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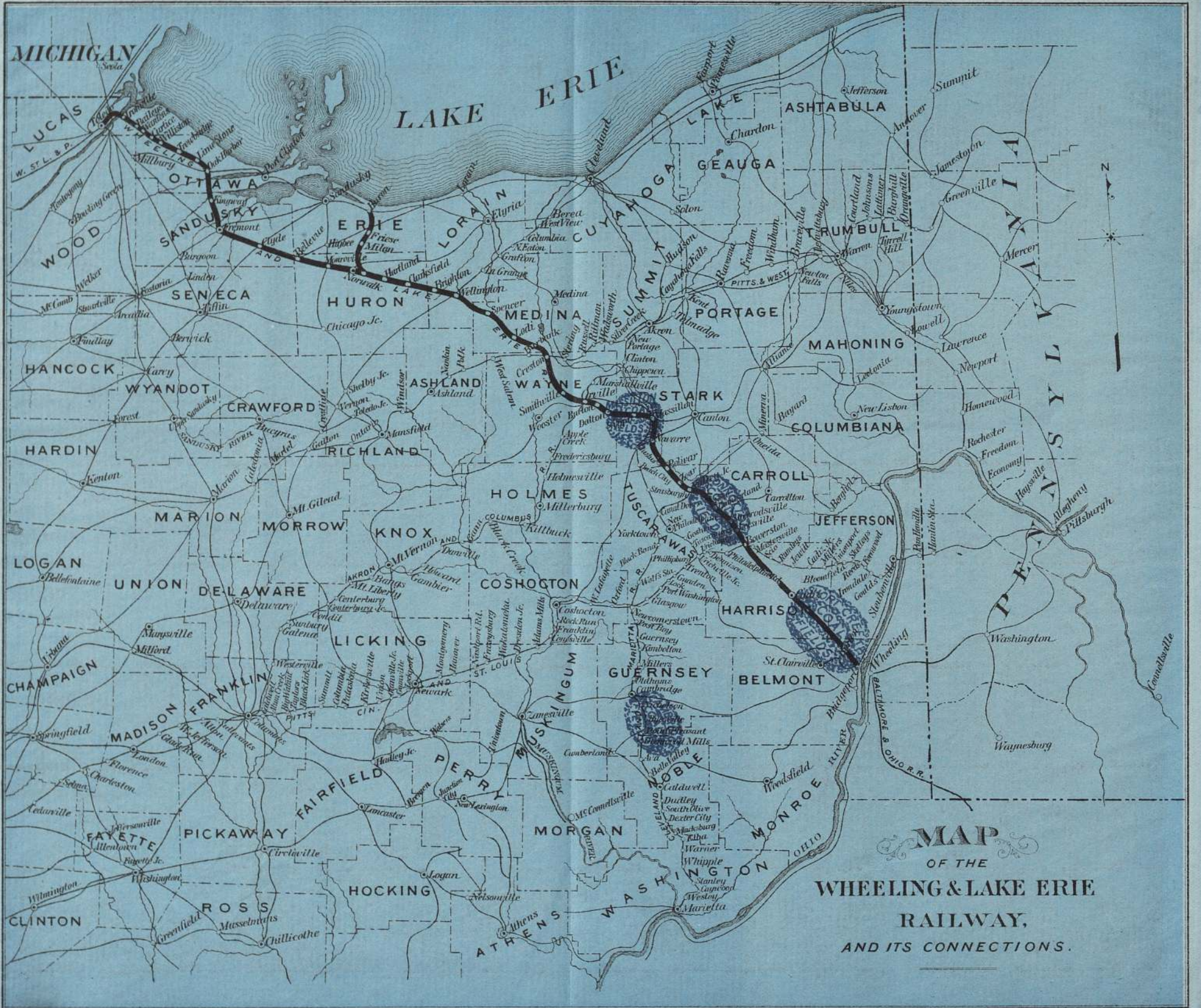
ANNUAL REPORT

OF THE

WHEELING & LAKE ERIE

RAILWAY COMPANY.

1888.



MICHIGAN

LAKE ERIE

ASHTABULA

GEAUGA

OTTAWA

SANDUSKY

ERIE

LORAIN

CUYAHOGA

TRUMBULL

SENECA

HURON

MEDINA

PORTAGE

MAHONING

WYANDOT

ASHLAND

WAYNE

STARK

COLUMBIANA

CRAWFORD

RICHLAND

HOLMES

TUSCARAWAS

JEFFERSON

MARION

MORROW

KNOX

CARROLL

HARRISON

UNION

DELAWARE

COSHOCTON

GUERNSEY

BELMONT

FRANKLIN

LICKING

NGUM

NOBLE

MONROE

MADISON

FAIRFIELD

PERRY

MORGAN

WASHINGTON

FAYETTE

PICKAWAY

HOCKING

ATHENS

ROSS

CHILlicothe

OHIO

MAP
OF THE
WHEELING & LAKE ERIE
RAILWAY,
AND ITS CONNECTIONS.

1888.

SECOND ANNUAL REPORT

OF THE

WHEELING AND LAKE ERIE

RAILWAY COMPANY.

NEW YORK:
1888.

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Miscellaneous

OFFICERS

OF THE

WHEELING AND LAKE ERIE RAILWAY COMPANY.

OFFICERS.

GEO J. FORREST,	- - -	President.
M. D. WOODFORD,	- - -	Vice-President and General Manager.
W. R. WOODFORD,	- - -	Assistant General Manager.
S. H. AYRES,	- - - -	Auditor.
E. B. ALLEN,	- - - -	Secretary.
A. A. THROP,	- - - -	Cashier.
A. G. BLAIR,	- - - -	General Freight Agent.
H. J. BOOTH,	- - - -	Assistant Freight Agent.
J. M. HALL,	- - - -	General Passenger Agent.
C. A. WILSON,	- - - -	Chief Engineer.
A. P. DUNBAR,	- - - -	Master Mechanic.
N. A. SOMERS,	- - - -	Master of Transportation.
D. McENTAFFER	- - - -	Roadmaster.

BOARD OF DIRECTORS.

(Elected February 7, 1888.)

GEORGE J. FORREST,	- - - - -	New York.
S. C. REYNOLDS,	- - - - -	Toledo, O.
M. C. DAY,	- - - - -	New York.
E. D. GARRISON.	- - - - -	St. Louis, Mo.
M. D. WOODFORD,	- - - - -	Toledo, O.
GEO. W. DAVIS,	- - - - -	Do.
JOHN G. WARWICK,	- - - - -	Massillon, O.

THE
SECOND ANNUAL REPORT
OF THE
Wheeling & Lake Erie Railway Company.

For the Year Ending June 30th, 1888.

To the Shareholders.

Your directors submit the following statement of the condition and operations of your road for the fiscal year ending June 30th, 1888:

HISTORY.

The present company assumed control of the reorganized property, July 1st, 1886; hence its fiscal year ends June 30th of each year. This date coincides with the time fixed by the Statutes of Ohio and also by the National Inter-State Commerce Commission for the reports required by the State and Federal Governments. The present report contains substantially the same matter which is furnished to the Government. An interim report at the 31st of December in each year is submitted by the General Manager to the directors and affords a convenient statement for each calendar year.

MILEAGE.

The mileage in operation during the past year comprises the line from Toledo to Bowerston, $173\frac{3}{10}\%$ miles, with branch from Norwalk to Huron, $12\frac{3}{10}\%$ miles, being a total of 186 miles. The branches in operation to the mines, and various sidings comprise $34\frac{3}{10}\%$ miles of additional line.

OPERATIONS.

The operations for the year ending June 30th, 1888, were as follows:

Gross Earnings.....	\$818,353 03
Operating Expenses.....	552,860 14
Net Earnings.....	265,492 89
Taxes....	23,657 97
Surplus over Taxes.....	\$241,834 92

From the net earnings for the two final quarters of the year, viz.: ending April 30th, and June 30th, 1888, dividends were declared of 1% for each quarter. It is the policy of the company, if earnings continue to admit of it, to maintain dividends at this rate upon its shares.

CAPITAL ACCOUNT.

The share capital of the company outstanding consists of \$3,600,000 of preferred non-cumulative 6% stock; the bonded debt of the company consists of \$3,000,000, First Mortgage 5 per cent. bonds secured upon the line between Bowerston and Toledo and Huron, and \$1,500,000 Wheeling Division 5% Bonds secured by first mortgage upon the line from Bowerston to the Ohio River. The latter are also a second mortgage upon the remainder of the line and property of the company. The interest upon the Wheeling Division bonds is paid by the contractor during one year covering construction, and for that period will not be a charge upon the revenues of the company. An issue of common stock, to the extent of \$3,500,000 is also authorized. This common stock and the proceeds of the Wheeling Division bonds, under the terms of contracts heretofore authorized by the stockholders, will be used in the construction of the Wheeling extension.

ROAD AND EQUIPMENT.

The permanent way is in excellent condition, and important permanent improvements have been effected during the year, including filling of the trestles forming approaches to the bridge over the Maumee River, and other work of a like character. The Maumee Bridge at Toledo, which was formerly vested in a separate company, is now part of the right of way of the railway, conveyed to it in the same manner as any other portion,

the bridge company having deeded the property and then recalled all its securities and dissolved its corporate existence as a separate organization. The equipment of the Company consists of 37 locomotives, 22 passenger cars, and 3459 freight and coal cars. The total number of freight and coal cars equals 19 cars per mile, which compares favorably with any railway line in the country. The ownership of an ample supply of cars has enabled the road steadily to increase its earnings and to meet the constant accession of business which presents itself.

TONNAGE.

The Company has transported during the past year, 590,696 tons of coal and 427,779 tons of miscellaneous business. This traffic in itself is a large one, and it is of interest to note that a constantly increasing proportion is originated upon the Company's own line. During the three months ending June 30, 1888, $80\frac{3}{10}$ per cent. of the coal business originated on the line and $19\frac{7}{10}$ per cent. was received from foreign roads, as against $60\frac{4}{10}$ per cent. and $39\frac{6}{10}$ per cent. respectively for the corresponding period the year before. Three new and extensive mines have recently been opened in the Massillon district and others will be opened in the territory reached by the Wheeling Division, so that there is every probability that the road will before long receive from its own line all the coal business that it can accommodate. The position of independence which attaches to such a condition is self-evident. A gratifying increase is shown in the ton-miles or average distance hauled.

INTER-STATE COMMERCE ACT.

The termini of the line are entirely within the State of Ohio, but its connections with foreign roads subject the Company to the operations of the Inter-State Commerce law. The general effect of this law, which has now been tried for more than a year past, has not been unfavorable on the whole to the operations of the Company, and it is a distinct gain to all railway operations to have a tribunal before which uniformity and publicity of charges may be enforced.

RELATIONS WITH OTHER RAILROADS.

The line of this Company, extending, as it does, northwest and southeast across the State of Ohio, crosses on its path all the Trunk Lines and connects at its northern terminus with eight

different lines of distributing roads. Its relations with all connections are amicable, and it receives and gives every reasonable facility. It owns in Toledo a junction line comprising 6 miles of track, known as the "Toledo Belt Railway," which extends around the city upon the eastern part, affording to the numerous lines of railway entering the city a ready means of transfer from one to the other. The business of the Belt Line is sufficient for its own maintenance and to pay all its own obligations, and the advantage to the Wheeling Road which it affords in the development of its business is very great.

TOLEDO DOCK AND COAL COMPANY.

The very considerable local and shipping business which the Company carries on at Toledo, requiring for its development increased dockage facilities, a company has been formed known as the TOLEDO DOCK AND COAL COMPANY, with a capital of \$100,000, one-half of which is owned by the railway and the remainder by substantial citizens of Toledo. An extensive dock has been built on the east side of the Maumee River just below the Wheeling Bridge, with ample yard room for receiving cars, and a connection made with the main line. It is believed the facilities thus established will lead to material increase of the Company's coal business at Toledo, from which the railway will derive direct benefit both from freight upon the coal and from dividends on the stock of the Dock Company. The principal lake business in coal and ore will of course be conducted from Huron, where unsurpassed facilities exist for storage and transfer.

WHEELING DIVISION.

The most important event in the history of the Company the past year was the completion of arrangements for the construction of the Wheeling Division from Bowerston to the Ohio River opposite Wheeling. The original plan of the Company was, as indicated by the name, to make a through line from the Ohio River to the Lakes. The uncompleted portion of the line from its present terminus at Bowerston enters at once the spurs of the Alleghany Range, and renders construction necessarily slow and expensive. The time has never before seemed opportune to undertake so important and costly a work, but the Company was able in May last to negotiate \$1,500,000 of 5% bonds, the proceeds of which are devoted exclusively to the prosecution of the work.

The completion of this line will extend the road into what is called the Pittsburgh vein of coal. This coal is less friable in character and is suitable to bear transshipment into vessels and transportation by lake. This is a branch of the coal trade in which the Wheeling road has heretofore not been in position to engage, and it is believed that a business of at least half a million tons annually can be at once established when the company is in position to deliver the coal. The importance of this volume of transportation passing, as it will over the whole length of the line, is self-evident, and the completion of the extension will make a property valuable in itself and most important in its effect upon the existing line. The work has been let to responsible contractors and is in active prosecution throughout the entire district. It is believed that the Wheeling Division will be opened for business early in the ensuing summer and coal operators have already purchased lands and are at work in developing them, so that simultaneously with the completion of the road a requisite tonnage will be available for transportation. When connections shall be established across the Ohio River, the entire line of the Wheeling and Lake Erie Company will become part of a route for through business between the west and the seaboard, forming more favorable connections in many respects than exist at present for Michigan and other important points, and in case the South Pennsylvania Road should be completed, the Wheeling line would be the intermediate link between the Wabash and the South Pennsylvania Road, whereby an entirely new trunk line would be established. In such case the possession of the Wheeling Road might prove of paramount importance to some great line of through transportation, and it would assume a prominence to which even its admitted power as a local organization of first-class capabilities may not entitle it.

The mortgage bonds upon the Wheeling Division bear 5 per cent. interest, and run for forty years.

TABULAR SUMMARIES.

Annexed to the report will be found tables from the auditor's department, showing : 1. General Balance sheet of the Company. 2. Earnings and Income Account. 3. Comparative Gross Earnings by months for the two years of the Company's existence. 4. Statement of operating Expenses. 5. Comparative Tonnage statements for two years. 6. Miscellaneous Statistics.

In conclusion, the directors can state that the Company enjoys

at the present time a business and a credit and position amongst railroads such as it has never heretofore assumed, and that the outlook of the future seems to justify confidence in a continuance or increase of present prosperity during the ensuing year.

By order of the Board of Directors.

GEO. J. FORREST,

President.

TOLEDO, O., October 20, 1888.

CONDENSED GENERAL BALANCE SHEET.

JUNE 30th, 1888.

	Assets.	Liabilities.
Railway and Equipment.....	\$6,505,125.33	
Stock of Toledo Belt Railway Company.....	150,000.00	
Construction Account, Belt Railway.....	11,432.97	
Open Accounts, Net.....	65,833.19	
Cash in Transit	18,096.28	
Cash on Hand.....	37,549.50	
Supplies on Hand	45,205.26	
Capital Stock, Preferred.....		\$3,600,000.00
Mortgage Bonds.....		3,000,000.00
Equipment Notes.....		55,658.52
Accrued Interest on Bonds (not due).....		37,500.00
Bills Payable and Interest, Paid in July ..		21,729.17
Dividends Declared in July.....		35,134.00
Income Account... ..		83,220.84
	\$6,833,242.53	\$6,833,242.53

EARNINGS AND INCOME ACCOUNT.

	1886-7.	1887-8.
Earnings, Freight.....	\$509,797.87	\$628,591.23
Passenger.....	120,756.34	137,666.44
Mail.....	12,546.89	11,132.52
Express.....	6,593.49	7,266.07
Miscellaneous (car mileage, etc.).....	27,553.68	33,696.77
	<hr/>	<hr/>
Total Earnings,	\$677,248.27	\$818,353.03
Operating Expenses.....	471,269.19	552,860.14
	<hr/>	<hr/>
Net Earnings,	\$205,979.08	\$265,492.89
<hr/>		
Deductions from Income :		
Taxes.....	\$ 21,137.89	\$ 23,657.97
Interest on Bonds.....	127,823.70	143,044.72
Interest, Discount and Exchange.....	41.41	2,277.44
	<hr/>	<hr/>
Totals,	\$149,003.00	\$168,980.13
<hr/>		
Surplus over Interest.....	\$56,976.08	\$96,512.76
2 Quarterly Dividends, @ 1% each.....		70,268.00
		<hr/>
Surplus for Year.....		\$26,244.76
Surplus June 30th, 1887....		56,976.08
		<hr/>
Amount to Credit of Income.....		\$83,220.84

GROSS EARNINGS BY MONTHS.

Months.	1886-7.	1887-8.	Increase.
July.....	\$55,433.55	\$59,671.78	\$ 4,238.23
August.....	54,747.12	65,517.08	10,769.96
September.....	53,276.01	64,024.57	10,748.56
October.....	52,251.40	65,709.05	13,457.65
November.....	51,244.44	64,338.81	13,094.37
December.....	55,235.11	70,386.21	15,151.10
January.....	51,631.76	69,314.21	17,682.45
February.....	54,262.59	70,267.62	16,005.03
March.....	64,660.23	72,544.46	7,884.23
April.....	64,434.31	74,000.15	9,565.84
May.....	57,744.53	70,392.60	12,648.07
June.....	62,327.22	72,176.49	9,849.27
Totals,	\$677,248.27	\$818,353.03	\$141,104.76

**DETAILED STATEMENT OF OPERATING
EXPENSES.**

Year ending June 30th, 1888.	FREIGHT	PASS'R	TOTAL
<i>Maintenance of Way and Structures :</i>			
Repairs—Roadway and Track.....	\$58,396.55	\$19,465.51	\$77,862.06
Renewals of Rails.....	650.27	216.75	867.02
“ Ties.....	11,839.97	3,946.66	15,786.63
Repairs—Buildings and Fixtures.....	4,893.43	1,631.15	6,524.58
“ Fences, Guards and Crossings ..	2,363.07	456.82	2,819.89
“ Bridges, Culverts, and Trestles..	23,498.25	7,832.41	31,330.66
Amount	101,641.54	33,549.30	135,190.84
<i>Maintenance of Equipment :</i>			
Repairs—Locomotives.....	17,620.99	8,935.39	26,556.38
“ Freight Cars.....	47,853.22		47,853.22
“ Passenger Cars		11,022.99	11,022.99
“ Shop, Tools, Machinery, etc.,...	364.71	98.90	463.61
Amount	65,838.92	20,057.28	85,896.20
<i>Conducting Transportation :</i>			
Fuel for Locomotives	33,714.63	14,449.12	48,163.75
Oil and Waste.....	4,949.52	2,121.23	7,070.75
Water Supply.....	2,905.81	1,245.35	4,151.16
Locomotive Service.....	58,002.39	20,027.86	77,030.25
Train Service—Freight.....	44,529.34		44,529.34
“ “ Passenger.....		11,999.61	11,999.61
“ Supplies—Freight.....	1,073.18		1,073.18
“ “ Passenger.....		1,527.44	1,527.44
Station Service.....	26,293.72	5,083.15	31,378.87
Switchmen, Yardmen, etc.....	20,896.36		20,896.36
Station Supplies.....	1,564.93	302.53	1,867.46
Telegraph Expenses.....	8,984.63	4,711.45	13,696.08
Damage and Loss.....	892.38	219.07	1,111.45
Personal Injuries.....	821.74	158.86	980.60
Other Expenses.....	821.64		821.64
Amount	204,450.27	61,845.67	266,295.94
<i>General Expenses :</i>			
Salaries of Officers.....	18,789.28	5,069.05	23,858.33
“ Clerks.....	10,412.96	2,276.00	12,688.96
General Office Expenses and Supplies....	1,679.72	324.72	2,004.44
Outside Agencies	5,714.50	310.25	6,024.75
Advertising.....		406.39	406.39
Commissions.....	154.45	71.03	225.48
Insurance.....	2,580.30	498.82	3,079.12
Expenses of Fast Freight Lines.....	1,014.13		1,014.13
“ Traffic Associations.....	1,190.66		1,190.66
Law Expenses.....	4,640.46	897.08	5,537.54
Printing and Stationery.....	5,670.95	1,096.30	6,767.25
Other General Expenses	2,245.98	434.19	2,680.17
Amount	54,093.33	11,383.83	65,477.16
Total.....	426,024.06	126,836.08	552,860.14

TONNAGE HANDLED.

Classification.	1886-7.		1887-8.	
	Tons.	pr ct.	Tons.	pr ct
Coal	526,870	47.3	590,396	58
Stone, Lime, Sand, etc.....	34,860	03.1	44,591	04.4
Salt.....	11,215	01	2,065	00.2
Ores.....	162,608	14.6	39,354	03.9
Pig and Bloom Iron	54,208	04.9	33,168	03.3
Railroad Iron and Steel.....	5,207	00.5	13,596	01.3
Lumber, Lath and Forest Products..	76,956	07	74,978	07.3
Petroleum.....	2,205	00.2	2,540	00.2
Live Stock.....	19,282	01.7	19,748	01.9
Flour and Meal.....	27,034	02.4	28,952	02.9
Grain.....	45,746	04.1	29,331	02.9
Ag'l Products	15,946	01.5	10,656	01
Provisions	5,977	00.5	12,488	01.2
Manufacturers (incl. Ag'l Imp.).....	54,264	04.8	57,918	05.7
Merchandise.....	16,516	01.5	24,400	02.4
Miscellaneous.....	54,633	04.9	33,994	03.4
Total,	1,113,527	100	1,018,475	100
Tons Carried One Mile.....	103,693,254		107,865,885	

MISCELLANEOUS STATISTICS.

Passengers Carried.....	289,937	
“ “ One Mile.....	6,252,254	
Number of Tons Freight Carried.....	1,018,475	
“ “ “ “ One Mile.	107,865,885	
Average Haul for Each Ton, miles.....	106	
“ Amount Received for Each Ton.		cts. 61.23
“ Amount Received per Ton per mile..		“ 00.58
“ Cost of Carrying each Ton, per mile.		“ 00.39
Freight Earnings, per Train Mile.....		“ 115.10
“ “ per Mile of Road.....		\$3,379.52
Number of Passengers Carried.....	289,937	
“ “ “ “ One Mile.....	6,252,254	
Average Distance Traveled by each.....	21.56	
“ Amount Received from Each.....		cts. 47.26
“ Fare per Passenger, per Mile.....		“ 02.19
“ Cost of Carrying Each Passenger One Mile		“ 01.28
Passenger Earnings, per Train Mile....		“ 35.60
“ “ per Mile of Road		\$ 736.29
Total Earnings per Mile, including Mail, Ex- press, &c.....		“ 4,399.74
Expenses per Mile of Road.....		“ 2,972.36
Freight Train Mileage.....	545,896	
Passenger Train Mileage.....	384,920	
Loaded Freight Car Mileage....	8,117,124	
Empty Freight Car Mileage.....	3,816,913	

