

Minneapolis, St. Paul & Sault Ste. Marie
Railway Company

THIRTIETH ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1918

FARNHAM PRINTING & STATIONERY CO.
Minneapolis
1919

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE
RAILWAY COMPANY

DIRECTORS

E. PENNINGTON	-	-	-	-	-	Minneapolis, Minn.
G. R. NEWELL	-	-	-	-	-	Minneapolis, Minn.
E. A. YOUNG	-	-	-	-	-	St. Paul, Minn.
C. S. LANGDON	-	-	-	-	-	Minneapolis, Minn.
ALFRED H. BRIGHT	-	-	-	-	-	Minneapolis, Minn.
HORACE LOWRY	-	-	-	-	-	Minneapolis, Minn.
CHARLES S. PILLSBURY	-	-	-	-	-	Minneapolis, Minn.
O. C. WYMAN	-	-	-	-	-	Minneapolis, Minn.
THE RIGHT HONORABLE LORD SHAUGHNESSY,						
K. C. V. O.	-	-	-	-	-	Montreal, Quebec
R. B. ANGUS	-	-	-	-	-	Montreal, Quebec
I. G. OGDEN	-	-	-	-	-	Montreal, Quebec

OFFICERS

E. PENNINGTON	-	-	President	-	-	Minneapolis, Minn.
G. W. WEBSTER	-	-	Sec. and Treas.	-	-	Minneapolis, Minn.
WILLIAM H. SCHUTT	-	-	Assistant Secretary and Assistant Treasurer	-	-	Minneapolis, Minn.
W. H. PECK	-	-	Assistant Secretary	-	-	64 Wall Street, New York, N. Y.
E. F. TREMAYNE	-	-	Assistant Secretary	-	-	8 Waterloo Place, Pall Mall, London, S. W. England
C. W. GARDNER	-	-	Comptroller	-	-	Minneapolis, Minn.

Transfer Agents, MESSRS. HEBDEN, BOG & MOLINEUX
64 Wall Street, New York.

Fiscal Agents, AGENTS BANK OF MONTREAL
64 Wall Street, New York

Registrar of Stocks and Bonds, CENTRAL UNION TRUST CO. OF NEW YORK

Annual Meeting Third Tuesday in May, at Minneapolis, Minn.

WISCONSIN CENTRAL RAILWAY COMPANY

DIRECTORS

E. PENNINGTON	-	-	-	-	-	Minneapolis, Minn.
J. S. PILLSBURY	-	-	-	-	-	Minneapolis, Minn.
C. E. WALES	-	-	-	-	-	Minneapolis, Minn.
ALFRED H. BRIGHT	-	-	-	-	-	Minneapolis, Minn.
E. J. CARPENTER	-	-	-	-	-	Minneapolis, Minn.
C. T. JAFFRAY	-	-	-	-	-	Minneapolis, Minn.
J. D. McMILLAN	-	-	-	-	-	Minneapolis, Minn.
LEROY W. BALDWIN	-	-	-	-	-	New York City
W.M. IRVINE	-	-	-	-	-	Chippewa Falls, Wis.
M. H. BALLOU	-	-	-	-	-	Menasha, Wis.
(One vacancy)						

OFFICERS

E. PENNINGTON	-	-	President	-	-	Minneapolis, Minn.
ALFRED H. BRIGHT			Vice-President	-	-	Minneapolis, Minn.
G. W. WEBSTER	-		Sec. and Treas.	-	-	Minneapolis, Minn.
J. A. MILLINGTON	-		Assistant Secretary		-	Milwaukee, Wis.
C. W. GARDNER	-		Comptroller	-	-	Minneapolis, Minn.

Transfer Agents, MESSRS. HEBDEN, BOG & MOLINEUX
64 Wall Street, New York

Fiscal Agents, AGENTS BANK OF MONTREAL
64 Wall Street, New York

Registrar, EMPIRE TRUST CO., NEW YORK

Annual Meeting Second Tuesday in May, at Milwaukee, Wis.

CENTRAL TERMINAL RAILWAY COMPANY

DIRECTORS

E. PENNINGTON	-	-	-	-	-	-	Minneapolis, Minn.
T. O. BUNCH	-	-	-	-	-	-	Chicago, Ill.
T. J. WALL	-	-	-	-	-	-	Chicago, Ill.
CHARLES E. VROMAN	-	-	-	-	-	-	Chicago, Ill.
W. A. KITTERMASTER	-	-	-	-	-	-	Chicago, Ill.
ALFRED H. BRIGHT	-	-	-	-	-	-	Minneapolis, Minn.
G. W. WEBSTER	-	-	-	-	-	-	Minneapolis, Minn.

OFFICERS

E. PENNINGTON	-	-	President	-	-	-	Minneapolis, Minn.
T. O. BUNCH	-	-	Vice-President	-	-	-	Chicago, Ill.
ALFRED H. BRIGHT	-	-	Vice-President	-	-	-	Minneapolis, Minn.
G. W. WEBSTER	-	-	Sec. and Treas.	-	-	-	Minneapolis, Minn.
T. J. WALL	-	-	Assistant Secretary	-	-	-	Chicago, Ill.
C. W. GARDNER	-	-	Comptroller	-	-	-	Minneapolis, Minn.

Fiscal Agents, AGENTS BANK OF MONTREAL,
64 Wall Street, New York.

Annual Meeting Second Wednesday in May, at Chicago, Ill.

ANNUAL REPORT
OF THE
Minneapolis, St. Paul & Sault Ste. Marie Railway Co.

Including Chicago Division (Wisconsin Central)

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1918

In our annual report for the calendar year 1917 your attention was called to the fact that the President of the United States, having taken possession of the transportation systems of the country, the property of your company had since midnight of December 31, 1917, been under Federal control and operation. The Act of Congress, approved March 21, 1918, commonly known as the Federal Control Act, prescribes the terms and conditions upon which the railroads under Federal control shall be operated and the just compensation for the use thereof. The Act provides that the compensation for the use of the property shall be based upon the average annual railway operating income during the so-called test period from June 30, 1914, to June 30, 1917. No contract covering your properties has as yet been executed. Negotiations for such a contract to cover the compensation due the system—(Minneapolis, St. Paul & Sault Ste. Marie Ry. and Wisconsin Central Ry.), however, are practically concluded and will doubtless receive signatures of all parties at an early date. Under the proposed contract the annual compensation accruing to the Soo Line System will be \$10,547,428.70. Of this amount \$7,123,090.90 will accrue to the Minneapolis, St. Paul & Sault Ste. Marie Railway Company and \$3,424,337.80 to the Wisconsin Central Railway Company, the division of the proceeds between the two companies being based upon the earnings of each that entered into the basic figures for the three year test period. The figures shown in the statements that follow are based upon the foregoing and upon the presumption that the compensation specified in the contract when finally consummated will substantially agree therewith.

The Earnings, Expenses and Fixed Charges for the year 1918 are as follows:

	Soo Line	Chicago Div.	System
Gross Earnings (Compensation).....	\$ 7,123,090.90	\$ 3,424,337.80	\$10,547,428.70
Corporate Expenses.....	56,545.51	32,707.01	89,252.52
Net Earnings.....	\$ 7,066,545.39	\$ 3,391,630.79	\$10,458,176.18
Income from other sources	662,942.74	24,443.42	687,386.16
Total Income.....	\$ 7,729,488.13	\$ 3,416,074.21	\$11,145,562.34
Miscellaneous Income Charges (Lap over items charged by United States Railroad Administration)	681,022.70	357,551.74	1,038,574.44
	\$ 7,048,465.43	\$ 3,058,522.47	\$10,106,987.90
Fixed Charges, Taxes, etc.	3,835,334.29	2,013,491.53	5,848,825.82
Surplus Income.....	\$ 3,213,131.14	\$ 1,045,030.94	\$ 4,258,162.08

The outstanding funded debt was increased during the year as follows:

Minneapolis, St. Paul & Sault Ste. Marie Railway Company, First Consolidated Mortgage Five Per Cent Bonds	\$ 840,000.00
Wisconsin Central Railway Company: No Increase.	
	\$ 840,000.00

The outstanding funded debt was decreased during the year by the retirement of:

Minneapolis, St. Paul & Sault Ste. Marie Railway Company: Equipment Trust Obligations.....	\$ 940,000.00
Minneapolis & Pacific Ry. Co. First Mortgage Bonds	5,000.00
Wisconsin Central Railway Company: Equipment Trust Obligations.....	220,937.12
First General Mortgage Bonds.....	45,000.00
Marshfield & Southeastern Div. P. M. Bonds..	6,000.00
W. C. Ry. Three Year 5% Secured Gold Notes	230,000.00
	\$1,446,937.12

During Federal control the Director General has made advances to the Company, to apply upon the compensation due, in amounts sufficient to pay Interest, Car Trust Obligations, Taxes and Dividends. We understand that interest will be allowed and paid by the Government on the amount of compensation withheld.

The operation of the Minneapolis, St. Paul & Sault Ste. Marie and Wisconsin Central Railways being conducted as one system by the Federal Railroad Administration and no segregation being made of the Federal accounts as between the two companies, we are unable to include in this report the customary yearly comparisons of traffic and operation. Balance Sheet, Income Account, Profit and Loss, Mileage and other usual statements will be found on the following pages.

Respectfully submitted,

E. PENNINGTON,

President.

GENERAL BALANCE SHEET

ASSETS

Property Investment:

Road.....	\$ 99,843,918.64
Equipment.....	22,481,282.74
	<hr/>
	\$ 122,325,201.38
Less Reserve for Accrued Depreciation..	4,273,920.55
Total.....	\$ 118,051,280.83

Miscellaneous Physical Property..... 633,704.31

Securities of Proprietary, Affiliated and Controlled Companies:

W. C. Ry. Co. Preferred Stock	\$ 11,177,100.00
(Held by Trustee in exchange for an equal amount of M. St. P. & S. S. M. Ry. Co. L. L. Certificates)	
W. C. Ry. Co. Common Stock	3,658,337.09
Central Terminal Ry. Co. Stock....	1,705,500.00
Belt Ry. Co. of Chicago Stock.....	240,000.00
St. Paul Union Depot Co. Stock....	103,600.00
Western Express Co. Stock.....	50,000.00
Sainte Marie U. D. Co. Stock.....	37,500.00
Minnesota Transfer Ry. Co. Stock..	7,000.00
Clarkson Coal Mining Co. Stock...	\$30,000.00
First Natl-Soo Line Bldg. Co. Stock.	375,000.00
Tri-State Land Company Stock	25,000.00
N. J. & S. S. M. Bridge Co. Stock...	500.00
W. C. Ry. M. & S. E. Div. P. M. Bonds	4,306.25
Minnesota Transfer Ry. Co. Bonds.	3,000.00
Total.....	<hr/> 18,216,843.34

Miscellaneous Investments:

Miscellaneous Stocks.....	\$ 601.00
Coeur d'Alene & Pend d'Orielle Ry. Co. 5% Bonds.....	25,200.00
Pillsbury-Washburn Flour Milling Co. Ltd., 5% Bonds.....	4,700.00
W. C. Ry. Co. Equipment Contracts	1,159,487.68
Advances.....	3,616,306.00
Total.....	<hr/> 4,806,294.68

Working Assets:

Cash.....	\$ 1,934,224.49
Traffic and Car Service Balances due from other Companies.....	14,890.23
Misc. Accounts & Bills Receivable..	165,776.59
U. S. Government.....	6,388,428.70
Total.....	<hr/> 8,503,320.01

Accrued Income Not Due:

Unmatured Dividends.....	\$ 111,771.00
Unmatured Interest.....	20,306.95
Total.....	<hr/> 132,077.95

Deferred Debit Items:

U. S. Government.....	\$ 8,437,167.36
Working Funds.....	19,331.94
Unextinguished Disc. on Securities.	539,346.36
Other Deferred Debit Items.....	468,397.69
Total.....	<hr/> 9,464,243.35

Grand Total.....

 \$ 159,807,764.47

DECEMBER 31, 1918

LIABILITIES

Capital Stock:

Common.....	\$ 25,206,800.00
Preferred.....	12,603,400.00
Total.....	\$ 37,810,200.00

Mortgage, Bonded and Secured Debt:

First Mortgage M. S. S. M. & Atl. Ry. Co. 4% Bonds.....	\$ 8,136,000.00
First Consolidated Mortgage M. St. P. & S. S. M. Ry. Co. 4% Bonds.....	56,863,000.00
First Consolidated Mortgage M. St. P. & S. S. M. Ry. Co. 5% Bonds.....	3,477,000.00
Second Mortgage M. St. P. & S. S. M. Ry. Co. 4% Bonds.....	3,500,000.00
Fairmount & Veblen Ry. Co. Second Mortgage 6% Bonds.....	800.00
Equipment Trust Obligations.....	4,111,000.00
M. St. P. & S. S. M. Ry. 4% Leased Line Certificates.....	11,177,100.00
(Issued in exchange for Prefer- red Stock of the Wis. Cent. Ry. Co. held by Trustees)	
Total.....	\$ 87,264,900.00

Working Liabilities:

Loans and Bills Payable.....	\$ 752,020.00
Traffic and Car Service Balances due to other Companies.....	281,931.04
Audited Vouchers & Wages Unpaid.....	282,186.64
Miscellaneous Accounts Payable.....	2,191,318.90
Matured Interest & Dividends Un- paid.....	1,547,816.68
Total.....	\$ 5,055,273.26

Accrued Liabilities Not Due:

Unmatured Interest.....	\$ 143,751.83
Taxes Accrued.....	426,000.00
Total.....	\$ 569,751.83

Deferred Credit Items:

U. S. Government.....	\$ 8,210,404.77
Operating Reserve.....	181,970.87
Insurance Reserve.....	93,371.72
Other Deferred Credit Items.....	133,877.34
Total.....	\$ 8,619,624.70
Profit and Loss.....	20,488,014.68
Grand Total.....	\$ 159,807,764.47

Contingent Liabilities:

As joint maker with the Central Terminal Railway
Company of Bonds secured by mortgage on prop-
erty of the Central Terminal Railway Company. \$ 6,000,000.00

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1918**Non-Operating Income:**

Income from Lease of Road.....	\$ 10,556,778.70*
Miscellaneous Rent Income	44,404.80
Miscellaneous Non-Operating Physi- cal Property.....	14,153.18
Dividend Income	482,980.98
Income from Funded Securities.....	62,981.60
Income from Unfunded Securities and Accounts.....	49,072.18
Gross Income.....	\$ 11,210,371.44

Deductions From Gross Income:

Corporate Expenses.....	\$ 56,545.51
Tax Accruals.....	220,701.55
Rent for Leased Roads	3,424,337.80
(Wisconsin Central Ry. Co.'s pro- portion of Standard Return)	
Miscellaneous Rents.....	2,788.86
Interest on Bonds.....	2,902,778.36
Interest on W. C. Ry. Leased Line Certificates.....	447,078.99
Interest on Equipment Contracts	208,312.91
Interest on Unfunded Debt	16,194.44
Amortization of Discount on Funded Debt.....	37,479.18
Miscellaneous Income Charges.....	681,022.70
(Includes lapover items charged corporation by U. S. R. R. Ad- ministration, M. St. P. & S. S. M. R. R. covering charges against revenues and expenses applicable to period prior to Federal control)	
Total Deductions from Gross Income	\$ 7,997,240.30
Net Income Transferred to Profit and Loss.....	\$ 3,213,131.14

PROFIT AND LOSS ACCOUNT TO DECEMBER 31, 1918

By Balance December 31, 1917.....	\$ 19,911,878.17
Net Income for Year Ended December 31st, 1918.....	3,213,131.14
Additions for Year:	\$ 23,125,009.31
Profit on Road and Equipment Sold..	\$ 1,587.68
Unrefundable overcharges.....	19,144.24
Donations.....	800.00
Miscellaneous Credits	16,769.70
	38,301.62
Deductions for Year:	\$ 23,163,310.93
7% Dividend on Preferred Stock.....	\$ 882,238.00
7 1/2% Dividend on Common Stock.....	1,764,476.00
Loss on Retired Road and Equipment.	22,677.50
Miscellaneous Credits.....	5,904.75
	2,675,296.25
Balance Credit December 31, 1918	\$ 20,488,014.68
*From U. S. Govt. Account Standard Return	\$ 10,547,428.70
Account Minneapolis, St. Paul & Sault Ste. Marie Ry. Co.....	7,123,090.90
Account Wisconsin Central Ry. Co.	3,424,337.80
From Minn. Northwestern Electric Ry. Co.	9,350.00
	\$ 10,556,778.70

EXPENDITURES ACCOUNT OF CONSTRUCTION AND EQUIPMENT, YEAR ENDED DECEMBER 31, 1918

Preliminary Surveys.....	\$ 194.95
Additions and Betterments (See Statement, Page 17).....	497,952.52
Equipment (See Statement, Page 18).....	64,081.04
Miscellaneous Property.....	9,165.60
 Total.....	 \$ 442,842.13

ADDITIONS AND BETTERMENTS

Year Ended December 31, 1918

Engineering.....	\$ 12,320.17
Land for Transportation Purposes.....	22,183.43
Grading.....	67,966.27
Bridges, Trestles and Culverts.....	161,149.02
Ties.....	3,212.86
Rails.....	26,358.09
Other Track Material.....	14,917.07
Ballast.....	39,248.86
Track Laying and Surfacing.....	9,560.54
Right-of-Way Fences.....	12,182.32
Snow and Sand Fences and Snowsheds.....	1,245.04
Crossings and Signs.....	31,688.23
Station and Office Buildings.....	57,844.02
Roadway Buildings.....	5,021.30
Water Stations.....	7,959.89
Fuel Stations.....	4,699.39
Shops and Engine Houses.....	3,585.38
Wharves and Docks.....	515.85
Coal and Ore Wharves.....	424.63
Telegraph and Telephone Lines.....	197.24
Signals and Interlockers.....	2,902.03
Power Plant Buildings.....	11,419.62
Power Transmission Systems.....	41.17
Power Distribution Systems.....	260.51
Assessments for Public Improvements.....	9,161.13
Reconstruction of Road Purchased.....	14,858.86
Shop Machinery.....	14,178.82
Power Plant Machinery.....	2,141.24
 Total.....	 \$ 497,952.52

EQUIPMENT CHANGES
Year Ended December 31, 1918

Additions:

Locomotives—Steel Tenders	\$ 2,929.67
Locomotives—Superheaters	9,757.11
Locomotives—Hoppers	340.60
Locomotives—Air Brakes	1,417.98
Locomotives—Miscellaneous	277.28
Box Cars—Air Brakes	4,001.21
Box Cars—Draft Arms	12,210.98
Box Cars—Miscellaneous	4,745.11
Flat Cars—Air Brakes	4,182.30
Flat Cars—Miscellaneous	945.05
Stock Cars—Draft Arms	4,532.34
Ore Cars—Reinforced Ends and Draft Sills	2,085.00
Ore Cars—Miscellaneous	603.29
Refrigerator Cars—Miscellaneous	630.40
Vegetable Cars—Moore Heaters	27,604.74
Vegetable Cars—Miscellaneous	150.59
Passenger Cars—Miscellaneous	339.58
Sleeping Cars—Miscellaneous	721.61
Mail, Baggage and Express Cars—Miscellaneous	741.11
Ballast Cars—Miscellaneous	2,666.46
Wrecking Cranes—Air Brakes	402.50
Miscellaneous Equipment	1,372.94
	\$ 82,657.85

Deductions:

1 Locomotive	\$ 7,853.25
121 Box Cars	86,789.87
2 Stock Cars	1,528.74
2 Ore Cars	1,654.51
1 Automobile Car	1,449.08
6 Refrigerator Cars	7,367.82
65 Flat Cars	32,532.99
10 Bunk Cars	5,144.03
2 Ballast Cars	1,676.60
1 Tool Car	307.50
Miscellaneous	434.50
	146,738.89

Net Deduction

\$ 64,081.04

Reserve for Accrued Depreciation

Balance from Previous Year	\$ 4,303,497.87
Depreciation on Locomotives	Dr 1,692.38
Depreciation on Freight Cars	Dr 26,489.65
Depreciation on Work Cars	Dr 1,340.24
Depreciation on Passenger Cars	Dr 55.05
Depreciation on Sleeping and Tourist Cars	Dr
Depreciation on Dining and Buffet Cars	Dr
Total	\$ 4,273,920.55

EQUIPMENT OWNED DECEMBER 31, 1918

Locomotives.....	318
First Class Passenger Coaches.....	71
Second Class Passenger Coaches.....	31
Combination Cars.....	15
Sleeping and Parlor Cars.....	44
Tourist Cars.....	16
Dining Cars.....	9
Observation Cars.....	8
Cafe Observation Car.....	1
Baggage, Mail and Express Cars.....	66
Official Cars.....	4
Gasoline Motor Passenger Car.....	1
Gasoline Electric Motor Passenger Car.....	1
 Total Passenger Train Cars.....	 267
 Box Cars.....	 12,271
Caboose Cars.....	167
Flat Cars.....	1,266
Gondola Cars.....	26
Ore Cars.....	1,346
Stock Cars.....	352
Refrigerator Cars.....	215
Charcoal Cars.....	7
Furniture Cars.....	4
Automobile Cars.....	398
Vegetable Cars.....	200
 Total Freight Train Cars.....	 16,282
 Block, Tie and Rail Car.....	 1
Tool Cars.....	9
Steam Shovels.....	5
Pile Drivers.....	2
Ditchers.....	5
Snow Plows.....	5
Ballast Unloaders.....	4
Ballast Spreaders.....	3
Gravel Loader.....	1
Wrecking Cranes.....	5
Concrete Mixers.....	2
Ballast Cars.....	327
Water Cars.....	3
Electric Platform Truck.....	1
Well Drilling Outfit.....	1
Automobiles.....	2
Weed Burner.....	1
Water Cars (Work Service).....	2
Scrap Cars.....	39
Bunk Cars.....	68
Cinder Cars.....	5
Supply Cars.....	7
Cook Cars.....	11
 Total Miscellaneous.....	 509

CAPITAL STOCK AND FUNDED DEBT
CAPITAL STOCK

DESCRIPTION	Number of Shares Authorized	Par Value of Shares	Amount in Hands of Public	Total Par Value Issued
Preferred.....	140,000	\$ 100.00	\$ 12,603,400.00	\$ 12,603,400.00
Common.....	280,000	\$ 100.00	\$ 25,206,800.00	\$ 25,206,800.00
Totals.....	420,000	\$ 100.00	\$ 37,810,200.00	\$ 37,810,200.00

FUNDED DEBT

DESCRIPTION	Date of Issue	TIME	INTEREST		Amount in Hands of Public Dec. 31, 1918
			When Due	Rate	
(1) M. S. S. M. & A. Ry Co. First Mortgage Bonds	Jan. 1, 1886	Jan. 1, 1926	4 $\frac{1}{2}$ %		\$ 8,136,000.00
(2) M. St. P. & S. M. Ry Co., First Consolidated Mortgage Bonds	July 1, 1888	July 1, 1938	4 $\frac{1}{2}$ %		\$ 56,863,000.00
(3) M. St. P. & S. M. Ry Co., First Consolidated Mortgage Bonds	July 1, 1888	July 1, 1938	5 $\frac{1}{2}$ %		\$ 3,477,000.00
(4) M. St. P. & S. M. Ry Co., Second Mortgage Bonds	Jan. 1, 1899	Jan. 1, 1949	4 $\frac{1}{2}$ %		\$ 3,500,000.00
(5) M. St. P. & S. M. Ry Co., Leased Line Certificates	April 1, 1900	April 1, 2008	4 $\frac{1}{2}$ %		\$ 11,177,100.00
(6) F. & V. Ry Co. Second Mortgage Bonds	April 1, 1913	April 1, 1928	6 $\frac{1}{2}$ %		\$ 800,000.00
(7) W. A. Read & Co., Equipment Contract, Series "B".....	April 1, 1910	April 1, 1920	4 $\frac{1}{2}$ %		\$ 183,000.00
(8) W. A. Read & Co., Equipment Contract, Series "C".....	Mar. 1, 1911	Mar. 1, 1921	4 $\frac{1}{2}$ %		\$ 300,000.00
(9) W. A. Read & Co., Equipment Contract, Series "D".....	June 1, 1912	June 1, 1922	4 $\frac{1}{2}$ %		\$ 357,000.00
(10) W. A. Read & Co., Equipment Contract, Series "E".....	Jan. 1, 1913	Jan. 1, 1923	4 $\frac{1}{2}$ %		\$ 1,431,000.00
(11) R. L. Taylor and Girard Trust Co., Equipment Contract, Series "F".....	Dec. 1, 1913	Dec. 1, 1923	5 $\frac{1}{2}$ %		\$ 640,000.00
(12) W. A. Read & Co., Equipment Contract, Series "G".....	Nov. 15, 1916	Nov. 15, 1926	4 $\frac{1}{2}$ %		\$ 1,200,000.00
Total.....					\$ 87,264,900.00

MILEAGE

The mileage owned is as follows:

Owned:

Sault Ste. Marie, Mich.	.... to Minneapolis, Minn.	492.43
Cardigan Junction, Minn.	.... to St. Paul, Minn.	8.14
Col. Heights Jct., Minn.	.... to Hilo Jct., Minn.	1.09
Summit Jct., Wis.	.... to St. Croix Falls, Wis.	2.04
Dresser Jct., Wis.	.... to Boylston Jct., Wis.	96.80
Barron, Wis.	.... to Ridgeland, Wis.	18.52
Cameron, Wis.	.... to Reserve, Wis.	41.45
Tony Branch, Wis.		2.21
Rex, Mich.	.... to Meades Quarry, Mich.	11.88
Rapid River, Mich.	.... to Eben Junction, Mich.	30.54
Gladstone Coal Docks, Mich.		1.54
Minneapolis, Minn.	.... to Portal, N. D.	549.00
Glenwood, Minn.	.... to Noyes, Minn.	265.05
Thief River Falls, Minn.	.... to Kenmare, N. D.	296.44
Fordville, N. D.	.... to Drake, N. D.	130.96
Egeland, N. D.	.... to Armourdale, N. D.	21.88
Hankinson, N. D.	.... to Wishek, N. D.	136.17
Ashley, N. D.	.... to Bismarck, N. D.	97.57
Ashley, N. D.	.... to Pollock, S. D.	50.75
Bismarck, N. D.	.... to Max, N. D.	90.41
Drake, N. D.	.... to Plaza, N. D.	83.62
Flaxton, N. D.	.... to Whitetail, Mont.	136.74
Brooten, Minn.	.... to Duluth, Minn.	187.46
Moose Lake, Minn.	.... to Plummer, Minn.	192.57
Lawler Junction, Minn.	.... to Cuyuna, Minn.	39.12
Iron Hub, Minn.	.... to Deerwood, Minn.	4.61
Cuyuna, Minn.	.... to Kennedy Mine.	.93
Range Junction, Minn.	.... to Riverton, Minn.	5.48
Ironton Loop and N. P. Connection.		1.53
Iron Hub Junction, Minn.	.... to Hoch Mine.	8.22
Superior Ore Dock Line, Wis.		6.51
Prairie Junction, N. D.	.... to Sanish, N. D.	32.80
Fairmount, N. D.	.... to Grenville, S. D.	87.17
Spur Lines.		21.62
Thief River Falls, Minn.	.... to Goodridge, Minn.	18.67
(Leased to Minnesota Northwestern Electric Ry. Co.)		
Mileage owned December 31, 1918.		3,171.92

GENERAL BALANCE SHEET
WISCONSIN CENTRAL

ASSETS

Property Investment:	
Road.....	\$ 57,784,119.66
Equipment.....	8,153,181.43
	<hr/>
Less Reserve for Accrued Depreciation..	\$ 65,937,301.09
Total.....	1,784,443.21
	<hr/>
Miscellaneous Physical Property.....	909,871.78
Securities of Proprietary, Affiliated and Controlled Companies:	
Milwaukee Terminal Ry. Co. Stock.....	150,000.00
Miscellaneous Investments:	
Wisconsin Central Land Co. Stock.....	\$ 1,000.00
Manitowoc Land Improvement Co.	
Stock.....	100.00
La Pointe Iron Co. Stock.....	100.00
Ashland County Court House Site	
Bonds.....	24,000.00
U. S. Gov't Liberty Loan Bonds..	125,000.00
Land Department Land Grant.....	2,466,537.06
Land Department, Deferred Payments on Land Grant Sales, etc..	918,847.10
	<hr/>
Total.....	3,535,584.16
Working Assets:	
Cash.....	\$ 766,903.10
Miscellaneous Accounts and Bills	
Receivable.....	1,671,122.88
Materials and Supplies.....	8,021.20
	<hr/>
Total.....	2,446,047.18
Other Treasury Assets:	
W. C. Ry. Co. Common Stock.....	\$ 1,379,000.00
W. C. Ry. Co. Preferred Stock.....	1,234,400.00
W. C. Ry. Co. First General Mortgage Bonds.....	2,000.00
W. C. Ry. Co. First and Refunding Mortgage Bonds.....	5,567,000.00
	<hr/>
Total.....	8,182,400.00
Accrued Income Not Due:	
Unmatured Interest.....	904.06
Deferred Debit Items:	
Working Funds.....	\$ 30,176.50
W. C. Ry. Co. First General Mortgage Sinking Fund.....	3,219.75
M. & S. E. Division Purchase Money Mortgage Sinking Fund.....	144.45
Deposits in lieu of Mortgaged Property.....	4,312.00
Milwaukee Terminal Railway Company Advances.....	387,776.45
Unextinguished Discount on Securities.....	510,793.21
Preliminary Surveys.....	29,081.53
	<hr/>
Total.....	965,503.89
Grand Total.....	\$ 80,343,168.95

DECEMBER 31, 1918

RAILWAY COMPANY

LIABILITIES

Capital Stock:

Common.....	\$ 17,500,000.00
Preferred.....	12,500,000.00
Total.....	\$ 30,000,000.00

Mortgage, Bonded and Secured Debt:

W. C. Ry. Co. First General Mortgage Bonds.....	\$ 22,974,000.00
W. C. Ry. Co. First and Refunding Mortgage Bonds.....	11,383,000.00
Superior & Duluth Div. & Terminal First Mortgage Bonds.....	7,500,000.00
M. & S. E. Division Purchase Money Mortgage Bonds.....	353,000.00
Equipment Trust Obligations.....	1,159,487.68

Total..... 43,369,487.68

Working Liabilities:

Audited Vouchers.....	\$ 681.03
Matured Interest & Dividends Unpaid.....	593,043.00
Total.....	593,724.03

Accrued Liabilities Not Due:

Unmatured Interest.....	\$ 129,931.00
Terminal Rentals Accrued.....	9,141.04
Taxes Accrued.....	191,035.48
Total.....	330,107.52

Deferred Credit Items:

Operating Reserve.....	\$ 20,957.95
Other Deferred Credit Items.....	42,885.09
Total.....	63,843.04

Profit and Loss.....	\$ 5,986,006.68
Grand Total.....	\$ 80,343,168.95

**INCOME ACCOUNT, YEAR ENDED
DECEMBER 31, 1918**

WISCONSIN CENTRAL RAILWAY COMPANY

(“SOO LINE,” CHICAGO DIVISION)

Non-Operating Income:

Income from Lease of Road.....	\$ 3,424,337.80
(W. C. Ry. Co. proportion of Standard Return)	
Miscellaneous Rent Income.....	12,296.33
Income from Funded Securities.....	6,175.31
Income from Unfunded Securities and Accounts.....	5,971.78
Gross Income.....	<u>\$ 3,448,781.22</u>

Deductions from Gross Income:

Corporate Expenses.....	\$ 32,707.01
Tax Accruals.....	197,113.67
Rent for Leased Roads.....	240,000.00
Miscellaneous Rents.....	33,735.92
Interest on Bonds.....	1,467,407.38
Interest on Equipment Obligations.....	59,423.26
Amortization of Discount on Funded Debt.....	15,811.30
Miscellaneous Income Charges.....	<u>357,551.74</u>
(Includes lapover items charged cor- poration by U. S. R. R. Admin- istration, M. St. P. & S. S. M. R. R. covering charges against revenues and expenses applic- able to period prior to Federal control.)	
Total Deductions from Gross Income..	<u>\$ 2,403,750.28</u>
Net Income Transferred to Profit and Loss.....	<u>\$ 1,045,030.94</u>

**PROFIT AND LOSS ACCOUNT
TO DECEMBER 31, 1918**

WISCONSIN CENTRAL RAILWAY COMPANY

(“SOO LINE”, CHICAGO DIVISION)

By Balance December 31, 1917.....	\$ 5,406,772.40
Net Income for year ended December 31, 1918.....	<u>1,045,030.94</u>
	<u>\$ 6,451,803.34</u>

Additions for Year:

Unrefundable Overcharges.....	\$ 39,541.70
Discount on Bonds Purchased.....	12,968.75
Miscellaneous Credits	<u>8,155.19</u>
	<u>60,665.64</u>

\$ 6,512,468.98

Deductions for Year:

2% Dividend No. 21 on Preferred Stock	\$ 225,312.00
2% Dividend No. 22 on Preferred Stock	225,312.00
Loss on Retired Road and Equipment	65,152.75
Miscellaneous Debits.....	<u>10,685.55</u>
	<u>526,462.30</u>

\$ 5,986,006.68

CAPITAL STOCK AND FUNDED DEBT

WISCONSIN CENTRAL RAILWAY COMPANY
(“SOO LINE,” CHICAGO DIVISION)

CAPITAL STOCK

DESCRIPTION	Number of Shares Authorized	Par Value of Shares	Amount in Hands of Public	Held in the Treasury	Total Par Value Authorized and Issued
Preferred.....	125,000	\$ 100.00	\$ 11,265,600.00	\$ 1,234,400.00	\$ 12,500,000.00
Common.....	175,000	\$ 100.00	\$ 16,121,000.00	\$ 1,379,000.00	\$ 17,500,000.00
Totals.....	300,000	\$ 100.00	\$ 27,386,600.00	\$ 2,613,400.00	\$ 30,000,000.00

FUNDED DEBT

DESCRIPTION	DATE OF ISSUE	TIME	INTEREST	AMOUNT IN HANDS OF PUBLIC DECEMBER 31, 1918
(1) W. C. Ry. Co. First and Refunding Mortgage Gold Bonds.....	April 1, 1909	1, 1959	4 %	\$ 5,816,000.00
(2) W. C. Ry. Co. First General Mortgage Bonds.....	July 13, 1899	July 1, 1949	4 1/2 %	22,972,000.00
(3) Superior and Duluth Division and Terminal First Mortgage Bonds.....	May 1, 1906	May 1, 1936	4 1/2 %	7,500,000.00
(4) M. & S. E. Division Purchase Money Mortgage Bonds.....	May 1, 1901	May 1, 1951	4 1/2 %	353,000.00
(5) Equipment Contract.....	Feb. 16, 1911	Mar. 1, 1921	4 1/2 %	406,083.25
(6) Equipment Contract.....	Jan. 1, 1913	Jan. 1, 1923	4 1/2 %	114,404.40
(7) Equipment Contract.....	Dec. 1, 1913	Dec. 1, 1923	5 %	610,000.00
Total.....				\$ 37,800,487.65

ADDITIONS AND BETTERMENTS

Year Ended December 31, 1918

WISCONSIN CENTRAL RAILWAY COMPANY
("SOO LINE," CHICAGO DIVISION)

Engineering.....	\$ 6,021.58
Land for Transportation Purposes.....	6,207.45
Grading	86,946.57
Bridges, Trestles and Culverts.....	53,936.06
Ties.....	18,701.27
Rails.....	31,583.86
Other Track Material	37,483.69
Ballast	2,993.81
Track Laying and Surfacing.....	3,966.46
Right-of-Way Fences.....	69.99
Snow and Sand Fences and Snowsheds.....	769.69
Crossings and Signs	5,236.76
Station and Office Buildings.....	108,761.36
Roadway Buildings	8,886.76
Water Stations	6,041.77
Fuel Stations.....	13,367.75
Shops and Engine Houses.....	37,023.56
Coal and Ore Wharves.....	49,898.12
Telegraph and Telephone Lines.....	30.22
Signals and Interlockers	1,749.42
Power Plant Buildings	395.44
Power Distribution Systems.....	342.20
Paving	441.96
Assessments for Public Improvements	4,302.51
Shop Machinery.....	6,936.08
Power Plant Machinery.....	755.13
 Total.....	 \$ 380,638.33

EQUIPMENT CHANGES YEAR ENDED DECEMBER 31, 1918
WISCONSIN CENTRAL RAILWAY COMPANY
(“SOO LINE,” CHICAGO DIVISION)

Additions:

Locomotive Coal Hoppers	\$ 629.17
Locomotive Air Brakes	829.42
Locomotive Electric Headlights	1,276.08
Locomotive Air Pumps, Compressors and Reservoirs	1,141.48
Locomotive Tanks	592.44
Locomotive Grease Cellars	361.66
Locomotives Miscellaneous	144.86
Passenger Cars Miscellaneous	125.72
Baggage Cars converted from Mail Cars	418.32
Mail and Express Cars Miscellaneous	231.59
Box Car Draft Arms and Gears	1,737.46
Box Car Linings	419.83
Box Car End Plates and Anchor Rods	309.69
Box Car Center Sub-Sills	345.27
Box Car Miscellaneous	245.83
Other Freight Car Miscellaneous	671.19
1 Snow Plow Built	431.64
Air Cylinder for Jordon Spreader	528.14
Road Service Cars Miscellaneous	357.45
	<hr/>
	\$ 10,797.24

Deductions:

7 Locomotives	\$ 26,835.37
1 Parlor Car	2,300.00
1 Baggage Car	1,200.00
3 Mail Cars	2,330.96
55 Box Cars	29,584.50
2 Refrigerator Cars	1,770.14
1 Vegetable Car	722.54
4 Flat Cars	1,596.64
2 Ore Cars	474.57
4 Caboose Cars	2,218.92
2 Ballast Cars	1,268.59
6 Road Service Cars	1,238.51
	<hr/>
	\$ 71,540.74
Net Deduction	\$ 60,743.50

Reserve for Accrued Depreciation

Balance from previous year	\$ 1,793,943.98
Depreciation on Locomotives	Dr 3,273.33
Depreciation on Freight Cars	Dr 6,120.74
Depreciation on Work Cars	Dr 91.37
Depreciation on Passenger Cars	Dr 15.33
	<hr/>
Total	\$ 1,784,443.21

EQUIPMENT OWNED DECEMBER 31, 1918

WISCONSIN CENTRAL RAILWAY COMPANY
(“SOO LINE,” CHICAGO DIVISION)

Locomotives.....	188
	=====
First Class Passenger Coaches.....	61
Second Class Passenger Coaches.....	17
Combination Cars.....	12
Chair Cars.....	3
Parlor Cars.....	8
Dining Cars.....	6
Buffet Car.....	1
Composite Cars.....	6
Baggage Cars.....	21
Mail and Express Cars.....	5
Combination Baggage, Mail and Express Cars.....	8
Mail Cars.....	1
Milk Cars.....	10
Official Cars.....	3
Total Passenger Train Cars.....	162
	=====
Box Cars.....	5,967
Caboose Cars.....	121
Flat Cars.....	819
Gondola Cars.....	43
Ore Cars.....	768
Stock Cars.....	143
Refrigerator Cars.....	151
Total Freight Train Cars.....	8,012
	=====
Ballast Cars.....	437
Pile Driver, Steam Shovel and Road Service Cars.....	74
Total Miscellaneous.....	511

LAND DEPARTMENT
WISCONSIN CENTRAL RAILWAY COMPANY
(“Soo Line,” Chicago Division)

The gross sales of the Land Department for the year were 6,699.07 acres for \$ 102,979.67	
Less Cancellations.....	16,215.25
Net Sales.....	\$ 86,764.42
The average sale price per acre being.....	\$ 15.37
Town lot sales (14 lots) amounted to.....	\$ 525.00
The average sale price per lot being.....	\$ 37.50
Timber sales amounted to.....	\$ 155,112.33
The royalties accrued during the year from iron ore mined from the Company's land amounted to.....	\$ 142,404.48
The gross receipts from lands, lots, timber, royalties, deferred payments, interest on deferred payments, rents, etc., were.....	\$ 423,179.53
The expenses of the Land Department, including taxes and the cost of caring for the property were.....	\$ 89,770.68
The total number of acres remaining in the grant on the 31st of Dec., 1918 was	397,486.88
Number of acres under contract of sale.....	26,143.55
Number of acres unsold.....	371,343.33

Land Department Condensed Balance Sheet, December 31, 1918

	Dr.	Cr.
Real Estate.....	\$ 2,361,190.06	
Town Lots.....	105,338.00	
Interest Accrued on Land Contracts.....	15,732.31	
Interest Accrued on Town Lot Contracts.....	96.71	
Interest Accrued on Stumpage Contracts.....	45,565.06	
Interest Accrued on U. S. Liberty Loan Bonds.....	19.21	
U. S. Liberty Loan Bonds.....	2,400.00	
Tax Certificates.....	1,371.18	
Stump Pulling Plant.....	15,120.46	
Phillips Lot Sales, Joint Account.....	1,029.51	
Westboro Lot Sales, Joint Account.....	191.24	
Sassen Tract.....	15,036.83	
Real Estate Sales.....	240,045.02	
Town Lot Sales.....	704.02	
Timber Sales.....	643,438.58	
Various Persons.....	472.71	
Bills Receivable.....	1,216.25	
Accrued Taxes.....	\$ 60,624.79	
Audited Vouchers.....	2,967.20	
Wis. Cent. Ry. Co.—Real Estate and Town Lots.....	2,466,537.06	
Wis. Cent. Ry. Co.—Surplus.....	2,851,384.24	
Wis. Cent. Ry. Co.—Current Balance.....	1,932,537.14	
	\$ 5,381,513.29	\$ 5,381,513.29

LAND DEPARTMENT
WISCONSIN CENTRAL RAILWAY COMPANY
(“SOO LINE,” CHICAGO DIVISION)

Land Department Income Account, Year Ended

December 31, 1918

RESOURCES	EXPENDITURES
Land Sales:	
Average price per acre \$15.37..	\$ 102,979.67
Less Cancellations.....	16,215.25
	\$ 86,764.42
Town Lot Sales.....	525.00
Stumpage Sales.....	4,530.08
Stumpage Contracts.....	150,582.25
Interest and Discount.....	53,126.30
Rents.....	117.21
Royalties.....	142,404.48
Miscellaneous.....	55.00
Total.....	\$ 438,104.74
Examining Lands.....	\$ 44.80
Land Agents.....	1.15
Fencing.....	200.00
Road Construction..... Cr.	110.00
Commissions.....	7,831.33
Operating stump pulling plant.....	527.38
Advertising.....	6,277.08
Printing and Stationery.....	265.38
General Office Expenses.....	11,747.28
Miscellaneous Expenses.....	50.25
Legal Expenses.....	1,300.20
Tax Department Expenses.....	2,269.33
Taxes.....	59,366.50
Surplus for year ended December 31, 1918, carried to Profit and Loss Account.....	348,334.06
Total.....	\$ 438,104.74

Land Department
Profit and Loss Account to December 31, 1918

To Balance to Credit of Profit and Loss Account December 31, 1918.....	\$ 2,851,384.24	By Balance to Credit of Profit and Loss Account, December 31, 1917.....	\$ 2,503,050.18
		By Surplus for year ended December 31, 1918, brought down.....	348,334.06
Total.....	\$ 2,851,384.24	Total.....	\$ 2,851,384.24

ACREAGE ACCOUNT

	Under Contract	Balance	Total
Balance December 31, 1917.....	23,365.15	376,593.04	399,958.19
Deductions during the year.....		3.84	3.84
Deeded during the year.....	2,006.22	461.25	2,467.47
Cancellations during the year.....	1,453.20	1,453.20	
New Contracts.....	19,905.73	377,581.15	397,486.88
	6,237.82	6,237.82	
Balance December 31, 1918.....	26,143.55	371,343.33	397,486.88

MILEAGE**WISCONSIN CENTRAL RAILWAY COMPANY**
("SOO LINE," CHICAGO DIVISION)

The mileage owned is as follows:

Chicago, Ill. (Central Ave.) to Withrow, Minn.....	424.08
Cylon, Wis..... to Downing, Wis., Cut-off..	14.64
Carnelian Junction, Minn.. to Trout Brook Jet., Minn., (Old Line).....	18.00
Spencer, Wis..... to Ashland, Wis.....	145.87
Abbotsford, Wis..... to Owen, Wis.....	12.45
Owen, Wis..... to Superior, Wis.....	153.40
Duluth Terminals.....	4.65
Neenah, Wis..... to Manitowoc, Wis.....	36.56
Stevens Point, Wis..... to Portage, Wis.....	70.74
Packwaukee Junction, Wis.to Montello, Wis.....	7.86
Marshfield, Wis..... to Nekoosa, Wis.....	32.65
Marshfield, Wis..... to Greenwood, Wis.....	22.44
Chippewa Falls, Wis..... to Eau Claire, Wis.....	10.12
Chelsea, Wis..... to Rib Lake, Wis.....	5.46
Mellen, Wis..... to Bessemer, Mich.....	33.77
Abbotsford, Wis..... to Goodrich, Wis.....	25.24
Ashland Ore Dock Line.....	2.26
Ashland Commercial Dock Line.....	1.27
 Total Mileage Owned, December 31, 1918.....	 1,021.46

CENTRAL TERMINAL RAILWAY COMPANY
GENERAL BALANCE SHEET, DECEMBER 31, 1918

ASSETS	
Property Investment.....	\$ 6,316,971.85
Sinking Fund:	
First Mortgage Chicago Terminal 4%	
Thirty Year Sinking Fund Gold Bonds of	
the M. St. P. & S. Ste. M. Ry. Co. and	
C. T. Ry. Co.	431,560.39
Miscellaneous Investments:	269,258.93
M. St. P. & S. Ste. M. Ry. 4% Leased Line	
Certificates.....	\$ 219,258.93
Second Liberty Loan Bonds.....	50,000.00
Working Assets:	527,360.27
Cash.....	146,450.14
Miscellaneous Accounts Receivable.....	85,410.13
Securities in Treasury:	
C. T. Ry. Co. Capital Stock.....	294,500.00
C. T. Ry. Co. Bonds.....	1,000.00
Deferred Debit Items:	
Unextinguished Discount on Bonds.....	382,024.50
Accrued Income Not Due:	3,240.50
Interest on M. St. P. & S. Ste. M. Ry. Co.	
Leased Line Certificates	3,053.00
Interest on Second Liberty Loan Bonds.....	187.50
Profit and Loss:	
Balance December 31, 1917	177,823.15
Year Ended December 31, 1918:	
Earnings:	
Rents.....	\$310,656.87
Income from Funded Se-	
curities.....	14,212.00
Income from Unfunded Se-	
curities and Accounts.....	2,275.96
Income from Sinking and	
other Reserve Funds.....	19,739.89
	<hr/>
	\$346,884.72
Expenses:	
Interest on Bonds.\$240,000.00	
Extinguished Dis-	
count on Bonds 25,482.00	
Taxes.....	25,574.80
General Expenses. 11,952.48	<hr/>
	303,009.28
	<hr/>
	43,875.44
	<hr/>
	133,947.71
	<hr/>
	\$ 8,064,364.15
LIABILITIES	
Capital Stock.....	\$ 2,000,000.00
Mortgage, Bonded and Secured Debt:	
First Mortgage Chicago Terminal 4%	
Thirty Year Sinking Fund Gold Bonds of	
The M. St. P. & S. Ste. M. Ry. Co. and	
C. T. Ry. Co.	6,000,000.00
Working Liabilities:	4,063.69
Audited Vouchers.....	\$ 2,703.69
Matured Interest Unpaid.....	1,360.00
Accrued Liabilities Not Due.....	60,300.46
Unmatured Interest.....	
Taxes Accrued.....	40,000.00
	<hr/>
	20,300.46
	<hr/>
	\$ 8,064,364.15