

SECOND ANNUAL REPORT

OF THE

PRESIDENT

OF THE

NEW YORK, ONTARIO AND WESTERN RAILWAY CO.

TO THE

STOCKHOLDERS

FOR THE:

Fiscal year ending Sept. 30th, 1881.

NEW YORK:

E. WELLS SACKETT & RANKIN, PRINTERS AND STATIONERS,
CORNER WILLIAM AND PINE STREETS.

1882.

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— 1882. —

New York, Ontario and Western Railway Company.

BOARD OF DIRECTORS:

EDWARD F. WINSLOW,	New York City.
HORACE PORTER,	Long Branch, N. J.
CHAS. F. WOERISHOFFER.	New York City.
HENRY VILLARD,	"
FRED. BUTTERFIELD,	"
THEO. HOUSTON,	"
CONRAD N. JORDAN,	"
HENRY AMY,	"
WM. ADAMS,	"
THOS. C. CLARKE,	"
CHAS. J. CANDA,	"
GEO. B. GREER,	"
JOHN L. NISBET,	"

ORGANIZATION FOR 1882:

EDWARD F. WINSLOW, President,	New York City.
THEO. HOUSTON, Vice-President,	"
CONRAD N. JORDAN, Treasurer,	"
JOHN L. NISBET, Sec'y and Ass't Treas'r,	"
STEPHEN A. LATHROP, Auditor,	"
WALTER KATTE, Chief Engineer,	"
JAS. E. CHILDS, Gen'l Sup't,	Middletown, N. Y.
JAS. C. ANDERSON, Gen'l Fr't and Pass'r Ag't,	"
CHAS. CLARK, Purchasing Ag't,	"
ALEXANDER & GREEN, Counsel,	New York City.

OFFICES:

No. 20 Nassau St., New York.

TRANSFER AGENCY, No. 20 Nassau Street, New York.

REGISTRAR OF STOCK, Third Nat'l Bank, No. 20 Nassau St., New York.

OFFICE OF THE

New York, Ontario and Western Railway Company,

New York, January 18th, 1882.

TO THE STOCKHOLDERS OF THE NEW YORK, ONTARIO
AND WESTERN RAILWAY CO. :

The report of the operations of the Company for the fiscal year ending September 30th, 1881, as made to the State Engineer and Surveyor, is herewith presented.

It shows the net earnings from all sources to be \$217,429.76, an increase over the previous year of \$199,922.08.

The increase of \$1,294,826.61 in the common stock of the Company is due to the settlement of additional claims under the agreement and plan of reorganization, which at the date of the last report were involved in litigation.

The increase of \$1,342,347.92 in the "Cost of Road and Equipment" is accounted for by the additional issue of

Common Stock, above mentioned, . . .	\$1,294,826 61
And by cash expended for new cars, machine shops and machinery, filling trestles and other permanent improvements, . . .	495,377 03
	<hr/>
	\$1,790,203 64

Less amount received from assessments on stock,	\$387,793 33
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And from sales of old equipment,	60,062 39
	<hr/>
	447,855 72
	<hr/>
	\$1,342,347 92

The increase in the item, "Cost of other lines owned," \$2,865,916.47, represents the expenditure for the construction of the line between Middletown and Weehawken, and for the purchase of the additional terminal property at Weehawken and improvement of the same during the year.

In regard to the earnings of the road, it is proper to state that the want of an independent line to the Hudson River connecting with the City of New York prevents any through traffic, and, as stated in last report, will continue to do so until such connection is secured.

The improvement in the condition of the property and the increased facilities afforded by the Company has resulted in the development of local business which it is expected will show a much larger increase during the current year than appears in the period covered by this report. A contract has been made, taking effect January 1st (and running five years), for the transportation of coal to the City of Oswego to an amount which should more than double the tonnage of the Northern Division of the road. Terminal property and facilities have also been secured at that point, which will enable the Company to compete for lake business, from which it has been heretofore cut off.

Appreciating the importance of ample and convenient terminal facilities, it was deemed best by your Board to acquire additional property at Weehawken.

As the result of negotiations with the adjacent land owners, the Company controls about 7,000 feet of frontage on the Hudson River and an area of two hundred and eleven acres lying between the bluff and the river, with the improvements thereon. There are also one hundred and forty acres of land on the high ground, which, with the improvement of the terminus and the establishment of a good ferry, will become valuable for purposes of residence and business.

The land purchased, when improved, will afford terminal accommodations for the Company and its associated and connecting lines unsurpassed by those of any road terminating at New York.

At the date of the last annual meeting the only contracts for construction which had been made were for the tunnels at West Point and Weehawken. In the spring of 1881 the entire line from Middletown to the Hudson River was placed under contract. Owing to unexpected difficulties in regard to rights of way, particularly along the Hudson River, the work was considerably delayed until late in the summer, and the progress made up to this date has been less than anticipated. The tunnels are now well advanced and the work at all points is being vigorously prosecuted. Track laying will be commenced at several points in the spring, and it is hoped the entire line will be opened for business during the summer.

The Directors having secured the control of the companies and charters in New York and New Jersey necessary to the construction of a connecting road between the main line at Middletown and Weehawken, together with terminal and ferry facilities, and having commenced the work of construction, entered into negotiations with the New York, West Shore and Buffalo Railway Company, which company was engaged in the construction of a railroad from Hoboken to Buffalo, *via* the west shore of the Hudson River, to join at Cornwall, and use in common the proposed road between that point and Weehawken (fifty-two miles), thereby avoiding competition, and securing to the road and terminus, in addition to your own business, the traffic of a great low grade trunk line to the West.

The result of the negotiations was a decision on the part of the New York, West Shore and Buffalo Company to abandon the construction of its line south of Cornwall upon condition that the companies under the control of this Company should consolidate with it, thus forming a continuous line from Weehawken to Buffalo.

As the object to be secured to your Company in the construction of the road from Weehawken to Middletown was the control of an independent outlet for the business of the main line, and it being evident that owing to the very great cost involved in the terminal property, tunnels and river

line, it must require a large traffic in order to earn adequate returns on the investment, it was decided to be very important to prevent the building of a parallel line, in order to avoid all conflict of interests and to secure the business of the West Shore Company over the road south of Cornwall, provided the original designs of your Company could be properly carried out and protected.

Under the advice of counsel an agreement of consolidation was prepared, entered into for, and ratified by, the several companies, under which perpetual use of the road from Middletown to Weehawken is secured to the New York, Ontario and Western Railway Company for all its traffic, and for the construction of which road it will receive \$10,000,000 of First Mortgage Bonds, and \$2,000,000 of the Capital Stock of the consolidated Company.

A joint use of the double track railway between New York and Cornwall, including terminals and all conveniences, has been provided for under conditions which are just and fair to your Company and to the New York, West Shore and Buffalo Company.

Under this arrangement it is believed your Company will receive all the benefits desired in respect to its traffic, while the investment in the securities of the consolidated Company will be more certain to produce a revenue to this Company, than could be expected from those issued upon a line limited to local traffic and to the business contributed by the main line of your road only.

The coming year will be an important one in the history of your property. Sufficient has been accomplished to warrant the belief that from the completion and use of the New York connection, and with the improvements in the road and equipment made and in progress, there will result an increase in traffic which should place the property upon a dividend-paying basis.

Respectfully submitted,

E. F. WINSLOW,
President.

REPORT OF THE OPERATIONS
OF THE
NEW YORK, ONTARIO AND WESTERN RAILWAY CO.

For the year ending September 30th, 1881.

STOCK AND DEBT.

Capital stock as authorized by charter,	\$50,000,000 00
Capital stock as since fixed,	65,000,000 00
Capital stock issued,	60,113,982 84
Capital stock paid in,	60,113,982 84
Funded debt,	none.
Unfunded debt (pay-rolls, accounts open and unpaid and due other roads),	330,438 09
Number of shares of ordinary stock,	581,139
Number of shares of preferred stock,	20,000
Total shares of stock of par value of \$100 per share,	601,139
Number of stockholders,	1,939

COST OF ROAD AND EQUIPMENT.

Grading and masonry for current year,	\$84,362 22
Bridges "	19,485 36
Superstructure "	29,605 87
Passenger and freight stations, buildings and fixtures "	17,977 69
Engine and car houses, machine shops, machinery and fix- tures "	42,014 35
Land, land damages and fences "	29,024 60
Locomotives, engines and fix- tures "	43,790 48
Passenger and baggage cars "	48,436 01
Freight and other cars "	180,680 45
Cost of road and equipment for current year,	\$495,377 03

Brought forward, \$495,377 03
 Cost of road as follows :

The road and equipment were purchased by this Company and paid for in the Common and Preferred stock of the Company, issued pursuant to the plan and agreement inserted in the Certificate of Incorporation filed in the office of the Secretary of State.

It is therefore impossible to state the cost in the items above given, 51,010,778 16
 Total, \$51,506,155 19

CHARACTERISTICS OF ROAD.

Main line, 249.6 miles.
 Branches owned and built, 95. "

Total main line and branches, 344.6 miles.
 Sidings on main line, 40 miles.
 Sidings on branches, 6 "
 — 46. "

Total length of main line, branches and sidings, 390.6 miles.

BRANCHES OWNED AND OPERATED.

De Ruyter Branch, Norwich to Cortland, 48. miles.
 New Berlin Branch, East Guilford Junc. to New Berlin, 22.3 "
 Delhi Branch, Walton to Delhi, 16.7 "
 Ellenville Branch, Summitville to Ellenville, 8. "

Gauge, 4 ft., 8½ in.
 Miles of steel rails (Main Line), 31 miles.
 Weight per yard of steel rails, 50 to 57 lbs.
 Weight per yard of iron rails (Main Line), 56 to 57 lbs.
 Weight per yard of iron rails (in Branches), 50 to 57 lbs.

Length of iron bridges on all lines (iron trestles), . . .	2,560 ft.
Length of wooden bridges on all lines,	10,823 ft.
Length of pile or trestle-work in wood on all lines, . . .	41,110 ft.
Miles of telegraph wire owned and operated,	853 miles.

EQUIPMENT.

Number of passenger locomotives,	34	
Number of freight locomotives,	36	
Number of switching locomotives,	3	
	<hr/>	
Total,		73
Number of passenger cars,	32	
Number of second class and emigrant passenger and baggage cars,	8	
Number of baggage, mail and express cars,	20	
“ “ box freight cars,	429	
“ “ flat cars,	576	
“ “ cattle cars,	37	
“ “ coal cars,	411	
“ “ service cars,	17	
“ “ milk cars,	9	
	<hr/>	
Total number of freight and passenger cars,		1,539

TRANSPORTATION AND TOTAL MILES RUN.

Miles run by passenger trains,	211,242
“ “ “ mixed “	304,598
“ “ “ freight “	144,553
“ “ “ working and switching engines,	127,935
Passengers (all classes) carried,	326,670
Tons (2,000 lbs.) of freight carried,	348,513
Passengers carried one mile,	7,251,209
Tons of freight carried one mile,	19,511,452
Average rate of speed by passenger trains (including stops),	22 miles per hour.
Average rate of speed of same,	30 “ “ “
Average rate of speed, express passen- ger trains (including stops),	25 “ “ “

Rate of speed of same when in motion, 32 miles per hour.
 Average rate of speed of freight trains
 (including stops), 12 " " "
 Rate of speed of same when in motion, 18 " " "

EARNINGS.

From passengers,	\$180,151 73
From freight,	469,155 78
From mails,	15,573 78
From other sources,	260,163 28
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Total earnings,	\$925,044 57

TRANSPORTATION EXPENSES.

Expenses of maintaining road and real estate,	\$204,657 64
Expenses of repairs of machinery and cars,	141,388 36
Expenses of operating road,	361,454 73
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Total,	\$707,500 73
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	\$217,543 84

CHARGES AGAINST EARNINGS.

Interest,	114 08
	<hr/>
NET RESULTS,	\$217,429 76

COMPARATIVE BALANCE SHEET.

ASSETS.	SEPT. 30, 1880.	SEPT. 30, 1881.
Cost of road and equip- ment,	\$50,163,807 27	\$51,506,155 19
Cost of other lines owned,	2,000,000 00	4,865,916 47
Cash and demand loans,	6,413,803 71	3,591,150 00
Individual accounts,	138,890 41	212,999 03
Other R. R. Companies,	2,669 90	3,355 28
Rails, fuel and supplies on hand,	212,122 64	525,698 03
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	\$58,931,293 93	\$60,705,274 00

LIABILITIES.

Capital stock, Common,	\$56,819,156 23	\$58,113,982 84
" " Preferred,	2,000,000 00	2,000,000 00
Pay-rolls and accounts un-		
paid,	75,673 31	326,209 77
Other R. R. Companies,	4,877 67	3,938 36
Individual accounts,	5 00	289 96
Profit and Loss,	31,581 72	260,853 07
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	\$58,931,293 93	\$60,705,274 00

C. N. JORDAN,
Treasurer.

JAS. E. CHILDS,
Superintendent.