

New York, Ontario  
and Western  
Railway Company.



# REPORT

OF THE

## BOARD OF DIRECTORS

OF THE

# New York, Ontario & Western R'y Co.

TO THE

## STOCKHOLDERS,

FOR THE FISCAL YEAR

**ENDING SEPTEMBER 30, 1880.**

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NEW YORK:

E. WELLS SACKETT & RANKIN, PRINTERS AND STATIONERS,

Nos. 56 AND 58 WILLIAM STREET.

1881.

*For 1880.*

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1881.

NEW YORK, January 19, 1881.

*To the Stockholders of the*

NEW YORK, ONTARIO AND WESTERN RAILWAY CO.

GENTLEMEN: Your Company was organized on the 21st of January, 1880, under the laws of this State in relation to the reorganization of railroads sold under mortgage, and the readjustment of the respective interests therein of all creditors and stockholders.

The property of the New York and Oswego Midland Railroad Company was sold pursuant to a decree of foreclosure in the United States District Court for the Southern District of New York, and purchased by a Committee representing the holders of Receiver's debt and the First Mortgage bondholders of said Company, and was transferred to this Company pursuant to a plan or agreement recognizing all the stockholders and creditors of the old Company.

Under the terms of the plan of reorganization all creditors of the former Company, junior to the first mortgage, were required to pay \$20, and stockholders \$30, for each share of stock of this Company issued to them respectively.

The amount realized from these assessments was \$9,429,429.98.

For six months after the organization of the Company the property of the Company was held subject to redemption by the stockholders of the New York and Oswego Midland Railroad Company upon the repayment of the purchase money.

The danger in this respect was quite imminent for several months, but was finally arranged by the purchase of a majority of the stock, and the exchange of the same for the stock of this Company upon the payment of the assessment thereon of \$30 per share,

While the right of redemption existed it was deemed unwise by your Board to make any large expenditures for the improvement of your property or the extension of its line of railroad to the City of New York.

The question of redemption having been satisfactorily adjusted, the work of extending the line has been as vigorously prosecuted as the circumstances would permit, and we are able to report that the route between Middletown and Weehawken has been surveyed and located, the right of way obtained or contracted for, except in some cases to be settled by commissioners, and the following valuable charters, franchises and property necessary to the successful carrying out of our plan for an independent line to, and terminus at, the harbor of New York have been secured, and are now owned and controlled by your Company.

**FIRST.** North River Railway Co., chartered to construct a railroad from Fort Montgomery on the Hudson River to Albany, with branches to Middletown, the present southern terminus of the New York, Ontario and Western Railway, and to Schenectady.

This Company has a grant from the U. S. Government to cross the Government reservation at West Point, across and under which it is now constructing its road and a tunnel.

**SECOND.** Jersey City and Albany Railway Company, chartered to construct a railroad from Jersey City to Fort Montgomery, to connect with the North River Railway at that point. It has twenty-six miles of railway in operation.

**THIRD.** Open Cut and General Storehouse Company of New Jersey.

**FOURTH.** Midland Terminal and Ferry Company.

**FIFTH.** Weehawken Ferry Company, owning river front, ferry-boats and ferry to New York City.

**SIXTH.** New York and West Shore Railway Company of New Jersey, chartered to construct a railroad from Hoboken and Weehawken along the Hudson River front northward to State line.

The Companies and property above named and numbered from three to six, secure to the New York, Ontario and Western Railway Company all the powers and property necessary for a terminus for their Railway opposite the City of New York.

A contract has been made upon competitive bids with a responsible firm for the construction of the tunnel through Bergen Hill at Weehawken at satisfactory prices, the same to be completed within a year.

The tunnel at West Point is well advanced, and will be finished in time for the opening of the entire line in about a year from this date.

The report of the General Manager is herewith submitted, with balance sheet, showing the financial condition of the Company.

The proposed extension and other needed improvements can be completed with the cash on hand. Your property will then comprise four hundred and twenty-one miles of railway, without a dollar of debt, independent of all existing lines, having valuable connections, and be in a position to compete for and secure an amount of through and local business which will ensure success to the enterprise.

CONRAD N. JORDAN, Prest.

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NEW YORK, January 18, 1881.

*Conrad N. Jordan, Esq., President:*

DEAR SIR—I beg leave to present herewith Balance Sheet, Statements of Earnings and Expenses, and of the Equipment of the Road, for the fiscal year ending October 1, 1880.

The Railroad and property of this Company had been in the hands of Receivers for six and one-half years prior to its transfer to this Company, and during a period of great financial and commercial depression. It was received by

them in an unfinished condition, with an undeveloped business, and subject to liens for rights of way, labor, equipment and rental of leased lines. Under the order of the Court these liens were satisfied by the issue of Receiver's Certificates, which created so large a first lien upon the property that money for the completion and improvement of the road could not be obtained, and the Receivers were entirely dependent upon the earnings for all necessary expenditures. The earnings proved to be insufficient, after providing for the ordinary operating expenses, to complete the unfinished work and to maintain the rolling stock, motive power and structures in first-class condition. As a consequence, although greatly improved in many respects by the Receivers, the property came into the hands of this Company requiring large expenditures upon the track and rolling stock in order to operate it in an efficient and economical manner.

During the first six months following the purchase, the property was liable to redemption by the stockholders under the provisions of the laws of the State of New York ; and it was deemed inexpedient by the Board to make any large expenditures for the improvement of the property until the question of redemption had been definitely settled. Under your direction I continued to operate the Road upon the plan adopted by the Receivers, to wit : entirely with mixed trains, run in such manner as with the least expense would best accommodate the local business. As a consequence, there was no increase for the first four months in the earnings of the Road, and but little improvement in its condition. Under the direction of the Board I then restored regular passenger trains, and increased the mileage for the purpose of developing the business and furnishing better accommodations to the public. This has already resulted in an increase of earnings of about twenty-five per cent.

A large amount of work has been done in improving the structures, relaying portions of and ballasting the track, and

increasing the efficiency of the motive power and rolling stock.

While the Road is now in an improved condition, and the Company gaining the confidence of the public, it has been impossible to make such arrangements for through traffic and business from competing points as would attract to the road the proportion of the same to which it is fairly entitled. This condition of affairs will continue until you have a connection under your control with the City of New York with an independent terminus on the Hudson River. When this has been secured, it will be practicable for your Company to obtain a large increase in local business along its line, and bring over the Road a share of through traffic now controlled by other lines.

THEO. HOUSTON, Gen'l Manager.

## NEW YORK, ONTARIO &amp; WESTERN RAILWAY CO.

*Balance Sheet, September 30th, 1880.*

## ASSETS.

Cost of Road and Equipment, . . . . .	\$50,163,807 27
Cost of other Lines Owned, . . . . .	2,000,000 00
Cash and Demand Loans, . . . . .	6,413,803 71
Individual Accounts, . . . . .	138,890 41
Other Railroad Companies, . . . . .	2,669 90
Fuel and Supplies on hand, . . . . .	212,122 64
	<u>\$58,931,293 93</u>

## LIABILITIES.

Capital Stock, Common, . . . . .	\$56,819,156 23
Do. Preferred, . . . . .	2,000,000 00
Pay Rolls and Accounts Unpaid, . . . . .	75,673 31
Other Railroad Companies, . . . . .	4,877 67
Individual Accounts, . . . . .	5 00
Profit and Loss, . . . . .	31,581 72
	<u>\$58,931,293 93</u>



## STATEMENT OF EARNINGS AND EXPENSES .

*For the Fiscal Year ending September 30th, 1880, being  
8 Months from date of Organization.*

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Earnings, - - - - -	\$409,481 84
Transportation Expenses, - - -	<u>377,597 45</u>
Surplus for year, - - - - -	\$31,884 39

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## STATEMENT OF EQUIPMENT,

New York, Ontario and Western Railway Co., Sept. 30, 1880.

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Locomotives, - - - - -	79
First-class Passenger Cars, - - -	32
Passenger and Baggage Cars, - - -	8
Baggage, Mail and Express Cars, - - -	20
Box Freight Cars, - - - - -	404
Platform or Flat Cars, - - - - -	361
Cattle Cars, - - - - -	38
Coal Cars, - - - - -	436
Service Cars, - - - - -	22
Milk Cars, - - - - -	9