

F I R S T

ANNUAL REPORT

OF THE

Milwaukee & Prairie du Chien

RAILWAY COMPANY

TO THE STOCKHOLDERS

FOR 1861.

1861

FROM JANUARY 22<sup>d</sup> TO DECEMBER 31<sup>st</sup>, INCLUSIVE.

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# DIRECTORS AND OFFICERS,

FOR THE YEAR 1861.

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## DIRECTORS.

L. H. MEYER,	.....	New York.
JOHN CATLIN,	.....	Milwaukee.
WILLIAM P. LYNDE,	.....	Milwaukee.
W. SCHALL,	.....	New York.
ALLAN CAMPBELL,	.....	New York.
GEORGE SMITH,	.....	New York.
N. A. COWDREY,	.....	New York.
JOHN WILKINSON,	.....	Syracuse, N. Y.
H. L. DOUSMAN,	.....	Prairie du Chien, Wis.

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## OFFICERS OF THE COMPANY.

L. H. MEYER,	.....	PRESIDENT.
JOHN CATLIN,	.....	VICE PRESIDENT AND COUNSEL.
WM. TAINTOR,	.....	SECRETARY AND TREASURER.
CHAS. P. WILLIAMS,	.....	TRANSFER AGENT, NEW YORK.

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## OFFICERS IN CHARGE OF THE LINE.

JAMES C. SPENCER,	.....	GENERAL MANAGER.
WM. JERVIS,	.....	SUPERINTENDENT.
E. P. BACON,	.....	GENERAL TICKET AGENT.
W. L. DANA,	.....	GENERAL FREIGHT AGENT.

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## ANNUAL MEETING OF STOCKHOLDERS,

On the last Wednesday in April,

AT MILWAUKEE.

## ELECTION NOTICE.

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*Chapter 308, Act published April 14, 1860.*

**SECTION 4.** The preferred stockholders of the first and second class, shall elect the directors under the new organization, until a dividend shall have been earned on all the preferred shares of the several classes, when all of the preferred stockholders shall elect the directors, until a dividend shall have been earned on all the shares of the said company, both preferred and common stock, and thereafter all the shareholders of the said company shall elect the directors.

### *Articles of Association.*

*Tenth.*—Annual meetings of the stockholders shall be held in the State of Wisconsin, in the month of April, in each year, after 1861, which meeting shall be called by the directors, who shall specify the time and place for holding the same. And thirty days previous to any annual meeting, the directors shall send through the post-office to each stockholder, to the address as shown by the company's books, a full and specific statement of all the business, acts and doings of the corporation up to the first day of January preceding.

### RESOLUTION OF THE BOARD OF DIRECTORS.

PASSED JANUARY 10th, 1862.

*Resolved,* That the stockholders' meeting shall be held at Milwaukee, on the 30th April, 1862, Wednesday noon, at the Company's Office.

Pursuant to the above resolution of the Directors, in accordance with the above extracts of the law, and the Articles of Association, a meeting of the stockholders of the Milwaukee and Prairie du Chien Railway Company will be held at Milwaukee, on Wednesday, the 30th day of April, 1862, for the purpose of electing nine Directors for the ensuing year.

WM. TAINTOR,

*Secretary*

MILWAUKEE, January 18, 1862.

# FIRST REPORT

OF THE

## Milwaukee and Prairie du Chien

### RAILWAY COMPANY.

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The law *vide* R. S. Chap. 91, Act approved 15th May, 1858, requires a certain report to be made and sent or distributed to stockholders; same to be filed in the office of the Secretary of State. This Report as sworn to by the Superintendent, and Secretary and Treasurer, is subjoined.

Whatever the intent of the law, the carrying it out in this form as prescribed by the department, is more apt to mislead than to give a true insight, and would satisfy but very few of those interested in this Company. More desirable and detailed information will be found in the Reports of

1. The General Manager.
2. The Secretary and Treasurer.
3. The Trustees of the Sinking Fund,

All of which are herewith submitted, together with the following explanations and views :

The organization took place here on the sale of the Milwaukee & Mississippi Rail Road.

The articles of association were filed 18th to 21st of January, 1861, in accordance with the laws of this state. The purchase was completed 21st January, 1861, and possession of the entire property taken the following day, since when it has been operated for account of the present proprietors.

The law requiring an Annual Report on the 31st of December, the Board of Directors concluded to make their fiscal year in accordance. This Report therefore shows the operations of the Road for eleven months and ten days.

The purchase price was \$7,500,000, payable and paid as follows :

In first preferred scrip stock with convertible bonds attached,	\$2,556 000
In full paid first preferred stock,	1,095 400
“ “ second do	1,086 800
“ “ common stock,	2,761 800
	\$7,500 000

Owing to deep snow and severe weather, the condition of the Road could not be properly examined until over three months after taking possession. When examined it proved to be in better condition than was expected, considering the financial troubles of the Milwaukee & Mississippi Rail Road.

The officers and employees seemed and have since proven themselves willing, faithful and efficient; very trifling changes in the *personel* were required.

All that appeared needed to insure successful operation of the Road was a better distribution of duties of the leading officers, some of whom were overburthened.

Though agreeably disappointed in the general condition of the Road, much expenditure was, is yet and will be, for eighteen months to come, required, to put the Road in good condition; that is in a condition where it can be economically run.

To the casual observer or traveler the Road in its present condition will compare favorably with most Western Roads, yet the narrow means of the Milwaukee and Mississippi Company while building it, and the financial troubles of the same after completion of the Road, necessitated much deficient and temporary work in building, and prevented renewals and repairs to the extent and at the time required, for the economical and safe operation of the Road.

The equipment was stated in the first circular issued on behalf of this Company, and later prefixed to the "Documents relating to the Organization," at an old valuation, and as worth \$708,100.00. This valuation is fully \$100,000 00 above what the equipment appears worth at the time this Company took possession. The

estimated value of the Depot grounds, \$1,300,000, as stated in that circular, is also greatly in excess of the present real value, whatever it may have been during the times of inflation.

Under the present system, all agents, &c., collecting money, deposit direct in Bank, notifying the Treasurer; the Bank daily sending to Treasurer a list of deposits made for account of this Company. Nothing can be drawn from Bank anywhere except upon two signatures, so that but for the law requiring Treasurer to give bonds, that security might in our case be almost dispensed with, for the Treasurer's sole signature only draws moneys from the Post Office Department and balances due from other Companies. This position, aside from the Treasurer's long established character, have caused the Board of Directors to reduce his security to one-half the amount formerly given to the Milwaukee and Mississippi Rail Road Company.

As required by law, the payments are made regularly monthly, between the 10th and 15th of each month for the preceding month. There is thus no floating debt existing beyond what bills are not called for by those to whom they are due, and for such the money is set apart and kept ready to meet the demand of those entitled to it.

A similar proceeding is had with coupons due; whatever amount is not called for within a week after maturity, is specially deposited in the Bank of America in New York to meet the call; the money being so specially deposited and subject *only* to the call of the coupon holder; the books show the coupons paid.

The General Manager's report gives a full and fair, unflattered statement of the cost of running the road inclusive of repairs, alterations, additions, etc., as the business required. No construction account exists, or can exist; nor has the General Manager made any attempt to show cheap operation of the road by introduction of Renewal account, Equipment account, or any similar entry to show large repairs.

The whole expense of running the road, improving it, repairing it, renewals, material additions to its property, in shape of new docks and buildings, new cars, organization expenses, new books, office-furniture, new tickets and bills, allowance to Trus-

tees under the Mortgage, loss on currency and exchange, and building a locomotive, are all included in the expense of 60. 67-100 per cent. on the gross earnings.

Renewal account would be proper if it truly showed the cost and extent of renewals; but as such account is apt to lead to the entries on it of items as properly, or more properly belonging to running expenses, the General Manager has of his own accord preferred to waive it, leaving those interested to judge for themselves. I set no value whatever to such an account, unless yearly so much is transferred to it from income account, as is equal to the supposed annual wear and tear; on the other hand, passing to it, strictly and truly the cost of renewals during the year, *i. e.* the expense incurred in making good the wear and tear. It would then, in the course of time, show the average yearly wear and tear. Unless the account can be made of itself year after year, and for any given number of years, to show the actual expense of making good the wear and tear, and nothing else, it is better avoided.

Equipment account: the above remarks would apply to such an account also; neither account would prove the efficient condition of road or equipment; both are apt to mislead.

It nevertheless is desirable and interesting to calculate from the year's business the per centage of running expenses proper, and of extraordinary expenses.

The General Manager's views are stated in his Report. He calculates the

Running Expenses at ..... 53. 44-100 per cent.

Extraordinary Expenses, at ..... 7. 23-100 " "

of the gross earnings.

I consider that part of the loss on currency and exchange as well as a portion of the ties put under, are items of extraordinary expense.

The currency crisis in Illinois and Wisconsin is too well understood to require remark; the losses incurred by other roads are also known and partly published. The loss in our case is comparatively small, considering that apart from \$468,600, remitted to New York to meet interest, &c., and pay for iron and cars,



there were losses on exchange for material bought here and in Chicago, payable in Eastern funds, and losses on currency taken on the river stations at eighty-five cts., proving worth on arrival here only sixty-five to seventy-five cts. on the dollar.

With a more stable currency here, there is but little doubt that the required amount of exchange can be had at one per cent. premium, hence I consider that \$10,000 of the loss on exchange and currency properly belongs to extraordinary expenses.

Then 102,000 new ties were put in; or about one-fifth or twenty per cent. of the entire original number of ties on the road. Ties should last on an average at least eight years. Their wear and tear then is equal to about twelve per ct. per year, thus, eight-twentieths or two-fifths of the expense incurred this year for new ties also properly belongs to extraordinary repairs, and would amount to about \$14,000.

The General Manager's report shows what repairs were put upon engines. Those familiar with that department of Rail Roads will admit that much of those repairs are extraordinary, but I will pass them, as the General Manager has done, as simply ordinary repairs. Mr. Spencer makes

the extraordinary expenses, ..... \$80,157 75

I add, as above, ..... 24,000 00

And make the extraordinary expenses ..... \$104,157 75

And the per centage then as follows:

Total operating expenses, 60. 67-100 per cent.

Running expenses, 51. 27-100 per cent.

Extraordinary expenses, 9. 40-100 per cent. of the gross earnings.

It is believed that if the earnings enable us to continue the repairs and necessary station completions on last year's scale, for eighteen months longer, the road will then be in a condition to be kept up to an efficient state and run for from fifty to fifty-two per cent on earnings equal to those of last year.

Much diversity of opinion existed, and still exists, in public, as to the Southern Wisconsin Branch and its productiveness. The Branch being run in close connection with the main line, it is difficult to apportion to it a proper share of all expenses. A state-

ment of its earnings and expenses will be found in the General Manager's report. It is proper to state that no share of the general office, organization and sinking fund expenses, have been charged to it. It subjected the Company to an extra expense for fencing. Perhaps this year's business, on the Branch, is not a fair criterion, for reasons stated in General Manager's Report; but should the competition continue, I do not see how the business on it can show better results.

On obtaining possession of the property, it was found that much of it, though leased, was occupied and used without paying rent. It was found impracticable to collect the arrears. A new and full form of lease was drawn, rents required to be paid in advance, a proper book arranged in hands of the paymaster, and no use of the Company's property allowed gratis. The rents are frequently nominal, as low even as two dollars per year, but the system, while it gives the occupier a clearly defined right, serves to keep the Company's property under constant control and attention.

Increase of business requires and necessitates a corresponding increase of facilities to do it.

If, as stated above, the finances of the builders of the road necessitated deficient construction, it is but natural that station facilities should mostly have been of a nature only calculated to meet the undeveloped business of the district tributary to them; hence, that as that business develops, the station facilities must be increased, completed or extended.

Reference to the monthly and yearly tables of earnings clearly shows that the business has increased, and that it is not evenly distributed over the year, but at given periods presses upon us to an extent that it cannot be properly cared for with our present facilities. To stand still is to retrograde. If we cannot accommodate business natural to us, it must and will seek other channels less natural to it. We have but a choice between progress and retrograding—the latter endangers the success of the Company by affecting the productiveness of its property.

The former necessitates additional facility, and consequent expenditure. To make such properly, prudently, and as small as

possible, yet supply the deficiency, has been a cause for much careful thought and consultation.

Our rolling stock has been taxed to its utmost, and the bringing in forty per cent. of the total of our cars daily, full loaded, for weeks in succession, is proof that it was well managed; but in the face of so doing, wheat would accumulate, especially at Prairie du Chien, where for four weeks we had from seventy-five to one hundred thousand bushels waiting cars to take it. The wooden storehouse and sheds were filled, and much lay outside exposed to the weather for want of room to shelter it. The locality and nature of our buildings preclude the chance of procuring adequate fire insurance. The risk is greater than the Company can prudently and knowingly continue to run. It was forced upon us this year, but should, if possible, be avoided hereafter. Wooden buildings, with steamboats, sometimes seven at a time, on one side, and locomotives constantly passing up and down on the other, sparks showering from both, from one to two hundred thousand dollars worth of property in and around such buildings, which with the sheds, platforms, and adjoining grounds, are over crowded, and but a few thousand dollars insurance on the whole, is an amount of risk this Company cannot prudently run.

To obviate such risks and accommodate the increasing business, we have two ways open before us.

1. By an increase of rolling stock. This would seem the most natural. One hundred new cars suitable for wheat transportation, might overcome the difficulty, unless it increases next season; but these cars would stand idle three-fourths of the year, yet would depreciate nearly as much as if in constant good use.

2. By building an elevator of about 250,000 bushels capacity.

Our present elevator, built under the receiver, was too economically built—is only of 18,000 bushels capacity. The stone walls under it, to high water mark, already require repairs. It is not available except at medium stage of water, while the busiest periods are mostly at the highest and lowest stages of water.

An elevator of 250,000 bushels capacity would, to some extent, enable a more even distribution of our business—would obviate the necessity of the purchase of one hundred new cars. While

doing more business, and having the power of scattering it, we shall be less pressed for cars at some periods, and have less idle ones at others. Fire insurance can be had, and at reasonable rates. One hundred new cars would cost sixty-five thousand dollars. An elevator, as above, would cost forty-seven thousand dollars. The cars would cost repairs in ratio of ten per cent. yearly, or be worthless in ten years. The elevator would, perhaps without repairs, or at least with very slight repairs, be, ten years hence, as good as new for our purposes, and would be so arranged as to be available at all stages of water, and would pay the interest on its cost in the saving of labor, as compared with our present arrangements. Aside from all this, the elevator would give us 250,000 bushels storage room over winter—a consideration, when, as is already the case, the elevators on our station here are both filled to their utmost capacity.

These views have induced me to cause the necessary plans and contracts to be made. The elevator is required for the Fall business, and every preparation is making to have it ready in proper time. The track will have to be extended to the elevator, and proper side track arranged. The entire improvements and alterations at Prairie du Chien, including the elevator, are calculated to cost not exceeding seventy-five thousand dollars in the aggregate. It is not proposed to alter the passenger station at Prairie du Chien.

This Company assumed, with some alterations, the contract made between Messrs Angus Smith & Co. and the Milwaukee and Mississippi Rail Road Company, relating to elevators on the station at Milwaukee. Under that original contract, one elevator of about 350,000 bushels capacity had been built. It was inadequate for the wants. Under the altered contract with this Company, Messrs Angus Smith & Co. built a second elevator of 800,000 bushels capacity. Both elevators are now filled, and other storage room has to be found for grain coming in. The building of each elevator necessitated docking, dredging, filling in of station grounds, and laying of track. Under the contract, this Company as well as the Milwaukee and Mississippi Rail Road, were to pay the expense of such work, but Messrs. Angus Smith

& Co. were to pay the interest, ten per cent. per annum, thereon. On the first contract there was yet due Messrs. Angus Smith & Co. over ten thousand dollars, which this Company paid, charging it to Milwaukee and Mississippi Rail Road account. (See explanation below, and Secretary and Treasurer's Report.) Under the second, or present contract, the amount of such work is stated by the General Manager. It has been paid, and likewise draws interest at ten per cent. per annum.

It seems but proper to explain some of the entries, or accounts, so that they be not misunderstood.

### B—INCOME ACCOUNT.

Item, Paid for Milwaukee and Mississippi Rail Road Company \$15,110 08: This was partly for a balance due Angus Smith & Co., which operated as a lien on the property, partly for various other items on the property, rights of way, etc. All liens on the property were, and will be in future, when paid, charged to the Milwaukee and Mississippi Rail Road Company, and the total at the end of the year will be passed to Income account—merely with a view of keeping an account which shall show the payment of liens, subject to which the property was bought.

Item, Real estate, \$500: is for a lot in the station here, owned by Geo. Smith, Esq. It became necessary to buy it, because it interfered with the building of the new elevator. The owner, in a spirit of friendly liberality, not very usual towards Railways, when it is known they must acquire certain property, sold it at the above reasonable price.

Item, Contributed to sinking fund, \$7,700: The available means to meet the January interest, and the interest or dividend on both first and second preferred stocks being on hand, I was authorised by the Directors to commence investing, under Section 7 of chapter 308 of the Wisconsin laws, and did so on the 26th December to the above extent.

Fourteen hundred dollars prepaid coupons, is merely another form of investing under the above law, and was only adopted to enable the Trustees of the sinking fund to cancel the bonds donated or surrendered by the Trustees of the creditors of the

Milwaukee and Mississippi Rail Road; the conditions on which they were surrendered being not to cancel them until they had collected the interest up to and inclusive of January 1, 1863.

### C.—GENERAL ACCOUNT.

Item, Cash : represents the cash in Milwaukee.

Item, L. H. Meyer, President: represents the cash or available means in New York, out of which interest and dividends are to be paid, and investments made under Sec. 7, of Chap. 308.

Items, Stock of material and stores:

Material reserve accounts:

The road requiring constant repairs and a good supply of wood, at least \$100,000 must be kept invested in material; i. e. wood, stores, iron, ties, etc.; to have less would be neither economical nor prudent; when, as is shown by the General Manager's Report, the supply paid for, has accidentally at the end of the year run down below this amount, enough in money will be set apart to keep the supplies up to a minimum of \$100,000. The supplies on hand, inclusive of \$22,600 for old rail taken up, are as detailed report shows only, \$73,411 47; hence \$26,588 53 have been carried to material reserve account, to meet the bills for material already bought or contracted for, to bring the supplies up again to their minimum proper level.

Item, Sinking Fund Account: This account has been opened to show the yearly investments and the total amount cancelled. General property account is left at \$7,500,000; whenever sinking fund account shall show \$1,500,000 cancelled, it must be carried to general property account, which then will be reduced to \$6,000,000: as required by law.

Items, Convertible Property and Old Debts Account, Debts Receivable: This is a mere form; entries made merely to keep account of material and various items of property, old debts outstanding, valueless stock, claims, etc., acquired with the road. This account should stand open until the Capital is reduced to \$6,000,000, if written off sooner it will mislead.

The December Vouchers \$58,142 22 are paid to the extent of

\$3,705 28, as charged B. H. Edgerton, Pay Master; the balance is payable out of the Cash in Milwaukee, 10th to 15th January, 1862.

The last, but probably not the least interesting report, is that of the Trustees of the Sinking Fund :

It shows cancelled of first Preferred Scrip Stock with	
Bonds attached, a total of . . . . .	\$ 30,000
Besides this, the Trustees of the Creditors of the M.	
and M. R. R., have cancelled of full paid first	
Preferred Stock, . . . . .	34,600
Of full paid second Preferred Stock, . . . . .	66,800
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Total cancelled, . . . . .	\$ 131,400
Deduct same from Issues, . . . . .	7,500,000
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Leaves Outstanding, . . . . .	\$7,368,600
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To wit :

1st Preferred Scrip Stock with Mortgage Bonds, . . .	\$2,526,000
1st Preferred Stock, full paid, . . . . .	1,060,800
2d Preferred Stock, full paid, . . . . .	1,020,000
Common Stock, full paid, . . . . .	2,761,800
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Total, . . . . .	\$7,368,600

### TAXES.

Under the existing laws, railroads are taxed one per cent. on their gross earnings, payable to the State, in lieu of local taxation and in consideration of a yearly license from the State. Notwithstanding this law, local taxation has been repeatedly attempted, and suits are pending on account of such attempts. The indications are that the Legislature must and will raise the tax on Railroads. The tax as it exists is moderate; the inducement to make it so, has been the depressed and unprofitable condition of railroad property in this State; good crops and a revival of business have not been without beneficial effect on railroads, and

it is no more than right, that as this class of property recovers from its prostration it should bear a greater share of the tax than the present law fixes upon it. The only question will be as to the amount to be levied.

All of which is herewith respectfully submitted.  
Milwaukee, 18th January, 1862.

L. H. MEYER,  
PRESIDENT.

TO THE STOCKHOLDERS  
OF THE  
MILWAUKEE AND PRAIRIE DU CHIEN RAILWAY COMPANY.

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Attention is called to the election notice, prefixed.



# GENERAL MANAGER'S REPORT.

## TO THE PRESIDENT AND DIRECTORS

OF THE

### Milwaukee & Prairie du Chien Railway Company.

GENTLEMEN—I respectfully submit the following report of the operations of the Milwaukee & Prairie du Chien Railway, from January 22nd, 1861, the date on which the Company took possession of the Milwaukee & Mississippi Rail Road, to December 31st, 1861:

The Gross Earnings of the Main Line, Southern

Wisconsin Branch and Ferry, are.....	\$1,108,353 78
Ordinary Operating Expenses are....	\$592,156 62
Extraordinary Expenditures are.....	80,157 75

Total Expenses, ..... 672,314 37

Nett Earnings, ..... 436,039 41

For details see statement "A."

#### SOUTHERN WISCONSIN BRANCH.

Gross Earnings are,.....	\$ 33,030 23
Ordinary Operating Expenses are,.....	\$18,665 82
Extraordinary Expenditures are.....	6,366 69

Total Expenses are ..... 25,032 51

Nett Earnings,..... \$ 7,997 72

The Extraordinary Expenditures on the Branch have been for fencing the Road, 17 87-100 miles of new fence having been built the last season; and for new station house at Monroe.

The earnings of this portion of the Road have been seriously affected by the competition existing between the Racine & Mississippi, Illinois Central, and Galena and Chicago Rail Roads. Freight under this competition has been taken at rates so low, that grain from districts which have been considered tributary to this Road has been drawn to stations on the above roads. To meet this the rates on freight were reduced until the difficulties between the above roads could be adjusted, and paying rates restored; but much freight has been lost to the road, and low rates received for what has been obtained.

#### FERRY.

The Ferry Earnings have been,.....	\$16,337 20
The Ordinary Operating Expenses have been,.....	\$11,710 97
The Extraordinary Expenditures have been	1,200 00
	<hr/>
Total Expenses,.....	12,910 97
	<hr/>
Net Earnings,.....	<u>\$3,426 23</u>

The extraordinary expenditures are for two new barges purchased last fall, making nine barges for transportation of grain in bulk now owned by the Company. A further addition will be required as the moving of grain in bulk comes into more general use on the River. One new barge is being constructed for the company at Prairie du Chien, to be delivered in the spring. The two steam ferry boats require some repairs and alterations which is being done this winter.

There being no construction account, all expenditures have been embodied in general account as operating expenses, and are 60 67-100 per cent. of gross earnings; deducting the extraordi-

nary expenditures which may properly be considered construction, as the amount has been added to the property of the company, the expenses would be 53 44-100 per cent. of gross earnings.

In statement "A." annexed, which shows the actual operation of the Road, the extraordinary expenditures are deducted from operating expenses; the statement shows to what accounts such expenditures are charged.

The gross income from passengers is \$211,249 91, or 19 6-100 per cent. of entire earnings.

The gross income from freight is \$835,172 60, or 75 44-100 per cent. of entire earnings; the revenue from through freight is \$301,706 13, or 36 1-10 per cent. of gross freight income.

The through freight traffic has largely increased over any previous year, owing to the bountiful crops raised in Northern Iowa and Minnesota in 1860. As those rich agricultural States become more fully developed, we may reasonably expect a steady increase of the revenue from this source. This increased business requires increased facilities at Prairie du Chien, the western terminus of the Road, that the large amount of grain and merchandise received at that station may be handled more expeditiously and economically, with less fire risk. During the past year 3,103,985 bushels of wheat were shipped from that station. The present freight building with elevator attached is a wooden building, exposed to fire from both steamboats and locomotives. At times last fall there were 100,000 bushels of wheat and large amounts of merchandise in and around the freight house and elevator awaiting shipment; a fire at such time would have entailed a heavy loss upon the company.

## BUILDINGS.

The various buildings on the Road have been kept in good repair, and some alterations and additions made. The following new buildings have been erected :

Eating House and Passenger Depot at Madison,.....	\$5,322 60
Brick Blacksmith Shop at Madison,.....	1,262 65
Brick Water House and Engine, at Madison,.....	1,307 36
Freight Shed, at Prairie du Chien,.....	1,457 36
Station House, at Monroe,.....	647 69
Water House, at Edgerton,.....	416 93
Addition to Store House at Milwaukee,.....	501 17
Wood Shed at Whitewater,.....	500 00
Wood Shed at Janesville,.....	500 00
Wood Shed at Madison,.....	450 00
Wood Shed at Edgerton, .....	500 00
Total,.....	<u>\$12,865 76</u>

The Eating House at Madison was an improvement much needed, and will no doubt favorably affect the through travel. It has been leased for two years at a rental of \$440 for the first and \$550 for the second year.

The Blacksmith Shop at Madison was erected mainly for repair of rails, but was also needed for slight repairs to engines and cars. The rails heretofore have been brought to Milwaukee for repairs; this building being in the centre of the road, distance in transportation of repaired rails will be saved.

### REPAIRS OF ROAD AND BRIDGES.

The cost of maintenance of way for the past year has been large in consequence of the necessity of renewing a greater number of ties, rails and chairs, than the annual average renewal should be.

The following statement shows the material used in renewals during the year and its cost:

1,347 tons new and re-rolled iron,.....	\$34,822 00
100,099 lbs. chairs,.....	4,059 90
95,900 lbs spike,.....	3,196 66
102,000 ties,.....	35,700 00
4,618 repaired rails, restored for use and put in main track.....	3,280 98
Total,.....	<u>\$81,059 54</u>

By the above statement, it will be seen that the materials necessary for renewals have been 45 per cent. of the entire expenses of the repairs of road and bridges. The quantity of new and repaired rails put into the track is  $32\frac{3}{4}$  miles of continuous track or one-seventh the amount of length of road. This amount should be increased for the next two years, as the iron on the eastern division not heretofore renewed, (about 84 miles) has been down an average of 10 years, and is badly worn, largely increasing the repairs of engines and cars. Thereafter, the amount done last year, will probably be necessary each year to maintain the road in good order. The number of ties put in last season are about one-fifth the number originally laid down on the Road. After the ensuing year this item will be largely reduced as the number laid last year is much larger than the annual depreciation should be.

The pile bridge across the lake at Madison has been filled up. An earth embankment with outside facing of stone taking the place of the former structure. Bridges of 100 feet span each have been erected at either end of the embankment for water ways. This improvement has been finished at a cost of \$13,485 73 with this exception no extensive repairs have been made to any of the larger bridges, although a number of the smaller ones have been renewed, and one long one covered. The bridges were not originally covered, and cannot with safety be trusted much longer in that condition—although secured for the present, by the substitution of new chords and braces where needed, a number undoubtedly must be renewed within the next two years. 859 yards of masonry have been laid the last season in abutments and piers, replacing wooden ones on which the bridges originally rested; this item must be increased the ensuing year, as many of the wooden abutments have been in use the average duration of timber structures.

The sum of \$7,671 25 has been expended in docking, dredging and preparing ground for side tracks to new elevator erected by Angus Smith & Co., on the depot grounds in Milwaukee. Other portions of the depot grounds have been raised and otherwise improved.

## FENCING.

During the past year 40½ miles of new fence were built at a cost of \$14,604 00. There still remains 30 miles to build to complete the fencing of the road with a post and board fence; 10 miles of this is a fair rail fence which, with some repairs, will last another season. By a law passed in this State March 30th, 1860, a railroad company is liable for all stock killed, where the road is not properly fenced. For the protection of trains as well as for damages which occur from killing stock, the fencing should be completed as soon as practicable.

## LOCOMOTIVES.

Extensive repairs have been made to the engines; the efficiency of those in use at commencement of the year fully maintained, and two added to the number.

One new first class freight engine has been constructed in the shops of the company.

One, not in use at the commencement of the year, has been rebuilt and made a first class engine.

Six have had new driving wheels, tires, flue sheets, stacks, and crown bars raised, with new tender frames, wheels and axles.

Three have had new tires, flue sheets, stacks, crown bars raised and new tender frames.

Two, new flue sheets and stacks.

One, new driving wheels and axles.

The company have now :—

7 first class passenger engines.

26 first class freight engines.

4 second class, used for switching.

8 old engines, not in use for some years; one of these latter is now being rebuilt; the others can be as the increased business of the company requires increased motive power.

## CARS.

No addition has been made to the stock of passenger cars, but it has been improved by upholstering, cleaning and painting; new

trucks with elliptic in place of rubber springs, have been placed under five of them. No additions will be required to the number; those not overhauled last season will require renovating and repainting.

Twenty new stock cars were purchased last summer at a cost of \$13,510 89 delivered in Milwaukee; 157 of the old freight cars were repainted and otherwise repaired; the roofs on many of the old cars are defective and require renewals; this is being done this winter to the extent of the facilities. Thirty new grain cars have been contracted for with Barney, Parker & Co., of Dayton, Ohio, at a cost of \$645 each, delivered in Chicago; these with what will be built this winter in the shops of the company (probably sixteen) will be all that will be required the coming season. The elevator now in process of construction at Prairie du Chien, giving largely increased storage capacity at the river will more properly distribute the business over the several months in which freight presses upon the company from that point, and enable us to do the business with fewer cars than would otherwise be required.

The company have now on hand—

- 31 First Class Passenger Cars,
- 4 Second Class Passenger Cars,
- 11 Baggage Cars,
- 426 Box Freight Cars,
- 101 Platform Cars,
- 35 Gravel Cars,
- 24 Ditching Cars,
- 46 Hand Cars.

For more detailed statements of movement of freight and passengers, and operations of the road, reference is made to the tables annexed.

It is due to the officers, agents and employes of the road generally, to say that they have performed their duties promptly and satisfactorily.

Respectfully,  
 J. C. SPENCER,  
 General Manager.

MILWAUKEE, JANUARY 18, 1862.

## OPERATION OF THE ROAD,

FROM JANUARY 22D TO DECEMBER 31ST, 1861.

## EARNINGS.

FREIGHT,.....	\$835,172 60
PASSENGERS.....	211,249 91
MAILS AND RENTS.....	45,594 07
MISSISSIPPI RIVER FERRY,.....	16,337 20
<b>TOTAL EARNINGS.....</b>	<b>\$1,108,353 78</b>

## DETAILS OF EARNINGS, MONTHLY, DURING THE YEAR 1861.

	Freight.	Passengers.	Mails and Rents.	Ferry.	Total.
JANUARY,.....	\$ 40,732 50	\$ 8,890 31	\$ 4,623 00		\$ 54,245 81
FEBRUARY,.....	82,956 29	7,689 15	8,882 52		44,026 96
MARCH,.....	27,889 55	11,896 92	8,702 25	647 90	43,636 62
APRIL,.....	29,747 42	14,605 77	3,774 84	974 16	49,102 19
MAY,.....	88,948 07	16,951 08	4,230 22	2,136 07	112,265 44
JUNE.....	111,706 85	23,654 51	4,139 48	2,270 19	141,771 08
JULY,.....	75,875 61	25,149 69	4,139 66	1,951 65	107,116 61
AUGUST,.....	67,209 01	17,631 38	4,399 29	1,223 05	90,462 73
SEPTEMBER,.....	104,410 22	24,518 56	4,006 88	1,790 69	134,725 85
OCTOBER,.....	144,985 24	25,726 67	4 229 65	2,987 51	177,879 07
NOVEMBER,.....	102,056 70	21,907 58	4,165 78	2,054 08	130,184 04
DECEMBER.....	44,184 46	19,319 74	4,234 17	801 95	67,990 82
<b>TOTAL,.....</b>	<b>\$870,600 92</b>	<b>\$217,441 36</b>	<b>\$49,027 19</b>	<b>\$16,337 20</b>	<b>\$1,158,406 67</b>

	Freight.	Passengers.	Mails & R.	Ferry.	Total.
Jan. 1st to Jan. 21st.....	\$ 85,428 32	\$ 6,191 45	\$ 3,438 12		\$ 45,052 89
Jan 22d to Dec. 31st.....	835,172 60	211,249 91	45,594 07	16,337 20	1,108,353 78
<b>TOTAL,.....</b>	<b>\$870,600 92</b>	<b>\$217,441 36</b>	<b>\$49,027 19</b>	<b>\$16,337 20</b>	<b>\$1,158,406 67</b>

<b>EARNINGS.....</b>	<b>\$1,108,353 78</b>
<b>EXPENSES.....</b>	<b>672,314 37</b>
<b>NETT EARNINGS.....</b>	<b>\$ 436,039 41</b>



[A.]

## OPERATION OF THE ROAD,

FROM JANUARY 22ND TO DECEMBER 31ST, 1861.

## EXPENDITURES.

OPERATION.			
General Superintendence, - - - - -		\$20,063	43
Station Service, - - - - -		74,426	79
Foreign Agency and Advertising, - - - - -		10,952	26
Conductors, Baggage-men and Brakemen, - - - - -		24,922	16
Engineers and Firemen, - - - - -		36,090	12
Wipers and Cleaners, - - - - -		10,748	00
Expenses New York Office, - - - - -		1,468	18
Fuel, - - - - -		72,643	83
Oil and Waste, - - - - -		12,019	87
Train Supplies, - - - - -		1,213	48
Office and Station Supplies, - - - - -		5,762	10
Stationery and Printing, - - - - -		7,236	08
Damage to Property, - - - - -		634	00
Damage and Loss of Freight and Baggage, - - - - -		4,425	38
Personal Injuries, - - - - -		216	93
Earnings Refunded, - - - - -		61	82
Taxes, - - - - -		11,148	54
Legal Expenses, - - - - -		3,473	27
Miscellaneous Expenses, - - - - -		1,526	32
Mississippi River Ferry Expenses, - - - - -		11,710	97
Patents, - - - - -		650	00
Milwaukee Dock, - - - - -		404	37
Interest and Exchange, - - - - -		13,859	71
			\$325,647 56
REPAIRS.			
Repairs of Road and Bridges, - - - - -		166,155	16
Repairs of Locomotives, - - - - -		38,035	90
Repairs of Cars, - - - - -		43,693	50
Repairs of Tools and Machinery, - - - - -		6,203	27
Repairs of Buildings and Fixtures, - - - - -		12,421	23
			266,509 06
TOTAL ORDINARY EXPENSES, - - - - -			\$592,156 62
EXTRAORDINARY EXPENDITURES.			
Stationary Engine for Milwaukee Shops, - - - - -	}	1,500	00
Fire Engine and Hose do - - - - -		551	01
Chgd to Repairs Tools & Machinery, - - - - -	}		
Embankment and New Bridges over Madison Lake. Chgd to repairs road and bridges, - - - - -		13,485	73
New Buildings. Chgd to repairs of buildings, - - - - -		12,865	76
Two New Barges. Chgd Miss. River Ferry, - - - - -		1,200	00
New Locomotive. Chgd Repairs Locomotives, - - - - -		10,331	82
Forty and one-half miles new Fence. Chgd Fencing, - - - - -		14,604	00
Twenty new Stock Cars, - - - - -		13,510	89
Docking, Dredging and Filling up Depot Grounds at Milwaukee, - - - - -	}	7,671	25
Sinking Fund Expenses, - - - - -		2,500	00
Expenses of Organization, - - - - -		1,937	29
TOTAL EXTRAORDINARY EXPENDITURES, - - - - -			80,157 75
TOTAL EXPENSES, - - - - -			\$672,314 87

**MILEAGE OF TRAINS,  
AND EXPENSES PER MILE RUN.**

FROM JANUARY 22 TO DECEMBER 31, 1861.

—••—  
**MILEAGE OF TRAINS.**

Passenger Trains, .....	275,296 miles.
Freight Trains, .....	387,784 “
Wood and Repair Trains, .....	132,447 “
Total number of miles run, .....	795,527

**EXPENSES PER MILE RUN,**

INCLUDING EXTRAORDINARY RENEWALS.

Repairs of Road and bridges, .....	22.59-100 cents.
Repairs of Locomotives, .....	6.07-100 “
Wipers and Cleaners, .....	1.35-100 “
Repairs of Cars, .....	5.49-100 “
Engineers and Firemen, .....	4.54-100 “
Conductors, Baggage-men and Brakemen, .....	3.13-100 “
Fuel, .....	9.13-100 “
Oil and Waste, .....	1.51-100 “
Other expenses, .....	30.70-100 “
Total cost per mile run, .....	84.51-100 cents.
Extraordinary renewals per mile run, .....	10.08-100 “
Ordinary expenses per mile run, .....	74.43-100 “

—••—  
AVERAGE COST PER TON PER MILE,

} 1.56-100 cents.

One passenger considered equivalent to one ton, }

**VALUE OF SUPPLIES,**  
**ON HAND DECEMBER 31, 1861.**

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Wood,.....cords, .....	5,588	\$12,064 98
Coal,.....tons,.....	22	144 00
Oil,.....gallons, ....	1,001	782 14
Iron Rails, new,.....tons,.....	4 $\frac{3}{4}$	237 50
Iron Rails, old,.....“ .....	904	22,600 00
Chairs,.....pounds, ....	13,129	500 21
Spike,.....“ .....	3,425	117 80
Ties,.....number, ...	22,741	5,698 05
Iron, unworked,.....pounds, ....	47,969	1,639 67
Iron, worked and partly worked, “ .....	41,275	3,942 51
Copper and Brass,.....“ .....	9,141	2,555 36
Lumber,.....feet,....	363,068	4,544 01
Truck and Car Wheels,.....number, ...	199	2,124 50
Steel and Steel Springs,.....pounds, ....	9,299	494 27
Engine and Car Castings,.....“ .....	72,488	2,388 73
Road Castings,.....“ .....	20,734	622 04
Lumber, Posts and Nails,.....for fencing.		575 76
Paints and Oils,.....		291 18
Rubber Goods,.....pounds, ....	1,915	494 20
Car Trimmings,.....		1,060 95
Scrap Iron,.....tons,.....	100	3,345 24
Other Materials,.....		3,523 91
Store-keeper's Stock,.....		3,664 46
<b>TOTAL, .....</b>		<u><u>\$73,411 47</u></u>

# TONNAGE AND REVENUE OF FREIGHT.

FORWARDED FROM AND RECEIVED AT THE SEVERAL STATIONS  
DURING THE YEAR 1861.

STATIONS.	FORWARDED.						RECEIVED.	
	EASTWARD.		WESTWARD.		TOTAL.		TOTAL.	
	Tons.	Revenue.	Tons.	Revenue.	Tons.	Revenue.	Tons.	Revenue.
Milwaukee.....			61,567	148,582 27	61,567	148,582 27	199,945	611,796 74
Stone Quarry.....	1,265	906 00			1,265	906 00		
Junction.....	10	25			10	6 25	245	233 64
Forest House.....							12	7 45
Waukegan.....	2,819	2,904 05	492	1,287 15	3 051	4,041 20	3,289	3,810 10
Geneseo.....	1,478	2,094 26	96	153 08	1,569	2,247 29	999	1,021 51
North Prairie.....	2,968	4,478 22	3	23 17	2,966	4,506 39	1,157	1,252 93
Eagle.....	8,458	5,787 67	50	223 11	3,508	6,010 78	1,573	1,948 13
Palmyra.....	1,999	4,373 83	185	863 71	2,184	4,537 09	746	1,310 57
Whitewater.....	7,063	17,097 00	1,095	2,913 79	8 158	20,010 79	6,003	9,356 61
Lima.....	963	2,603 79	10	29 02	973	2,637 81	303	410 43
Milton.....	1,075	3,019 65	34	208 43	1,109	3,223 08	539	1,170 49
Milton Junction.....	187	188 46	1,286	2,005 44	1,423	2,188 90	264	854 09
Janesville.....	11,630	28,540 00	4,829	15,612 07	16,459	44,152 07	7,743	16,225 96
Hanover.....	171	496 02	106	243 39	277	729 41	1,283	2,029 16
Orford.....	1,209	3,452 54	4	28 68	1,213	3,481 22	410	536 63
Broadhead.....	5,807	14,198 11	46	67 71	5,853	14,255 82	3,086	4,850 75
Juda.....	2,230	6,308 77	17	59 59	2,247	6,368 36	719	1,330 45
Monroe.....	10,938	30,968 51	58	199 69	11,046	31,177 20	6,174	13,451 11
Edgerton.....	4,700	12,573 96	571	534 84	5,271	13,108 80	1,794	2,908 82
Blountton.....	8,074	25,994 11	118	269 21	8,192	26,263 32	4,783	7,631 71
McFarland.....	2,093	7,509 02	3	13 44	2,096	7,522 46	426	883 96
Madison.....	13,839	54,464 87	891	1,430 86	13,930	55,895 73	18,659	42,604 50
Middletown.....	2,821	11,184 84	15	34 84	2,836	11,169 68	565	1,213 56
Cross Plains.....	2,723	11,000 07	9	14 88	2,732	11,014 95	956	2,578 02
Black Earth.....	4,002	10,966 41	13	51 20	4,015	17,017 61	513	1,935 85
Masomanie.....	8,787	34,896 65	79	256 39	8,846	34,658 04	1,726	6,935 85
Arena.....	3,808	14,079 26	43	97 13	3,846	14,176 39	440	1,895 27
Spring Green.....	2,583	11,164 80	23	81 99	2,611	11,196 79	213	1,009 26
Lone Rock.....	2,781	12,458 70	75	150 81	2,806	12,664 51	693	3,846 99
Avoca.....	4,150	18,357 72	23	54 47	4,173	18,412 19	417	2,341 71
Muscoda.....	1,320	6,203 59	48	68 74	1,368	6,272 33	263	1,643 77
Boscobel.....	7,224	32,889 57	58	90 02	7,282	32,979 59	1,159	5,693 89
Waukesha.....	275	685 16	63	83 82	348	723 98	183	509 20
Bridgeport.....	4,409	13,521 12	41	75	4,450	13,521 87	277	1,664 93
Prarie du Chien.....	100,599	259,829 58			100,599	259,829 58	15,985	65,375 26
Chicago.....			5,555	21,120 97	5 555	21,120 97	21,948	44,399 76
<b>TOTAL.....</b>	<b>228,883</b>	<b>670,572 36</b>	<b>76,906</b>	<b>196,233 61</b>	<b>305,794</b>	<b>866 305 97</b>	<b>305,794</b>	<b>866,305 97</b>

## Tonnage, Mileage and Revenue of Freight.

	WAY.		THROUGH.		WAY AND THROUGH		Tot'l Tons carried one mile.	Average rate per ten per mile.
	Tons.	Revenue.	Tons.	Revenue.	Tons.	Revenue.		
Eastward.....	128,681	\$412,737 84	100,307	\$257,845 02	228,883	\$670,572 86	29,955,212	9.24-100 cts.
Westward.....	61,990	136,475 25	14,916	59,758 86	76,906	196,233 61	7,220,183	2.72-100 cts.
<b>Total.....</b>	<b>190,671</b>	<b>\$549,202 59</b>	<b>115,123</b>	<b>\$317,603 88</b>	<b>305,794</b>	<b>\$866,805 97</b>	<b>37,175,395</b>	<b>2.83-100 cts.</b>
Express.....						6,911 23		
Miscellaneous.....						101 07		
<b>Total.....</b>						<b>\$873,818 27</b>		
Less Balance Car Service paid other Companies.....						8,217 35		
<b>Total Freight Earnings.....</b>						<b>\$870,600 92</b>		

# NUMBER AND REVENUE OF PASSENGERS.

CARRIED FROM AND TO THE SEVERAL STATIONS,  
DURING THE YEAR 1861.

CARRIED FROM	EASTWARD.		WESTWARD.		TOTAL.		CARRIED TO	TOTAL NUMBER.
	No.	Revenue	No.	Revenue	No.	Revenue		
Milwaukee,.....			20,549	\$5,110 00	20,549	\$5,110 00	Milwaukee,.....	19,546
Wauwatosa,.....	470	71 51	179	126 20	649	197 71	Wauwatosa,.....	926
Elm Grove,.....	401	119 05	147	117 10	548	236 15	Elm Grove,.....	668
Junction,.....	204	84 05	685	856 88	889	442 88	Junction,.....	1,316
Forest House,.....	62	30 75	14	11 60	76	42 35	Forest House,.....	87
Waukesha,.....	6,660	3,136 68	1,685	2,469 40	8,345	5,606 08	Waukesha,.....	7,952
Genesee,.....	895	628 02	242	387 79	1,137	965 81	Genesee,.....	1,008
North Prairie,.....	721	592 70	264	227 88	985	820 58	North Prairie,.....	988
Eagle,.....	1,769	1,517 56	983	1,088 48	2,702	2,555 99	Eagle,.....	2,568
Palmyra,.....	1,184	1,118 67	1,211	994 26	2,395	2,112 98	Palmyra,.....	2,216
Whitewater,.....	2,694	2,384 99	2,687	2,685 25	5,381	5,470 24	Whitewater,.....	5,284
Lima,.....	894	173 20	811	168 95	605	327 15	Lima,.....	640
Milton,.....	1,058	1,072 51	1,500	1,269 78	2,658	2,342 24	Milton,.....	3,526
Milton Junction,.....	1,259	1,192 90	7,900	10,695 95	9,059	11,888 85	Milton Junction,.....	2,818
Janesville,.....	8,654	4,256 60	7,155	7,988 78	10,809	12,246 78	Janesville,.....	14,994
Hanover,.....	472	189 21	706	402 84	1,178	584 55	Hanover,.....	1,263
Orford,.....	920	419 68	812	348 28	1,232	767 96	Orford,.....	1,094
Brodhead,.....	1,885	1,418 16	745	562 49	2,630	1,964 59	Brodhead,.....	2,721
Juda,.....	449	318 48	328	143 91	777	462 39	Juda,.....	724
Monroe,.....	2,714	2,866 87	185	547 73	2,899	3,414 60	Monroe,.....	3,080
Edgerton,.....	1,315	1,124 97	682	702 78	1,997	1,827 75	Edgerton,.....	2,224
Stoughton,.....	1,548	1,865 89	1,633	1,523 47	3,401	3,389 36	Stoughton,.....	3,898
McFarland,.....	226	206 02	478	256 21	704	462 23	McFarland,.....	786
Madison,.....	11,599	18,832 88	7,436	9,571 73	19,035	28,454 61	Madison,.....	20,541
Middleton,.....	405	240 86	236	205 88	641	445 78	Middleton,.....	681
Cross Plains,.....	1,111	618 71	210	158 80	1,321	772 51	Cross Plains,.....	1,415
Black Earth,.....	1,849	1,186 65	666	471 87	2,015	1,608 62	Black Earth,.....	1,868
Mazomanie,.....	2,675	3,066 88	789	919 85	3,418	3,966 28	Mazomanie,.....	3,366
Arena,.....	985	1,185 16	829	245 84	1,264	1,860 50	Arena,.....	1,205
Spring Green,.....	736	714 85	814	294 80	1,050	948 65	Spring Green,.....	1,009
Lone Rock,.....	1,717	2,899 25	363	285 16	2,080	3,174 41	Lone Rock,.....	2,085
Avoca,.....	662	1,068 81	254	206 18	916	1,274 99	Avoca,.....	782
Muscoda,.....	584	1,143 84	899	284 87	988	1,428 21	Muscoda,.....	989
Boscobel,.....	1,228	2,302 75	870	598 60	2,098	3,401 85	Boscobel,.....	2,160
Waukesha,.....	355	262 58	335	166 85	690	429 43	Waukesha,.....	905
Wright's Ferry,.....	81	40 50	34	9 55	65	50 05	Wright's Ferry,.....	101
Bridgeport,.....	218	538 27	111	23 00	329	561 27	Bridgeport,.....	190
Pra. du Chien,.....	9,182	29,786 19			9,182	29,786 19	Pra. du Chien,.....	9,892
Chicago,.....			3,701	18,116 59	3,701	18,116 59	Chicago,.....	8,066
<b>TOTAL,.....</b>	<b>68,536</b>	<b>89,523 49</b>	<b>66,597</b>	<b>94,564 88</b>	<b>180,188</b>	<b>184,088 82</b>	<b>TOTAL,.....</b>	<b>180,188</b>

## Number, Mileage and Revenue of Passengers.

	WAY.		THROUGH.		WAY AND THROUGH	
	No.	Revenue.	No.	Revenue.	No.	Revenue.
Eastward,.....	50,196	\$ 72,504 96	4,888	17,018 58	68,586	\$ 89,523 49
Westward,.....	61,474	74,999 88	5,128	19,688 00	66,597	94,564 88
<b>Total,.....</b>	<b>120,672</b>	<b>\$147,484 79</b>	<b>9,511</b>	<b>\$ 36,653 58</b>	<b>180,188</b>	<b>\$184,088 32</b>
Miscellaneous Commutation and Military Service,.....						\$88,858 04
<b>Total Passenger Earnings,.....</b>						<b>\$217,441 96</b>

Total Mileage of Passengers,..... 7,725,994  
Average rate per mile,..... 2.80-100 cents.

## MOVEMENT AND REVENUE OF FREIGHT.

MONTHLY, DURING THE YEAR 1861.

	WAY.		THROUGH.		WAY & THROUGH.	
	Tons.	Revenue.	Tons.	Revenue.	Tons.	Revenue.
JANUARY,.....	6,736	\$ 24,087 07	3,726	\$ 15,556 92	10,462	\$ 39,943 99
FEBRUARY,.....	6,221	13,421 65	3,185	13,577 79	9,406	31,999 44
MARCH,.....	7,676	22,223 61	1,380	5,146 45	9,006	27,375 06
APRIL,.....	5,122	14,991 22	4,749	14,351 26	9,871	29,342 47
MAY,.....	23,460	55,612 04	14,370	39,938 32	37,830	95,545 36
JUNE,.....	24,369	65,363 81	14,470	39,506 53	38,839	104,870 34
JULY,.....	17,839	47,233 34	9,760	28,658 31	27,649	75,896 65
AUGUST,.....	16,262	43,512 49	8,433	23,490 33	24,695	67,003 37
SEPTEMBER,.....	21,753	66,344 81	14,037	37,253 45	35,840	104,093 26
OCTOBER,.....	27,197	84,551 00	22,437	60,554 35	49,634	145,105 44
NOVEMBER,.....	20,632	63,371 39	17,111	33,652 55	37,743	102,023 94
DECEMBER,.....	13,354	42,930 07	1,465	621 03	14,319	43,601 15
TOTAL,.....	190,671	\$549,202 59	115,123	\$317,603 33	305,794	\$866,805 97

## MOVEMENT AND REVENUE OF PASSENGERS.

MONTHLY, DURING THE YEAR 1861.

	WAY.		THROUGH.		WAY & THROUGH.	
	No.	Revenue.	No.	Revenue.	No.	Revenue.
JANUARY,.....	6,572	\$ 8,004 44	322	\$ 1,475 90	6,894	\$ 9,480 34
FEBRUARY,.....	5,323	6,339 35	232	1,293 36	5,605	7,632 71
MARCH,.....	7,905	9,465 46	419	1,963 30	8,324	11,434 26
APRIL,.....	9,546	11,244 06	341	3,239 17	10,337	14,483 23
MAY,.....	9,710	12,424 66	1,059	3,933 96	10,769	16,413 62
JUNE,.....	10,922	13,533 46	1,127	4,051 03	12,049	17,589 49
JULY,.....	13,131	16,323 63	1,170	3,243 64	14,351	20,067 32
AUGUST,.....	10,173	12,385 09	909	3,309 65	11,081	16,194 74
SEPTEMBER,.....	13,347	15,775 17	1,033	4,036 33	14,432	19,361 55
OCTOBER,.....	12,790	16,102 33	1,193	4,533 70	13,933	20,636 33
NOVEMBER,.....	11,303	13,455 41	760	2,933 34	12,263	16,443 75
DECEMBER,.....	9,036	11,376 13	339	2,469 60	10,036	13,845 73
TOTAL,.....	120,672	\$147,434 79	9,511	\$ 36,653 33	130,183	\$184,088 33

of	rease.	rease.	rease.	rease.	rease.	rease.	rease.	rease.	rease.	rease.	rease.	rease.	rease.
D.													

## MOVEMENT AND REVENUE OF FREIGHT.

MONTHLY, DURING THE YEAR 1861.

1861

STATEMENT OF THE EARNINGS OF THE ROAD



# COMPARATIVE STATEMENT OF THE EARNINGS OF THE ROAD,

Commencing with the Year 1857, the Road being Completed in March 1857.

	1857.	1858.	1859.	1860.	1861.	Comparison of 1861 with 1860.
JANUARY,	\$ 28,461 23	\$ 43,181 44	\$ 39,780 42	\$ 37,519 76	\$ 54,245 81	\$ 16,726 05 Increase.
FEBRUARY,	34,107 55	39,896 23	40,056 94	32,301 23	44,026 96	11,725 73 Increase.
MARCH,	40,591 30	51,934 38	33,370 53	39,501 04	43,636 62	4,135 58 Increase.
APRIL,	45,986 75	76,005 95	48,994 50	45,810 59	49,102 19	3,291 60 Increase.
MAY,	81,478 88	86,737 82	59,312 09	59,082 39	112,265 44	53,183 05 Increase.
JUNE,	118,443 49	103,699 56	52,882 84	48,797 80	141,771 03	92,973 73 Increase.
JULY,	91,364 06	99,446 44	45,834 49	37,429 36	107,116 61	69,687 25 Increase.
AUGUST,	80,784 09	66,137 02	49,386 30	60,228 67	90,462 73	30,234 06 Increase.
SEPTEMBER,	123,007 99	106,904 38	104,878 71	139,761 43	134,725 85	5,035 58 Decrease.
OCTOBER,	115,920 69	92,476 42	124,854 06	163,615 13	177,879 07	14,263 94 Increase.
NOVEMBER,	81,093 93	63,350 56	86,270 92	90,899 96	130,184 04	39,284 08 Increase.
DECEMBER,	41,577 93	53,415 82	55,376 98	44,894 59	67,990 32	23,095 73 Increase.
<b>TOTAL,</b>	<b>\$882,817 89</b>	<b>\$883,186 02</b>	<b>\$746,498 78</b>	<b>\$799,841 45</b>	<b>\$1,153,406 67</b>	<b>\$353,565 22</b> Increase.

# SECRETARY'S REPORT.

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SECRETARY AND TREASURER'S OFFICE.

MILWAUKEE, December 31st, 1861.

TO THE PRESIDENT AND DIRECTORS

*Of the Milwaukee & Prairie du Chien Railway Company:*

GENTLEMEN:

I respectfully submit the accompanying statements relating to the affairs of the company at this date, viz:

A statement of Income Account, marked "B.;" and a balance of the General Ledger, marked "C."

Your obedient servant,

WM. TAINTOR,

Secretary and Treasurer.

[B.]  
INCOME ACCOUNT.

To Operating Expenses from Jan. 22 to Dec. 31, 1861, - - -	\$ 672,314 87	By Gross Earnings from January 22nd to December 31st, 1861,	\$1,108,353 78
Ordinary, - - - - \$592,156 62		As follows:	
Extraordinary, - - - - 80,157 75		Freight, - - - - \$ 835,172 60	
" Paid for Mil. & Miss. R. R. Co., under liens upon property purchased,	15,110 08	Passengers, - - - - 211,249 91	
" Paid Real Estate—lot purchased of Geo. Smith, Esq., - - -	500 00	Mails and Rents, - - - - 45,594 07	
" Amount interest on bonds for the year, - - - -	118,405 00	Miss. River Ferry, - - - - 16,337 20	
" Contribution to Sinking Fund, to-wit: 100 Shares Scrip First Preferred Stock and Bonds attached, @ 77½,	7,750 00		\$1,108,353 78
Amount of Coupons prepaid to Trustees, - - - - 1,400 00			
Balance to new account, - - -	9,150 00		
	292,874 88	By Balance Dec. 31st, 1861, - - -	\$ 292,874 88
	<u>\$1,108,353 78</u>		<u>\$1,108,353 78</u>

W. M. T A I N T O R,  
SECRETARY AND TREASURER.

[C.]

BALANCE OF GENERAL LEDGER, DEC. 31ST, 1881.

General Property Account.....	\$7,500,000 00	First Mortgage Bonds and Scrip Stock,.....	\$2,526,000 00
Original Cost of Road.....	813,236 50	Original Issue,.....	\$2,536,000 00
L. H. Meyer, President.....	100,000 00	Less returned by Trustees of Sinking Fund and cancelled,.....	80,000 00
Stock of Material.....	16,556 08	First Preferred Stock,.....	1,060,800 00
Operating Material on hand.....	3,106 25	Original Issue,.....	1,095,400 00
Operating Material provided for.....	102,796 26	Less returned by Trustees of Creditors of M. and M. R. R. Co., and cancelled,.....	31,600 00
Balances due from Agents and other Companies,.....		Second Preferred Stock,.....	1,036,800 00
B. H. Edgerton, Pay Master,.....		Original Issue,.....	1,036,800 00
Cash in his hands for accounts of December payments, and unclaimed balances of prior dates,.....		Less returned by Trustees of Creditors of M. and M. R. R. Co., and cancelled.....	66,900 00
Cash, Funds in Bank and on hand at Milwaukee,.....		Common Stock, total issue,.....	2,761,800 00
		Coupon Account,.....	17,825 00
		Material Reserve Account,.....	76,583 53
		Convertible Property and Old Debts Account,.....	141,966 59
		Sinking Fund Account,.....	181,400 00
		Debts Payable, unpaid Pay-rolls and Bills,.....	83,540 62
		Income Account, balance,.....	292,574 88
		Earnings.....	1,108,858 78
		Expenses, Interest &c., as per statement 'B'.....	816,479 46
	\$9,083,604 07		\$9,086,604 07

W. M. TAINTOR,  
SECRETARY AND TREASURER.

## REPORT OF TRUSTEES

OF MORTGAGE AND SINKING FUND.

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 NEW YORK, DECEMBER 31, 1861.

*To the Milwaukee and Prairie du Chien  
Railway Company:*

GENTLEMEN:

The undersigned, Trustees under the Mortgage made by you January 22d, 1861, respectfully report:

That by the terms of the deed establishing the trust, the Sinking Fund therein provided does not commence until October 1st, 1862, but that we have received as a donation from the Trustees of the Creditors of the late Milwaukee and Mississippi Railroad Company, \$17,000 of your bonds, issued under the mortgage above named, as by resolution of said Trustees of November, 23d, 1861.

In pursuance of the terms of said donation, we have collected the interest on the bonds donated and purchased by us up to January 1st, 1863, and invested the proceeds in the purchase of \$3,000 of your bonds.

We have cancelled and handed to L. H. Meyer, Esq., your President, \$20,000 of the bonds secured by the mortgage of which we are the Trustees.

In addition to the above, your President has exhibited to us Ten Thousand Dollars of the mortgage bonds cancelled by purchase of the 1st class preferred Scrip Stock, accompanied by the bonds, under chapter 308, section 7 of the Statutes of 1860, State of Wisconsin.

The accompanying statements will show how the accounts now stand.

W. SCHALL,  
N. A. COWDREY. } Trustees.

## STATEMENT NO. 1.

The Milwaukee & Prairie du Chien Railway Company to W.  
Schall and N. A. Cowdrey, Trustees :

1861.		DR.
January 22—To amount of Mortgage Bonds given for purchase money, paid for company's property,.....	\$2,556,000	
		CR.
November 23—By donation from trustees of creditors of the Milwaukee & Mississippi R. R. Co.,.....	\$17,000	
No. 2659 to 2694 , 26 Bds \$ 500 each. }		
No. 2081-2, and 2427-8, 4 do \$1000 each. }		
December 31—By Bonds purchased with interest collected on donated bonds .....	3,000	
No. 2078, 1211, 2278, 3 Bds \$1000 each.		
December 31—By Bonds purchased and cancelled by the Mil. & Pra du Chien Railway Co.....	10,000	
No. 2572 to 2585, 14 Bds., \$ 500 each. }		
No. 2048 to 2050, 3 Bds., \$1000 each. }		
	30,000	
1862.		
January 2nd—Balance due as per Mortgage Deed....	\$2,526,000	

## STATEMENT No. 2.

The United States Trust Co., New York, in account with W.  
Schall and N. A. Cowdrey, Trustees.

1861.		DR.
Nov. 25—To Coupons colle'd due July 1, 1861,..	\$ 455	
do           do           do           Jan. 1, 1862,..	525	
Nov. 30           do           do           Jan. 1, 1862,..	35	
Dec. 27           do           do           July 1, 1862, }		
do           do           do           Jan. 1, 1863, }	1400	2,415 00
		2,361 25
		CR.
Nov. 20—By Bond No. 2078, purch'd at 81½c.,	\$816 25	
Dec. 27—By Bonds Nos. 1211 and 2278, purchased at 80½c.,.....	1,545 00	2,361 25
1862.		
Jan. 2—Balance remaining with the United States Trust Company,.....	\$ 53 75	

[Copy of Report filed with the Secretary of State, as required by Law.]

# ANNUAL REPORT

## OF THE OPERATIONS

OF THE

## MILWAUKEE AND PRAIRIE DU CHIEN

### RAILWAY COMPANY,

Being a Railway Company in the State of Wisconsin, organized January 21st, 1861, during the year ending on the thirty-first day of December, 1861, made to the Stockholders of said Company in accordance with the provisions of Chapter 91, of the General Laws of 1858.

<b>FIRST</b> —The whole length of road in operation is.....	234 41-100 miles
Single Track,.....	234 41-100 "
Double Track,.....	None.
<b>SECOND</b> —The amount of Capital actually subscribed is .....	\$7,500,000 00
Paid thereon,.....	\$7,500,000 00
<b>THIRD</b> —The whole cost of the Road is, [by purchase,].....	7,500,000 00
<b>FOURTH</b> —The amount of indebtedness is, .....	2,584,549 62
As follows : 1st Mortgage, with Scrip 1st Preferred } Stock,.....	2,526,000 00
Insecured.....	58,549 62
The amount due the corporation is,.....	\$2,584,549 62 16,866 03
<b>FIFTH</b> —The number of passengers and the rate of fare is as follows:	
Through Passengers, 9,511	
Way " 120,872	
Military " 29,747	
Average Rate per mile 2.8-10 cents.	
<b>SIXTH</b> —The amount received for transportation is as follows :	
Passengers, .....	211,249 91
Mails, .....	21,562 50
Property.....	885,172 60
The amount received from other sources is.....	\$1,067,985 01 40,868 77
As follows :	
Rents,.....	24,031 57
Ferry,.....	16,887 20
<b>Total Receipts Earned, .....</b>	<b>\$1,108,853 78</b>
<b>SEVENTH</b> —The amount of Freight,.....	305,794 tons.

<b>EIGHTH</b> —The amount paid out, and incurred for expenses and interest, is, .....		\$806,829 5
As follows :		
For Repairs of the Road and Bridges, .....	\$ 179,640 89	
do do Buildings, .....	19,964 89	
do do Engines, .....	48,867 72	
do do Cars, .....	48,698 50	
Fuel, .....	72,648 88	
Taxes, .....	11,148 54	
Interest on 1st Mortgage Bonds, .....	118,405 00	
Wages of Employees, \$867,947 09, which is included in the other items stated.		
Salaries paid to each Officer exceeding \$1,000, and amount of each, are as follows :		
President, .....	\$3,000	
Vice President and Counsel, .....	2,000	
General Manager, .....	8,000	
Superintendent, .....	8,000	
Secretary and Treasurer combined, .....	2,000	
For indebtedness under liens against M. & M. R. R. ....	15,110 08	
For other purposes, .....	297,860 50	
		\$ 806,829 45
<b>NINTH</b> —The amount of loss to the Company from casualty, .....		218 98
<b>TENTH</b> —The number of dividends, none.		
<b>ELEVENTH</b> —The number of persons killed is two: Passengers and others, none. Employees, two. The number of persons injured, eight; Passengers and others, two. Employees, six. The cause of persons being killed is as follows: Falling from freight car while in motion. The causes of persons being injured are as follows: Two from breaking of rail; three from falling from freight cars; two from collision; one from coupling cars.		
<b>TWELFTH</b> —Of the foregoing accidents two have arisen from carelessness or negligence of employees on the road, six from the carelessness of the persons injured, and two from unavoidable contingencies. The employees from whose carelessness or negligence such accidents have arisen, retained in the service of the corporation are: None.		

STATE OF WISCONSIN, }  
County of Milwaukee. } ss.

We, William Taintor, Secretary and Treasurer, and William Jervis, Superintendent, of the Milwaukee and Prairie du Chien Railway Company, do each of us solemnly swear, that the foregoing report has been made from the best sources of information at our disposal, and that the several matters therein set forth are correct and true, to the best of our knowledge, information and belief. So help us God.

WM. TAINTOR, Secretary and Treasurer.

WM. JERVIS, Superintendent.

Sworn and subscribed to, this 18th day of January, 1862.