

TWENTY-FOURTH ANNUAL REPORT

OF THE

PRESIDENT AND OFFICERS

OF THE

New York, Ontario & Western

RAILWAY COMPANY

WITH

STATEMENT OF ACCOUNTS

FOR THE

Fiscal Year ending June 30th, 1903.

NEW YORK.

WYNKOOP HALLENBECK CRAWFORD CO., PRINTERS

467 TO 505 PEARL STREET

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New York, Ontario & Western Railway Company.

OFFICE OF THE PRESIDENT.

NEW YORK, September 1, 1903.

TO THE STOCKHOLDERS:

The operations of your Company for the fiscal year ended June 30, 1903, are herewith presented in the usual form.

The Receipts, compared with the preceding year were as follows:

	1903.	1902.
From Passengers	\$981,288.29	\$892,427.05
" Freight	4,954,611.01	4,358,186.17
" Mail and Express	133,213.22	127,542.88
Miscellaneous	97,415.38	78,539.93
Total Receipts	<u>\$6,176,517.90</u>	<u>\$5,456,696.03</u>

The Operating Expenses were:

	1903.	1902.
Maintenance of Way and Structures	\$925,698.78	\$894,384.19
Maintenance of Equipment	831,357.67	746,946.07
Conducting Transportation	2,493,682.09	2,228,484.78
General Expenses	156,760.73	145,480.89
Taxes	149,587.32	141,458.27
Total Operating Expenses and Taxes ..	<u>\$4,557,086.59</u>	<u>\$4,157,754.20</u>
Net Earnings	\$1,619,431.31	\$1,298,941.83
Interest, Rentals and Charges	758,459.95	639,982.96
Surplus	\$860,971.36	\$658,958.87
Appropriated from the Surplus for cost of second track, between Cadoia and Cornwall	<u>\$423,214.46</u>	
Balance	<u>\$437,756.90</u>	

Local passenger receipts were \$854,868.01, compared with \$765,287.54 in 1902; through passenger and immigrant earnings

\$126,420.28, compared with \$127,139.51; mail and express \$133,213.22, compared with \$127,542.88.

Freight Traffic earnings in detail, compared with the four preceding years, were:

	Through Freight.	Local Freight.	Milk.	Coal.	Miscellaneous.	Total.
1890..	\$384,262.54	\$669,881.69	\$484,491.02	\$1,923,502.76	\$63,680.70	\$3,525,818.71
1900..	440,214.49	815,058.43	491,397.38	2,223,463.74	87,847.20	4,057,961.24
1901..	452,209.15	793,936.28	476,243.35	2,546,918.13	76,690.41	4,345,997.32
1902..	526,997.94	801,228.01	512,641.83	2,517,338.39	78,539.93	4,436,726.10
1903..	661,402.82	912,310.32	551,613.08	2,839,244.79	97,415.38	5,062,016.39

Following is a comparative statement of operations since 1890:

	Earnings* Year ending June 30th.	Operating Ex- penses and Taxes.	Net Revenue.	Charges	Surplus.
1890.....	\$2,200,416.01	\$1,768,042.43	\$432,403.58	\$285,961.67	\$146,441.91
1891.....	2,809,702.16	2,155,372.16	654,330.00	553,890.68	100,439.32
1892.....	3,265,417.89	2,461,136.39	804,281.50	597,262.22	207,019.28
1893.....	3,688,173.92	2,798,225.62	889,948.90	633,095.79	256,852.51
1894.....	3,842,119.63	2,732,540.16	1,109,579.47	690,012.89	419,566.58
1895.....	3,669,113.18	2,642,412.44	1,026,700.74	700,317.93	326,382.81
1896.....	3,779,335.51	2,698,558.06	1,080,777.45	705,208.02	375,569.43
1897.....	3,894,402.99	2,780,496.23	1,113,906.76	713,995.77	399,910.99
1898.....	3,914,635.27	2,801,642.70	1,112,992.57	710,532.36	402,460.21
1899.....	4,346,163.35	2,970,110.37	1,376,052.98	689,688.75	623,717.99
1900.....	4,963,482.84	3,414,917.44	1,548,565.40	689,541.08	859,024.32
1901.....	5,322,883.65	3,777,137.12	1,545,746.53	666,514.75	879,231.78
1902.....	5,456,696.03	4,157,754.20	1,298,941.83	639,982.96	658,958.87
1903.....	6,176,517.90	4,557,086.59	1,619,431.31	758,459.95	860,971.36

Prior to the last stockholders' meeting the Board had determined to devote so much of the future surplus earnings as might be necessary, to the cost of building a second track, from Cadonia, the junction point with the Scranton Line, to the Hudson River terminal and connection with the West Shore Railroad at Cornwall. That decision was made known to you and met with no opposition. In the course of the last year, twenty and one-half miles of second track were practically completed at a cost of \$328,000; about seventeen miles in course of construction are about one-half completed, and fifteen miles now under contract should be finished within the next fiscal year. Grading and masonry on five miles, in addition to the above, also under contract, makes a total of finished, under construction and contracted of 57½ miles. The

distance to be double tracked is 107 miles, and the entire work should be accomplished within the next three years.

The extension of the Ellenville branch to Kingston was opened for business in December last. The cost of the line somewhat exceeded the estimates, owing to a change of plans, brought about by the abandonment of the proposed line over substantially the same route, which the Pennsylvania Coal Company at one time threatened to construct, also to more adequate terminals at Kingston than were at first contemplated, and better station buildings than were originally planned. The entire cost of the line was \$870,797.70. No bonds have been issued in connection with the work and the entire capital stock belongs to and is now held by your Company, which also owns the Port Jervis, Monticello and Summitville Railroad, extending from Summitville on your main line to the villages of Port Jervis and Monticello. The railway of that Company, forty miles in length, can be operated advantageously in connection with the Ellenville and Kingston line, and it is believed that in due course both of these properties will prove of value, as feeders to the main line of your Company. A new section of country adjacent to New York City, has been opened for summer visitors, and the milk business should eventually prove profitable. New local markets for anthracite coal are also provided. In connection with these projects no obligations of a permanent nature have been assumed by your Company.

Since the last annual report the Company has purchased 2 engines and 200 box-cars, also 6 passenger coaches and 2 drawing-room cars at a cost of \$275,514.00, and having paid one-fifth of their value in cash, the balance has been secured by a lien on the equipment, and a series of car-trust notes, payable semi-annually, were recently issued to the Manhattan Trust Company, amounting to \$220,000, bearing 5 per cent. interest.

Since 1891, 2,475 coal cars, 12 passenger cars, 9 engines, 4 parlor cars and 200 box cars have been purchased in like manner, and the amount of car trust obligations assumed in connection therewith have aggregated \$1,782,426.80, of which amount \$924,426.80 have been paid, leaving \$858,000 still outstanding. The equipment thus purchased has undoubtedly already earned a large proportion of the amount required to meet the obligations issued against it. The car trust plan, whilst objectionable if high

rates of interest or large commissions are paid, has been found profitable to the Company, and, in the judgment of your Board, is more advantageous than other financial methods, particularly those which involve the sale of mortgage bonds having a long term to run.

During the last two years no mortgage bonds have been disposed of nor have the fixed obligations of your Company been increased, apart from the car trust charges referred to.

The coal strike, which was in progress at the time the last annual report was presented to you, terminated in the latter part of October, last year. It therefore affected the earnings of the Company for nearly two months of the preceding fiscal year and about four months of the year covered by this report, with a consequent loss in gross and net earnings. The Mechanical and Engineering Departments took advantage of the partial suspension of traffic to put the Company's motive power in the best possible shape, and, at the same time, improvements on the main line and branches were proceeded with during the continuation of the strike.

The policy of including in operating cost all betterments and improvements, except actual additions to equipment and extensions of main and branch lines has been continued, notwithstanding the fact that the gross and net earnings were considerably curtailed, owing to the loss of the coal traffic for a period of six months.

The summer passenger business to Orange, Sullivan and Delaware Counties continues to increase year by year, and the efforts of your operating officials are directed towards improving the train service and increasing the accommodations afforded. In May, 1898, a local rate of two cents per mile was made effective, and for a time thereafter passenger earnings decreased to some extent, but the reduction has finally resulted in a very considerable increase in the number of passengers carried, from 872,632 in 1898 to 1,507,988 in 1903.

The passenger earnings per mile of road have increased during the same period from \$1,591.09 to \$2,032.28.

Your Company also operates its own Drawing Room Cars and provides additional equipment each year to meet the requirements of its patrons. While the rates charged are moderate, these cars are operated at a profit to your Company, in addition to saving the mileage heretofore paid to outside Companies.

There is no reason why the local passenger business of the

road should not continue to progress at a satisfactory ratio. The extension of branch lines has opened to the growing population in the vicinity of New York a new territory which is each year offering greater and better accommodations to those seeking healthful summer homes in an attractive section.

The second track now in course of construction between Cornwall and Cadosia is essential for the safety, as well as prompt and improved train service, demanded by the increasing summer passenger business of the line.

To all of the mechanical, engineering, and operating problems presented, and to the details of your Company's growing business, the officers, agents, and employees in every department of the service, have continued to devote their best efforts, and, as in the past, have been faithful and efficient in the performance of their duties.

By order of the Board,

THOMAS P. FOWLER,
President.

GENERAL MANAGER'S REPORT.

FOR THE YEAR ENDING JUNE 30TH, 1903.

THOMAS P. FOWLER, Esq.,
President.

DEAR SIR:

I respectfully submit the following report of the operations of this company for the year ending June 30th, 1903.

EARNINGS AND EXPENSES.

The gross earnings for the year were \$6,176,518, compared with \$5,456,696 in the previous year, an increase of \$719,822, or 13.19 per cent.

The working expenses for the year were \$4,407,499, compared with \$4,016,296 for the previous year, an increase of \$391,203, or 9.74 per cent.

The net earnings for the year, after deducting taxes, were \$1,619,431, and in the previous year \$1,298,942, being an increase of \$320,489, or 24.67 per cent.

The surplus for the year, after deducting fixed charges, rentals, etc., was \$860,971, and in the previous year, \$658,959, an increase of \$202,012, or 30.66 per cent.

The percentages of working expenses for the past fourteen years are shown in the following table:

Year ending June 30th,	1890.....	76.55	per cent.
" " " "	1891.....	73.16	"
" " " "	1892.....	72.27	"
" " " "	1893.....	73.15	"
" " " "	1894.....	68.40	"
" " " "	1895.....	69.24	"
" " " "	1896.....	68.42	"
" " " "	1897.....	68.20	"
" " " "	1898.....	68.68	"
" " " "	1899.....	65.25	"
" " " "	1900.....	66.07	"
" " " "	1901.....	68.35	"
" " " "	1902.....	73.60	"
" " " "	1903.....	71.36	"

The falling off in coal shipments, which constitute more than half our freight tonnage, for nearly four months of this, and nearly two months of the previous fiscal year, makes the operating statistics of these years of little value for the purpose of comparison.

PASSENGER TRAFFIC.

The local passenger earnings for the year were \$854,868, compared with \$765,288 in the previous year, an increase of \$89,580, or 11.70 per cent.

The through passenger receipts, consisting of coupon and immigrant business, amounted to \$126,420, as compared with \$127,140 in the previous year, a decrease of \$720, or 0.57 per cent.

During this fiscal year 625,151 immigrants were received at the Port of New York. Of this number 314,764 were ticketed westward by all Trunk Lines, an increase of 59,994, or 23.55 per cent.

EXCURSIONS.

During the year 167 excursions were run, carrying 46,153 passengers; the mileage of trains was 8,074 miles, and the revenue \$35,298, or \$4.37 per mile. In the previous year there were 95 excursions run, carrying 38,056 passengers, with train mileage of 7,678 miles, and revenue of \$27,301, or \$3.56 per mile.

BAGGAGE DEPARTMENT.

The number of pieces of baggage handled during the fiscal year was 439,957, compared with 425,049 for the previous year.

The amount paid by the company for loss and damage sustained in handling the same was \$173.20, as against \$46.14 in the previous year.

The excess baggage and storage collections amounted to \$10,909 compared with \$8,806 in the previous year.

During this period 32,402 bicycles were carried, compared with 40,848 during the previous year.

FREIGHT TRAFFIC.

The local freight earnings were \$912,340, compared with

\$801,208 in the previous year, an increase of \$111,132, or 13.87 per cent.

The through freight earnings were \$661,403, compared with \$526,998 in the previous year, an increase of \$134,405, or 25.50 per cent.

On June 1st, 1903, we issued a new local freight tariff, advancing slightly the local rates between stations, the increase barely representing the additional cost of operating, occasioned by the increase in wages, cost of supplies, etc.

During this fiscal year 1,607,103 tons of through freight from New York were carried by the Trunk Lines; of this amount this company carried 92,199 tons. For the corresponding period last year there were handled 1,587,891 tons by all lines, of which this company handled 54,212 tons.

During the last half of the year rates have been fairly well maintained.

COAL.

The earnings of the company from the transportation of coal were \$2,839,245, compared with \$2,517,338 in the previous year, an increase of \$321,907, or 12.79 per cent. The total shipments from the Scranton Division, including supply coal used on engines and at stations, were 2,239,435 gross tons, an increase of 81,833 gross tons over previous year, or 3.79 per cent. The number of gross tons of coal transported from the Scranton Division (exclusive of supply coal for company's use) was 2,038,924 gross tons, compared with 1,964,260 gross tons in previous year, an increase of 74,664 gross tons, or 3.80 per cent.

The total output of anthracite coal by all companies for the year 1902 was 31,200,890 tons, a decrease of 22,367,711 tons, as compared with the previous year.

The following statement shows the number of gross tons of coal from the Scranton Division handled over the company's docks at Oswego, Cornwall and Weehawken, compared with the previous year:

	1903.	1902.
To the lakes, via Oswego.....	189,699	113,699
To tide water, via Cornwall.....	420,681	1,228,586
To tide water, via Weehawken.....	598,673	
Total.....	1,019,354	
	<u>1,209,053</u>	<u>1,342,285</u>

This statement also includes any coal sold locally at these points.

On account of continued congestion of traffic on the Main Line south of Cadosia, we have endeavored to ship as much coal northbound to northern New York, Oswego and the Lake Ontario ports as possible, also to the west, via the Welland Canal and lakes, and this movement has been greatly favored by the abolition of tolls on the Welland Canal, which took effect with the opening of navigation for the season of 1903.

In the previous year we lost nearly two months' coal business, and nearly four months in this fiscal year. During this period, as stated in previous report, we took advantage of the absence of coal trains to make improvements in track and bridges, and the shop force was kept fully employed putting the equipment in good condition to stand the strain of the heavy movement of coal which followed the termination of the strike.

The strike of the United Mine Workers occurred May 12, 1902, and continued until the end of October. During the eight months, November 1st to June 30th, the entire shipments by all companies from the anthracite region was 41,968,767 tons, of which this company shipped 2,014,165 tons, or 4.80 per cent., or at the rate of a little over 3,000,000 tons per year, exclusive of shipments received from the D. & H. Co. at Sidney.

During this period of eight months following the resumption of mining the market demands were in excess of the supply, and prices well maintained.

The market for small sizes for steam continues. The demand for cars for prepared sizes and other shipments from the breakers has been so heavy that we have not been able at all times to keep the washeries (which furnish most of the small sizes) supplied with cars.

The following statement shows the total shipments of coal by the Delaware & Hudson and this company to Oswego over our lines for thirteen years:

Year ending	D. & H. Shipments.	O. & W. Ship'ts.	Aggregate gross tons.
June 30th, 1891	63,025	53,131	116,156
" " 1892	68,506	102,583	171,089
" " 1893	76,592	134,570	211,162
" " 1894	85,053	204,533	289,586
" " 1895	61,194	157,066	218,260
" " 1896	73,073	210,275	283,348

Year Ending	D. & H. Shipments.	O. & W. Ship'ts.	Aggregate gross tons.
June 30th, 1897	85,698	143,974	229,672
" " 1898	64,310	122,412	186,722
" " 1899	43,628	174,029	217,657
" " 1900	43,211	134,874	178,085
" " 1901	47,898	125,682	173,580
" " 1902	49,469	113,699	163,168
" " 1903	41,565	109,699	231,264

Coal hauled for the Delaware & Hudson Company from Sidney to Oswego during the year, 41,565 gross tons, shows a decrease of 7,904 gross tons, or 15.98 per cent. as compared with the previous year.

The shipments of D. & H. coal from Sidney to points on Utica Division, via Randallsville, were 101,577 gross tons, compared with 125,623 gross tons in previous year, a decrease of 19.14 per cent.

The total amount of D. & H. coal shipped from Sidney to all points during the year was 212,136 gross tons, a decrease of 16,252 gross tons, or 7.12 per cent., compared with previous year, and the total revenue received therefor was \$158,308, as compared with \$172,688, a decrease of \$14,380, or 8.33 per cent.

The above statements do not include miscellaneous shipments transported over the line to the various stations, which have been included in our general freight statement.

MILK.

The following statement shows the tonnage, revenue, and earnings per train mile from milk business, as compared with previous year:

	1903.	1902.	
Tons of milk carried.....	95,783	86,898	10.22% Inc.
Tons carried one mile.....	16,566.100	15,126,882	9.51% "
Revenue	\$551,613	\$512,642	7.60% "
Miles run	366,607	363,807	0.77% "
Earnings per train mile.....	\$1.50	\$1.41	6.39% "

This statement does not include mileage of mixed trains over branches, bringing milk to the regular milk trains on the Main Line, but the mileage only of the latter; and the earnings stated are exclusive of those derived from passengers, express and perishable freight carried on such trains.

During the calendar year of 1902, this company was the largest carrier of milk to New York City.

MOTIVE POWER DEPARTMENT.

MILEAGE.

The mileage of engines and cars during the year, as compared with previous year, was as follows:

	1903.	1902.
Passenger trains.....	1,003,276	900,705
Freight trains.....	1,632,038	1,562,409
Mixed trains.....	804,886	753,172
Total train miles earning revenue.....	3,440,200	3,216,286
Shifting, light running, etc.....	1,195,587	1,126,674
Total traffic engine miles.....	4,635,787	4,342,960
Passenger train car miles.....	4,274,036	4,022,613
Freight train car miles.....	36,976,730	36,363,809
Mixed train car miles.....	8,280,356	7,635,147
Total car miles.....	49,531,122	48,021,569

The performance of engines during the past fiscal year, as compared with previous year, was as follows:

	1903.	1902.
Total number of engines on hand at end of year.....	149	144
Average number making mileage.....	129	124

Engine Mileage.

Passenger.....	1,003,276	900,705
Freight.....	1,632,038	1,562,409
Mixed.....	804,886	753,172
Shifter.....	708,016	673,738
Work train.....	232,787	199,230
Light running, etc.....	487,571	452,936
Total miles run.....	4,888,574	4,542,190

Fuel.

Tons coal consumed.....	315.767	302,716
Pounds coal consumed per engine mile.....	129.2	133.3
Pounds coal consumed per car mile.....	12.2	12.2

<i>Stores.</i>		
Quarts of oil consumed.....	245,506	217,003
Pounds of waste used.....	32,382	28,601
 <i>Miles run to</i>		
One ton of coal.....	15.5	15 0
One quart of oil.....	19.9	20.9
One pound of waste.....	151.0	158.8
 <i>Cost per engine mile in cents.</i>		
Repairs.....	6.06	6.35
Fuel.....	11.68	9.76
Stores.....	0.41	0.38
Wages of engine crew, cleaners, etc.....	7.62	7.56
<hr/>	<hr/>	<hr/>
Total cost per mile.....	25.77	24.05
Car mileage.....	51,804,867	49,375,590

FUEL.

The following statement shows the total cost of fuel for locomotives, and cost per train, car and engine mile, for the past ten years.

	Total cost of fuel.	Cost per train mile.	Cost per engine mile.	Cost per car mile.
1894.....	\$316,415	10.84 cts.	8.62 cts.	.845 cts.
1895.....	279,090	9.74 "	7.61 "	.726 "
1896.....	250,281	8.81 "	6.83 "	.647 "
1897.....	236,860	8.59 "	6.72 "	.618 "
1898.....	222,311	8.46 "	6.56 "	.608 "
1899.....	248,368	8.67 "	6.72 "	.579 "
1900.....	289,677	9.67 "	7.33 "	.636 "
1901.....	367,735	11.94 "	9.05 "	.784 "
1902.....	427,849	13.30 "	9.85 "	.891 "
1903.....	555,221	16.14 "	11.97 "	1.121 "

During the year 107,843 tons of bituminous, and 207,924 tons of anthracite coal were used on engines.

During the coal strike there was a great scarcity of bituminous as well as anthracite coal. The price of bituminous coal was doubled for several months, which accounts for the increase in cost of fuel per engine and car mile.

EQUIPMENT.

The condition of equipment at the close of the fiscal year, compared with the previous year, is shown in the following table, two engines of P. J. M. & S. R. R. not included:

	1903.	1902.
No. of engines owned and leased	149	144
No. of engines laid up ready for service.....	1	41
No. of engines in service.....	136	88
No. of engines in shop under repairs.....	11	12
No. of engines in shop awaiting repairs.....	1	3
No. of engines purchased.....	5	4
No. of engines received general repairs and rebuilt.....	52	56
No. of engines received ordinary repairs.....	43	29
No. of cars awaiting repairs.....	141	21
No. of cars received repairs	36,325	34,392

Number of cars awaiting repairs includes foreign cars and all cars awaiting repairs at junction points.

FREIGHT CAR EQUIPMENT.

Return of Rolling Stock, page 44, shows total number of freight cars owned and leased by the company as . . .	7,662
while the actual number of freight cars in service June 30th was	<u>7,206</u>
Cars out of service	456

These cars are being replaced on a tonnage basis.

The following table shows the effective tonnage capacity of all freight cars, and also the average carrying capacity of each car. This statement includes service cars in use, but does not include cabooses:

**Classification of the Electric Freight Equipment according to the capacity of Cars
in Tonnage, June 30th, 1903, cars of P. J. M. & S. R. R. not included.**

YEARS	Actual number of Open Cars in service classified according to tonnage.							Actual number of Closed Cars in service classified according to tonnage.					Total number of Freight Cars.							
	Cars of 12 Tons.	Cars of 14 Tons.	Cars of 20 Tons.	Cars of 25 Tons.	Cars of 30 Tons.	Cars of 40 Tons.	Actual number of Cars.	Total marked capacity in Tons.	Average Tons per Car.	Cars of 14 Tons.	Cars of 20 Tons.	Cars of 30 Tons.	Cars of 40 Tons.	Actual number of Cars.	Total marked capacity in Tons.	Average Tons per Car.	Total Freight Cars Owned and Leased.	Number of Cars in Service.	Total marked capacity in Tons, all Cars in service.	Average Tons per Car.
1880.....	225	572	.....	.....	.....	.....	797	10,708	13.31%	442	9	.....	.....	451	6,308	14.15%	1218	1248	17,076	13.85%
1890.....	115	345	873	.....	900	.....	2233	50,670	22.69%	382	362	8	.....	752	12,826	17.05%	3118	2985	63,498	21.55%
1903.....	72	332	867	.....	3354	.....	4625	123,472	26.69%	353	382	10	.....	745	12,882	17.33%	5002	5370	136,354	25.45%
1895.....	42	209	844	2	3034	.....	5031	138,360	27.40%	327	371	39	.....	737	13,168	17.85%	6110	5768	151,548	26.55%
1897.....	38	182	788	2	4274	.....	5284	147,034	27.82%	207	385	71	.....	663	12,728	19.33%	6361	5947	150,762	26.46%
1908.....	28	103	784	2	4336	.....	5253	147,588	28.09%	136	355	158	.....	649	13,744	21.16%	6361	5902	161,332	27.33%
1899.....	26	61	780	2	4334	.....	5203	146,836	28.22%	109	357	216	.....	682	15,146	22.20%	6317	5885	161,982	27.55%
1900.....	21	50	764	2	4447	1	5285	149,732	28.33%	82	351	233	.....	666	15,158	22.75%	6329	5951	164,800	27.75%
1901.....	20	40	755	2	4465	612	5903	175,036	29.31%	78	342	244	.....	664	15,232	22.95%	6942	6507	191,288	29.13%
1902.....	17	41	733	2	4452	636	5381	170,078	29.73%	76	327	252	.....	655	15,164	23.15%	6054	6536	191,242	29.26%
1903.....	16	27	716	2	4443	1131	6325	196,297	30.99%	72	314	277	202	665	23,678	37.37%	7662	7200	210,975	30.55%

IMPROVEMENTS CHARGED TO CAPITAL ACCOUNT.

During the year new equipment has been purchased or built in the shops of the Company, and charged to capital account, costing \$90,799, as follows:

- 3 new 100-ton consolidation engines purchased.
- 3 new four-wheeled cabooses built.
- 10 new standard milk cars built.
- 2 new combination passenger and baggage cars built.
- 2 new combination baggage and mail cars built.
- 2 new baggage cars built.

The following new equipment was purchased under agreement with the Manhattan Trust Company at cost of \$275,514 (see Treasurer's statement, Table No. 10,——Car Trust, Series C):

- 200 40-ton standard box cars purchased from South Baltimore Car Company.
- 2 mogul engines purchased from American Locomotive Company.
- 2 parlor cars purchased from the Harlan & Hollingsworth Company.
- 6 wide vestibule passenger coaches purchased from the Harlan & Hollingsworth Company.

IMPROVEMENTS CHARGED TO OPERATING EXPENSES.

The following additions and improvements have been made and charged to operating expenses, amounting to \$183,598.

- 5 engines have been rebuilt at Rome Locomotive Works.
- 1 engine has had new boiler.
- 7 engines have had new fire boxes.
- 4 passenger coaches have been vestibuled and fitted over into smoking cars.
- 1 new combination car has been built.
- 1 new mail car has been built.
- 5 new standard milk cars have been built.
- 7 new standard four-wheeled cabooses have been built.

25 new freight cars have been built (to replace old, light capacity cars destroyed), as follows:

- 12 30-ton coal cars.
- 10 30-ton flat cars.
- 1 30-ton box car.
- 2 40-ton box cars.

535 freight cars have been equipped with air brakes.

927 steel truck bolsters have been applied to freight cars.

67 freight cars have been equipped with new standard trucks.

645 coal cars have had side trusses applied to keep them from bulging.

518 freight cars have been reinforced with subsills.

63 box cars have had new roofs.

The following shop tools and machinery have been purchased:

Middletown:

- 1 "No. 80 Boyer" hammer.
- 2 30-ton "Dudgeon" hydraulic jacks,
- 1 "Little Giant" wood boring machine,
- 1 "Linderwood" planer attachment,
- 2 16 in. by 6 in. "L. & L." lathes,
- 1 double pump,
- 1 style "F' Yankee" drill grinder,
- 1 "No. 20" flue rolling machine,
- 2 "American" flue cutters,
- 1 "No. 1 Little Giant" reversible drill,
- 1 "Bixford" radial drill,
- 2 "No. 3 Mason" air drills,
- 1 42-inch boring mill,
- 1 "No. P-1, 535 Boyer" hammer.
- 1 "No. 6" riveter,
- 1 "No 3 Little Giant" drill,
- 1 "No. 4 Little Giant" drill,
- 1 "No. 5 A.B.C." blower,
- 1 "No. 11" flue roller,
- 1 "No. 759 Franklin" air compressor

Norwich:

- 2 "No. 2 Little Giant" drills,
- 1 "No. 2" 20-inch jointer,

- 1 "Franklin" air compressor,
- 1 "No. 21,122" reversible drill,
- 1 "No. 2" nut tapper,
- 1 "No. 6 Monarch" riveter,
- 1 " 9 " "
- 1 " 4 " "
- 1 " C " "
- 1 " D " "
- 1 "No. 7 Champion" chemical fire engine,
- 1 "No. 5 H. S." drill,
- 2 "No. 20" pneumatic car jacks,
- 1 set of "Yingling" grates

Mayfield:

- 1 rotary valve seat planer,
- 1 "O. D." forge,
- 1 "No. 100 Post" hammer.
- 1 new shop boiler,
- 1 "Monarch W" hammer,
- 1 16 in. by 18 in. "Hindley" lathe.

SUMMARY.

Amount charged to capital account for equipment purchased, and improvements made in shops of company,	\$90,799	}	\$366,313
Amount charged to capital account for payments made on equipment purchased under car trust agreement ..	275,514		
Amount charged to operating expenses			183,598
Total,			\$549,911

The following table shows the increase in weight and in number of drive wheels, also increase in steam pressure of engines for the years named; two engines of P. J. M. & S. not included:

Year	Number of Engines				Weight of Engines in Working Order, Without Tenders																	Average Weight	Maximum Steam Pressure											
	4 Drivers	6 Drivers	8 Drivers	Total	24 Tons	27 Tons	28 Tons	30 Tons	32 Tons	34 Tons	35 Tons	37 Tons	38 Tons	43 Tons	45 Tons	50 Tons	52 Tons	53 Tons	54 Tons	58 Tons	60 Tons			65 Tons	67 Tons	70 Tons	75 Tons	80 Tons	85 Tons	90 Tons	95 Tons	100 Tons	Average Weight	Maximum Steam Pressure
1881	44	35	79	1	4	1	3	18	1	24	27																				24	37	34.5	130
1885	39	34	73	1	3			18	1	24	26																				24	37	34.8	130
1890	34	45	13	92	1	2				35	16	11	9	4	1	10	8			7											24	58	42.5	160
1895	32	50	51	133		1			3		17	14	9	7	4	1	10	10	2	13					42						27	66	51.4	180
1900	34	45	54	133							13	15	5	4	11	10	8	2	13	4	2	41	4					1			37	100	54.7	200
1901	30	47	63	140							13	11	5	4	11	10	8	2	13	4	2	41	4	2				10			37	100	57.5	200
1902	30	47	67	144							13	11	5	4	11	10	8	2	13	4	2	41	4	2				14			37	100	59.6	200
1903	30	40	70	140							13	11	5	4	11	10	8	2	13	4	2	41	4	4				17			37	100	60 $\frac{1}{16}$	200

The following table shows the increase in tractive power, or draw-bar pull, of engines for the same period, two engines of P. J. M. & S. not included:

YEAR	1881		1885		1890		1895		1900		1901		1902		1903		
	No. of Engines	Tractive Power	No. of Engines	Tractive Power	No. of Engines	Tractive Power	No. of Engines	Tractive Power	No. of Engines	Tractive Power	No. of Engines	Tractive Power	No. of Engines	Tractive Power	No. of Engines	Tractive Power	
	Inches	Pounds	Inches	Pounds	Inches	Pounds	Inches	Pounds	Inches	Pounds	Inches	Pounds	Inches	Pounds	Inches	Pounds	
1	15x22	13,400	1	15x22	13,400	1	15x22	6,800	1	15x24	11,300	1	15x24	11,300	1	15x24	11,300
1	12x22	6,800	1	12x22	6,800	1	15x22	13,400	1	17x24	18,400	1	17x24	18,400	1	17x24	18,400
1	14x22	9,300	1	16x22	15,300	18	17x24	14,700	17	17x24	18,000	4	17x24	18,000	7	17x24	18,000
3	17x20	12,500	20	16x24	14,000	16	17x24	17,600	16	17x24	17,600	12	17x24	14,700	3	17x24	14,700
1	16x20	12,300	3	17x20	13,900	1	16x22	15,300	6	17x24	18,400	12	17x24	15,700	3	17x24	15,700
20	16x22	15,300	3	17x20	12,500	1	16x24	14,900	12	18x24	20,300	10	17x24	17,600	10	17x24	17,600
15	17x22	13,800	15	17x24	15,000	2	18x24	16,800	10	17x24	17,600	5	18x24	20,300	5	18x24	20,300
10	17x24	15,000	18	17x24	17,600	4	18x24	18,400	11	18x24	21,000	5	18x24	19,500	5	18x24	19,500
4	16x24	14,000	8	18x26	23,000	9	18x24	20,300	9	18x24	20,300	4	18x24	18,000	4	18x24	18,000
8	18x20	23,000	3	18x26	20,100	11	18x26	22,800	11	18x26	22,800	4	18x24	20,600	4	18x24	20,600
3	18x20	20,100				8	19x24	21,000	4	18x26	22,800	8	18x26	22,800	8	18x26	22,800
						8	19x24	21,800	13	20x24	27,000	12	18x28	24,100	2	18x28	24,100
						8	20x24	27,000	13	20x24	31,000	8	19x24	21,000	2	19x24	21,000
						13	20x24	27,000	8	19x24	21,000	11	19x24	24,800	11	19x24	24,800
									11	19x24	24,800	4	19x24	25,200	4	19x24	25,200
									4	19x24	25,200	2	19x28	29,200	2	19x28	29,200
									12	20x24	27,000	11	19x28	29,200	4	19x28	29,200
									41	20x24	31,000	12	20x24	27,000	12	20x24	27,000
									1	21x32	50,500	41	20x24	31,000	41	20x24	31,000
												10	21x32	50,500	14	21x32	50,500
TOTAL	79	1,251,000	78	1,178,800	92	1,815,500	131	3,125,700	133	3,238,000	140	3,588,100	144	3,890,100	149		4,100,000
Average tractive power per engine.		15,843		10,148		19,734		23,500		24,350		26,344		27,015			27,510

The approximate valuation of locomotives and tenders, based upon an assumed valuation of \$100 per ton, would be as follows:

Year	Valuation	Average Number of Drive Wheels per Engine
1881.....	\$359,400	4.88
1890.....	478,400	5.54
1895.....	877,800	6.28
1901.....	1,092,000	6.47
1902.....	1,141,600	6.51
1903.....	1,219,300	6.53

MAINTENANCE OF WAY DEPARTMENT.

The following additions and improvements have been made in the Maintenance of Way Department and charged to capital account or to operating expenses, as stated below:

CHARGED TO CAPITAL ACCOUNT, \$44,342.72.

MAIN LINE AND BRANCHES.

	Cost.
Coal Dock No. 2, Weehawken has been extended 100 feet, and bulkhead and slip built south of Dock No. 1, adjoining the New York Central	\$44,342.72

CHARGED TO OPERATING EXPENSES, \$209,708.70.

MAIN LINE AND BRANCHES.

Additional Tracks—

New sidings constructed,	4.18 miles.
Less old sidings taken up	2.32 "
Net increase,	1.86 "

Middletown, 0.40 miles; Red Hill, 0.70 miles; Cadosia, 0.73 miles; Coburn's, 0.50 miles; Norwich, 0.60 miles; Oneida, 0.25 miles; other stations, 1.00 mile; total, 4.18 miles	\$28,433.18
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*P. J. M. & S. not included.

<i>Ballasting.</i> —Surfacing track with cinders, gravel and culm between Rockland and Sidney, 5.77 miles; between Sidney and Randallsville, 2.08 miles; total, 7.85 miles	\$9,588.03
<i>Bridges and Culverts.</i> —At Summitville a culvert has been built in the bed of old canal and present bridge, No. 89, will be taken down. At Sandburg creek, Mountindale, in place of 34-foot "I" beams, a plate girder bridge, 57½ feet long, has been put in, thus providing for a highway undercrossing and closing a grade crossing. At Guilford an undercrossing has been put in, and two grade crossings abolished. Timber trestle at Liberty, 585 feet long, has been replaced with steel, 540 feet long. 1,452 feet of iron pipe have been put in place of timber and other defective culverts, and the openings filled	50,879.53
<i>Grading.</i> —Widening cuts and embankments, and filling trestles	18,166.82
<i>Signals.</i> —Interlocking signals at D. & H. Co.'s crossing, Sidney, and automatic electric signals at Fair Oaks, have been put in; also a crossing bell at Haverly's,	3,647.46
<i>Stations and Buildings.</i> —There have been erected a Road Department store room at Middletown, a freight house at Walton, ice house and ice gathering machinery at Brown's Pond, and an engine coaling trestle at Norwich	17,434.51
<i>Station Grounds.</i> —Changes in highways have been made at DeKay's, near Stony Ford, and at Guilford. Station grounds have been graded at Bloomingburgh, Fallsburg, Trout Brook, Apex and Walton,	6,400.15

Steel Rail.—New rail has been laid as follows (there being charged to improvement only the difference in weight):

76-lb. instead of 67-lb.,	1,892 tons, or 16 miles	
75-lb. " " 56-lb.,	989 " " 8.4 "	
67-lb. " " 56-lb.,	288 " " 2.7 "	

\$16,262.19

Telegraph Line.—Two additional telegraph wires have been erected between Middletown and Ellenville

1,140.08

Total, \$151,951.95

SCRANTON DIVISION.

Additional Tracks.—2.10 miles have been laid, chiefly the double track at Forest City. For the double track at Preston Park, 2½ miles, have been graded,

\$34,947.67

Ballasting.—11 miles with cinders, 2,176.88

Bridges.—No. 4, second track, Preston Park 1,450.03

Grading.—Widening cuts and embankments, 6,525.06

Signals.—Signals put in at Riverside Junction with D. L. & W. R. R., 424.90

Stations and Buildings.—A Road Department storeroom and carpenter shop have been built at Mayfield, 523.00

Steel Rail.—There have been laid in repairs (the difference in weight only being charged to improvement) 1,577 tons of new 76-pound rail in place of 67-pound,

5,220.72

<i>Snow Fencing.</i> —About 450 rods have been built, .	\$1,331.36
<i>Water Stations.</i> —Additional water cranes have been put up at Preston Park, Orson and Scranton. .	2,430.15
Total,	<u>\$55,029.77</u>

UTICA DIVISION.

<i>Additional Tracks.</i> —0.15 miles of track have been laid at Oriskany Falls, Franklin Springs and Utica. At Rome 0.06 miles were taken up, .	\$295.45
<i>Ballasting,</i>	105.65
<i>Culverts.</i> —348 feet of iron pipe have been put in place of timber and other defective culverts, and the openings filled,	1,130.66
<i>Signals.</i> —A crossing bell has been put in at Oriskany Falls,	190.43
<i>Stations and Building.</i> —“Hanauer’s” coal trestle, in Utica, was begun in June,	479.26
<i>Steel Rail.</i> —There were laid in repairs (the difference in weight only being charged to improvement) 149 tons of new 67-pound rail, in place of 56-pound,	525.53
Total,	<u>\$2,726.98</u>

SUMMARY.

The improvements and betterments noted above, amounting to \$254,051.42, are charged as follows:

	Capital.	Operating.
Main Line and Branches	\$44,342.72	\$151,951.95
Scranton Division		55,029.77
Utica Division		2,726.98
Total	<u>\$44,342.72</u>	<u>\$209,708.70</u>

RAILS.

The weight and distribution of rails in Main Line, Branches and Leased Lines are as follows:

Division.	Miles and Weight of Rail.							Total.
	95-lb.	76-lb.	75-lb.	67-lb.	62-lb.	56-lb.	50-lb.	
Main Line.....	36.57	224.75	8.4			2.03		271.75
Branches.....				5.92		20.02	27.88	53.82
Scranton Division...		32.33		21.26				53.59
Utica Division.....		5.41		10.39	15.61	12.67		44.08
Pecksport Line.....		3.69						3.69
P. J. M. & S.....				12.50		28.30		40.80
E. & K.....				27.14				27.14
Total Miles....	36.57	266.18	8.4	77.21	15.61	63.02	27.88	494.87

TIES.

There have been used in repairs 181,380† ties, being 24,350 less than previous year, at an average price of 47½ cents each, which is two cents more than last year, distributed as follows:

Main Line and Branches.....	126,818
Scranton Division.....	39,782
Utica Division.....	14,780

BRIDGES.

The following statement shows the number and length of iron or steel and wooden bridges and trestles on Main Line, Branches and Leased Lines, compared with previous year, and with 1891, the year in which the Scranton Division bridges were first taken into this report:

	1903.		1902.		1891.	
	Number.	Aggregate length in feet.	Number.	Aggregate length in feet.	Number.	Aggregate length in feet.
Steel or Iron Bridges	*211	23,900	184	21,408	94	14,706
Wooden Bridges....	*21	1,374	20	1,354	89	5,098
Wooden Trestles....	71	15,109	75	16,236	124	23,844
Total.....	303	40,383	279	38,998	307	43,688
Filled and Shortened in past year.....			3	526		
Filled and Shortened since 1891.....					31	5,216

*The P. J. M. & S. and E. & K. bridges of clear span of 13 feet and over are included in 1903—26 iron, 1,891 feet, and one wooden, 20 feet long.

†P. J. M. & S. not included.

The following statement shows the number and length of bridges for the O. & W. proper, Main Line and Branches, owned, compared with 1886:

	1903.		1886.	
	Number.	Aggregate length in feet.	Number.	Aggregate length in feet.
Steel or Iron Bridges.....	122	15,028	27	7,521
Wooden Bridges.....	7	398	80	6,357
Wooden Trestles.....	57	10,903	117	20,441
Total.....	186	26,329	224	34,319
			186	26,329
Filled and Shortened.....			38	7,990

SECOND TRACK.

The amount charged to second track construction between Cornwall and Cadosia to the end of the present fiscal year is \$423,214.46.

About 20½ miles of second track have been completed at a cost of \$328,000, and the grading and masonry for 17 miles more have been about half completed.

Including the above 57½ miles are completed or under contract, of which 37½ miles should be finished and in operation this fall.

ELLENVILLE & KINGSTON RAILROAD.

The Ellenville & Kingston Railroad was completed and opened for traffic on the following dates: To Kerhonkson, 6.77 miles, June 15, 1902; to High Falls, 16.56 miles, Sept. 23, 1902; and to Kingston, 27.14 miles, Dec. 22, 1902.

The cost of construction to June 30th was \$870,797.70, of which \$334,524.70 was expended during the present year. The construction account was closed on June 30th last.

PORT JERVIS, MONTICELLO & SUMMITVILLE RAILROAD.

On the 22d of December, 1902, this company assumed the charge of operating this line from Summitville to Huguenot Junction, and from Port Jervis to Monticello, distance 40.80 miles, and the report and statistics include the operation of this line from that date, except as otherwise stated. The equipment consists of two locomotives, two passenger coaches, two combined cars, and ten freight cars.

TRAIN LOADS.

The following table shows average tons hauled per freight train and per car, also cars per train, for sixteen years:

Year ending	Tons Per Train.	Tons Per Car	Cars Per Train
Sept. 30, 1888.....	123	7.20	17.1
Sept. 30, 1889.....	128	7.00	18.3
June 30, 1890.....	132	7.23	18.3
June 30, 1891.....	170	8.66	19.6
June 30, 1892.....	182	9.23	19.7
June 30, 1893.....	176	9.00	19.6
June 30, 1894.....	202	9.89	20.5
June 30, 1895.....	221	10.42	21.2
June 30, 1896.....	219	10.30	21.3
June 30, 1897.....	232	10.29	22.5
June 30, 1898.....	256	10.92	23.5
June 30, 1899.....	276	11.47	24.1
June 30, 1900.....	287	11.89	24.1
June 30, 1901.....	290	12.24	23.7
June 30, 1902.....	285	12.56	22.7
June 30, 1903.....	287	13.09	21.9

In making up the above table, miles run by a pushing or assisting engine in service are counted as train miles.

The following statement shows cost of maintenance per mile of road operated and per engine and car for past fourteen years. P. J. M. & S. and E. & K. not included:

Year Ending	Maintenance Cost per Mile of Road Operated.	Maintenance Cost per Engine Per Year.	Maintenance Cost per Car Per Year.
June 30, 1890.....	\$867	\$958	\$38
June 30, 1891.....	933	775	33
June 30, 1892.....	897	1,318	40
June 30, 1893.....	1,098	1,577	40
June 30, 1894.....	1,157	1,280	33
June 30, 1895.....	1,137	1,201	35
June 30, 1896.....	1,131	1,446	34
June 30, 1897.....	1,278	1,372	34
June 30, 1898.....	1,295	1,297	36
June 30, 1899.....	1,197	1,191	46
June 30, 1900.....	1,492	1,532	62
June 30, 1901.....	1,778	1,640	60
June 30, 1902.....	2,093	1,774	59
June 30, 1903.....	2,112	1,921	56*

* Equipment delivered at the close of the fiscal year, 200 box cars, is not included.

The following table shows freight train and car miles, as well as tons carried one mile, for sixteen years:

Year ending	Train miles.	Car miles.	Tons carried one mile.
Sept. 30, 1888.....	799,729	11,363,474	81,820,504
Sept. 30, 1889.....	790,512	11,979,412	84,960,450
June 30, 1890.....	921,771	14,357,674	103,883,353
June 30, 1891.....	1,326,470	22,502,704	194,897,759
June 30, 1892.....	1,624,718	28,584,646	263,839,116
June 30, 1893.....	1,848,111	32,747,185	294,636,533
June 30, 1894.....	1,930,101	33,202,453	328,533,616
June 30, 1895.....	1,848,773	34,499,778	359,358,052
June 30, 1896.....	1,834,808	34,609,182	356,414,070
June 30, 1897.....	1,764,157	34,309,163	353,100,732
June 30, 1898.....	1,617,886	32,432,447	354,127,528
June 30, 1899.....	1,832,840	38,405,988	440,413,877
June 30, 1900.....	1,949,251	40,906,128	486,442,640
June 30, 1901.....	2,009,138	42,173,435	516,135,284
June 30, 1902.....	2,127,288	43,135,535	541,789,449
June 30, 1903.....	2,235,702	44,372,524	580,406,194

EARNING POWER.

The following statement shows the results per mile of road operated for the fiscal years 1887 to 1903, inclusive:

Year ending	Gross Receipts.	Expenses Inc. Taxes.	Net from Operation.	Surplus.
Sept. 30, 1887.....	\$4,048	\$3,280	\$768.	\$160
Sept. 30, 1888.....	4,559	3,783	776	120
Sept. 30, 1889.....	4,760	3,943	817	144
June 30, 1890.....	5,188	4,168	1,020	345
June 30, 1891.....	5,893	4,520	1,373	210
June 30, 1892.....	6,849	5,162	1,687	434
June 30, 1893.....	7,735	5,869	1,866	538
June 30, 1894.....	8,059	5,732	2,327	880
June 30, 1895.....	7,696	5,542	2,154	685
June 30, 1896.....	7,927	5,660	2,267	788
June 30, 1897.....	8,105	5,787	2,318	832
June 30, 1898.....	8,148	5,831	2,317	883
June 30, 1899.....	9,046	6,182	2,864	1,298
June 30, 1900.....	10,331	7,108	3,223	1,788
June 30, 1901.....	11,079	7,861	3,218	1,830
June 30, 1902.....	11,357	8,654	2,703	1,372
June 30, 1903.....	11,263	8,310	2,953	1,570

PER DIEM PLAN FOR SETTLEMENT OF CAR MILEAGE.

This is the first fiscal year in which we have settled car mileage on the per diem plan, each Company paying 20 cents per day for the use of foreign cars, instead of 6 mills per mile. The car mileage balance in favor of this Company for the year was \$7,163.82. In the ten previous years the balance against this Company has averaged \$15,380. During the year the amount received by the Company for penalty, at 80 cents per day, in addition to the regular daily charge for cars held more than 30 days, was \$3,436.80, and the amount paid for such penalty was \$113.60. As this year includes nearly four months of the coal strike, during which time a large part of our equipment was idle, the results from the per diem plan are satisfactory from a financial standpoint, and the plan has given us prompt return of cars, and more equipment available for handling business at all times.

During the year we had no strikes, or labor controversies with our employes, but advances have been made in wages of all employes to cover the increased cost of living, and to meet advances made by neighboring lines.

The permanent way has been substantially improved, and the efficiency of the rolling stock increased.

With one-third of the line double tracked, between Cadonia and Cornwall, next year, we hope to handle a larger tonnage without proportionate increase in cost of operating.

I take pleasure in acknowledging the faithfulness and efficiency with which the employes in all departments have discharged their duties.

Yours respectfully,

J. E. CHILDS,

General Manager.

NEW YORK, August 20, 1903.

OFFICE OF THE SECRETARY AND TREASURER.

New York, August 31st, 1903.

THOMAS P. FOWLER, ESQ.,
President.

DEAR SIR:—I beg to submit herewith statements of the General Accounts of the Company and statements of Operating Results for the fiscal year ended June 30th, 1903.

The accounts of the Company have been verified by the Auditors elected by the stockholders at the last Annual Meeting, Messrs. Barrow, Wade, Guthrie & Co., and the result of the audit is shown in their certificate hereto attached.

Yours respectfully,

R. D. RICKARD,

Secretary-Treasurer.

CERTIFICATE.

New York, August 31st, 1903.

To the Proprietors of the New York, Ontario & Western Railway Company:

We hereby certify that we have made a continuous monthly audit of the Books and Accounts of the Company for the year ending June 30th, 1903, and have compared the Vouchers with the Cash Book.

We have also examined the General Balance Sheet and Revenue Accounts for year ending June 30th, 1903, and compared these with the various books, and we certify that the same are in conformity therewith. The earnings of the road, as shown in the Revenue Account, and the Operating Expenses, are truly and accurately stated.

In regard to Expenditure on Capital and Revenue Accounts, we notice that great care has been taken to correctly discriminate between these, and that nothing has been charged to Capital which properly belongs to Revenue.

We have in the course of our audit verified, from time to time, the cash balances at the Company's Bankers and the unissued bonds of the Company in the Treasury of the Company.

BARROW, WADE, GUTHRIE & CO.,

Auditors.

NEW YORK, ONTARIO AND

Accounts for the fiscal year

No. 1.—Statement of

Articles of Association.....	
May 13th, 1880, pursuant to Chap. 155, Laws of 1880, to carry out reorganization, not exceeding.....	
Refunding Mortgage, June 1st, 1892, 4 per cent. one hundred year bonds:	
To retire the \$4,000,000 6 per cent. bonds, Sept. 1, 1892.	\$5,500,000
" " 5,600,000 5 per cent. " June 1, 1899.	7,000,000
For general purposes	1,000,000
For additions, etc.....	6,500,000

No. 2.—Stock and Share Capital created,

Articles of Association and pursuant to Chapter 155, Laws of 1880.
--

No. 3.—Bond Capital created,

	Amount Created.
Refunding Mortgage Bonds, 4 per cent.....	\$17,104,000

No. 4.—Receipts and Expenditure

	Expended to June 30th, 1902.	Expended During Year.	Total.
Expenditure:			
On Main Line, Branches and Equipment....	\$71,625,222.58	\$406,049.55 (See Table 1P.)	\$72,121,272.13
T's Balance.....			2,033,710.71
			\$75,054,982.84

WESTERN RAILWAY COMPANY.

ending June 30th, 1903.

Capital authorized.

STOCK.		Bonds.	Total.
Common.	Preferred.		
\$48,000,000	\$2,000,000		
15,000,000			\$55,000,000
		\$20,000,000	

showing amount issued.

Amount Created.	Amount Issued.
\$60,113,982.84	\$58,113,982.84

showing amount issued.

Amount Issued.	Amount Unissued.
\$16,937,000	\$257,000

on Capital Account.

	Received To June 30th, 1902.	Received During Year.	Total.
By Receipts:			
Common Stock.....	\$58,113,982.84		\$58,113,982.84
Preferred Stock.....	4,000.00		4,000.00
Refunding Mortgage 4 per cent. Bonds sold..	16,937,000.00		16,937,000.00
	\$75,054,982.84		\$75,054,982.84

No. 5.—Revenue Account.—

June 30th, 1902.	EXPENDITURE.	June 30th, 1903.
\$		\$ c
894,384 19	Maintenance of Way and Structures.....	925,608 78
746,946 07	Maintenance of Equipment.....	831,357 67
2,228,464 78	Conducting Transportation.....	2,493,682 09
146,460 69	General Expenses.....	156,760 73
4,016,295 93		4,407,409 27
141,458 27	Taxes.....	149,587 32
4,157,754 20	Total Operating Expenses.....	4,557,086 59
1,208,941 83	Balance carried to Net Revenue Account—No. 6.....	1,619,431 31
5,456,696 03		6,176,517 90

No. 6.—Net Revenue Account.—

677,480 00	To Interest on Refunding Mortgage 4 per cent. Bonds.....	677,480 00
75,000 00	" Rent of U. C. & B. and R. & C. Railroads.....	75,000 00
3,750 00	" " Wharton Valley Railway.....	3,750 00
116,606 37	" " Ontario, Carbondale & Scranton Railway.....	124,119 63
277,031 59	" Sundry Interest and Discount.....	280,047 41
658,958 87	To Balance, carried to Account No. 7.....	860,971 36
1,810,916 83		2,021,368 40

No. 7.—Profit and Loss Account.—

To Transfer of N. Y. & Ontario Land Co. property to Elk Hill Coal & Iron Co.—Loss and Expense Account.....	94,081 79
" Sundries.....	1,754 51
" Balance carried to Account No. 8.....	6,142,935 15
	6,238,771 45

No. 8.—General Balance Sheet.—

ASSETS.	June 30th, 1903.
	\$ c
Franchises and Property, per Statement No. 4.....	72,121,272 13
Preferred Stock Redemption Fund.....	4 000 00
Investments in other Companies (See Table No. 9.).....	13,180,843 51
Cash at Bankers.....	317,253 93
Stores, Fuel, etc., on hand.....	505,020 33
Sundry Outstanding Accounts due to the Company.....	1,025,247 84
Outstanding Traffic Accounts " " " ".....	553,141 06
Loans and Bills Receivable.....	116,589 27
Accrued Interest.....	258,789 59
Rolling Stock under lease.....	858,000 00
	88,038,557 66

June 30th, 1903.

June 30th, 1902.	RECEIPTS.	June 30th, 1903.
\$ c		\$ c
802,427 05	Passengers.....	981,288 29
127,542 88	Mails and Express.....	133,213 22
4,358,186 17	Freight.....	4,064,601 01
78,539 93	Miscellaneous.....	97,415 38
5,456,696 03		6,176,517 90

June 30th, 1903.

1,298,941 83	By Balance of Revenue Account for the year, as per Account No. 5.....	1,619,431 31
75,000 00	" Interest on Bond of the Ontario, Carbondale & Scranton Railway Co.....	75,000 00
168,625 00	" Interest on Bonds of the Scranton Coal Co.....	162,633 34
264,750 03	" Interest on Bonds of the Elk Hill Coal & Iron Co.....	101,250 00
600 00	" Interest on Bonds of the Clark Tunnel Coal Co.....	743 33
	" Interest on Bonds of the Port Jervis, Monticello & Summitville R.R.....	9,314 42
3,900 00	" Interest on Shares of the Temple Iron Co.....	3,600 00
1,810,916 83		2,021,368 40

June 30th, 1903.

By Balance at July 1st, 1902.....	5,763,287 21
" Balance of Net Revenue Account, year ended June 30th, 1903.....	860,071 36
" Less amount of Appropriation from Surplus for Construction of 2d Track.....	423,214 46
	437,756 90
" Repayment on Account of Advances to O. C. & S. Ry. Co.....	37,777 34
	6,238,771 45

June 30th, 1903.

LIABILITIES.	June 30th, 1903.
	\$ c
Common Stock.....	58,113,982 81
Preferred ".....	4,060 00
Refunding Mortgage 4 per cent. Bonds.....	10,637,000 00
Interest on funded Debt, due and accrued.....	229,404 67
Sundry Outstanding Accounts due by the Company.....	866,368 07
Outstanding Traffic Accounts " " " ".....	122,305 00
Loans and Bills payable:	
Bank Loans.....	469,559 93
Gold Notes secured by First Mortgage of Scranton Coal Co.....	2,050,000 00
" " " " Elk Hill Coal & Iron Co.....	3,125,000 00
" " " " Manhattan Trust Co., Trustee (Rolling Stock under lease).....	858,000 00
Profit and Loss Account.....	6,142,935 15
	88,038,557 66

No. 9.—Details of Investment in other Companies.

Ontario, Carbondale & Scranton Ry. Co.....	Capital Stock.....	\$1,500,000 00
Ontario, Carbondale & Scranton Ry. Co.....	Mortgage Bond....	1,500,000 00
Scranton Coal Co.....	1st Mortgage Bond.	2,050,000 00
Scranton Coal Co.....	2d Mortgage Bond.	1,170,000 00
Elk Hill Coal & Iron Co.....	1st Mortgage Bond.	3,125,000 00
Elk Hill Coal & Iron Co.....	2d Mortgage B nd.	2,400 000 00
Wharton Valley Rty. Co.....	Capital Stock.....	70,000 00
Pecksport Connecting Rty. Co....	Capital Stock.....	40,000 00
Port Jervis, Monticello & Summitville R.R. Co.....	Capital Stock.....	110,000 00
Port Jervis, Monticello & Summitville R.R. Co.....	1st Mortgage Bond.	327,000 00
Ellenville & Kingston U.R Co.....	Capital Stock.....	300 000 00
Sundry Shares and Bonds.....		583,343 51
		<u>\$13,180,243 51</u>

No. 10.—Details of Expenditure on Capital Account.

ROLLING STOCK.—Additional—		\$	c	\$	c	
Lease and purchase under Trust Agreement:						
6 Consolidation Engines	} Series "A."					
1 Mogul Engine						
6 Vestibuled Coaches.....						
2 Drawing-Room Cars						
575 Standard Coal Cars.....						
25 Pressed Steel Coal Cars.....						
25 Rolled Beam Steel Coal Cars						
500 Coal Cars.....		Series "B."				
200 Box Cars		} Series "C."				
6 Coaches.....						
2 Parlor Cars.....						
2 Locomotives.....						
		On Account	\$567,360 09			
Leas: Expenditure to June 30th, 1902.....		227,151 09		340,200 00		
10 Standard Milk Cars				10,750 08		
3 Caboose Cars—4 Wheel.....				1,404 78		
1 Engines, 100 Tons each.....				47,092 77		
2 Passenger and Baggage Cars.....	}					
2 Baggage and Mail Cars.....						
2 Ordinary Baggage.....					30,650 76	431,003 27
IMPROVEMENTS AND ADDITIONS TO LINE—						
Extension of Pier No. 2, Weehawken			24,123 17			
50 feet additional Slip Room, So. Pier No. 1, Weehawken			20,210 55		44,342 72	
					20,693 56	
Land Purchases and Land Damages					\$498,049 55	

No. II.—Expenditure on

MAINTENANCE OF WAY AND STRUCTURES.				
	June 30th, 1902.		June 30th, 1903.	
	\$	c	\$	c
1. Repairs to Roadway.....	344,667	22	412,498	49
1½. Clearing Snow and Ice.....	37,887	62	37,377	91
2. Renewals of Rails.....	43,833	31	48,499	16
3. Renewals of Ties.....	134,827	08	110,184	15
4. Repairs and Renewals of Bridges and Culverts.....	170,894	66	134,355	29
5. Repairs and Renewals of Fences, Road Crossings, etc.	31,027	21	39,603	47
6. Repairs and Renewals of Buildings and Fixtures.....	106,461	41	109,389	31
7. Repairs and Renewals of Docks and Wharves.....				
7½. Repairs and Renewals of Coal Terminals.....	10,566	80	25,742	65
8. Repairs and Renewals of Telegraph.....	2,416	88	3,874	47
9. Stationery and Printing.....	2,181	04	2,923	88
10. Other Expenses.....			1,250	60
	894,384	10	925,698	78
Per Cent. on Gross Receipts.....	10.39		14.99	
Per Mile of Line and Sidings owned and leased..	\$1,420	31	\$1,304	36
Per Ton of Freight carried.....	c 24.76		c 23.30	
MAINTENANCE OF EQUIPMENT.				
	June 30th, 1902.		June 30th, 1903.	
	\$	c	\$	c
11. Superintendence.....	20,573	20	22,215	68
12. Repairs and Renewals of Locomotives.....	255,504	34	285,160	57
13. Repairs and Renewals of Passenger Cars.....	81,385	06	96,619	95
14. Repairs and Renewals of Freight Cars.....	329,970	07	344,500	19
15. Repairs and Renewals of Work Cars.....	4,794	47	5,909	77
16. Repairs and Renewals of Marine Equipment.....	13,809	98	13,115	70
17. Repairs and Renewals of Shop Machinery and Tools	18,780	05	34,474	03
18. Stationery and Printing.....	2,226	17	3,028	13
19. Other Expenses.....	10,898	77	25,183	65
	740,840	07	831,357	67
Per Cent. on Gross Receipts.....	13.09		13.46	
Per Traffic Engine Mile.....	c 17.20		c 17.03	
Per Traffic Car Mile.....	c 1.55		c 1.68	

Revenue Account.

CONDUCTING TRANSPORTATION.				
	June 30th, 1902.		June 30th, 1903.	
	\$	c	\$	c
20. Superintendence.....	53,710	39	58,005	10
21. Engine and Round-house Men.....	339,132	05	366,895	66
22. Fuel for Locomotives.....	427,899	15	555,221	45
23. Water Supply for Locomotives.....	18,568	20	21,402	46
24. Oil, Tallow and Waste for Locomotives.....	16,303	83	18,928	71
25. Other Supplies for Locomotives.....	3,051	76	4,251	93
26. Train Service.....	304,251	46	329,072	49
27. Train Supplies and Expenses.....	42,022	20	45,951	46
28. Switchmen, Flagmen and Watchmen.....	73,324	58	71,657	89
29. Telegraph Expenses.....	61,375	36	63,979	73
30. Station Service.....	163,094	60	181,705	51
31. Station Supplies.....	21,847	02	25,622	84
32. Switching Charges—Balance.....	494	30	309	59
33. Car Mileage—Balance.....	10,911	49	3,058	63
34. Hire of Equipment.....	35,576	75	46,689	16
35. Loss and Damage.....	11,643	71	16,767	27
36. Injuries to Persons.....	67,477	46	72,823	55
37. Clearing Wrecks.....	12,022	72	8,643	41
38. Operating Marine Equipment.....	69,590	47	59,136	77
39. Advertising.....	17,402	54	16,432	95
40. Outside Agencies.....	45,799	97	48,887	78
41. Commissions.....				
42. Stock Yards and Elevators.....				
42½. Coal Terminals.....	38,772	67	46,569	98
43. Rents of Tracks, Yards and Terminals.....	354,151	53	381,509	11
44. Rents of Buildings and other Property.....	16,814	65	17,025	08
45. Stationery and Printing.....	15,362	67	20,878	54
46. Other Expenses.....	6,983	19	7,015	04
	2,228,484	78	2,493,682	09
Per Cent. on Gross Receipts.....	40.84		40.37	
No. of Passengers Carried.....	1,860,039		1,507,988	
No. of Tons of Freight Carried.....	3,612,487		3,672,561	
GENERAL EXPENSES.				
	June 30th, 1902.		June 30th, 1903.	
	\$	c	\$	c
47. Salaries of General Officers.....	48,409	08	49,500	08
48. Salaries of Clerks and Attendants.....	45,091	00	46,065	11
49. General Office Expenses and Supplies.....	5,217	12	4,181	56
50. Insurance.....	17,759	56	18,844	61
51. Law Expenses.....	9,341	55	15,938	85
52. Stationery and Printing (General Offices).....	4,572	34	3,842	57
53. Other Expenses.....	15,998	74	17,787	05
	146,480	69	156,760	73
Per Cent. on Gross Receipts.....	2.68		2.54	

No. 12.—Mileage.

	June 30th, 1902.	June 30th, 1903.
Main Line: Cornwall to Oswego	271.75	271.75
Ellenville Branch	7.80	7.80
Delhi Branch	18.84	16.84
New Berlin Branch	22.38	22.38
Total miles owned	318.77	318.77
TRACKAGE RIGHTS.		
Weehawken to Cornwall :		
Over West Shore R.R.	53.07	53.07
LEASED LINES.		
Randallsville to Utica (U. C. & B. R.R.)	31.30	31.30
Clinton to Rome (R. & C. R.R.)	12.78	12.78
Wharton Valley R'y	6.80	6.80
Ontario, Carbondale & Scranton R'y	54.05	54.05
Peeksport Connecting R'y	3.69	3.69
Port Jervis, Monticello & Summitville R.R.		40.80
Ellenville & Kingston R. R.		27.14
Total miles leased	108.62	176.56
Total miles worked by Engines.	480.46	548.40
TRACK MILEAGE.		
Main Line	Steel 271.75	271.75
Branches	Steel 47.02	47.02
Main Line Sidings	Steel and Iron 127.16	129.01
Branch Line Sidings	Steel and Iron 6.49	6.50
Total Tracks and Sidings Owned	452.42	454.28
Lines Leased	Steel 108.62	176.56
Leased Lines Sidings and Mine Branches.	68.67	78.85
Total Tracks and Sidings Leased	177.29	255.41
Total Tracks and Sidings Owned and Leased ..	629.71	709.69

No. 13.—Statement of Engine and Car Mileage.

	June 30th, 1902.		June 30th, 1903.	
	ENGINE.	CAR.	ENGINE.	CAR.
Passenger Trains	900,705	4,022,613	1,003,276	4,274,036
Freight Trains	1,562,409	36,363,800	1,632,038	38,976,730
Mixed Trains	753,172	7,635,147	804,886	8,280,356
Total Train Miles	3,216,286	48,021,560	3,440,200	49,531,122
Switching, Light Running, etc.	1,120,674		1,105,587	
Total Traffic Engine and Car Miles..	4,342,960	48,021,560	4,635,787	49,531,122
Work Trains	109,230	1,354,021	252,787	2,273,745
Gross Engine and Car Miles	4,542,190	49,375,581	4,888,574	51,804,867

No. 14.—Statistics of Earnings and Expenses.

	Year ending June 30th, 1899.		Year ending June 30th, 1900.		Year ending June 30th, 1901.		Year ending June 30th, 1902.		Year ending June 30th, 1903.	
	EARNINGS.	EXPENSES.	EARNINGS.	EXPENSES.	EARNINGS.	EXPENSES.	EARNINGS.	EXPENSES.	EARNINGS.	EXPENSES.
July.....	\$349,887 00	\$232,708 00	\$422,966 00	\$253,622 00	\$452,655 00	\$282,781 00	\$543,528 00	\$346,341 00	\$337,845 00	\$263,813 00
August.....	385,462 00	242,811 00	503,427 00	282,223 00	526,589 00	304,357 00	571,513 00	336,046 00	408,215 00	307,983 00
September.....	353,630 00	237,566 00	459,519 00	262,021 00	378,611 00	258,142 00	490,768 00	349,656 00	350,061 00	326,318 00
October.....	368,327 00	245,145 00	454,265 00	297,762 00	282,022 00	214,040 00	521,701 00	337,075 00	381,149 00	321,056 00
November.....	351,134 00	229,337 00	426,327 00	301,612 00	460,365 00	306,766 00	501,422 00	313,212 00	612,264 00	356,873 00
December.....	356,605 00	217,318 00	411,910 00	250,837 00	450,810 00	293,267 00	463,292 00	314,738 00	600,163 00	386,078 00
January.....	722,374 00	213,856 00	391,985 00	274,355 00	483,020 00	313,498 00	466,498 00	356,976 00	569,063 00	422,901 00
February.....	390,182 00	206,117 00	351,836 00	243,450 00	386,041 00	299,879 00	333,655 00	324,606 00	538,025 00	370,073 00
March.....	402,018 00	249,913 00	365,980 00	257,527 00	446,284 00	330,822 00	462,428 00	339,726 00	557,227 00	391,359 00
April.....	384,674 00	239,165 00	364,131 00	234,936 00	469,665 00	336,615 00	468,888 00	362,475 00	553,950 00	408,174 00
May.....	387,936 00	269,737 00	383,859 00	280,111 00	493,522 00	356,204 00	370,758 00	308,147 00	621,952 00	390,567 00
June.....	463,334 35	252,208 46	425,277 84	301,170 70	501,069 65	339,269 71	262,045 07	278,297 93	642,704 90	437,361 27
Percent. of expenses to receipts.....	\$4,346,163 35	\$2,835,861 46	\$4,963,482 84	\$3,279,028 70	\$5,322,883 65	\$3,638,340 71	\$5,456,096 03	\$4,016,295 03	\$6,176,517 90	\$4,407,499 27
Taxes.....	.....	65 25	.....	66 07	.....	64 35	.....	73 60	.....	71 36
Percent. to receipts.....	.....	134,248 91	.....	135,288 71	.....	138,796 41	.....	141,458 27	.....	140,587 32
.....	.....	3 09	.....	2 73	.....	2 61	.....	2 59	.....	2 42
Total.....	\$4,346,163 35	\$2,970,110 37	\$4,963,482 84	\$3,414,917 44	\$5,322,883 65	\$3,777,137 12	\$5,456,096 03	\$4,157,754 26	\$6,176,517 90	\$4,557,086 59
Percent. to receipts.....	.....	68 34	.....	68 80	.....	70 00	.....	76 19	.....	73 78
Train Miles.....	2,863,160		2,996,705		3,080,804		3,216,286		3,449,200	
Per Train Mile.....	\$1.518	\$1.037	\$1.656	\$1.140	\$1.728	\$1.226	\$1.697	\$1.293	\$1.795	\$1.325
Passengers carried—Number.....	1,064,441		1,213,291		1,312,572		1,386,039		1,597,978	
“ “ One mile.....	40,561,436		44,174,576		46,083,528		49,715,279		52,006,057	
Earnings per Passenger per mile.....	1c.748		1c.783		1c.831		1c.795		1c.854	
General Freight carried—Tons.....	862,689		1,176,425		1,060,641		1,070,284		1,355,599	
Coal “ “.....	1,091,987		2,157,553		2,361,026		2,455,395		2,521,179	
Milk “ “.....	80,820		82,628		80,841		86,896		85,783	
Total Freight.....	2,935,416		3,416,506		3,508,508		3,612,487		3,972,501	
“ “ carried—Tons 1 mile.....	440,413,877		486,442,640		510,135,284		511,789,440		580,406,194	
Earnings per Ton per mile.....	0c.786		0c.816		0c.827		0c.804		0c.855	

No. 15.—Return of Rolling Stock, June 30th, 1903.

	Locomotives.	PASSENGER CARS.							FREIGHT CARS.							Grand Total—Cars		
		Parlor Cars.	First Class.	Second Class.			Baggage and Express.		Total Passenger Cars.	Cattle.	Platform.	Box.	Mdk.	Caboose.	Coal.		Total Freight Cars.	Derrick, Tool, Dump and Service Cars; and Snow Plows.
				With Smoking Compartment.	With Mail and Smoking Compartment.	Ordinary.	Ordinary.	With Mail Compartment.										
Stock owned at June 30th, 1902	137	6	68	7	2	28	20	8	139	64	642	605	67	64	4887	6329	98	6566
Added since at cost of Capital.	3					2	2	2	6				10	3		13		19
Transfers							-1	+1			-1	-4				-5	+5	
Total Stock Owned	140	6	68	7	2	30	21	11	145	64	641	601	77	67	4887	6337	103	6585
Rolling Stock Leased Under Trust Agreement	9	4	12						16			200			1125	1325		1341
Total stock owned and leased	149	10	80	7	2	30	21	11	161	64	641	801	77	67	6012	7662	103	7926
Number in Service.....	149	10	80	7	2	29	20	11	159	64	458	667	77	68	5872	7206	103	7468
Out of Service.....						1	1		2		183	134		+1	140	456		458



**MAP OF
New York, Ontario
& Western Ry.**

RED NOW BEING DOUBLE-TRACKED