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1896

THIRTY-SECOND ANNUAL REPORT

OF THE

CHICAGO, MILWAUKEE & ST. PAUL  
RAILWAY COMPANY

FOR THE

FISCAL YEAR ENDING JUNE 30TH, 1896

PROPERTY OF  
HARVEY FISK & SONS  
STATISTICAL DEPARTMENT.  
NOT TO BE LOANED OR TAKEN FROM CIRCULATION



1896

Thirty-second Annual Report

OF THE

Chicago, Milwaukee & St. Paul  
Railway Company

FOR THE

Fiscal Year ending June 30th, 1896

CHICAGO  
CORBITT & BURNHAM, PRINTERS  
1896



## DIRECTORS AND OFFICERS

OF THE

### CHICAGO, MILWAUKEE & ST. PAUL RAILWAY CO.

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#### DIRECTORS.

PHILIP D. ARMOUR,	- - - - -	CHICAGO.
AUGUST BELMONT,	- - - - -	NEW YORK.
FRANK S. BOND,	- - - - -	NEW YORK.
CHARLES H. COSTER,	- - - - -	NEW YORK.
CHARLES D. DICKEY, Jr.,	- - - - -	NEW YORK.
PETER GEDDES,	- - - - -	NEW YORK.
FREDERICK LAYTON,	- - - - -	MILWAUKEE.
JOSEPH MILBANK,	- - - - -	NEW YORK.
ROSWELL MILLER,	- - - - -	CHICAGO.
JAMES M. McKINLAY,	- - - - -	NEW YORK.
WILLIAM ROCKEFELLER,	- - - - -	NEW YORK.
SAMUEL SPENCER,	- - - - -	NEW YORK.
A. VAN SANTVOORD,	- - - - -	NEW YORK.

#### OFFICERS.

ROSWELL MILLER,	- - - - -	President,	- - - - -	CHICAGO.
FRANK S. BOND,	- - - - -	Vice-President,	- - - - -	NEW YORK.
A. J. EARLING,	- - - - -	Second Vice-President and General Manager,	- - - - -	CHICAGO.
W. G. COLLINS,	- - - - -	General Superintendent,	- - - - -	CHICAGO.
P. M. MYERS,	- - - - -	Secretary,	- - - - -	MILWAUKEE.
J. M. McKINLAY,	- - - - -	Assistant Secretary and Transfer Agent,	- - - - -	NEW YORK.
C. B. FERRY,	- - - - -	Assistant Secretary and Transfer Agent,	- - - - -	NEW YORK.
H. C. WESTON,	- - - - -	Assistant Secretary and Transfer Agent,	- - - - -	NEW YORK.
F. G. RANNEY,	- - - - -	Treasurer,	- - - - -	CHICAGO.
W. N. D. WINNE,	- - - - -	General Auditor,	- - - - -	CHICAGO.
GEORGE R. PECK,	- - - - -	General Counsel,	- - - - -	CHICAGO.
BURTON HANSON,	- - - - -	General Solicitor,	- - - - -	CHICAGO.



**REPORT**  
**OF THE**  
**BOARD OF DIRECTORS.**





**THE**  
**THIRTY-SECOND ANNUAL REPORT**  
**OF THE DIRECTORS OF THE**  
**CHICAGO, MILWAUKEE & ST. PAUL**  
**RAILWAY COMPANY**  
**TO THE STOCKHOLDERS.**

For the Fiscal Year Ending June 30th, 1896.

The President and Directors submit to the Stockholders the following report of the business and operations of the Company for the year ending June 30th, 1896, and of the condition of its property and finances at the close of that year.

The operations for the year show the following results :

Gross Earnings.....	\$32,681,828 88
Operating Expenses (including taxes).....	19,676,808 04
Net Earnings.....	\$13,005,020 84
Income from other sources.....	64,857 13
Total .....	\$13,069,877 97
Fixed charges—interest on bonds...\$7,611,928 18	
Premium on bonds purchased.....	57,560 00 7,669,488 18
Balance above all charges.....	\$5,400,389 79

During the year two dividends aggregating seven per cent were paid on the preferred stock, and two dividends aggregating three per cent were paid on the common stock—of which, the dividend paid October 21st, 1895—3½ per cent on preferred and one per cent on common stock—was from net earnings of the previous fiscal year, ending June 30th, 1895.

### MILES OF TRACK.

The Company owns and operates 6,150.75 miles of railway, as follows:

Main track owned solely by this Company.....	6,139.62	
Main track owned jointly with other Companies.....	11.13	6,150.75
Second and third tracks and connection tracks owned solely by this Company.....	212.56	
Second and third tracks and connection tracks owned jointly with other Companies.....	3.42	215.98
Tracks owned by other Companies, but used by this Company under agreements.....		61.45
Yard tracks, sidings and spur tracks owned solely by this Company .....	1,366.04	
Yard tracks, sidings and spur tracks owned jointly with other Companies .....	40.67	1,406.71
Total miles of track .....		<u>7,834.89</u>

The lines of road are located as follows:

In Illinois .....	317.88	miles.
“ Wisconsin .....	1,647.79	“
“ Iowa .....	1,553.37	“
“ Minnesota.....	1,120.09	“
“ North Dakota .....	118.21	“
“ South Dakota .....	1,101.06	“
“ Missouri .....	140.27	“
“ Michigan.....	152.08	“
Total length of main track .....	<u>6,150.75</u>	<u>miles.</u>

No extension of the Company's lines has been made during the year. The track from Mather to Goodyear, in Wisconsin, and its two short branches, aggregating 18.67 miles in length, has been taken up, as the timber which it was built to reach is exhausted. A sufficient fund is provided out of charges to Operating Expenses to build a like number of miles elsewhere.

### ROLLING STOCK.

At the close of the last fiscal year the Rolling Stock Replacement Fund amounted to \$260,610. During the past year the sum of \$362,705.81 was added to the fund by charging to Operating Expenses the cost of making good the losses which occurred during the year; and there was expended out of the fund the sum of \$364,909.81 for actual replacements as follows:

11 Locomotives .....	\$101,824 36
1 Standard Postal Car .....	3,291 07
575 Box Cars .....	257,863 96
5 Flat and Coal Cars .....	1,930 42

The unexpended balance of this fund now amounts to \$258,406, and is sufficient to replace the shortage of equipment, shown by statement on page 33, and will be expended as needed.

There has also been expended during the year, for new and additional rolling stock, and for air-brakes and automatic couplers, as required by act of Congress, and for other improvements to rolling stock, the sum of \$387,815.72, which has been charged to Capital Account, as follows:

25—50 ft. Carriage Cars .....	\$15,262 73
1 Standard Postal Car .....	3,291 07
One-fourth interest in 45 Sleeping Cars, being the interest of the Pullman's Palace Car Co. in said Cars at the termination of the contract with that Company, November 10th, 1890. Settlement made January 31st, 1896 .....	105,260 60
Air Brakes, Automatic Couplers and other improvements to rolling stock .....	264,001 32

### SUMMARY OF CAPITAL EXPENDITURES.

The following expenditures (detailed statement on page 31), representing additions to capital, have been made during the year :

For Equipment.....	\$387,815 72
“ Real Estate .....	11,009 34
“ Station Buildings at new stations .....	3,201 16
“ Additions to Station Facilities at old stations....	12,466 01
“ Side-Tracks—new .....	56,753 10
“ Ballasting Lines not previously ballasted.....	115,036 34
“ New Fences on parts of road not heretofore fenced .....	15,314 26
“ Viaduct, Minneapolis .....	10,123 43
Total.....	<u>\$611,719 36</u>

### CAPITAL STOCK AND FUNDED DEBT.

At the close of the last fiscal year the share capital of the Company amounted to \$72,184,161; and consisted of \$26,156,900 of preferred stock, and \$46,027,261 of common stock. It has been increased during the year by \$739,000 of preferred stock, issued in exchange for the same amount of convertible bonds canceled, and now amounts to \$72,923,161.

At the close of the last fiscal year the funded debt of the Company was \$139,321,000. There have been added during the year \$579,000 of general mortgage four per cent bonds for additions and improvements to the property (as specified in the statement on page 31); and \$183,000 of general mortgage four per cent bonds issued in exchange for underlying bonds paid and canceled—total additions, \$762,000.

There have been deducted \$739,000 for convertible bonds received in exchange for preferred stock; and \$183,000 for other bonds paid and canceled—total deductions \$922,000; leaving the total funded debt at the close of the fiscal year ending June 30th, 1896, \$139,161,000—a decrease of \$160,000 since last report.

The amount of the capital stock of the Company per mile of road is \$11,866.73; the amount of the funded debt per mile of

road is \$22,645.55, on which the interest charge per mile of road is \$1,238.68. The total capitalization of the Company per mile of road is \$34,512.28.

At the close of the last fiscal year the amount of bonds in the treasury or due from trustees was \$4,618,000. To this there has been added during the year the following amounts: \$309,000 Dubuque Division Bonds, purchased for sinking fund purposes; \$183,000 General Mortgage Bonds, \$56,000 Wisconsin Valley Division Bonds, and \$1,000 La Crosse and Davenport Division Bond, received from trustees for bonds paid and canceled; and \$579,000 General Mortgage Bonds, representing additions and improvements to property during the year; total, \$1,128,000. There has been deducted during the year \$4,000 Wisconsin Valley Division Bonds; \$6,000 Income Sinking Fund Convertible Bonds, and \$86,000 Dubuque Division Bonds canceled by sinking fund; and \$1,104,000 General Mortgage Bonds sold; total, \$1,200,000. There remain in the treasury or due from trustees, June 30th, 1896, bonds to the amount of \$4,546,000.

The bonds in the treasury, excepting those specified as held for sinking fund purposes, represent actual cash expenditures for extensions, improvements, additional property, etc., out of the current cash receipts of the Company from the operation of its lines—which expenditures have not been made good by the sale of bonds, but the bonds issued therefor are held in the treasury as stated.

### EARNINGS.

The results from operation of your Company's lines during the year ending June 30th, 1896, compared with the previous year, show an increase of \$5,346,459.69 in gross earnings; an increase of \$2,633,054.95, in operating expenses; and an increase of \$2,713,404.74 in net earnings.

The earnings from freight traffic were \$23,887,930.06—an increase of \$4,909,667.17, or 25.87%.

The number of tons of freight carried was 12,210,055—an increase of 1,734,113 tons, or 16.55%.

The increase in tons of freight carried was principally in the following commodities: flour and mill feed, 73,588 tons; wheat,

356,131 tons; barley, 166,830 tons; oats, 235,467 tons; corn, 64,322 tons; flax seed, 107,703 tons; other grains, 1,683 tons; hay, 28,957 tons; iron and steel, 98,664 tons; manufactures, 79,469 tons; forest products, except lumber, 133,534 tons; live stock, 59,721 tons. There was no decrease in any important item except lumber, which decreased 47,909 tons.

The number of tons of all agricultural products carried during the year was 3,846,426—an increase compared with the previous year of 1,051,680 tons, or 37.63%. Agricultural products made up 31.50% of the total tonnage, as compared with 26.68% of the total tonnage of last year.

The total number of tons of commodities other than agricultural, carried during the year was 8,363,629 as against 7,681,196—an increase of 682,433 tons, or 8.88%—the per cent of total tonnage being 68.50% as against 73.32% last year.

The number of tons of freight carried one mile was 2,381,667,988—an increase of 616,422,436, or 34.92%. The revenue per ton per mile was 1.003 cts.—a decrease of .072 cts. or 6.70%. The average miles each ton of freight was carried was 195.06 miles—an increase of 26.56 miles, or 15.76%.

The number of tons of freight carried per loaded car was 10.90, against 9.84 last year—an increase of 10.77%. The number of tons of freight per freight train mile was 167.08, against 152.16 last year—an increase of 9.81%. The revenue from freight per freight train mile was \$1.6758, as against \$1.6359 last year—an increase of 2.44%.

It is apparent that the increase in revenue from freight was due principally to the increase in tonnage of agricultural products, in consequence of good crops; and to the increase of 26.56 miles in the average miles each ton of freight was carried. These conditions were offset somewhat by the decrease in the rate per ton per mile; and on the other hand the expense of transportation was diminished by the increase of tons of freight per loaded car.

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

1867.....3.94 cts.	1877.....2.08 cts.	1887.....1.09 cts.
1868.....3.49 "	1878.....1.80 "	1888.....1.006 "
1869.....3.10 "	1879.....1.72 "	1889.....1.059 "
1870.....2.82 "	1880.....1.76 "	1890.....0.995 "
1871.....2.54 "	1881.....1.70 "	1891.....1.003 "
1872.....2.43 "	1882.....1.48 "	1892.....1.026 "
1873.....2.50 "	1883.....1.39 "	1893.....1.026 "
1874.....2.38 "	1884.....1.29 "	1894.....1.037 "
1875.....2.10 "	1885.....1.28 "	1895.....1.075 "
1876.....2.04 "	1886.....1.17 "	1896.....1.003 "

The earnings from passenger traffic during the year were \$6,147,678.88—an increase of \$294,897.72 over the previous year, or 5.04%. The number of passengers carried was 7,427,614—an increase of 192,315, or 2.66%. The number of passengers carried one mile was 260,821,497—an increase of 16,595,809, or 6.80%; the revenue per passenger per mile was 2.357 cents—a decrease of .039 cents or 1.63%; the average miles each passenger was carried was 35.12 miles—an increase of 1.37 miles or 4.06%.

### EXPENDITURES.

In the expenditures pertaining to Maintenance of Way and Structures, there was an increase over the previous year of \$671,258.05, as follows: Repairs of Track, \$377,779.26; Renewal of Rails, \$14,613.57; Renewal of Ties, \$25,137.91; Repairs of Bridges, \$140,715.17; Repairs of Fences, \$7,927.19; Repairs of Buildings, \$105,084.95. The item Repairs of Buildings includes \$72,443.07—cost of replacement of freight houses at Milwaukee, destroyed by fire August 22d, 1895.

New steel rails to the amount of 22,480 tons have been laid during the year—an increase of 6,287 tons over the amount laid during the year ending June 30th, 1895; and 2,021,806 cross-ties have been placed in track—an increase of 84,301 over the number used in the previous year.

The expenditures for Repairs of Bridges include the total cost of 56 iron bridges, aggregating 5,573 feet in length—replacing an equal number of wooden bridges; the filling of about 3.9 miles of pile bridges with earth—289 bridges having been completely filled and 158 reduced in length by filling; and the replacing of 247 wooden culverts with iron.

The expenditures for Maintenance of Rolling Stock during the year were \$2,942,294.65—an increase of \$856,985.19 over the

expenditures of the previous year on this account; and include the amount of \$362,705.81 charged to Repairs of Locomotives and Cars to replace the loss of equipment during the year, as stated on page 9, and also general repairs of 361 locomotives and 14,233 cars.

In the items pertaining to Conducting Transportation, there was an increase in expenses of \$754,627.38, as follows:

Station Service, \$149,004.71; Conductors, Baggage-men and Brakemen, \$191,796.84; Engineers, Firemen and Wipers, \$186,933.21; Train and Station Supplies, \$23,321.66; Fuel, \$195,097.53; Oil and Waste, \$3,352.36; Trackage and Switching Charges, \$5,121.07.

The payments of the Company for labor directly employed in its service during the year were \$12,460,923.03, as compared with \$10,979,624.29 last year, and for material and supplies \$5,820,736.58, as compared with \$3,763,444.89 last year.

### INSURANCE DEPARTMENT.

The last annual report of the Company showed that the Insurance Department had a credit balance at the close of its fiscal year ending June 30th, 1895, of.....	\$88,808 07
From which there was paid for fire losses prior to that date....	6,635 73
<b>Making the true credit cash balance as of that date .....</b>	<b>82,172 34</b>
To enable the department to make a purchase of securities for the Guarantee Fund, there was borrowed, temporarily, the sum of .....	50,000 00
And from this aggregate sum of .....	132,172 34
\$111,000 par value of bonds were purchased at a cost of .....	103,250 00
Thus reducing the balance of cash to.....	28,922 34
To this amount add premiums received and due for the year ending June 30th, 1896 .....	81,826 71
The income from investments of the Guarantee Fund .....	23,055 00
<b>Making a credit balance of .....</b>	<b>133,804 05</b>
against which there is charged:	
For adjusted losses to June 30th, 1896.....	\$33,556 88
For losses unadjusted, estimated at.....	30,000 00
For expenses paid .....	1,861 34
For additional expenses, estimated at.....	2,000 00
<b>Total debits.....</b>	<b>117,417 72</b>
Leaving a credit cash balance of.....	16,386 33
To which add amount reserved for unadjusted losses.....	30,000 00
And for estimated expenses.....	2,000 00
<b>Making the cash in bank June 30th, 1896.....</b>	<b>48,386 33</b>



For the year just closed the Railway Company's losses by fire were larger than ever before in a single year. In August, four of the Company's warehouses at Milwaukee and a number of freight cars and contents were destroyed by fire; and in June, thirty-four freight cars and contents were burned at Davis Junction. This last fire occurring so near the end of the year represents nearly all of the unadjusted losses for which \$30,000.00 is set apart in the foregoing statement.

For the current year, therefore, the Insurance Department losses by fire will exceed its income from premiums and from investments by about \$12,536.01—assuming that the amount reserved for unadjusted losses (\$30,000.00) shall be sufficient to provide for the Davis Junction fire.

Taking the whole operations of the Department since its organization in February, 1893, its income has exceeded its expenses and losses by \$176,372.06, and the original Guarantee Fund of \$300,000.00 has been increased to \$503,250.00, which is represented by \$521,000.00 par value of bonds as per list below. The cash balance on hand June 30th, 1896, was \$48,386.33, against which there is reserved for possible claims for unadjusted fire losses and expenses \$32,000.00, leaving a balance of \$16,386.33 applicable to the \$50,000.00 loan made early in the year.

The Guarantee Fund of \$503,250.00 charged on the Insurance Department books, is invested as follows:

\$400,000	Chi., Mil. & St. Paul R'y Co. General Mortgage bonds	.....	4	per cent.
10,000	“ “ “ Consolidated Mortgage bonds	.....	7	“ “
2,000	“ “ “ South. Minnesota Div. bonds	.....	6	“ “
2,000	“ “ “ La Crosse & Dav. Div. bonds	.....	5	“ “
5,000	“ “ “ Chi. & Pac. West. Div. bonds	.....	5	“ “
6,000	Dakota & Great Southern Railway Company bonds	.....	5	“ “
98,000	Kansas City Belt Railway Company bonds	.....	6	“ “
\$521,000	par value of bonds that pay a yearly interest of	.....	\$23,230	

The Insurance Department property is represented on the general books of the Railway Company by the nominal charge of \$10,000.00, that appears on the balance sheet, page 20.

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

By order of the Board of Directors.

ROSSELL MILLER,  
*President.*

AUGUST, 1896.



*To the President:*

Herewith are submitted Statements of Operation and the  
General Accounts for the fiscal year ending June 30th, 1896.

W. N. D. WINNE,

*General Auditor.*







### FUNDED DEBT, JUNE 30TH 1896.

<b>Total Funded Debt, June 30th, 1895, including</b>		
all liens on purchased roads.....		\$139,321,000 00
<b>Issued during the year :</b>		
<b>General Mortgage Bonds as follows :</b>		
<b>For Bonds paid and canceled :</b>		
Income Sinking Fund Convertible.....	\$76,000 00	
Wisconsin Valley Division.....	21,000 00	
Dubuque Division.....	86,000 00	183,000 00
<b>General Mortgage Bonds due from Trustees for</b>		
<b>expenditures for additional equipment, real</b>		
<b>estate and improvements, July 1st, 1895, to</b>		
<b>June 30th, 1896.....</b>		579,000 00
		<u>\$140,093,000 00</u>
<b>Bonds paid and canceled :</b>		
Income Sinking Fund Convertible.....	76,000 00	
Wisconsin Valley Division.....	21,000 00	
Dubuque Division.....	86,000 00	
<b>Bonds received in exchange for preferred stock</b>		
<b>and canceled :</b>		
Iowa & Minnesota Division.....	578,000 00	
Prairie du Chien Division, Second Mortgage..	57,000 00	
Iowa & Dakota Division.....	96,000 00	
St. Paul (or River) Division.....	4,000 00	
St. Paul (or River) Division—Sterling.....	4,000 00	922,000 00
		<u>\$139,161,000 00</u>
<b>Total Funded Debt, June 30th, 1896....</b>		
<b>Decrease—Bonds received in exchange for pre-</b>		
<b>ferred stock and canceled.....</b>	\$739,000 00	
<b>Increase—For additions and improvements to</b>		
<b>the property.....</b>	579,000 00	
<b>Net Decrease .....</b>		<u>\$160,000 00</u>
<b>Of the total amount of bonds outstanding as</b>		
<b>stated above, there remain in the treasury,</b>		
<b>unsold, or due from Trustees.....</b>		<u>\$4,546,000 00</u>

FUNDED DEBT, JUNE 30TH, 1896.

DESCRIPTION OF BONDS.	TIME.		AMOUNT OUTSTANDING.	RATE.	WHEN PAYABLE.	INTEREST.	
	DATE OF ISSUE.	WHEN DUE.				AMOUNT ACCRUED DURING THE YEAR.	AMOUNT PAID DURING THE YEAR.
a Iowa & Minnesota Division.....	1867	1897	2,097,000 00	7 per cent.	Jan. and July.	146,790 00	146,860 00
a Prairie du Chien Division, 1st Mortgage.....	1867	1898	3,674,000 00	8 " "	Feb. and Aug.	293,920 00	293,960 00
a Prairie du Chien Division, 2d Mortgage.....	1867	1898	1,124,000 00	7.3 " "	" " "	82,052 00	81,869 50
a Chicago & Milwaukee Division.....	1873	1903	2,393,000 00	7 " "	Jan. and July.	167,510 00	167,720 00
ad St. Paul (or River) Division.....	1872	1902	3,359,000 00	7 " "	" " "	235,130 00	234,990 00
ae St. Paul (or River) Division, Sterling.....	1872	1902	437,500 00	7 " "	" " "	30,625 00	30,870 00
a Iowa & Dakota Division.....	1869	1899	444,000 00	7 " "	" " "	31,080 00	31,010 00
a Hastings & Dakota Division.....	1872	1903	89,000 00	7 " "	" " "	6,230 00	6,230 00
b Consolidated Mortgage.....	1874	1904	186,000 00	7 " "	" " "	13,020 00	13,020 00
a Consolidated Mortgage.....	1875	1905	11,299,000 00	7 " "	" " "	790,330 00	788,690 00
d Terminal Mortgage.....	1884	1914	4,748,000 00	5 " "	" " "	237,400 00	237,900 00
a Iowa & Dakota Division Extension.....	1878	1908	2,505,000 00	7 " "	" " "	245,350 00	245,070 00
Hastings & Dakota Division Extension.....	1880	1910	5,680,000 00	7 " "	" " "	397,600 00	395,850 00
Hastings & Dakota Division Extension.....	1880	1910	990,000 00	5 " "	" " "	49,800 00	49,800 00
Southwestern Division.....	1879	1909	4,000,000 00	6 " "	" " "	240,000 00	239,670 00
La Crosse & Davenport Division.....	1879	1919	2,500,000 00	5 " "	" " "	125,000 00	125,445 83
Chicago & Pacific Division.....	1880	1910	3,000,000 00	6 " "	" " "	180,000 00	176,760 00
Chicago & Pacific Western Division.....	1881	1921	25,340,000 00	5 " "	" " "	1,267,000 00	1,266,350 00
Southern Minnesota Division.....	1880	1910	7,432,000 00	6 " "	" " "	445,320 00	445,320 00
Mineral Point Division.....	1880	1910	2,840,000 00	5 " "	" " "	142,000 00	138,950 00
Dubuque Division.....	1880	1920	6,479,000 00	6 " "	" " "	388,740 00	386,400 00
Wisconsin Valley Division.....	1880	1920	2,270,000 00	6 " "	" " "	136,200 00	133,920 00
Wisconsin & Minnesota Division.....	1881	1921	4,755,000 00	5 " "	" " "	237,750 00	238,850 00
Chicago & Lake Superior Division.....	1881	1921	1,360,000 00	5 " "	" " "	68,000 00	68,175 00
Chicago & Missouri River Division.....	1886	1926	3,083,000 00	5 " "	" " "	154,150 00	154,475 00
Dakota & Great Southern Ry Co.....	1886	1916	2,856,000 00	5 " "	" " "	142,800 00	142,725 00
Fargo & Southern Ry Co.....	1883	1924	1,250,000 00	6 " "	" " "	75,000 00	75,000 00
Wisconsin Valley R. R. Co.....	1879	1909	1,106,500 00	7 " "	" " "	77,455 00	37,660 00
Income Sinking Fund Convertible.....	1886	1916	1,444,000 00	5 " "	" " "	72,250 00	72,250 00
General Mortgage.....	1889	1989	23,173,000 00	4 " "	" " "	886,920 00	732,405 27
M.I. & Northern R. R. Co., 1st Mortgage.....	1880	1910	2,155,000 00	6 " "	June and Dec.	129,300 00	130,170 00
M.I. & Northern R. R. Co., Consolidated.....	1884	1913	5,092,000 00	6 " "	" " "	303,520 00	241,050 00
Interest on bonds canceled.....					" " "	15,655 91	40,099 66
Less interest accrued on bonds held in the treasury of the Company.....						\$7,816,747 91	
Total.....			\$139,161,000 00			204,819 73	\$7,575,515 26

a Bonds thus designated are convertible into Preferred Stock at any time within ten days after a dividend becomes payable on said Preferred Stock.  
 b Bonds thus designated are convertible into Preferred Stock at any time within fifteen days after a dividend becomes payable on said Preferred Stock.  
 c Bonds thus designated are convertible into Common Stock at any time within sixty days after any dividend becomes payable on the stock of the Company.  
 d The Philadelphia branch and branch certificates in each of the following cities are held by the Company, viz: St. Louis, Mo.; St. Paul, Minn.; Chicago, Ill.; and St. Paul, Minn.



## CAPITAL STOCK, JUNE 30TH, 1896.

PREFERRED STOCK.

Amount of Preferred Stock, June 30th, 1895...		\$26,156,900 00
Issued during the year in exchange for bonds convertible into preferred stock by terms of mortgage, viz.:		
For 578 Bonds, Iowa & Minnesota Division ..	\$578,000 00	
For 57 Bonds, Prairie du Chien Division, Second Mortgage .....	57,000 00	
For 96 Bonds, Iowa & Dakota Division.....	96,000 00	
For 4 Bonds, St. Paul (or River) Division...	4,000 00	
For 8 Bonds, St. Paul (or River) Division, \$100 each.....	4,000 00	739,000 00
Total Preferred Stock, June 30th, 1896..		\$26,895,900 00

COMMON STOCK.

Total Common Stock, June 30th, 1895.....	\$46,027,261 00	
Total Common Stock, June 30th, 1896.....		46,027,261 00
Total Capital Stock, June 30th, 1896....		<u>\$72,923,161 00</u>

DETAILED STATEMENT  
OF  
**EARNINGS AND EXPENSES**

FOR THE YEARS ENDING JUNE 30TH, 1895 AND 1896.

**EARNINGS.**

	<u>1895.</u>	<u>1896.</u>
From Freight .....	\$18,978,262 89	\$23,887,930 06
From Passengers .....	5,852,781 16	6,147,678 88
From Mails, Express, etc. ....	2,504,325 14	2,646,219 94
Gross Earnings .....	<u>\$27,335,369 19</u>	<u>\$32,681,828 88</u>

**EXPENSES.**

	<u>1895.</u>	<u>1896.</u>
Repairs of Track .....	\$1,425,383 98	\$1,803,163 24
Renewal of Rails .....	454,113 56	468,727 13
Renewal of Ties .....	900,241 70	925,379 61
Repairs of Bridges .....	660,332 97	801,048 14
Repairs of Fences .....	67,067 00	74,994 19
Repairs of Buildings .....	196,326 40	301,411 85
Repairs of Locomotives .....	839,008 22	1,234,446 64
Repairs of Cars .....	1,195,563 78	1,629,271 08
Repairs of Tools and Machinery...	50,737 46	78,576 93
Management and General Offices.	642,889 31	661,646 47
Foreign Agency and Advertising	160,040 77	170,459 26
Station Service .....	2,572,769 30	2,721,774 01
Conductors, Bag'ge and Brakemen	1,393,577 95	1,585,374 79
Engineers, Firemen and Wipers..	1,710,016 60	1,896,949 81
Carried forward .....	<u>\$12,268,069 00</u>	<u>\$14,353,222 65</u>

	1895.	1896.
Brought forward.....	\$12,268,069 00	\$14,353,222 65
Train and Station Supplies.....	433,444 10	456,765 76
Fuel Consumed.....	1,813,415 58	2,008,513 11
Oil and Waste.....	112,174 11	115,526 47
Personal Injuries.....	159,160 65	146,063 17
Damage to Property.....	65,253 42	35,027 59
Loss and Damage, Fr't and Bag'e	69,017 50	70,584 80
Legal Expenses.....	140,798 67	134,004 08
New York Office Expenses.....	23,226 22	25,969 43
Taxes.....	1,084,700 45	1,082,083 74
Insurance.....	88,847 98	80,065 94
Miscellaneous Expenses.....	234,075 19	205,139 93
Stock Yard Expenses.....	10,571 67	10,558 49
Expenses of Elevators.....	20,733 18	27,002 53
Mileage of Cars.....	139,819 66	183,314 33
Sleeping and Parlor Car Expenses	67,685 27	75,084 51
Trackage and Switching Charges	312,760 44	317,881 51
Renewal Account.....	-----	350,000 00
Total Expenses.....	<u>\$17,043,753 09</u>	<u>\$19,676,808 04</u>

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**RECAPITULATION.**

	1895.	1896.	Increase.
Gross Earnings.....	\$27,335,369 19	\$32,681,828 88	\$5,346,459 69
Total Expenses.....	17,043,753 09	19,676,808 04	2,633,054 95
Net Earnings.....	<u>\$10,291,616 10</u>	<u>\$13,005,020 84</u>	<u>\$2,713,404 74</u>

**CONDENSED STATEMENT OF EARNINGS AND EXPENSES**

FOR THE YEAR ENDING JUNE 30TH, 1893, 1894, 1895 AND 1896.

**EARNINGS.**

	1898.	1894.	1895.	1896.
From Freight.....	\$25,722,000 55	\$21,550,686 79	\$18,978,262 89	\$23,887,930 06
From Passengers.....	7,511,767 23	7,311,823 10	5,882,781 16	6,147,078 88
From Mails, Express, etc.....	2,508,671 07	2,405,442 06	2,504,325 14	2,646,219 94
<b>Gross Earnings.....</b>	<b>\$35,743,428 85</b>	<b>\$31,327,950 95</b>	<b>\$27,335,369 19</b>	<b>\$32,681,828 88</b>

**EXPENSES.**

Maintenance of Way and Structures.....	\$5,244,337 60	\$4,469,837 73	\$3,703,465 61	\$4,374,723 60
Maintenance of Rolling Stock.....	3,814,926 99	2,698,459 39	2,085,309 46	2,942,294 05
Conducting Transportation.....	11,088,475 93	9,621,023 93	8,348,158 08	9,102,785 46
Loss and Damage to Persons and Property.....	476,924 54	444,178 44	293,431 57	281,075 50
General Offices, Agencies and Advertising.....	1,081,908 38	1,002,288 74	966,954 97	992,079 24
Mileage of Cars.....	379,714 96	217,181 15	139,819 66	183,314 33
Taxes.....	1,121,942 65	1,199,077 00	1 084,700 45	1,082,083 74
Renewal Account.....	504,652 27	462,283 27	421,918 20	350,000 00
Miscellaneous.....	.....	.....	.....	\$97,851 40
<b>Total Expenses.....</b>	<b>\$23,712,943 32</b>	<b>\$20,114,332 65</b>	<b>\$17,043,753 09</b>	<b>\$19,676,808 04</b>

**RECAPITULATION.**

Gross Earnings.....	\$35,743,428 85	\$31,327,950 95	\$27,335,369 19	\$32,681,828 88
Total Expenses.....	23,712,943 32	20,114,332 65	17,043,753 09	19,676,808 04
<b>Net Earnings.....</b>	<b>\$12,030,485 53</b>	<b>\$11,213,618 30</b>	<b>\$10,291,616 10</b>	<b>\$13,005,020 84</b>
<b>Average Miles in Operation.....</b>	<b>6,108.02</b>	<b>6,147.08</b>	<b>6,159.35</b>	<b>6,153.27</b>

## STATEMENT OF MONTHLY EARNINGS AND EXPENSES.

	FREIGHT.	PASSENGER.	MAILS, EXPRESS, ETC.	GROSS EARNINGS.	OPERATING EXPENSES.	NET EARNINGS.
July, 1895	\$1,433,539 82	\$635,432 73	\$220,218 16	\$2,289,240 71	\$1,552,246 98	\$736,993 73
August, "	1,794,621 48	643,032 28	225,332 37	2,662,986 13	1,641,351 37	1,021,634 76
September, "	2,208,992 93	651,453 16	221,865 16	3,082,291 25	1,736,924 22	1,345,367 03
October, "	3,071,283 97	561,318 90	219,260 05	3,851,862 92	1,943,951 46	1,907,911 46
November, "	2,719,776 05	474,061 09	222,250 96	3,416,688 70	1,762,860 03	1,653,828 07
December, "	2,073,614 78	469,830 95	221,206 54	2,764,652 27	1,627,792 01	1,236,859 66
January, 1896	1,673,920 16	434,315 07	221,387 67	2,329,623 90	1,541,909 45	787,713 45
February, "	1,711,911 00	384,700 26	209,068 66	2,306,679 92	1,565,978 55	739,701 37
March, "	2,070,020 48	457,449 05	221,864 91	2,749,354 44	1,034,556 36	1,114,798 08
April, "	1,711,309 35	441,212 70	214,067 95	2,366,590 00	1,590,392 79	776,197 21
May, "	1,572,997 16	458,040 01	226,863 09	2,257,920 26	1,586,789 22	671,131 04
June, "	1,845,943 88	586,202 08	222,794 42	2,604,939 38	1,592,054 40	1,012,884 98
Total	\$23,887,930 06	\$6,147,678 86	\$2,646,219 04	\$32,081,828 86	\$19,676,808 04	\$13,005,020 84

## COMPARATIVE SUMMARY OF OPERATION.

### Gross Earnings.

1895.....	\$27,335,369 19		
1896.....	32,681,828 88	Increase .....	\$5,346,459 69

### Operating Expenses.

1895.....	\$17,043,753 09		
1896.....	19,076,808 04	Increase .....	\$2,633,054 95

### Net Earnings.

1895.....	\$10,291,616 10		
1896.....	13,005,020 84	Increase .....	\$2,713,404 74

### Gross Earnings per Mile of Road.

1895 .....	\$4,438 03		
1896 .....	5,311 29	Increase .....	\$873 26

### Operating Expenses per Mile of Road.

1895 .....	\$2,767 14		
1896 .....	3,197 78	Increase .....	\$430 64

### Net Earnings per Mile of Road.

1895 .....	\$1,670 89		
1896 .....	2,113 51	Increase .....	\$442 62

### Freight Earnings per Mile of Road.

1895 .....	\$3,081 21		
1896 .....	3,892 15	Increase .....	\$800 94

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

1895 .....	\$1,356 82		
1896 .....	1,429 14	Increase .....	\$72 32

### Average Miles of Road Operated During the Year.

1895 .....	6,150.35		
1896 .....	6,153.27	Decrease .....	6.08

## TRANSPORTATION STATISTICS.

FOR THE YEARS ENDING JUNE 30TH, 1894, 1895 AND 1896.

	1894.	1895.	1896.
Miles run by freight trains .....	12,869,482	10,911,957	13,526,151
Miles run by passenger trains .....	7,848,438	7,549,199	7,788,709
Miles run by mixed trains .....	987,704	919,316	970,799
Miles run by revenue trains .....	21,705,624	19,380,472	22,285,659
Miles run by switching trains .....	4,411,146	3,869,129	4,005,550
Miles run by construction and other trains .....	575,700	441,227	609,991
Total miles run by all trains .....	26,692,470	23,690,828	26,901,200
Number of tons of freight carried .....	10,794,058	10,475,942	12,210,055
Number of tons of freight carried one mile .....	2,077,869,479	1,765,245,552	2,381,667,983
Mileage of freight cars—loaded .....	209,261,693	179,379,217	218,475,022
Mileage of freight cars—empty .....	80,883,822	78,164,933	92,455,478
Number of tons of freight carried per loaded car ..	9.93	9.84	10.90
Average number of loaded freight cars per train ..	15.38	15.46	15.33
Average miles each ton of freight was carried .....	192.50	168.50	195.06
Number of tons of freight per freight train mile ..	152.67	152.16	167.03
Revenue per ton of freight per mile .....	1.037 cts.	1.075 cts.	1.003 cts.
Revenue from freight per freight train mile .....	\$1.5834	\$1.6359	\$1.6758
Number of passengers carried .....	7,921,882	7,235,299	7,427,614
Number of passengers carried one mile .....	337,133,338	244,225,688	260,821,497
Average miles each passenger was carried .....	42.56	33.75	35.12
Revenue per passenger per mile .....	2.169 cts.	2.396 cts.	2.357 cts.
Revenue from passengers per passenger train mile ..	90.32 cts.	75.25 cts.	76.55 cts.
Repairs of Locomotives per revenue train mile .....	5.05 cts.	4.33 cts.	5.54 cts.
Repairs of Cars " " " " .....	7.05 cts.	6.17 cts.	7.31 cts.
Station Service " " " " .....	12.82 cts.	13.27 cts.	12.21 cts.
Train Service " " " " .....	7.34 cts.	7.19 cts.	7.11 cts.
Locomotive Service " " " " .....	8.87 cts.	8.82 cts.	8.51 cts.
Train and Station Supplies " " " " .....	2.44 cts.	2.24 cts.	2.05 cts.
Fuel " " " " .....	10.40 cts.	9.36 cts.	9.01 cts.
Oil and Waste " " " " .....	.63 cts.	.58 cts.	.52 cts.
All Other Expenses " " " " .....	37.98 cts.	35.98 cts.	36.03 cts.
Total Operating Expenses " " " " .....	92.67 cts.	87.94 cts.	88.29 cts.
Percentage of Expenses (including Taxes) to Earnings	64.21 %	62.35 %	60.21 %

**STATEMENT OF COMMODITIES TRANSPORTED**  
**DURING THE YEARS ENDING JUNE 30TH, 1894, 1895 AND 1896.**

COMMODITIES.	1894.		1895.		1896.	
	Tons.	Per Cent.	Tons.	Per Cent.	Tons.	Per Cent.
	Flour .....	440,193	4.078	413,077	3.949	472,322
Mill Feed .....	146,028	1.353	137,309	1.311	152,252	1.247
Wheat .....	940,878	8.717	735,743	7.023	1,091,874	8.843
Rye .....	45,185	.419	39,965	.381	41,548	.340
Barley .....	516,167	4.782	504,889	4.819	671,719	5.501
Oats .....	410,020	3.799	351,509	3.355	586,978	4.807
Corn .....	408,017	4.336	174,046	1.661	238,308	1.952
Flax Seed .....	116,909	1.083	73,943	.706	181,646	1.486
Hay .....	177,482	1.644	125,011	1.193	153,968	1.261
Dairy Products .....	47,753	.442	47,744	.456	49,374	.404
Other Agricultural Products .....	173,685	1.609	191,010	1.823	206,379	1.691
Provisions .....	171,900	1.593	191,770	1.831	213,121	1.746
Salt .....	57,433	.533	56,360	.557	66,350	.543
Lime, Cement and Plaster .....	160,093	1.483	153,153	1.462	151,707	1.242
Brick and Stone .....	438,053	4.058	515,998	4.928	599,541	4.911
Iron and Steel .....	222,990	2.066	273,912	2.615	372,576	3.052
Manufactures .....	439,794	4.074	518,130	4.947	597,599	4.893
Coal .....	1,437,393	13.317	1,585,719	15.137	1,630,220	13.352
Live Stock .....	542,434	5.025	575,967	5.498	635,688	5.207
Lumber .....	1,229,011	11.396	1,205,396	11.506	1,157,487	9.480
Other Forest Products .....	552,461	5.118	778,327	7.430	911,861	7.468
Merchandise .....	1,024,044	9.487	922,532	8.806	926,509	7.588
Ice .....	233,090	2.159	217,490	2.075	210,306	1.722
Miscellaneous .....	808,025	7.440	684,442	6.533	890,664	7.295
<b>Total .....</b>	<b>10,794,058</b>	<b>100.000</b>	<b>10,475,942</b>	<b>100.000</b>	<b>12,210,055</b>	<b>100.000</b>



**DETAIL OF EXPENDITURES**  
**FOR ADDITIONS AND IMPROVEMENTS TO PROPERTY**  
**FOR THE YEAR ENDING JUNE 30TH, 1896.**

<b>Equipment—</b>		
25 Carriage Cars.....	\$15,262 73	
1 Standard Postal Car.....	3,291 07	
One-fourth interest in 45 Sleeping Cars, being the interest of the Pullman's Pal- ace Car Co. in said cars at the termina- tion of the contract with that Company, November 10th, 1890.....	105,260 60	
Air Brakes, Automatic Couplers and other improvements to Rolling Stock.....	264,001 32	\$397,815 72
Right of Way, Sundry Points.....		11,009 34
Viaduct, Minneapolis.....		10,123 43
<b>Station Buildings—</b>		
Minneapolis, Minn., Freight.....	2,865 16	
Sparta, Wis., Freight.....	1,887 58	
Cedar Rapids, Iowa, Freight.....	906 93	
North Chicago, Ill., Freight Office.....	2,156 12	
Glard, Iowa, Freight and Passenger.....	813 01	
Summit, S. D., Freight and Passenger.....	975 78	
Granada, Minn., Freight and Passenger.....	850 82	
At Other Points.....	3,575 53	14,080 91
Engine House, Tank and Well, Star Lake, Wis.		1,636 26
Side Tracks.....		56,753 10
<b>Ballasting Track—</b>		
Iowa & Dakota Division.....	29,461 79	
Hastings & Dakota Division.....	10,163 58	
Sioux City & Dakota Division.....	12,553 09	
Southern Minnesota Division.....	12,286 10	
Kansas City Division.....	15,933 95	
Racine & Southwestern Division.....	12,783 27	
Chicago & Council Bluffs Division—Iowa Branch Lines.....	21,142 52	
Wisconsin Valley Division.....	712 04	115,086 34
<b>Fences—New</b>		
Iowa & Dakota Division.....	2,191 06	
Sioux City & Dakota Division.....	1,565 86	
Southern Minnesota Division.....	2,144 89	
Wabasha Division.....	1,087 51	
Wisconsin Valley Division.....	4,457 19	
Dubuque Division.....	2,143 95	
Other Divisions.....	1,718 80	15,314 26
		\$611,719 36
<b>Sundry credits</b> .....		32,368 90
<b>Total</b> .....		<u>\$579,330 46</u>
Cost of Road and Equipment, June 30th, 1895.....	\$211,168,036 96	
Additions and Improvements as above.....	579,330 46	
Discount on General Mortgage Bonds.....	83,320 00	
Purchase of Oshkosh & Mississippi River Ry. Co. Stock.....	48 00	
Cost of Road and Equipment, June 30th, 1896.....	<u>\$211,830,735 42</u>	

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**MATERIAL AND FUEL ON HAND.**

Coal.....	60,965 Tons,	118,058 57
Wood.....	11,390 Cords,	24,871 22
Ties.....	927,191 Number,	295,658 85
New Steel Rails.....	1,390 Tons,	31,842 21
Old Steel Rails.....	11,248 Tons,	152,008 98
Old Iron Rails.....	11,550 Tons,	152,190 86
Oil.....	106,151 Gallons,	16,486 88
Waste.....	57,514 Pounds,	4,381 58
Splices, Bolts and Spikes.....	441,106 Pounds,	8,042 78
Iron (worked and unworked) ...	7,999,958 Pounds,	105,786 50
Copper and Brass.....	326,043 Pounds,	27,982 63
Lumber and Timber.....	15,023,039 Feet,	232,836 79
Piles.....	329,419 Feet,	35,001 69
Posts.....	106,865 Number,	8,001 18
Engine and Car Wheels.....	4,061 Number,	24,071 80
Engine and Car Wheels(on axles)	1,977 Pairs,	33,866 91
Engine and Car Axles.....	834,185 Pounds,	15,188 05
Tires.....	67,082 Pounds,	2,349 33
Steel and Steel Springs.....	548,992 Pounds,	23,142 34
Engine, Car and Road Castings	3,473,890 Pounds,	45,882 30
Paints and Oils.....		9,809 41
Stationery Supplies.....		18,983 55
Other Supplies.....		460,066 95
Total, June 30th, 1896.....		<u>\$1,846,511 36</u>
Total, June 30th, 1895.....		<u>1,743,013 52</u>
Increase.....		<u>\$103,497 84</u>

## EQUIPMENT IN SERVICE JUNE 30TH, 1896.

## STANDARD GAUGE.

Locomotives .....		826
Passenger Cars .....		410
Sleeping Cars .....		53
Parlor Cars .....		16
Dining Cars .....		8
Baggage, Postal, Mail and Express Cars .....		281
Freight Cars—		
Box Cars .....	18,460	
Stock Cars .....	2,472	
Flat, Coal, Ore and Dump Cars .....	5,706	
Refrigerator Cars .....	478	27,116
Caboose Cars .....		456
Wrecking, Tool Cars, etc. ....		73

## NARROW GAUGE.

Locomotives .....		7
Passenger Cars .....		3
Baggage, Mail and Express Cars .....		6
Freight Cars—		
Box Cars .....	203	
Stock Cars .....	59	
Flat Cars .....	40	311
Caboose Cars .....		5
Total .....		29,571

During the year ending June 30th, 1896, 14 small locomotives, unfit for further service were scrapped; and Operating Expenses were charged with the cost of fourteen new standard locomotives to replace the same—eleven of which were purchased or built, and the amount required to replace the other three—\$30,000—is in the Replacement Fund.

At the date of last report, a shortage of 572 cars was shown by the inventory of equipment. During the year 109 cars were destroyed by fire (41 by the destruction of freight houses at Milwaukee, August 22d, 1895), 214 were destroyed by wreck on our own and other roads, and 253 old cars of small capacity were taken down as unfit for further service and not good enough to repair.

During the year 581 new cars were built at the cost of Replacement Fund—comprising 575 box, 5 flat and coal, 1 postal car—and at the date of this report the shortage is 567 cars—comprising 2 passenger, 290 stock, 253 flat, 11 refrigerator and 11 caboose cars. The amount necessary for the replacement of these 567 cars—\$228,406.00—has been charged to Operating Expenses and stands to the credit of "Rolling Stock Replacement Fund," as shown on page 20 of this report.