil	1,707	.1	655	–
Citrus fruits	37,209	.1	78,106	.2
Other fresh fruits	296,967	.6	300,804	.9
Potatoes	106,533	.2	147,752	.4
Other fresh vegetables	198,570	.4	84,369	.2
Dried fruits and vegetables	47,907	.1	56,571	.2
Other products of agriculture	429,910	.9	413,131	1.2
Total	6,825,104	15.2	6,772,414	19.8
PRODUCTS OF ANIMALS:				
Horses and mules	37,362	.1	24,683	.1
Cattle and calves	937,735	2.0	761,967	2.2
Sheep and goats	61,392	.1	51,927	.2
Hogs	626,133	1.4	661,863	1.9
Fresh meats	215,426	.5	227,237	.7
Other packing house products	73,924	.1	89,516	.3
Poultry	17,936	.1	15,406	–
Eggs	30,209	.1	36,479	.1
Butter and cheese	47,863	.1	50,870	.2
Wool	7,130	.1	7,367	–
Hides and leather	78,254	.2	71,465	.2
Other products of animals	74,351	.1	65,884	.2
Total	2,207,715	4.9	2,064,664	6.1
PRODUCTS OF MINES:				
Anthracite coal	582,250	1.2	478,343	1.4
Bituminous coal	8,196,798	18.2	6,594,041	19.4
Coke	479,417	1.0	222,978	.7
Iron ore	372,357	.8	158,613	.5
Other ores and concentrates	3,265,895	7.2	875,401	2.6
Base bullion and matte	574	.1	473	–
Clay, gravel, sand and stone	2,495,707	5.5	2,860,642	8.3
Crude petroleum	4,011	.1	106,920	.3
Asphalt	26,728	.1	9,352	–
Salt	135,399	.3	142,339	.4
Other products of mines	82,653	.2	36,073	.1
Total	15,641,789	34.7	11,485,175	33.7

*See note on page 18.

COMMODITIES Concluded	1920*		1921*	
	TONS	PER CENT	TONS	PER CENT
PRODUCTS OF FORESTS:				
Logs, posts, poles and cord wood	5,676,983	12.6	3,690,460	10.8
Ties	102,060	.2	52,030	.2
Pulpwood	141,763	.3	337,046	1.0
Lumber, timber, box shooks, staves and headings	3,017,016	6.7	1,951,965	5.7
Other products of forest	72,430	.2	55,266	.2
Total	9,010,252	20.0	6,086,767	17.9
MANUFACTURES AND MISCELLANEOUS:				
Refined petroleum and its products	967,892	2.1	929,093	2.7
Vegetable oils	13,061	.1	108,198	.3
Sugar, sirup, glucose and molasses	200,255	.4	175,259	.5
Boats and vessel supplies	1,167	.1	628	–
Iron, pig and bloom	602,232	1.3	174,461	.5
Rails and fastenings	41,481	.1	51,198	.2
Bar and sheet iron, structural iron and iron pipe	284,641	.6	108,403	.3
Other metals, pig, bar and sheet	494,893	1.1	182,995	.5
Castings, machinery and boilers	455,831	1.0	187,560	.6
Cement	717,044	1.6	747,766	2.2
Brick and artificial stone	621,107	1.4	353,849	1.0
Lime and plaster	175,297	.4	135,915	.4
Sewer pipe and drain tile	254,306	.6	164,730	.5
Agricultural implements and vehicles other than automobiles	407,090	.9	109,197	.3
Automobiles and auto trucks	150,601	.3	82,710	.2
Household goods and secondhand furniture	82,890	.2	37,553	.1
Furniture (new)	114,631	.2	64,778	.2
Beverages	110,654	.2	58,282	.2
Ice	385,811	.8	367,376	1.1
Fertilizers (all kinds)	37,221	.1	49,473	.1
Paper, printed matter and books	11,057	.1	33,333	.1
Chemicals and explosives	57,231	.1	51,097	.2
Textiles	2,431	.1	3,368	
Canned goods (all canned food products)	253,361	.5	258,438	.8
Other manufactures and miscellaneous	2,345,195	5.2	1,486,364	4.4
Total	8,787,380	19.5	5,922,033	17.4
Total, carload traffic	42,472,240	94.3	32,331,053	94.9
COMMODITIES NOT SPECIFIED	2,569,037	5.7	1,736,083	5.1
Grand Total	45,041,277	100.0	34,067,136	100.0

*See note on page 18.

TRANSPORTATION STATISTICS

For the years ended December 31, 1920 and 1921.

	1920*	1921*
Miles run by freight trains	19,562,605	15,873,861
Miles run by passenger trains	16,635,331	17,426,636
Miles run by mixed trains	1,349,262	1,281,618
Total miles run by revenue trains	37,547,198	34,582,115
Miles run by loaded freight cars	508,791,737	389,512,449
Miles run by empty freight cars	229,496,075	222,812,286
Total miles run by freight cars	738,287,812	612,324,735
Freight revenue	$117,183,815.31	$104,894,847.55
Tons of revenue freight carried	45,041,277	34,067,136
Tons of revenue freight carried one mile	11,384,600,804	8,283,212,410
Tons of company freight carried one mile	1,581,684,883	1,360,958,559
Tons of all freight carried one mile	12,966,285,687	9,644,170,969
Tons of revenue freight per freight and mixed train mile	544.41	482.83
Tons of company freight per freight and mixed train mile	75.63	79.33
Total tons of freight per freight and mixed train mile	620.04	562.16
Average revenue per ton of revenue freight per mile	1.029 ct.	1.266 ct.
Average distance haul of each ton of revenue freight—miles	252.8	243.1
Average amount received per ton of revenue freight	$2.602	$3.079
Average revenue from freight per freight and mixed train mile	$5.6037	$6.1144
Tons of revenue freight per loaded car	22.376	21.266
Tons of company freight per loaded car	3.109	3.494
Total tons of freight per loaded car	25.485	24.760
Average number of loaded freight cars per train	24.330	22.705
Average number of empty freight cars per train	10.975	12.988
Average number of freight cars per train	35.305	35.693
Passenger revenue	$ 31,033,594.19	$ 26,915,455.94
Passengers carried	15,919,202	14,240,896
Passengers carried one mile	1,050,521,012	817,189,840
Passengers carried per passenger and mixed train mile	58.41	43.68
Average revenue per passenger per mile	2.954 cts.	3.294 cts.
Average distance traveled by each passenger—miles	65.99	57.38
Average amount received per passenger	$1.9494	$1.8900
Average revenue from passengers per passenger and mixed train mile	$1.7256	$1.4387
Operating expenses per revenue train mile	$4.3864	$3.7001

*See note on page 18.

INDEX.

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY COMPANY

MILEAGE, DECEMBER 31ST, 1921, 11,037.42

MILEAGE, DECEMBER 31st, 1921, 11,037.42

Indicates Double Track