

1902

Thirty-eighth Annual Report

OF THE

Chicago, Milwaukee & St. Paul
Railway Company

FOR THE

Fiscal Year ending June 30th, 1902.

DIRECTORS AND OFFICERS

OF THE

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY CO.

DIRECTORS.

J. OGDEN ARMOUR,	-		CHICAGO.
AUGUST BELMONT,	-		NEW YORK.
FRANK S. BOND,	-		NEW YORK.
A. J. EARLING,	-		CHICAGO.
PETER GEDDES,	-		NEW YORK.
CHARLES W. HARKNESS,	-		NEW YORK.
FREDEYICK LAYTON,	-		MILWAUKEE
JOSEPH MILBANK,	-		NEW YORK.
ROSWELL MILLER,	-		NEW YORK.
WILLIAM ROCKEFELLER,	-		NEW YORK.
HENRY H. ROGERS,	-		NEW YORK.
JAMES H. SMITH,	-		NEW YORK.
SAMUEL SPENCER,	-		NEW YORK.

OFFICERS.

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

REPORT
OF THE
BOARD OF DIRECTORS.

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

For the Fiscal Year Ending June 30th, 1902.

The Directors submit to the Stockholders the following report of the business and operations of the Company for the year ending June 30th, 1902, 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.....	\$45,613,124 84
Operating Expenses, including taxes.....	<u>30,196,895 04</u>
Net Earnings.....	\$15,416,229 80
Income from other sources.....	434,314 68
Total.....	<u>\$15,850,544 48</u>
Fixed Charges—Interest on Bonds.....	<u>6,210,086 11</u>
Balance above all charges.....	<u>\$9,640,458 37</u>

During the year two dividends aggregating seven per cent were paid on the preferred stock, and two dividends aggregating six per cent were paid on the common stock, of which the dividends paid October 29th, 1901—three and one-half per cent on preferred and three per cent on common stock—were from net earnings of the previous fiscal year, ending June 30th, 1901.

MILES OF TRACK.

Owned solely by this Company:		
Main track.....	6,578.21	
Second main track.....	287.40	
Third main track.....	5.57	
Fourth main track.....	1.72	
Connection tracks.....	34.31	
Yard tracks, sidings and spur tracks.....	1,710.17	8,617.38
Owned jointly with other Companies:		
Main track.....	25.64	
Second main track.....	1.83	
Connection tracks.....	4.44	
Yard tracks, sidings and spur tracks.....	61.92	93.83
Used by this Company under contracts:		
Main track.....	150.25	
Second main track.....	18.82	
Third main track.....	1.14	170.21
Total miles of track.....		<u>8,881.42</u>

The lines of road are located as follows:

In Wisconsin.....	1,700.12	miles
" Illinois.....	347.27	"
" Iowa.....	1,794.91	"
" Minnesota.....	1,120.08	"
" North Dakota.....	118.21	"
" South Dakota.....	1,224.05	"
" Missouri.....	140.27	"
" Michigan.....	158.94	"
Total length of main track.....	<u>6,603.85</u>	"

The reduction of grades on the Chicago & Council Bluffs Division, in Iowa, between Marion and Preston, and Coon Rapids and Perry, is completed; and the reduction of grades on the River Division, and on the Iowa & Minnesota Division, between Austin and Rosemount, Minnesota, is under way. The cost of these grade reductions is charged to Renewal and Improvement Fund.

The work of elevating the tracks of the Chicago & Council Bluffs Division, in Illinois, between Pacific Junction and Cragin, Chicago, will be completed this fall. The cost of this work is charged to Renewal and Improvement Fund.

The widening of the gauge of the line from Reno to Preston, Minnesota, has been completed, at a cost of \$168,186.09, which was charged to Renewal and Improvement Fund.

The widening of the gauge of the line from Wabasha to Zumbrota, Minnesota, a distance of 60 miles, is under way.

The construction of the line from a point three and four-tenths miles west of Preston to Green Island, Iowa, has been completed, at a cost of \$289,365.83; a second main track has been completed from Sabula Junction to Green Island, Iowa, at a cost of \$218,879.30, and from a point three and four-tenths miles west of Preston to Browns, Iowa, a distance of two and four-one-hundredths miles, at a cost of \$25,241.35.

The Board has authorized the construction of a line from Farmington to Mankato, Minnesota, 56 miles; from Zumbrota to Faribault, Minnesota, 35 miles; and from Eureka to Linton, North Dakota, 49 miles. These lines will be completed this fall.

The Board has authorized the construction of a second main track on the La Crosse Division, from Brookfield to La Crosse, Wisconsin, a distance of 182 miles, at an estimated cost of \$2,548,000. One-half of this work will be done this year and the balance next year.

An enlargement of the Ore Docks at Escanaba, Michigan, has been made, so as to double their capacity. The cost of the work, \$220,689.75, was charged to Renewal and Improvement Fund.

The construction of the Kansas City Cut-off will be completed this fall.

ROLLING STOCK.

At the close of the fiscal year ending June 30th, 1901, the Rolling Stock Replacement Fund amounted to \$62,850.00.

During the year just closed there has been added to the fund and charged to Operating Expenses, the sum of \$206,754.99 for the cost of the replacement of three hundred and fifty-nine cars destroyed in service during the year.

There was expended of this fund, for the replacement of two hundred and fifty-nine cars, \$156,254.99, as follows:

1 Sleeping Car.....	\$19,341 20
1 Passenger and Baggage Car.....	2,614 75
1 Express Car.....	2,937 56
212 Box Cars.....	106,646 60
18 Stock Cars.....	9,386 96
26 Ore Cars.....	15,327 92

The unexpended balance of the Replacement Fund, June 30th, 1902, amounted to \$113,350.00—which is sufficient to replace the shortage of two hundred and thirty-seven cars, as shown by statement on page 36.

During the year, twenty-seven box cars of small capacity were sold; eleven hundred and forty-five cars and two steam shovels were taken down because of their small size and worn-out condition. These had been replaced in advance, and the cost charged to Operating Expenses in previous years under the head of Additional Equipment.

The average number of freight cars in service June 30th, 1902, per mile of road, was 5.91.

There were in freight service June 30th, 1891, 24,814 cars with a carrying capacity of 466,671 tons, while on June 30th, 1902, there were 39,036 cars with a carrying capacity of 987,289 tons.

CAPITAL EXPENDITURES.

New Locomotives and Cars.....	\$2,581,840 67
Construction of New Lines.....	2,606,242 90
Construction of Second Main Track.....	507,321 07
Real Estate.....	493,875 01
Improvement—Davenport, Rock Island & Northwestern R'y.....	63,300 39
Purchase of Kansas City Belt R'y Co. Stock.....	70,600 00
Purchase of Chicago & Pacific R. R. Co. Stock.....	40 00
	\$6,292,619 95
Sundry Credits.....	1,708,717 28
Total as shown by detailed statement on page 33 of this Report.....	\$4,493,902 67

RENEWAL AND IMPROVEMENT FUND.

Amount credited to Renewal and Improvement Fund, to June 30th, 1902.....		\$8,810,000 00
Interest received on balances.....		306,014 09
Total.....		\$9,116,014 09
Expenditures:		
For Elevation of Tracks in Chicago:		
Chicago & Milwaukee Division.....	531,300 87	
Chicago & Council Bluffs Division.....	295,089 74	826,390 61
For Third and Fourth Main Tracks:		
Chicago & Milwaukee Division.....		145,224 45
For Reducing Grade and Improving Line:		
La Crosse Division.....	1,113,176 33	
Chicago & Council Bluffs Division in Iowa River Division.....	777,075 85	
River Division.....	220,584 91	
Iowa & Minnesota Division.....	33,795 16	2,144,632 25
For Escanaba Docks and Terminal Facilities.....		618,553 84
For Change of Line, Redfield, South Dakota.....		24,729 48
For Change of Gauge, Preston Branch.....		168,186 09
For Change of Gauge, Wabasha Division.....		31,832 35
For Menominee Valley Connecting Track.....		17,778 28
For Replacement of the bridge over the Mississippi River between St. Paul and Minneapolis with a double-track structure.....		339,773 43
For Replacement of the Bridge over the Mississippi River at La Crosse, Wisconsin.....		118,684 24
Total Expenditure.....		\$4,435,785 02
Unexpended Balance, June 30th, 1902.....		\$4,680,229 07

CAPITAL STOCK.

At the close of the last fiscal year the share capital of the Company amounted to \$100,480,200; and consisted of \$44,658,400 of preferred stock, and \$55,821,800 of common stock.

It has been increased during this fiscal year by \$2,024,000 of preferred stock, issued in exchange for the same amount of convertible bonds canceled.

The Company has sold 23,621 shares of the common stock of this Company to reimburse the Treasury, for amount expended from earnings for construction of various lines, for real estate, and for additions to the property.

The total amount of capital stock at the close of the year is \$104,866,300.

The amount of capital stock per mile of road is \$15,879.57.

FUNDED DEBT.

At the close of the last fiscal year the funded debt of the Company was \$126,941,500.

It has been increased during this fiscal year by the issue of \$193,000 of General Mortgage Bonds and it has been decreased \$2,338,000 by underlying bonds retired and canceled, as shown on page 24 of this report.

The funded debt at the close of the fiscal year ending June 30th, 1902, was \$124,796,500—a decrease of \$2,145,000 since last report.

The amount of funded debt per mile of road is \$18,897.54, on which the interest charge per mile of road is \$964.73.

The total capitalization of the Company per mile of road is \$34,777.11.

TREASURY BONDS.

At the close of the last fiscal year the amount of the Company's bonds in its treasury and due from Trustees was \$4,883,000.

This has been increased during this fiscal year \$193,000, as follows: \$314,000 General Mortgage Bonds received for underlying bonds paid and canceled, less \$121,000 General Mortgage Bonds entered as due from Trustees June 30th, 1899, account construction of lines Fonda to Spencer, Iowa, and Rockwell City to Storm Lake, Iowa—it having been decided that the cost of these lines would be paid from proceeds of sale of common stock.

\$65,000 of General Mortgage 4% Bonds have been sold during the year to the Insurance Department.

Bonds in the treasury or due from Trustees, June 30th, 1902, amount to \$5,011,000, as shown on page 22 of this report.

Of this amount \$159,000 are General Mortgage 4% Bonds; \$3,763,000 are General Mortgage 3½% Bonds, and \$1,089,000 are Milwaukee & Northern R. R. Co. Consolidated Mortgage 6% Bonds.

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

INSURANCE DEPARTMENT.

Cash on hand, June 30th, 1901.....	\$58,416	57
Receipts during the year:		
Premiums.....	\$126,692	80
Income from Investment of Guaranty Fund.....	39,881	11
	166,573	91
	<u>\$224,990</u>	<u>48</u>
Payments during the year:		
For Losses.....	26,984	59
For Expenses.....	4,075	86
For \$65,000 of C. M. & St. P. R'y Co. 4% bonds.....	71,500	00
For \$50,000 of Northern Pacific R'y Co. 4% bonds.....	52,625	00
For \$50,000 of Atchison, Topeka & Santa Fe R'y Co. General Mortgage 4% 100-year bonds.....	52,125	00
	207,310	45
Cash on hand, June 30th, 1902.....	<u>\$17,680</u>	<u>03</u>

The Guaranty Fund, June 30th, 1901, was \$868,606.25. It is now \$1,044,856.25—an increase of \$176,250.00—and is invested as follows:

Chicago, Milwaukee & St. Paul R'y Co. bonds.		
General Mortgage 4%.....	\$600,000	00
Southern Minnesota Division 6%.....	7,000	00
La Crosse & Davenport Div. 5%.....	4,000	00
Chicago & Pac. Western Div. 5%.....	6,000	00
	<u>\$617,000</u>	<u>00</u>
Chicago, Milwaukee & St. Paul R'y Co. preferred stock.....	10,000	00
Kansas City Belt R'y Co. 6% bonds.....	110,000	00
Dakota & Great Southern R'y Co. 5% bonds.....	6,000	00
Chicago, Burlington & Quincy R. R. Co. 4% bonds.....	50,000	00
Baltimore & Ohio R. R. Co. 3½% bonds.....	50,000	00
Northern Pacific R'y Co. 4% bonds.....	100,000	00
Milwaukee & Northern R. R. Co. 6% bonds.....	38,000	00
Fargo & Southern R'y Co. 6% bonds.....	2,000	00
Atchison, Topeka & Santa Fe R'y Co. 4% bonds.....	50,000	00
Par value of bonds and stock.....	<u>\$1,033,000</u>	<u>00</u>
Amount of annual interest and dividends.....	<u>\$44,670</u>	<u>00</u>

EARNINGS.

The results from operation of your Company's lines during the year ending June 30th, 1902, compared with the previous year, show an increase of \$3,244,112.19 in gross earnings, an increase of \$2,219,391.72 in operating expenses, and an increase of \$1,024,720.47 in net earnings.

The earnings from freight traffic were \$33,516,812.26—73.48% of total earnings—an increase of \$2,158,819.77, or 6.88%.

The number of tons of freight carried was 19,885,573—an increase of 1,874,890 tons, or 10.41%.

The increase in number of tons of freight carried was in the following commodities: flour, 82,502 tons; other mill products, 92,262 tons; wheat, 40,184 tons; rye, 14,844 tons; other agricultural products, 36,353 tons; live stock, 17,895 tons; bituminous coal, 324,012 tons; coke, 16,169 tons; iron and other ores, 473,019 tons; stone, sand, etc., 110,705 tons; lumber, lath and shingles, 133,636 tons; sash, doors and blinds, 12,832 tons; other forest products, 109,305 tons; petroleum and other oils, 31,765 tons; iron and steel, 229,228 tons; castings and machinery, 37,498 tons; agricultural implements, 53,121 tons; lime, cement and plaster, 48,787 tons; brick, 62,967 tons; wines, liquors and beers, 212,412 tons; household goods and furniture, 23,582 tons; paper, 14,212 tons; other manufactures, 89,542 tons, and commodities not specified, 156,670 tons.

The following commodities show a decrease from the previous year: barley, 2,396 tons; oats, 85,013 tons; corn, 192,197 tons; flax seed, 32,199 tons; hay, 7,381 tons; fruit and vegetables, 34,691 tons; dressed meats, 65,577 tons; other packing house products, 36,562 tons; other animal products, 3,190 tons; anthracite coal, 84,085 tons; salt, 5,163 tons; and wagons, carriages and tools, 158 tons.

The number of tons of all agricultural products carried during the year was 4,931,242 tons—a decrease compared with the previous year of 87,732 tons, or 1.75%. Agricultural products comprised 24.80% of the total tonnage carried as compared with 27.87% of the total tonnage of last year.

The number of tons of commodities other than agricultural products carried during the year was 14,954,331 tons—an increase compared with the previous year of 1,962,622 tons, or 15.11%—the per cent of the total being 75.20% against 72.13% last year.

The number of tons of revenue freight carried one mile was 3,990,048,676—an increase of 350,070,757, or 9.62%. The revenue per ton per mile was .8400 cents—a decrease of .0215 cents, or 2.50%. The average miles each ton of revenue freight was carried was 200.65 miles—a decrease of 1.45 miles, or .72%.

The number of tons of revenue freight carried per loaded car was 13.340, against 12.937 last year—an increase of 3.12%. The number of tons of revenue freight per freight train mile was 254.25, against 236.55 last year—an increase of 7.48%. The revenue from freight per freight train mile was \$2.136, as against \$2.038 last year—an increase of 4.81%.

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

1873.....2.50 cts.	1883.....1.39 cts.	1893.....1.026 cts.
1874.....2.38 “	1884.....1.29 “	1894.....1.037 “
1875.....2.10 “	1885.....1.28 “	1895.....1.075 “
1876.....2.04 “	1886.....1.17 “	1896.....1.003 “
1877.....2.08 “	1887.....1.09 “	1897.....1.008 “
1878.....1.80 “	1888.....1.006 “	1898.....0.972 “
1879.....1.72 “	1889.....1.059 “	1899.....0.937 “
1880.....1.76 “	1890.....0.995 “	1900.....0.930 “
1881.....1.70 “	1891.....1.003 “	1901.....0.861 “
1882.....1.48 “	1892.....1.026 “	1902.....0.840 “

The earnings from passenger traffic during the year were \$8,918,966.30—19.55% of total earnings—an increase of \$979,750.54 over the previous year, or 12.34%. The number of passengers carried was 9,158,957—an increase of 839,730, or 10.09%. The number of passengers carried one mile was 384,944,875—an increase of 43,301,283, or 12.67%; the revenue per passenger per mile was 2.317 cents—a decrease of .007 cent, or .30%; the average miles each passenger was carried was 42.03 miles—an increase of .96 miles, or 2.34%.

EXPENDITURES.

The expenses of Maintenance of Way and Structures were \$7,219,136.22; Maintenance of Equipment, \$3,363,595.35; Conducting Transportation, \$14,881,635.19; General Expenses, including Taxes, \$2,257,528.28; and Renewal and Improvement Account, \$2,475,000.00.

There was an increase in expenditures for Maintenance of Way and Structures of \$713,272.15; for Maintenance of Equipment of \$338,870.17; for Conducting Transportation, of \$949,570.76; for General Expenses, including Taxes, of \$38,934.20; and for Renewal and Improvement Account, of \$1,290,000.00.

In the expenditures pertaining to Maintenance of Way and Structures, there was an increase in the following items: Roadway, \$390,119.23; Rails, \$75,755.42; Fences, Road Crossings, etc., \$90,358.47, and Buildings and Fixtures, \$299,765.67. There was a decrease in the expenditures for Ties, \$22,042.92; Bridges and Culverts, \$119,113.22, and other items, \$1,570.50.

The expenditures for Roadway include the amount of \$378,887.56 for 74.37 miles of new passing, side and spur tracks and \$110,150.65 for ballasting on lines not previously ballasted.

The expenditures for Rails include 41,879 tons of new steel rails, costing \$1,113,078.51. During the previous year 27,747 tons of new steel rails were laid, costing \$759,848.56. The weight of steel rails used in renewals is 75 pounds and 85 pounds per yard.

The expenditures for Ties include 1,854,647 new ties—costing \$769,826.51. During the previous year 1,819,863 new ties, costing \$787,406.37, were placed in track.

The expenditures for Bridges and Culverts include the total cost of 70 steel bridges, aggregating 7,368 feet in length—replacing 4,651 feet of wooden bridges, 2,551 feet of iron bridges and 166 feet of embankment; the filling of about 2.22 miles of pile bridges with earth—125 bridges having been completely filled and 83 reduced in length by filling; and the replacing of 540 wooden culverts with iron. The cost of these above the cost of renewal in the original form was \$230,906.24.

The expenditures for Buildings and Fixtures include the sum of \$38,281.02 for the completion of new structures which were under construction at the close of the previous fiscal year.

The expenditures for Maintenance of Equipment include the amount of \$206,754.99 charged to Operating Expenses to replace the loss of equipment during the year, as against \$335,699.79 charged during the previous year.

In the expenditures pertaining to Conducting Transportation there was an increase, as follows: Engine and Roundhouse Men, \$134,869.52; Fuel and other supplies for Locomotives, \$219,547.60; Train Service and Supplies, \$103,020.99; Station Service and Supplies, \$168,627.68; Switchmen, Flagmen and Watchmen, \$58,359.67; Switching Charges, \$76,295.78; Repairs of Tracks and Terminals, \$95,942.22; Outside Agencies, \$36,514.27; and in all other Expenses under this head, \$56,393.03.

The average cost of Repairs and Renewals of Locomotives during the year was \$1,037.11; of Passenger Cars \$562.40, and of Freight Cars \$33.10.

The amount paid the United States Government for Internal Revenue Tax during the year was \$48,583.45.

The payments of the Company for labor directly employed in its service during the year were \$17,267,654.62, as compared with \$15,916,128.73 last year; and for material and supplies, \$12,158,166.40, as compared with \$9,801,115.49 last year.

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

Renewal and Improvement Fund, \$2,475,000.00; new passing, side and spur tracks, \$378,887.56; ballasting lines not heretofore ballasted, \$110,150.65; strengthening bridges, \$41,304.18; replacing wooden and iron bridges with steel bridges, filling pile bridges and openings and replacing wooden culverts with iron—excess of cost over renewal in original form, \$230,906.24; new fences, \$15,072.55; new freight and passenger stations and other station buildings—excess of cost over cost of

former structures—\$337,810.98; additional machinery, \$40,380.52; sundry other improvements, \$76,288.26; a total of \$3,705,800.94. The amount thus charged to Operating Expenses, if deducted therefrom, would reduce the percentage of Operating Expenses to Gross Earnings to 55.12 per cent, exclusive of taxes, which are 2.96 per cent of Gross Earnings.

The Board desires to place upon record its sense of its loss by the death of MR. A. VAN SANTVOORD, who faithfully served for many years as a Director of this Company.

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

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

By order of the Board of Directors.

A. J. EARLING,
President.

ROSWELL MILLER,
Chairman of the Board.

AUGUST, 1902.

To the Board of Directors:

Herewith are submitted the General Accounts of the Company for the fiscal year ending June 30th, 1902, and the Statements of Operation for the same period.

W. N. D. WINNE,
General Auditor.

STATEMENT OF INCOME ACCOUNT, JUNE 30TH, 1902.

Credit Balance, June 30th, 1901.....			\$17,026,229 24
Dividend payable October 29th, 1901, from net earnings of fiscal year ending June 30th, 1901, viz:			
3½% on \$44,658,400—Preferred Stock.....		\$1,563,044 00	
3% on \$55,821,800—Common Stock.....		1,674,654 00	3,237,698 00
Balance July 1st, 1901.....			\$14,388,531 24
Gross Earnings for the year ending June 30th, 1902.....		45,618,124 84	
Less Operating Expenses, including taxes.....		30,196,895 04	
Net Earnings.....		15,416,229 80	
Income from other sources.....		434,314 68	
Net revenue for the year ending June 30th, 1902.....		15,850,544 48	
Interest accrued during the year on Funded Debt.....	\$6,210,086 11		
Dividend payable April 23d, 1902, from net earnings of fiscal year ending June 30th, 1902, viz:			
3½% on \$45,754,400—Preferred Stock.....	1,601,404 00		
3% on \$58,183,900—Common Stock.....	1,745,517 00	0,557,007 11	
Balance for the year ending June 30th, 1902.....			6,293,537 37
Credit Balance, June 30th, 1902.....			\$20,682,068 61

Dr. GENERAL ACCOUNT, JUNE 30TH, 1902. Cr.

Cost of Road and Equipment.....	\$228,731,116 31		Capital Stock—Preferred.....	\$46,082,400 00	
Bonds, Stock, etc., of other Companies.....	2,222,122 30		Capital Stock—Common.....	58,183,900 00	
Total Capital Accounts.....		\$230,953,238 61	Total Capital Stock.....	104,866,300 00	
New England Trust Co.—Bonds and Cash, held in Trust, for Dubuque Division and Wisconsin Valley Division Sinking Funds.....	623,385 42		Funded Debt.....	124,796,500 00	
Farmers Loan and Trust Co.—Cash held in Special Trust for Dubuque Division and Wisconsin Valley Division Sinking Funds.....	140,260 95	763,646 37	Total Stock and Funded Debt.....	\$229,662,800 00	
Farmers Loan and Trust Co., Trustee.....		11,659 08	Wisconsin Valley Division Sinking Fund.....	47,494 93	763,446 37
United States Trust Co., Trustee.....		11,250 00	Dubuque Division Sinking Fund.....	716,151 44	4,680,229 07
Depositaries of Renewal and Improvement Fund—			Renewal and Improvement Fund.....		113,250 00
United States Trust Co., New York.....	2,426,791 50		Replacement Fund—Cars.....		
Union Trust Co., New York.....	1,998,984 51		Pay Rolls and Vouchers.....	3,393,956 26	
Continental National Bank, Chicago.....	254,458 06	4,680,229 07	Due Transportation Companies.....	379,450 81	
Insurance Department.....		10,000 00	Miscellaneous Balances.....	689,407 61	
Stock of Material and Fuel.....		3,996,818 06	Dividends Unclaimed.....	33,142 50	
Mortgage Bonds of the Company, unsold, held in its Treasury and due from Trustees.....	3,922,000 00		Interest Coupons not presented.....	52,015 00	
Milwaukee & Northern R. R. Co. 6% Consolidated Mortgage Bonds, unsold, held in the Treasury of this Company.....	1,089,000 00	5,011,000 00	Interest Accrued, not yet payable.....	2,853,520 00	7,401,92 18
Due from Agents and Conductors.....	633,136 06		Income Account.....		20,682,68 61
Due from Transportation Companies.....	349,329 88				
Miscellaneous Balances.....	970,526 29				
Due from United States Government.....	362,191 55				
Cash on hand.....	15,550,561 26	17,865,745 04			
		\$263,303,586 23			\$263,303,586 23

RAILWAY COMPANY.

CAPITAL STOCK, JUNE 30TH, 1902.

Preferred Stock.

Amount of Preferred Stock, June 30th, 1901.....	\$44,682,400 00
Issued during the year: In exchange for bonds convertible into preferred stock by terms of mortgage, viz:	
For St. Paul (or River) Division Bonds.....	\$410,000 00
For St. Paul (or River) Division Bonds—Stetling	128,000 00
For Hastings & Dakota Division Bonds.....	18,000 00
For Chicago & Milwaukee Division Bonds.....	206,000 00
For Consolidated Mortgage Bonds of 1874.....	16,000 00
For Consolidated Mortgage Bonds of 1875.....	912,000 00
For Iowa & Dakota Division Extension Bonds.....	334,000 00
Total Preferred Stock, June 30th, 1902..	\$46,682,400 00

Common Stock.

Amount of Common Stock, June 30th, 1901.....	\$75,821,800 00
23,621 shares of Common Stock (balance of issues authorized in 1887 and 1900) sold.....	2,362,100 00
Total Common Stock, June 30th, 1902..	\$81,183,900 00
Total Capital Stock, June 30th, 1902.....	\$104,866,300 00

FUNDED DEBT, JUNE 30TH, 1902.

Total Funded Debt, June 30th, 1901, including all liens on purchased roads.....	\$120,941,500 00
General Mortgage Bonds issued during the year: For underlying bonds paid and canceled as follows:	
Income Sinking Fund Convertible.....	2,000 00
St. Paul (or River) Division.....	235,000 00
St. Paul (or River) Division—Sterling.....	77,000 00
	314,000 00
Less amount of bonds entered as due from Trustees June 30th, 1899, account construction of lines Fond du Lac, Spencer, Iowa, and Rockwell City to Storm Lake, Iowa, it having been decided that the cost of these lines would be paid from proceeds of sale of common stock.....	121,000 00 193,000 00
Deduct:	\$127,134,500 00
Bonds, paid and canceled:	
Income Sinking Fund Convertible.....	2,000 00
St. Paul (or River) Division.....	235,000 00
St. Paul (or River) Division—Sterling.....	77,000 00
Bonds received in exchange for preferred stock and canceled:	
St. Paul (or River) Division.....	410,000 00
St. Paul (or River) Division—Sterling.....	128,000 00
Hastings & Dakota Division.....	18,000 00
Chicago & Milwaukee Division.....	206,000 00
Consolidated Mortgage of 1874.....	16,000 00
Consolidated Mortgage of 1875.....	912,000 00
Iowa & Dakota Division Extension.....	334,000 00
Total Funded Debt, June 30th, 1902.....	\$124,796,500 00
Decrease.....	\$2,145,000 00
Of the total amount of Bonds outstanding as stated above, there remain in the Treasury unsold, and due from Trustees.....	\$5,011,000 00

FUNDED DEBT, JUNE 30TH, 1902.

DESCRIPTION OF BONDS.	DATE OF MATURITY.	RATE.	PAYABLE.	INTEREST.		AMOUNT OF BONDS.
				ACCRUED DURING THE YEAR.	PAID DURING THE YEAR.	
Hastings & Dakota Division.....	Jan'y 1, 1903	7 %	Jan'y and July.	770 00	770 00	11,000 00
Chicago & Milwaukee Division.....	Jan'y 1, 1903	7 "	" " "	13,440 00	12,915 00	192,000 00
Consolidated Mortgage.....	Jan'y 1, 1904	7 "	" " "	3,710 00	3,640 00	53,000 00
Consolidated Mortgage.....	July 1, 1905	7 "	" " "	182,420 00	182,245 00	2,606,000 00
Iowa & Dakota Division Extension.....	July 1, 1908	7 "	" " "	85,820 00	85,750 00	1,226,000 00
Southwestern Division.....	July 1, 1909	6 "	" " "	240,000 00	241,590 00	4,000,000 00
Hastings & Dakota Division Extension.....	Jan'y 1, 1910	7 "	" " "	397,600 00	397,705 00	5,680,000 00
Hastings & Dakota Division Extension.....	Jan'y 1, 1910	5 "	" " "	49,500 00	49,500 00	990,000 00
Chicago & Pacific Division.....	Jan'y 1, 1910	6 "	" " "	180,000 00	180,000 00	3,000,000 00
Southern Minnesota Division.....	Jan'y 1, 1910	6 "	" " "	445,920 00	447,720 00	7,492,000 00
Mineral Point Division.....	July 1, 1910	5 "	" " "	142,000 00	142,975 00	2,840,000 00
Terminal Mortgage.....	July 1, 1914	5 "	" " "	237,400 00	237,800 00	4,748,000 00
La Crosse & Davenport Division.....	July 1, 1919	5 "	" " "	125,000 00	124,775 00	2,500,000 00
Dubuque Division.....	July 1, 1920	6 "	" " "	360,420 00	359,400 00	6,007,000 00
Wisconsin Valley Division.....	July 1, 1920	6 "	" " "	130,740 00	128,580 00	2,179,000 00
Chicago & Pacific Western Division.....	Jan'y 1, 1921	5 "	" " "	1,267,060 00	1,265,450 00	25,340,000 00
Wisconsin & Minnesota Division.....	July 1, 1921	5 "	" " "	237,750 00	239,825 00	4,755,000 00
Chicago & Lake Superior Division.....	July 1, 1921	5 "	" " "	68,000 00	67,825 00	1,300,000 00
Chicago & Missouri River Division.....	July 1, 1926	5 "	" " "	154,150 00	154,600 00	3,083,000 00
General Mortgage.....	May 1, 1939	4 "	" " "	960,000 00	907,090 00	24,000,000 00
General Mortgage.....	May 1, 1939	3 1/2 "	" " "	359,205 00	220,902 50	10,263,000 00
Wisconsin Valley R. R. Co.....	Jan'y 1, 1909	7 "	" " "	77,455 00	76,597 50	1,106,500 00
Mil. & Northern R. R. Co. 1st Mortgage.....	June 1, 1910	6 "	June and Dec.	129,300 00	131,610 00	2,155,000 00
Mil. & Northern R. R. Co. Consolidated.....	June 1, 1913	6 "	" " "	305,320 00	241,410 00	5,092,000 00
Dakota & Great Southern R'y Co.....	Jan'y 1, 1916	5 "	Jan'y and July.	142,800 00	143,850 00	2,858,000 00
Fargo & Southern R'y Co.....	Jan'y 1, 1924	6 "	" " "	75,000 00	75,150 00	1,250,000 00
St. Paul (or River) Division.....				2,450 00	2,940 00	70,000 00
Iowa & Dakota Division.....						2,000 00
Interest on bonds retired.....				43,400 00	129,753 61	
Interest on bonds in the Treasury of the Company and in hands of Trustees.....				\$6,416,770 00	\$6,252,368 61	
Total.....				\$6,210,086 11	\$6,252,229 72	\$124,796,500 00

a Bonds matured and interest ceased January 1st, 1902.

b Bonds matured and interest ceased July 1st, 1939.

DETAILED STATEMENT OF EARNINGS AND EXPENSES
FOR THE YEARS ENDING JUNE 30TH, 1901 AND 1902.

EARNINGS.

	1901	1902	INCREASE.	DECREASE.
Freight	\$31,857,992 49	\$33,516,812 26	\$2,158,819 77	
Passenger	7,939,215 76	8,918,966 30	979,750 54	
Mails, Express, etc.	3,071,804 40	3,177,346 28	105,541 88	
Gross Earnings	\$42,869,012 65	\$45,613,124 84	\$3,244,112 19	

EXPENSES.

	1901	1902	INCREASE.	DECREASE.
MAINTENANCE OF WAY AND STRUCTURES.				
Roadway	\$3,118,862 57	\$3,508,981 80	\$390,119 23	
Rails	573,641 66	649,397 08	75,755 42	
Ties	863,337 33	841,294 41		\$22,042 92
Bridges and Culverts	1,089,849 40	970,730 18		119,113 22
Fences, Road Crossings, Signs and Cattle Guards	166,049 01	256,407 48	90,358 47	
Buildings and Fixtures	619,377 53	919,143 20	299,765 67	
Docks and Wharves	23,572 19	29,435 00	5,862 81	
Telegraph	48,924 04	41,233 67		7,670 37
Stationery and Printing	2,250 34	2,487 40	237 06	
MAINTENANCE OF EQUIPMENT.				
Superintendence	94,390 60	93,858 01		532 59
Locomotives	862,650 60	987,327 57	124,676 97	
Passenger Cars	497,123 09	528,301 62	31,178 53	
Freight Cars	1,334,453 87	1,470,898 28	136,444 41	
Work Cars	50,507 99	70,045 52	19,537 53	
Shop Machinery and Tools	111,913 87	139,594 73	27,680 86	
Stationery and Printing	7,072 46	7,200 58	648 12	
Other Expenses	66,612 70	65,849 04		763 66
CONDUCTING TRANSPORTATION.				
Superintendence	479,954 44	495,458 03	15,503 59	
Engine and Roundhouse Men	2,585,592 21	2,720,461 73	134,869 52	
Fuel for Locomotives	3,070,772 48	3,249,062 28	178,289 82	
Water Supply for Locomotives	113,848 02	133,817 56	19,969 54	
Oil, Tallow and Waste for Locomotives	68,624 95	79,303 36	10,678 41	
Carried forward	\$15,849,381 33	\$17,260,834 53	\$1,561,575 95	\$150,122 76

	1901	1902	INCREASE.	DECREASE.
Brought forward	\$15,849,381 33	\$17,260,834 53	\$1,561,575 96	\$150,122 76
Other Supplies for Locomotives	42,590 02	53,200 75	10,609 83	
Train Service	1,866,994 46	1,935,094 18	68,099 72	
Train Supplies and Expenses	344,096 39	379,017 66	34,921 27	
Switchmen, Flagmen and Watchmen	980,728 15	1,039,087 82	58,359 67	
Telegraph Expenses	276,605 07	291,752 91	15,147 84	
Station Service	1,966,824 11	2,109,555 42	142,731 31	
Station Supplies	162,175 68	188,072 05	25,896 37	
Switching Charges—Balance	178,685 86	254,981 64	76,295 78	
Car Mileage—Balance	214,175 48	121,093 83		93,081 65
Loss and Damage	176,096 72	236,126 43	60,029 71	
Injuries to Persons	223,049 75	271,237 72	48,187 97	
Clearing Wrecks	33,372 75	38,323 37	4,955 62	
Advertising	103,665 37	111,593 75	7,928 38	
Outside Agencies	485,720 99	472,295 26		13,425 73
Stock Yards and Elevators	45,800 83	46,953 81	1,152 98	
Rents for Tracks and Terminals—Balance	231,899 71	327,841 93	95,942 22	
Rents of Buildings and Other Property	43,107 17	44,230 45	1,123 28	
Stationery and Printing	160,695 14	160,757 18	62 04	
Other Expenses	126,897 80	122,366 07		4,531 73
GENERAL EXPENSES.				
Salaries of General Officers	240,777 47	244,499 62	3,722 15	
Salaries of Clerks and Attendants	243,571 14	255,108 81	11,537 67	
General Office Expenses and Supplies	26,115 76	29,865 67	3,749 91	
Insurance	142,316 80	145,032 19	2,715 39	
Law Expenses	55,379 83	54,402 29		977 54
Stationery and Printing (General Offices)	32,962 35	34,654 15	1,691 80	
Other Expenses	73,827 21	93,784 34	19,957 13	
Taxes—General	1,341,390 44	1,351,577 76	10,187 32	
Taxes—U. S. Government Internal Revenue	62,253 08	43,583 45		18,669 63
Renewal and Improvement Account	1,185,000 00	2,475,000 00	1,290,000 00	
Additional Equipment	1,111,255 56			1,111,255 56
Total Expenses	\$27,977,503 32	\$30,196,895 04	\$2,219,391 72	
Net Earnings	\$14,391,509 33	\$15,416,229 80	\$1,024,720 47	

COMPARATIVE STATEMENT OF EARNINGS AND EXPENSES

FOR THE YEARS ENDING JUNE 30TH, 1899, 1900, 1901 AND 1902.

EARNINGS.

	1899	1900	1901	1902
Freight	\$28,773,232 43	\$31,220,217 27	\$31,357,992 49	\$33,516,812 26
Passenger	6,778,921 20	7,698,513 51	7,939,215 76	8,918,966 30
Mails, Express, etc.	2,758,488 86	2,968,961 22	3,071,804 40	3,177,946 28
Gross Earnings	\$38,310,632 49	\$41,884,692 00	\$42,369,012 65	\$45,613,124 84

EXPENSES.

Maintenance of Way and Structures	\$5,045,697 14	\$7,503,380 57	\$6,505,864 07	\$7,219,136 22
Maintenance of Equipment	3,229,699 43	3,048,666 81	3,024,725 18	3,363,595 35
Conducting Transportation	11,702,325 22	12,701,560 89	13,932,064 43	14,881,635 19
General Expenses	811,766 05	759,871 23	814,950 56	857,367 07
Taxes—General	1,196,166 40	1,258,007 84	1,341,390 44	1,351,577 76
Taxes—U. S. Government Internal Revenue	62,182 58	64,038 73	62,253 08	48,583 45
Renewal and Improvement Account	1,925,000 00	1,550,000 00	1,185,000 00	2,475,000 00
Additional Equipment		1,475,304 94	1,111,255 58	
Total Expenses	\$23,962,836 82	\$28,420,837 01	\$27,977,503 32	\$30,196,895 04

RECAPITULATION.

Gross Earnings	\$38,310,632 49	\$41,884,692 00	\$42,369,012 65	\$45,613,124 84
Total Expenses	23,962,836 82	28,420,837 01	27,977,503 32	30,196,895 04
Net Earnings	\$14,347,795 67	\$13,463,854 99	\$14,391,509 33	\$15,416,229 80
Average Miles in Operation	6,153.72	6,347.38	6,512.38	6,604.57

STATEMENT OF MONTHLY EARNINGS AND EXPENSES

FOR THE YEAR ENDING JUNE 30TH, 1902.

	FREIGHT	PASSENGER	MAILS, EXPRESS, ETC.	GROSS EARNINGS	OPERATING EXPENSES	NET EARNINGS
July, 1901	\$2,459,264 10	\$854,234 14	\$268,542 63	\$3,582,040 87	\$2,224,753 23	\$1,357,287 64
August, "	2,759,161 38	936,070 93	268,823 21	3,964,055 52	2,509,441 15	1,454,614 37
September, "	3,019,556 28	867,824 63	263,112 12	4,150,493 03	2,770,930 08	1,379,562 95
October, "	3,474,857 89	779,807 66	266,601 66	4,521,267 21	2,706,030 16	1,815,241 05
November, "	3,241,401 86	674,802 23	260,935 02	4,177,139 11	2,627,760 50	1,549,372 81
December, "	3,016,581 01	713,122 65	261,551 05	3,991,254 71	2,454,825 22	1,536,429 49
January, 1902	2,707,818 51	625,261 73	265,859 70	3,598,939 94	2,434,175 12	1,164,764 82
February, "	2,315,597 89	520,182 40	246,760 28	3,091,540 57	2,208,189 88	883,350 69
March, "	2,793,975 23	688,795 84	257,597 93	3,740,369 00	2,373,142 00	1,367,226 10
April, "	2,534,265 85	640,422 24	263,220 10	3,437,908 19	2,562,188 53	875,719 66
May, "	2,508,734 42	701,030 19	274,635 35	3,484,399 96	2,609,082 58	875,317 38
June, "	2,685,597 84	902,411 66	279,707 23	3,873,716 73	2,716,373 89	1,157,342 84
Total	\$33,516,812 26	\$8,918,966 30	\$3,177,346 28	\$45,613,124 84	\$30,196,895 04	\$15,416,229 80

COMPARATIVE SUMMARY OF OPERATION

FOR THE YEARS ENDING JUNE 30TH, 1901 AND 1902.

Gross Earnings.

1901	.....\$42,360,012 05		
1902	.....45,613,124 84	Increase	.....\$3,244,112 19

Operating Expenses.

1901	.....\$27,977,503 32		
1902	.....30,196,895 04	Increase	.....\$2,219,391 72

Net Earnings.

1901	.....\$14,391,509 33		
1902	.....15,416,229 80	Increase	.....\$1,024,720 47

Gross Earnings per Mile of Road.

1901	.....\$6,505 92		
1902	.....6,906 30	Increase	.....\$400 38

Operating Expenses per Mile of Road.

1901	.....\$4,296 05		
1902	.....4,572 12	Increase	.....\$276 07

Net Earnings per Mile of Road.

1901	.....\$2,209 87		
1902	.....2,334 18	Increase	.....\$124 31

Freight Earnings per Mile of Road.

1901	.....\$4,815 14		
1902	.....5,074 79	Increase	.....\$259 65

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

1901	.....\$1,600 78		
1902	.....1,831 51	Increase	.....\$140 73

Average Miles of Road Operated During the Year.

1901	.....0,512.38		
1902	.....6,604.57	Increase	..... 92.19

TRANSPORTATION STATISTICS

FOR THE YEARS ENDING JUNE 30TH, 1901 AND 1902.

	1901	1902
Miles run by freight trains	15,388,042	15,693,616
Miles run by passenger trains	9,917,671	10,246,558
Total miles run by revenue trains	25,305,713	25,940,174
Miles run by loaded freight cars	281,366,979	299,111,222
Miles run by empty freight cars	111,989,038	121,100,088
Number of tons of revenue freight carried	18,010,683	19,885,573
Number of tons of revenue freight carried one mile	3,639,977,919	3,990,048,676
Number of tons of Company freight carried one mile	400,588,930	481,536,804
Number of tons of revenue freight per train mile	236.55	254.25
Number of tons of Company freight per train mile	26.03	30.68
Total number of tons of freight per train mile	262.58	284.93
Number of tons of revenue freight per loaded car	12.937	13.340
Number of tons of Company freight per loaded car	1.424	1.610
Total number of tons of freight per loaded car	14.361	14.950
Average number of loaded freight cars per train	18.285	19.059
Average number of empty freight cars per train	7.277	7.721
Average number of loaded and empty freight cars per train	25.562	26.780
Average miles each ton of revenue freight was carried	202.10	200.65
Number of passengers carried	8,319,227	9,158,957
Number of passengers carried one mile	341,643,592	384,944,875
Average miles each passenger was carried	41.07	42.03
Average amount received per ton of revenue freight	\$1.74 1	\$1.68 5
Average revenue from freight per train mile	\$2.03 8	\$2.13 6
Average revenue per ton of revenue freight per mile	.8615 cts.	.8400 cts.
Average revenue from passengers per train mile	80.05 cts.	87.04 cts.
Average revenue per passenger per mile	2.324 cts.	2.317 cts.
Maintenance of Equipment per revenue train mile	11.95 cts.	12.97 cts.
Station Service per revenue train mile	7.77 cts.	8.13 cts.
Train Service per revenue train mile	7.38 cts.	7.46 cts.
Engine and Roundhouse Men per revenue train mile	10.22 cts.	10.49 cts.
Train and Station Supplies per revenue train mile	2.00 cts.	2.19 cts.
Fuel for Locomotives per revenue train mile	12.13 cts.	12.52 cts.
Oil, Tallow and Waste for Locomotives per revenue train mile	.27 cts.	.30 cts.
All other Expenses per revenue train mile	58.84 cts.	62.35 cts.
Total Operating Expenses per revenue train mile	\$1.10 56	\$1.16 41
Percentage of Expenses, including taxes, to Earnings	66.03%	66.20%

STATEMENT OF COMMODITIES TRANSPORTED

DURING THE YEARS ENDING JUNE 30TH, 1901 AND 1902.

COMMODITIES.	1901		1902	
	Tons.	Per Cent.	Tons.	Per Cent.
PRODUCTS OF AGRICULTURE:				
Flour	613,222	3.405	695,724	3.499
Other Mill Products	276,861	1.537	369,123	1.856
Wheat	1,425,726	7.916	1,465,910	7.372
Rye	65,568	.364	80,412	.404
Barley	746,384	4.144	743,988	3.741
Oats	532,867	2.959	447,854	2.252
Corn	704,083	3.909	511,886	2.574
Flax Seed	153,697	.853	121,498	.611
Hay	124,820	.693	117,439	.591
Fruit and Vegetables	258,970	1.438	224,279	1.128
Other Agricultural Products	116,776	.648	153,129	.770
	5,018,974	27.866	4,931,242	24.798
PRODUCTS OF ANIMALS:				
Live Stock	899,378	4.993	917,273	4.613
Dressed Meats	184,105	1.022	118,528	.596
Other Packing House Products	173,381	.963	136,819	.688
Other Animal Products	190,702	1.059	187,512	.943
	1,447,566	8.037	1,360,132	6.840
PRODUCTS OF MINES:				
Anthracite Coal	700,375	3.889	616,290	3.099
Bituminous Coal	1,382,277	7.675	1,706,289	8.581
Coke	224,151	1.245	240,320	1.209
Iron and other Ores	697,942	3.875	1,170,961	5.888
Stone, Sand, etc	552,494	3.068	663,199	3.335
Salt	96,185	.534	91,022	.458
	3,653,424	20.286	4,488,081	22.570
PRODUCTS OF FOREST:				
Lumber, Lath and Shingles	1,725,259	9.579	1,858,895	9.348
Sash, Doors and Blinds	46,822	.260	59,654	.300
Other Forest Products	1,660,299	9.218	1,769,604	8.899
	3,432,380	19.057	3,688,153	18.547
MANUFACTURES:				
Petroleum and other Oils	164,904	.916	196,669	.989
Iron and Steel	595,271	3.305	824,499	4.146
Castings and Machinery	145,319	.807	182,817	.919
Agricultural Implements	158,872	.882	211,993	1.066
Wagons, Carriages, Tools, etc	74,020	.411	73,862	.371
Lime, Cement and Plaster	201,073	1.116	249,800	1.256
Brick	234,124	1.300	297,091	1.494
Wines, Liquors and Beers	333,164	1.850	545,576	2.744
Household Goods and Furniture	90,684	.504	114,266	.575
Paper	116,962	.649	131,174	.660
Other Manufactures	579,095	3.215	638,637	3.362
	2,693,488	14.955	3,496,444	17.582
Commodities not specified	1,764,851	9.799	1,921,521	9.663
Total	18,010,683		19,885,573	

DETAIL OF EXPENDITURES FOR ADDITIONS AND IMPROVEMENTS TO PROPERTY, ETC.

Charged to Capital Accounts, during the Year Ending June 30th, 1902.

Equipment:				
56 Locomotives	\$805,324	15		
2 Passenger Coaches	9,800	00		
7 Sleeping Cars	135,648	40		
2 Parlor Cars	26,440	93		
2 Dining Cars	25,873	00		
1 Mail and Express Car	2,937	56		
9 Baggage Cars	22,734	95		
1482 Box Cars	801,995	84		
500 Carriage Cars	344,069	57		
382 Stock Cars	199,212	18		
135 Ballast Cars	85,176	90		
74 Ore Cars	43,625	63		
2 Pile Drivers	9,782	22		
1 Steam Derrick	11,350	00		
4 Steam Shovels	34,183	53		
2 Lidgerwood Unloaders	12,071	69		
2 Slope Levelers	3,527	16		
2 Weed Burners	8,086	96	2,581,840	67
Construction of New Lines:				
Fonda to Spencer, Iowa	2,221	05		
Rockwell City to Storm Lake, Iowa	7,154	01		
Fox Lake Extension, Illinois	48,621	92		
Janesville Extension, Wisconsin	82,767	83		
Napa to Platte, South Dakota	22,713	67		
Bowdle to Everts, South Dakota	11,693	32		
Crystal Falls Extension, Michigan	55,635	32		
West of Preston to Green Island, Iowa	179,242	39		
Rutledge to Muscatine, Iowa	1,441,313	02		
Farmington to Mankato, Minnesota	416,278	28		
Ashdale to Thomson, Illinois	129,098	62		
Eureka to Linton, South Dakota	49,046	16		
Zumbrota to Faribault, Minnesota	160,457	31	2,606,242	90
Construction of Second Main Track:				
Mont Clare to Genoa, Illinois	19,627	12		
Davis Junction to Kittredge, Illinois	102,678	83		
Savanna, Illinois, to Sabula Junction, Iowa	23,872	98		
Marion to Martelle, Iowa	6,231	33		
Sabula Junction to Green Island, Iowa	161,535	68		
West of Preston to Browns, Iowa	18,972	41		
La Crosse Division	174,462	72	507,321	07
Real Estate			463,875	01
Improvement—Davenport, Rock Island & North-western R'y			63,300	30
Purchase of Kansas City Belt R'y Co. Stock			70,000	00
Purchase of Chicago & Pacific R. R. Co. Stock			40	00
Credit—			8,202,619	95
Premium on Common Stock sold	1,532,335	68		
Premium on General Mortgage Bonds sold	6,500	00		
Sundry Credits—Real Estate sold, cost of tracks taken up, buildings taken down, destroyed, etc.	259,881	60	1,798,717	28
			4,493,902	67
Total—Capital Accounts—June 30th, 1901			226,459,335	94
Total—Capital Accounts—June 30th, 1902			\$230,953,238	61

MATERIAL AND FUEL ON HAND JUNE 30TH, 1902.

Coal.....	75,301 Tons,	\$127,779 42
Wood.....	3,095 Cords,	6,620 87
Ties.....	1,104,837 Number,	493,969 17
New Steel Rails.....	9,639 Tons,	262,463 62
Old Steel Rails.....	20,995 Tons,	313,883 22
Old Iron Rails.....	2,314 Tons,	27,765 25
Rail Fastenings.....	10,909,693 Pounds,	172,150 59
Oil.....	135,899 Gallons,	25,268 93
Waste.....	145,446 Pounds,	9,905 75
Iron (worked and unworked).....	19,942,339 Pounds,	329,236 94
Copper and Brass.....	840,494 Pounds,	93,281 36
Lumber and Timber.....	27,270,254 Feet,	520,640 64
Piles.....	395,168 Feet,	46,877 68
Posts.....	222,651 Number,	23,823 49
Engine and Car Wheels.....	5,745 Number,	50,661 81
Engine and Car Wheels (on axles).....	2,855 Pairs,	79,273 88
Engine and Car Axles.....	4,230,156 Pounds,	73,869 47
Tires.....	411,529 Pounds,	16,840 74
Steel and Steel Springs.....	2,028,922 Pounds,	69,147 02
Engine, Car and Road Castings.....	9,828,700 Pounds,	192,907 32
Paints and Oils.....		23,405 45
Stationery Supplies.....		25,175 65
Other Supplies.....		1,011,869 79
Total, June 30th, 1902.....		\$3,996,818 06
Total, June 30th, 1901.....		3,217,291 29
Increase.....		\$779,526 77

EQUIPMENT JUNE 30TH, 1902.

STANDARD GAUGE.

Locomotives.....	946
Passenger Cars.....	445
Sleeping Cars.....	62
Parlor Cars.....	19
Dining Cars.....	10
Baggage, Mail, Express and Combination Cars.....	337
Freight Cars—	
Box Cars.....	27,135
Stock Cars.....	3,135
Flat, Coal and Ore Cars.....	7,060
Refrigerator and Vegetable Cars.....	1,237
Ballast Cars.....	185
Caboose Cars.....	485
Wrecking and Tool Cars.....	98
Business Cars.....	14
	<u>38,752</u>

NARROW GAUGE.

Locomotives.....	7
Passenger Cars.....	4
Baggage, Mail, Express and Combination Cars.....	5
Freight Cars—	
Box Cars.....	189
Stock Cars.....	56
Flat Cars.....	39
Caboose Cars.....	5
Total.....	<u>41,473</u>

At the close of the year ending June 30th, 1901, a shortage of one hundred and thirty-seven cars was shown by the inventory of equipment, and the sum required to replace them had been charged to Operating Expenses at that date.

During the present year three hundred and fifty-nine cars were destroyed by wreck and fire on this and other roads.

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

At the close of this fiscal year, ending June 30th, 1902, there exists a shortage of one postal car, two hundred and eighteen flat cars, three refrigerator cars and fifteen caboose cars. The amount required to replace the two hundred and thirty-seven cars—\$113,350.00—has been charged to Operating Expenses and is shown at the credit of the account of "Replacement Fund—Cars" on page 22 of this report.