



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>

28
M83

With respects of

THIRD

ANNUAL REPORT

OF THE

BOARD OF MANAGERS

OF THE

Delaware, Lackawanna & Western Rail-Road Co.

TO THE STOCKHOLDERS.

JANUARY, 1856.

NEW-YORK:
GEORGE F. NESBITT & CO., PRINTERS.
1856.

INDEX.

	PAGE
NAMES OF OFFICERS AND MANAGERS FOR 1855,.....	2
PROCEEDINGS OF THE ANNUAL MEETING OF THE STOCKHOLDERS, JAN., 1856,	3
REPORT OF THE BOARD OF MANAGERS,.....	7
Historical Sketch of the Enterprise.....	7, 8, 9, 10
Connecting Roads—Notices of.....	10, 11
Operations of the past year,.....	
CONSTRUCTION—Expenditures for, and Equipment of, R. R.....	12
Progress and Condition of Work on the Southern Division,.....	13
" " " " Eastern ".....	14
" " " " Northern ".....	14
" " " " Cayuga ".....	15
COAL DEPARTMENT—Expenditures for opening Mines, &c., in 1855,.....	16
Appropriation to "Coal Department Fund,".....	16
Mining and Coal Shipments,.....	17
TRANSPORTATION DEPARTMENT—Earnings and Expenses,.....	18
Business of Northern Division,.....	18
" Cayuga ".....	19
Lease of Cayuga and Susquehanna R. R.,.....	19
Business of Southern Division,.....	20
MACHINE AND CAR SHOPS AND FOUNDRIES AT SCRANTON,.....	20
Ithaca Shop,.....	21
FINANCIAL CONDITION,.....	21
Sales of Eastern Extension Bonds of 1875,.....	23
Proposed issue of Second Mortgage Bonds,.....	24
Dividend on Stock,.....	25
Contracts for Transportation and Purchase of Coal,.....	25, 26
Future prices of Coal,.....	27
General Prospects of the Company,.....	27
Notice of H. W. Nicholson, Esq., (dec'd.) former Counsel to the Co.,.....	28
Appointment of John Brisbin, Esq., Counsel and General Land Agent,.....	28
Report of Auditing Committee,.....	29
Balance Sheet, and sundry Exhibits,.....	30, 31, 32, 33
General Agent's Report,.....	34
Chief Engineer's Report,	39
General Land Agent's Report,.....	43
Paymaster's Report,.....	44
General Coal Agent's Report,	46
Report of Superintendent of Northern Division,.....	49
Report of Chief Clerk of Machine and Car Shops, at Scranton,.....	55
Report of Superintendent of Cayuga Division,.....	62
General Freight Agent's Report,.....	69
General Ticket Agent's Report,.....	75
Historical View of Succession of Officers and Managers of the Company,.....	80
Loan of \$2,600,000,.....	85

THIRD ANNUAL REPORT

OF THE BOARD OF MANAGERS

OF THE

Secretary.

The meeting having been called to order, the minutes of the last previous annual meeting were read and approved.

~~The President then made a few introductory remarks~~

TO THE STOCKHOLDERS.

JANUARY, 1856.

NEW-YORK:
GEORGE F. NESBITT & CO., PRINTERS.
1856.

OFFICERS

OF THE

Delaware, Lackawanna & Western Rail-Road Co.

FOR 1856.

GEORGE D. PHELPS,....PRESIDENT.
 DRAKE MILLS,.....*Vice-President.*
 WILLIAM E. WARREN,...*Treasurer.*
 ANDREW J. ODELL,.....*Secretary.*

MANAGERS.

Lease of Cayuga and Susquehanna R. R.,.....	19
Business of Southern Division,.....	20
MACHINE AND CAR SHOPS AND FOUNDRIES AT SCRANTON,.....	20
Ithaca Shop,.....	21
FINANCIAL CONDITION,.....	21
GEORGE W. BOWEN, Bonds of 1875.....	23
ROSWELL SPRAGUE,	RUFUS R. GRAVES.

STANDING COMMITTEES.

Executive Committee.

DRAKE MILLS,
 GEORGE BULKLEY,
 ROSWELL SPRAGUE,
 WILLIAM E. DODGE.

Finance Committee.

JOHN J. PHELPS,
 MOSES TAYLOR,
 SAMUEL WILLETS.

Coal Committee.

WILLIAM E. DODGE,
 JOHN J. PHELPS,
 MOSES TAYLOR,
 SAMUEL L. MITCHILL.

Committee on Accounts.

HENRY YOUNG,
 THOMAS McELRATH,
 RUFUS R. GRAVES.

PROCEEDINGS
OF THE
ANNUAL MEETING OF THE STOCKHOLDERS.

AT the annual meeting of the Stockholders of the Delaware, Lackawanna and Western Rail-Road Company, held, in pursuance of public notice, at the office of the Company, No. 49 Wall-street, New-York, on Tuesday, the 22d day of January, A. D. 1856:—GEORGE D. PHELPS, Esq., President, occupied the chair, and ANDREW J. ODELL acted as Secretary.

The meeting having been called to order, the minutes of the last previous annual meeting were read and approved.

The President then made a few introductory remarks, setting forth in general terms the results of the business of the past year; after which,

The Annual Report of the Treasurer was presented and read—containing an abstract of the receipts and disbursements for the year ending 31st December, 1855; showing the expenditures for construction of the Rail-Road, and for mining improvements; also the revenue derived from the Transportation and Coal Departments, and the cost of operating the same during that time; and exhibiting the present financial condition of the Company.

The General Agent submitted a Report, showing the present condition of the Rail-Road, mines and fixtures; the preparations made for the business of the present year; an estimate of the amount of coal, for which arrangements have been made, for transportation to the Eastern, Northern and

Western markets ; and various other items of interest, pertaining to the past and future practical operations of the Company.

On motion of Mr. MILLS, duly seconded, it was

Resolved, That the Reports of the Treasurer and General Agent, exhibiting the financial and practical business of the Company for the past year, abstracts from which have now been submitted and read, be accepted and adopted ; and that they be referred to the Board of Managers, to be printed in connection with their Annual Report for distribution among the Stockholders.

The President then explained the unavoidable causes of the delay in the completion and opening of the Southern Division of the Rail-Road, and the circumstances which led to the increase of the Floating Debt, since the last annual meeting. He also alluded to the proposed further issue of Bonds, to be secured by a second mortgage, and stated that the Board of Managers had determined to allow such of the Stockholders present at this meeting, as had not already subscribed for their *pro rata* amount, to avail themselves of this opportunity to take their proportion of bonds, on the terms heretofore offered. The names of such as signified their desire to take said Bonds, were thereupon registered by the Secretary.

Remarks were then made by Messrs. DODGE, MILLS and BLAIR, in reply to an inquiry by ROBERT L. STUART, Esq., explaining the reasons which induced this Company to subscribe to the capital stock of the Warren Rail-Road Company and the Lackawanna and Bloomsburg Rail-Road Company, and to guarantee a portion of the Bonds of the former Company, and referring to the last Annual Report, for a full statement of such reasons. Said subscriptions and guarantee having been approved, it was, on motion of ROBERT L. STUART, Esq., seconded by W. E. DODGE, Esq.,

Resolved, That no further subscription to the capital stock, nor endorsement of the Bonds, of other Companies, be made by this Company, except such as may be necessary for the completion of the Warren Rail-Road, until the subject of such subscription or endorsement be first submitted to the Stockholders, and approved by the holders of a majority of the shares of the capital stock.

JOHN J. PHELPS, Esq., then made some practical observations on the prospective business and revenues of the Company, and demonstrated, by a series of calculations, the certain profitableness of the enterprise in which this Company are engaged. He called the attention of the Stockholders, by some pertinent and forcible remarks, to the peculiar fact, that they possessed, at the very centre of their operations, the resources for an extensive and lucrative business, the development of which had but just commenced, and which the labor of years would not exhaust.

Upon the conclusion of his remarks, on motion of Mr. DODGE, seconded by Mr. BULKLEY, it was

Resolved, That when this meeting adjourns, it adjourn to meet at Scranton, at such time as may be fixed by the Board of Managers, for the purpose of examining the operation of the various Departments of the enterprise in which they are interested.

Remarks testifying to the fidelity and constant attention to the interests of the Company, manifested by the Officers and Managers for the past year, were then made; which were followed by the adoption of the following Resolutions, offered by W. S. WETMORE, Esq., and seconded by L. L. STURGES, Esq.,

Resolved, That this meeting do approve all the acts and proceedings of the President and Board of Managers during the year just terminated; and that they are entitled to, and have, the full confidence of the Stockholders.

Resolved further, That the Stockholders do recommend the completion of the Rail-Road, with a double track; and for that purpose, they do hereby authorize the President and Board of Managers, to provide the necessary funds at such times, and in such manner, as they may deem most in accordance with the interests of the Company.

The Stockholders then proceeded to vote for Officers and Managers for the ensuing year; and the Judges appointed and qualified to conduct the election, (Messrs. L. L. Sturges

and Thomas W. Gale,) at the closing of the polls, announced the unanimous choice of the following gentlemen to the offices recited in connection with their respective names.

GEORGE D. PHELPS, *PRESIDENT.*

WILLIAM E. WARREN, *TREASURER.*

ANDREW J. ODELL, *SECRETARY.*

MANAGERS.

DRAKE MILLS,	MOSES TAYLOR,
JOHN J. PHELPS,	HENRY YOUNG,
WILLIAM E. DODGE,	SAMUEL WILLETS,
GEORGE BULKLEY,	WILLIAM E. WARREN,
GEORGE W. SCRANTON,	THOMAS McELRATH,
JOHN I. BLAIR,	SAMUEL L. MITCHILL,
ROSWELL SPRAGUE,	RUFUS R. GRAVES.

The meeting then adjourned.

GEORGE D. PHELPS, *Chairman.*

A. J. ODELL, *Secretary.*

REPORT.

The close of another year devolves upon the President and Board of Managers, the agreeable duty of reporting to the Stockholders the transactions of the year, and the present condition of the important interests committed to their administration.

Before entering upon that duty in detail, it is deemed proper, in view of the anticipated speedy completion and opening of the entire line of our works, to present a brief historical sketch of the leading events which have brought us to the present stage of the enterprise. Some notice of these events has indeed been given in preceding Reports ; but inasmuch as they may not have been seen by all the present Stockholders, and since the completion of the Road cannot fail to have awakened increased interest among them, and the public generally, in this important undertaking, it seems expedient now to present such history in more connected detail, showing in one view the successive steps by which the several preliminary and partial organizations have at length been united and brought under one management.

This enterprise was projected and undertaken by a few of those now interested therein, as early as 1846. The immediate object aimed at by them, was to open a communication between Scranton and the New-York and Erie Rail-Road (then in progress) at Great Bend. A law had been obtained in 1832, authorizing the construction of an inclined plane road, between those points, under the name of the Ligett's Gap Rail-Road. Though the project, owing to an inability to obtain capital and means for its completion, was for a time postponed ; and though out of the sixteen Commissioners named in the Act of Incorporation, five had died and six

others had removed from the State ; yet the law itself had been kept alive by supplements obtained from time to time, extending the period within which operations might be commenced. This law being found suitable for our purposes, measures were taken to obtain possession of it ; which being done, it was afterwards further amended, by the supplements of 1847 and 1849, giving the right to acquire and hold coal lands : and in the latter year the capital stock was subscribed to an amount of \$251,300, and an organization effected in form, under the aforesaid title of "The Ligett's Gap Rail-Road Company."

During the year 1849 a careful survey was made, which resulted in the adoption of the present line, and the work was commenced in 1850. Some difficulties were experienced in procuring the additional means required, in consequence of the fact that its Northern terminus was to be at Great Bend, from which no open access could be commanded to the Erie Canal, and the channels of business to the North and West, affording an outlet for our coal.

About this time, an application was made to this Company to purchase the Cayuga and Susquehanna Rail-Road. On examination, it was found that this would afford to us the desired outlet ; also, that the control of it would at all times thereafter be useful to secure the Company from the exactions to which they might otherwise be exposed, from advantage being taken of their necessities by other routes.

The purchase of this Road was accordingly made, and measures taken to rebuild and enlarge its capacity, so as to meet our wants. That Company, however, having been incorporated under the laws of another State, and no legal authority having been given for its purchase, by this Company, as such, the necessary means for that purpose were furnished by our individual Stockholders, who succeeded to the corporate title and powers of that Company.

Having thus acquired control of this Road, it was at once thought advisable to change the terminus of our Road

from Great Bend to Owego, thus making a continuous and somewhat shorter line from Scranton to Ithaca. It being ascertained, however, that an arrangement could be effected with the N. Y. and Erie Rail-Road Company, for the use of their road between Great Bend and Owego, which would for a time meet the necessities of the Company, and save a considerable expenditure, it was judged best to make such arrangement, and to adhere to the original purpose of building our Road to Great Bend. The contract with the New-York and Erie Company to that effect, bears date January 27, 1851. The construction of the Road now known as our Northern Division, was continued, and so far completed as to admit of being opened for business in October of the same year. It should be added, that during this year, the name of the Company was changed, by act of the Legislature, to "The Lackawanna and Western Rail-Road Company."

Having completed the above arrangements, the attention of the Company was next given to the carrying out of a part of their original plan, contemplating an outlet in the opposite direction, towards Philadelphia and New-York. Already there existed a Company, incorporated April 7th, 1849, under the name of "The Delaware and Cobb's Gap Rail-Road Company," for the purpose of building a Rail-Road from Scranton to the Delaware River, at or near the Water Gap. Negotiations had been held for a union with that Company, which were finally successful. This Company had already been organized, and its capital stock subscribed, in December, 1850. During the next two years the surveys were made, and the location of the line adopted early in 1853. Other Companies were also treated with, for the purpose of completing our connections southward and eastward as aforesaid. A joint application was at this time made by that Company and our own for an Act of the Legislature for their consolidation; which was granted, March 11, 1853, and the union consummated, under our present name of "The Delaware, Lackawanna, and Western Rail-Road Company."

Additional subscriptions to the Capital Stock were now procured, and the work of construction put under contract, June, 1853. This work has been in progress since that time, and the particulars of its history during the year past, and of its present condition, will be found given in detail in another part of this Report, under the appropriate title of "Southern Division."

Arrangements for the extension of our Road to the Delaware River having thus been made, it remained to complete the desired connections from that point southward to Philadelphia, and eastward to New-York. The former of these has not as yet been done; but we entertain the hope that ere long the Belvidere Delaware Rail-Road, which has been recently opened to Belvidere, N. J., only four miles distant from our line, will be extended to effect a junction with it. To effect a connection eastward, negotiations were had with the Morris and Essex, and the Central Rail-Road Companies of New Jersey, which resulted in an arrangement with the last named, by which they, in conjunction with ourselves, furnished the chief means for constructing a connecting Road of 18 miles, called the "Warren Rail-Road," a charter for which had been obtained in 1851. This Road is now nearly finished, and is to be leased to us according to the terms of a mutual contract between the said three Companies. It was also agreed with the Central Rail-Road Company of New Jersey, that to accommodate our broad-gauge cars, they should lay down an extra rail on their Road, and provide a second track of the same gauge, whenever the freight furnished by us shall amount to 400,000 tons per annum.

Such were the various steps, involving in their adjustment and execution much perplexity and effort, by which our enterprise has advanced, and, from small beginnings, is now taking its legitimate place among the important undertakings of our times. These embarrassments were overcome, and the results now attained have been reached only by unceasing watchfulness, and by a liberality of

views and of investment on the part of our Stockholders, worthy alike of them and of the magnitude of the objects they were eventually to secure.*

In this general view of the connections of our Road mention should be made also of the Lackawanna and Bloomsburg Rail-Road, by means of which communication will be opened with the South-west and West. About twenty miles of the Northern portion of this Road will be opened for business in the ensuing spring, and the entire Road will, when completed, be a valuable auxiliary to our own. In anticipation of that fact, and for other reasons detailed at length in our last Annual Report, this Company have furnished a portion of the means requisite for its construction.

We have also important Northern and North-western broad-gauge connections *via* the "Oswego, Binghamton and New-York," and the "Lake Ontario, Auburn and New-York" Rail-Roads, besides the great New-York and Erie Rail-Road. The former two, besides passing through a fertile and populous region of country, where coal will be in extensive use, and which will furnish, in return, agricultural products of large amount, will open a communication direct with Lake Ontario and Canada.

The Oswego, Binghamton and New-York Rail-Road is completed and in operation from Binghamton to Syracuse, and the remaining portion of it northward will doubtless be constructed at an early day. The Lake Ontario, Auburn and New-York Rail-Road, the building of which was suspended for a time, is now about to be resumed, with favorable prospects. Through the New-York and Erie, we have, as it is well known, access to a wide extent of country eastward and westward from Great Bend, into which our "Scranton coal" has been already introduced, and is favorably regarded, with prospects of a largely increased demand for it in the future.

* For a view of the succession of the Officers and Managers of this Company, from the original organization to the present time, see end of pamphlet.

OPERATIONS OF THE PAST YEAR.

The operations on the line of the works, in accordance with the plan heretofore adopted, will be principally shown in the annexed detailed Reports of the General Agent, and of the various officers who have had charge of the business in the several departments. It will be necessary to give only their general results in this place.

CONSTRUCTION—RAIL-ROAD.

The expenditures in this department, during the year, have been as follows, viz.:

RAIL-ROAD.	Northern Division.	Southern Division.	Eastern Division.	Cayuga Divis'n.	General Exp'd't's	TOTAL.
<i>Office Expenses and Stationery,</i>	875 00	15,111 59		273 18		16,259 73
<i>Engineer Department,...</i>	842 60	14,399 59		3 00		15,245 19
<i>Agency,</i>	174 99	1,446 82				1,621 81
<i>Land, Land Damages, and Fences,</i>	5,847 90	8,717 91		189 41		14,705 22
<i>Grading,</i>	51,081 57	781,786 47		2,820 26		835,688 30
<i>Truss Bridges,</i>	874 63	14,186 42				15,061 05
<i>Superstructure,</i>	4,300 97	122,965 08		716 27		128,002 32
<i>Iron,</i>		257,009 61		1,674 18		258,683 74
<i>Contingencies,</i>	98 56	1,815 06				1,413 62
BUILDINGS.						
<i>Engine and Car Houses,</i>	12,717 05					12,717 05
<i>Machines and Work Shops</i>	1,802 95	22 50				1,825 45
<i>Freight and Passenger Stations,</i>	553 22	1,719 62		1,215 87		3,488 71
<i>Water Stations and Wood Sheds,</i>	1,018 89	9,800 17		668 72		10,987 78
<i>Rhaca Wharves & Docks,</i>				224 28		224 28
<i>Cayuga Bridge Property Piers and Docks at Eliza- beth Port,</i>			14,454 65			14,454 65
EQUIPMENT.						
<i>Office Expenses and Sta- tionery,</i>					3,428 00	3,428 00
<i>Machinery and Tools for Shops,</i>					10,492 32	10,492 32
<i>Locomotives and Tenders</i>					112,774 75	112,774 75
<i>Pass'ger & Baggage Cars</i>					42,645 01	42,645 01
<i>Freight Cars,</i>					55,107 70	55,107 70
<i>Coal Cars,</i>					102,401 28	102,401 28
<i>Add Disct'n on \$1,500,000 Eastern Extension Bonds, of 1875, }</i>		225,128 75				225,128 75
Total,	80,188 83	1,458,129 09	14,454 65	7,785 07	826,944 06	1,892,851 20

SOUTHERN DIVISION.—The Reports of the General Agent and Chief Engineer narrate the very extraordinary obstacles we have encountered in the completion of the Road, with the causes thereof, and the increased cost of the work, which has been occasioned in consequence.

The Board take pleasure in stating their convictions that the countenance which was at first given to the unwarrantable proceedings of the discontented contractors by the civil authorities, and the inhabitants residing near the line, did not originate in any hostility to the Company, but from misinformation respecting the terms of the contracts, and the character of the unprecedented claims made under them. As soon as the real facts in the case were known, that countenance was at once withdrawn, and both authorities and citizens promptly united in maintaining the law, and protecting the rights of the Company; in consequence of which, together with the energetic measures of the Agents and men employed by us, we are happy to say that the difficulties have been adjusted and the work has since been rapidly advanced towards completion.

This part of the Road was so far finished (a single track), that a locomotive and train of cars passed over it from Scranton, to and across the Delaware River on the 21st day of January inst. Much, however remains to be done to put the Road in good working order, which cannot be effected until the breaking up of winter.

A considerable portion of the Road on this Division is already completed for the reception of a second track, and the rails for the same have been purchased, and 1500 tons thereof already delivered at Scranton and paid for. It is the intention of the Board to commence laying the second track immediately, according to the suggestions made in the report of the General Agent, and to complete the whole as soon as their means will permit.

As yet, the line through to New Hampton is not opened, owing to the delay in completing the first tunnel on the

Warren Rail Road at Vass Gap, near the Delaware River ; but the work thereon is now being pushed forward with energy, and from the report of Mr. Blair it is expected to be finished some time in March next. This Road, of whose construction Mr. Blair has had the principal charge, will, according to contract, soon come into the possession of this Company.

EASTERN DIVISION.—For convenience in distinguishing the expenditures for Depot grounds and improvements made at Elizabeth Port or elsewhere on the Central R. R. of New Jersey, an account has been opened under this head. The amount expended in constructing piers and trestlings for unloading coal into vessels at Elizabeth Port is \$14,454 65. The payment for the Depot Grounds has not yet been made, in consequence of a delay in perfecting the titles ; but it is expected that the whole matter will shortly be satisfactorily adjusted. The plan of the works at this place and their progress towards completion are stated in the report of the General Agent.

The laying of the third rail on the Central Rail-Road of New-Jersey to accommodate our broad gauge cars is nearly completed. We are informed by John O. Sterns, Esq., the Superintendent, that the ties for this purpose are all laid, and the whole of the work now remaining to be done, can be finished in a single week. It is believed that experience will show it to be for the mutual interest of both Companies to effect arrangements, so that our passenger and freight trains may run with our own locomotives, directly through on their Road to and from Elizabeth Port.

NORTHERN DIVISION.—The work done on this Division during the year, for the completion of the Road, and the amount still requisite for that purpose, will be seen in the reports of the General Agent and Division Superintendent. It remains still, as it has been, the policy of the Managers to prosecute this work at their convenience, and it is anticipated that the construction account for a main line of single track on this Division will soon be closed.

The importance of a new Union Station House at Great Bend, for the convenience of this and the New-York and Erie R. R. Company continues to be felt by both Companies; and according to a resolution long since adopted by this Board, the building of it will be commenced whenever the latter shall be ready to engage with us therein.

The construction of a lateral Rail-Road through Keyser's Valley from its junction with the main track at or near Fuller's trestle, southerly about $2\frac{1}{4}$ miles, has been long contemplated, and is now resolved upon; and the work on it will be commenced when the right of way shall have been conceded without charge, and the means of the Company will admit; which it is hoped will be in the course of the present year. This Road will afford access to the rear of the "Griffin Farm" belonging to this Company, and to other valuable coal estates lying in that Valley.

CAYUGA DIVISION.—This Division, embracing the Cayuga and Susquehanna Rail-Road, which has been leased by us as hereinafter stated, has, including sundry tools, gravel cars and fixtures, received from the C. & S. R. R. Co. of the value of \$3,220 63, involved an expenditure for construction purposes during the year, of \$7,735 97, as shown in the preceding tabular statement. Beyond the completion of the trestlings for the transshipping of coal into boats at Ithaca, it is anticipated that few additional accommodations will be required upon this Division.

COAL DEPARTMENT.

CONSTRUCTION.—The expenditures under this head, for opening mines, and erecting working fixtures for the same, have been as follows, viz. :—

Coal Lands,.....	\$176 56	
Opening Mines,.....	26,396 48	
Mine Railway and Cars,.....	3,540 76	
Horses, Mules, and Harness,.....	302 50	
Coal-Breakers and Engines,.....	48,323 78	
Mining Tools, Implements, &c.,.....	162 90	
Coal-Yards and Offices,.....	3,259 15	
Scales, Tools, &c., for Yards,.....	346 61	
Expenses of General Office,.....	885 00	
Miners' Tenements,.....	6,325 51	
Buildings,.....	636 89	
Contingencies,.....	95 21	
	<hr/>	
	\$90,451 35	\$90,451 35
Deduct sales of Fixtures in coal-yard at Buffalo,.....	\$833 23	
Received on sales of Building Lots, &c.,.....	1,726 92	2,560 15
	<hr/>	<hr/>
		\$87,891 20

The Board, having reserved for the use of the Company one-third of the capacity of their Road, had hoped that proposals, according to invitation given through the public papers, would have been made to them by other parties, for the transportation of coal to its full remaining capacity. This, however, has not been done, owing, probably, to the financial embarrassments of the year ; and they have felt bound, therefore, to increase the mining operations of the Company itself to an extent that should supply the deficiency. It is in consequence of so doing, that the expenditures under the present head have been so large during the year.

For a particular account of the work done in this department, reference is made to the Reports of the General Agent and General Coal Agent.

Under the resolution of the Board, adopted last year, providing for the creation of the "Coal Department Fund," to reimburse the expenditures incurred in opening mines and

supplying their machinery and fixtures, there has been appropriated during the year, the sum of \$28,976 53.

MINING AND COAL SHIPMENTS.—The operations in this department are shown in detail by the Report of the General Coal Agent. It will be observed that the amount of coal forwarded to market, falls short of what was anticipated in the report of last year. This deficiency is reasonably accounted for by the delay in completing the Southern Division.

The total sales during the year, amounted to 160,714 15-20	
tons, producing the gross sum of.....	\$608,990 96
Amount received for Rents,.....	3,300 04
Value of coal on hand Dec. 31, 1855, (36,932 19-20 tons) ..	127,906 07
	<hr/>
	\$740,197 07
Value of coal on hand Dec. 31, 1854, (8,631	
15-20 tons,).....	\$24,172 05
Sundry deductions, &c.,.....	1,550 12
Total Expenses for mining, repairs of fixtures,	
transportation, superintendence, &c., during	
the year,.....	547,369 77
	<hr/>
	573,091 94
Showing the net revenue.....	<hr/>
	\$167,105 13

The arrangements for a supply of coal for the ensuing year, will appear from the Report of the General Agent.

The Managers are happy to state that they are continually receiving the most gratifying testimonials to the excellent quality of our "Scranton Coal," and the superior manner in which it is prepared for use. To these they may add the personal knowledge of the President and several members of the Board itself, from trials made by them of coal received via Binghamton and the Chenango Canal. We cannot doubt that upon the completion of the Road, and the introduction of the coal into the city of New-York and other Eastern markets, it will at once take high rank, as among the most desirable kinds now in use.

TRANSPORTATION DEPARTMENT.

The operations in this department are shown in the Reports of the General Agent, Superintendents of Division, General Freight Agent, and General Ticket Agent.

The gross earnings of the year amounted to..	\$519,296 64	
Drawback received from the New-York and Erie Rail-Road Co.....	8,898 60	
From Rents,.....	716 00	
		<u>\$528,911 24</u>
The expense of operating and repairs of the Road, repairs of machinery and cars, superintendence, &c., were	\$269,243 46	
"Old balance" against the N. Y. and E. R. R. Co.	404 44	
		<u>269,647 90</u>
Showing net revenue of.....		<u>\$259,263 34</u>

In pursuance of the policy of providing against the depreciation of the Road, and its equipment, from use and natural decay, there has been appropriated from the Transportation earnings to the "Renewal Fund,"* created for that purpose, the sum of \$61,893 21.

NORTHERN DIVISION.—The portion of the gross earnings as above, accruing from this Division, was.....	\$383,132 86
The expense of operating, and repairs.....	195,207 13
Amount of net revenue.....	<u>\$187,925 73</u>

It will be seen that the large increase of business on this Division, predicted in the last Annual Report, has been fully realized.

The Road itself, from the improvements made during the year, and its equipment, are now in good condition, and capable of performing a yet greater amount of business, which, from the opening of the entire line, and from other causes, it can hardly fail to receive.

* For an account of this Fund, and the reasons for its establishment, see Second Annual Report, 1856, page 24.

CAYUGA DIVISION.—The history of our connection with the Cayuga and Susquehanna Rail-Road Company has, in part, already been given on a preceding page. It was the intention, from the outset, that the two Roads should have a community of interests. It was found, however, at length, that the maintenance of two separate working organizations involved a superfluous expense, and occasioned much difficulty in harmonizing their action, so as most directly to promote their joint interests. All this pointed to the expediency of the union of the two, and a concentration of the control of both Roads in one Company; and the necessary Legislative authority having been procured, a lease was made by the Cayuga and Susquehanna Rail-Road Company, of their Road, to us, under date of April 13th, 1855, to take effect the 1st day of January preceding. In fixing the terms of said lease, it was assumed that the value of the Road was one million of dollars, (about \$29,400 per mile,) although its actual cost, including the discount on certain bonds of the Company, was over \$1,200,000. The rent was accordingly fixed at \$70,000 per annum, being seven per cent. on said assumed value, payable half-yearly, on the 1st of January and July; the taxes being borne by us. The Company also gave us their entire equipment of locomotives, cars, and machinery, all materials on hand, and their steamboat property on Cayuga Lake—in all, of the appraised value of \$92,938 43 for which a bill of sale was executed by them. Besides this, they conferred the right to mine coal, without charge, on their lands, near Scranton, lying adjacent to our Road; a privilege which may hereafter become valuable. It is important to state, also, that, by the terms of our contract with that Company, they are obligated to extend their Road from Owego, southward to the State line, so as to form a connection with our Northern Division, as authorized by their charter, whenever the same shall be required, and the means for so doing shall be furnished by us. In this mode,

a direct continuous line from Scranton to Ithaca may be opened by us, if at any time the facilities for our business furnished by the New-York and Erie Rail-Road Company should prove insufficient, or any other important interest of our enterprise should demand it. The Reports of the General Agent, and of Mr. Humphrey, Superintendent of this Division, will show, at length, the characteristics and present condition of the Road.

That part of the gross transportation earnings accruing from this Division was,.....	\$135,554 43
Expenses,.....	74,036 33
Net revenue,.....	<u>\$61,518 10</u>

~~SOUTHERN~~ DIVISION.—There was received for freight, principally coal, transported over this Division by construction trains, \$609 .35.

The plans for opening this Division, including the Warren Rail-Road, are now under consideration. New tariffs of prices for freight and passengers, upon the entire line, from New-York to Ithaca, are also being prepared under the direction of a Committee of the Board. Arrangements will also be made by which passengers from the latter place can procure tickets directly through to Philadelphia and the South, as well as to New-York.

MACHINE AND CAR SHOPS, AND FOUNDRIES.

For an exhibit of the work done in these establishments, at Scranton, during the year, reference is made to the Reports of the Chief Clerk, Mr. Marvine, and the Superintendent of the Northern Division, Mr. Dotterer.

It will appear, from these Reports, that, in addition to the ordinary repairs of the locomotives and cars, and of the general mining machinery, a large number of new coal and other cars have been built.

The capacity of these establishments has been much in-

creased by the extension of the wings of the buildings, and the addition to the machinery and facilities for work; so that it is thought that little, if any, further enlargement will be necessary to supply all the demands that will be made upon them by the Road, and the mining business, when in full operation. The shops themselves, with their fixtures, are in excellent condition, and, we believe, under judicious management.

ITHACA SHOP.—The Repair-shop, at Ithaca, is, both in respect to its dimensions and machinery, sufficient for all the ordinary repairs required on the Cayuga Division.

Whatever beyond this is needed, is sent to be done at Scranton.

FINANCIAL CONDITION.

The annexed Balance-Sheet of the Treasurer shows a general view of the financial condition of the Company at the close of the year. Some particulars of this view may be more fully seen, if grouped under the following heads:—

1.—CAPITAL STOCK.

The number of Shares (of \$50 each) issued previous to Dec 31, 1854, then held by 274 Stockholders, was.....		60,110
There have been issued during the year.....		950
Total, to Dec. 31, 1855, (held by 305 Stockholders.)	Shares,	61,060
61,060 Shares, at \$50 each, equal.....	\$3,053,000	00
Of which there was paid in previous to		
Dec. 31, 1854,.....\$2,865,175 24		
Amount paid in during 1855,.....	186,447 26	
		3,051,622 50
Leaving still due, (from 7 Stockholders,)		\$1,377 50

2.—GENERAL ACCOUNT, DR.

To Cost of Construction and Equipment of the Rail-Road,	\$6,022,666	97
“ “ Coal Lands and Mining Improvements,.....	332,513	27
“ “ Materials on hand, including Oil, Wood for fuel, and stock of Materials at the Shops,.....	89,757	59
“ “ 36,933 tons Coal on hand, including transportation,.....	128,641	07
Amount forward,.....	\$6,573,578	90

Brought forward.....	\$6,573,578	90
To Real Estate in New-York,.....	24,181	33
“ Stock of the Warren Rail-Road Company,.....	155,950	00
“ “ the Lackawanna and Bloomsburg R. R. Co.,.....	125,000	00
“ Bills and Accounts Receivable,.....	287,076	42
“ Cash on hand,.....	41,471	27
	<u>\$7,207,257</u>	<u>92</u>

CR.

By Capital Stock, amount paid in,.....	\$3,051,622	50
“ Mortgage Bonds of 1871,.....	900,000	00
“ Eastern Extension Bonds of 1875,.....	1,500,000	00
“ Interest due on Bonds, viz. :—		
On Mortgage Bonds of 1871,		
Jan. 1, 1856,.....	\$31,500	00
“ “ previously,.....	140	00
	<u>\$31,640</u>	<u>00</u>
On East. Extension Bonds		
of 1875, Oct. 1, 1855,.....	\$1,376	71
“ “ 3 months,		
to Jan. 1, 1856.....	26,250	00
	<u>27,626</u>	<u>71</u>
		59,266 71
By Interest due on Stock, viz. :—		
For 6 months, ending Dec. 31, 1855,.....	\$90,817	75
Balance due previously,.....	5,796	73
		<u>96,614 48</u>
“ Bills and Accounts Payable, including sun-		
dry cash deposits to secure contracts,.....	1,392,303	85
“ Am't of Personal Property rec'd from C. & S. R. R. Co.	92,938	43
“ Renewal Fund, amount of appropriation to credit of....	61,893	21
“ Coal Department Fund “ “	28,976	53
“ Income Account,—balance applicable to construction		
purposes,	23,642	21
	<u>\$7,207,257</u>	<u>92</u>

3.—INCOME ACCOUNT, CR.

The Balance remaining to the credit of this account, Dec.		
31, 1854, was.....	\$105,381	15
Net Revenue, for 1855, viz. :—		
From Coal,.....	\$167,105	13
“ Transportation,.....	259,263	34
“ Machine Shop 1854,.....	\$2,199	22
“ “ 1855,.....	5,616	29
	<u>7,815</u>	<u>51</u>
		434,183 98
		<u>\$539,565 13</u>

DR.

To Interest on Bonds, on \$900,000,.....	\$63,000	00
“ “ “ \$1,500,000,.....	69,875	16
“ “ Stock,.....	180,723	05
“ “ Floating Debt,....	41,124	60
“ Rent of Cayuga and Susque-		
hanna Rail-Road,.....	70,000	00
	<u>\$424,722</u>	<u>81</u>
		Forward—

Cr. brought forward.....	\$539,565 13
Brought forward.....	\$424,722 81
To Renewal Fund.....	61,893 21
“ Coal Department Fund.....	28,976 53
“ G. W. Scranton, late General Agent, for oil had of W. S. Brown, in 1852,.....	330 37
	<hr/> 515,922 92
“ Balance,—applicable to Construction.....	\$23,642 21

4.—FLOATING DEBT.

The whole amount of outstanding bills and accounts payable, including interest on stock and bonds, as above stated, is..... \$1,548,185 04

DEDUCT.

Bills and Accounts Receivable,.....	\$287,076 42
Materials on hand,.....	89,757 59
Coal, “.....	128,641 07
Cash, “.....	41,471 27
Balance due on Stock.....	1,377 50
	<hr/> 548,323 85

Balance of Floating Debt, \$999,861 19

The policy heretofore adopted by the Managers, of making all their payments for work monthly, in cash, has been continued, and a large portion of the materials required, has been paid for in the same way,—a policy tending alike to preserve order in their current expenses, and to secure the usual advantages of prompt cash payments. The high credit of the Company has continued unimpaired; insomuch that, notwithstanding the past year, like the preceding, was for the most part one of much financial embarrassment generally, they have been able to effect all needful loans, at an average rate not exceeding seven per cent

Of the whole amount of \$1,500,000 of “Eastern Extension” Bonds, authorized to be issued, \$900,000 were offered *pro rata* to the Stockholders, according to their vote at the annual meeting, in January, 1855, and mostly taken by them. The proceeds of these bonds sufficed for our wants till about the middle of June last, at which time it was resolved to offer for sale the remaining \$600,000 at public auction. This was accordingly done, and the bonds were taken at prices averaging about 92½ per cent.

The discount on the entire issue, as above, amounted in the aggregate to \$225,128 75, which has been reckoned to the cost of constructing the Southern Division.

It was thought that the proceeds of the above bonds, with such temporary loans as would be readily procurable, would be sufficient for all the wants of the Company, until the entire Road should be opened for business. It was also hoped that the capital stock would be available to meet the floating debt that might then exist, and to complete the Road; but if from any cause this result should not be realized, resort might then be had to a new issue of bonds for that purpose. In consequence, however, of the delay in opening the Southern Division, and of some increase of expense incurred in the work, the amount of the temporary loans aforesaid, has been larger than was expected. To meet then the wants of the Company, application has been made for the requisite legislative authority to execute a second mortgage on the Road for \$2,600,000, to secure a new issue of bonds of that amount; making with the previous issues an aggregate of \$5,000,000. Meanwhile, in anticipation of such authority, and for immediate use, the Board have resolved to issue \$1,200,000 of the \$2,600,000 in the shape of seven per cent. Convertible Income Bonds, having twenty years to run; designing the latter to be exchanged for the Second Mortgage Bonds as soon as these shall be made ready.

By a circular of the Treasurer, dated December 29th, these Income Bonds were offered to the Stockholders, *pro rata*, according to the amount of stock held by them on the 1st of January. In consequence of the stringency of the money market, this offer was made at a low rate, and the time within which acceptance was to be signified, was limited to the 10th of the same month. Only a portion of the amount having been taken, the offer, by vote of the Stockholders, at their annual meeting, was again opened for one day, and an additional amount subscribed for. The condi-

tion of the money market subsequently becoming more favorable, the Board resolved to advance the price of the remaining bonds.

No good reasons exist for anticipating any difficulty in procuring the legal authority for making the second mortgage, as aforesaid. Should such difficulty, however, or any considerable delay be experienced, in that respect, the Board are confident, from the high credit ever enjoyed by the Company, that no serious embarrassment or loss will result, but may postpone the time of completing the second track of their Road.

The net profits of the transportation and coal business on the Northern and Cayuga Divisions the past year, having, as heretofore, been sufficient to pay the interest on the bonds and stock of the Company, issued for the construction of the entire line, the Board have accordingly declared the usual semi-annual interest dividend of three per cent. on the capital stock for the past six months, payable, with interest thereon from the 10th of January, 1856, at such date as shall hereafter be determined. These profits having been used in the construction of the Southern Division, the payment has been postponed for a time, until the amount may be replaced from the sales of bonds or otherwise, without sacrifice or serious inconvenience.

In their last annual report, the Board explained at some length the measures which they had taken to secure a sufficient amount of business for the Road upon its opening; also the policy which they had adopted, to furnish facilities to the public for the transportation of coal, and the prices fixed for the same. This policy, which was regarded as a very liberal one, it is thought may not be entirely understood by all interested, and for the purpose of showing it more definitely, the following resolution is inserted, which was adopted May 6, 1854, viz. :—

Resolved, " That this Company reserve one-third of the full capacity of the Southern Division of the Rail-Road, for the transportation of its own coal to tide-water ; and that it is expedient to make immediate contracts

with other responsible parties, for the conveyance of their coal in their own cars, to the estimated extent of the remaining two-thirds of its capacity."

The resolution contemplated that the shippers of coal should provide their own cars for its transportation, inasmuch as experience on other Roads had shown it to be difficult to furnish, especially in the seasons of most active business, a sufficient number of cars for the accommodation of all. For the convenience, however, of those whose business was too limited to warrant the expense of providing cars for themselves, it was offered by the Board to purchase their coal, delivered in the cars of the Company at Scranton or its vicinity. Of the two proposals thus made to the public, it has been found, thus far, that coal operators have generally preferred the latter—choosing rather the certainty of sales to us, at sufficiently remunerative prices, than the fluctuating markets at the sea-board; while, at the same time, they avoided the heavy expenditures required for cars, &c. Contracts have therefore been entered into with various parties for coal, deliverable through a series of years, to an amount in the aggregate of more than four millions of tons.

During the year, frequent proposals for contracts have also been made to us by parties engaged to a greater or less extent in coal operations in the vicinity of Scranton, which proposals have, as above stated, been promptly entertained, whenever sufficient evidence was furnished of the responsibility and good faith of the parties making them.

In consequence of the near approach of the opening of the Southern Division, and of the interest extensively awakened on that account, there has been excited, as was natural, much speculation in the purchase of coal lands. Numerous Companies have been formed, with large nominal capitals; some of whom, doubtless, have no expectation of engaging in actual mining. It has been made necessary, therefore, for the Board to exercise great discrimination in the negotiation of contracts, to guard against future disappointments,

resulting from any which should prove unreliable. No just complaints, it is obvious, can be made against the Company for so doing.

In respect to the prices of coal hereafter, although it is supposed by some, that the great amount which will be brought to market, in consequence of the increased facilities for transportation, will be attended with a necessary decrease of its value, still the Managers incline to the opinion that the legitimate effect is to be looked for rather in the greater extent to which coal will be used, and a corresponding increased demand for it. It is not improbable, indeed, that the more immediate result may be a diminution of prices; but this very diminution itself must tend in its turn to promote a greater consumption, and ultimately to more than restore the previous equilibrium between the supply and demand. Such seem to be the laws which, as developed through long experience, regulate the relative prices of other prime articles of consumption. The Board can see no reason why the same principle should not hold good in the present case, and they entertain no apprehensions, therefore, that there will be any failure of a demand in market, at remunerative prices, for all the coal which they may be able to furnish.

From the foregoing views, the Managers would observe, that they cannot but regard the prospects of the Company as highly encouraging. It is believed that they can introduce Coal into the city of New-York, and other Eastern markets, at a less cost than can be done from any other source. Their supply is inexhaustible. Their Road is built in the most substantial manner; its track is of the *broad gauge*, and its capacity, when completed, will enable them to deliver annually, both eastward and westward, more than one and a half millions of tons. The means of the Company, it is hoped, will be ample. They see not how it can fail, therefore, under the favor of Providence, to be a source of satisfactory remuneration.

neration to the Stockholders for their large investments, and of honor and wealth to the noble State, by whose liberal and wise legislation they have been enabled to undertake and successfully prosecute so great an enterprise.

Before closing, the Managers deem it proper to advert to the death, in June last, of H. W. Nicholson, Esq., who was from an early period their principal legal Counsel and Land Agent, and to whose ability, industry, and zeal in the service of the Company, they have been much indebted.

The following is a copy of the Resolutions adopted by the Board, 29th June, in relation to the event referred to:—

“It having pleased Almighty God, in his wise providence, to remove by death, Horatio W. Nicholson, Esq., for many years intimately connected with this Company, as its Counsel and Attorney; and it being the desire of the Board to place upon its records their high appreciation of his character, ability and faithfulness, therefore,

“*Resolved*, That the members of the Board have heard with deep sorrow the intelligence of the death of Mr. Nicholson, and that his valuable services entitle his name to be held in grateful remembrance by this Company; while his high moral character, his unquestioned integrity, and his professional ability, are acknowledged by the entire community in which he resided.

“*Resolved*, That the Board deeply sympathize with the family of the deceased in their bereavement, and that a copy of these resolutions be forwarded to Mrs. Nicholson, certified by the Secretary.

“*Resolved*, That the salary of Mr. Nicholson be continued and paid to first of October next.”

The vacancy thus occasioned has been supplied by the appointment of John Brisbin, Esq., formerly of Wyoming County, who has accordingly removed to Scranton, and will devote his attention to the duties of the office. His report for the last year is appended in its proper place.

Respectfully submitted,

GEORGE D. PHELPS, *President*.

MANAGERS.

DRAKE MILLS,
JOHN J. PHELPS,
WILLIAM E. DODGE,
GEORGE BULKLEY,
JOHN I. BLAIR,
GEORGE W. SCRANTON,
ROSWELL SPRAGUE,

MOSES TAYLOR,
HENRY YOUNG,
SAMUEL WILLETS,
WILLIAM E. WARREN,
THOMAS McELRATH,
SAMUEL L. MITCHILL,
RUFUS R. GRAVES.

REPORT OF AUDITING COMMITTEE.

GEO. D. PHELPS, Esq., *President.*

DEAR SIR:—The undersigned Stockholders of The Delaware, Lackawanna and Western Rail-Road Company, appointed as a Committee by the Board of Managers, to examine the accounts of the Treasurer of said Company, for and during the year 1855, respectfully report:—That they have attended to the duties of such appointment, and have personally examined the Books, Accounts and Vouchers kept at the General Office of the Company, by said Treasurer, or under his immediate direction, and have much pleasure in certifying that they find such accounts kept in a very systematic manner; and that vouchers, in due and proper form, for all disbursements made, and obligations issued, during the year, according to the books, are on file in the office; also, that the vouchers are so classified and arranged as to be readily referred to at any time.

The amount of Cash on hand, January 1st, 1855, as appears by the books, was,	\$13,593 33
The amount received during the year, from all sources, was, ...	4,300,428 16
	\$4,314,021 49

The whole amount of disbursements during the year, as per vouchers, was,	\$4,272,550 22
--	----------------

Leaving a balance on hand, December 31st, 1855,	\$41,471 27
---	-------------

On Deposit, as follows:—	
In Mercantile Bank, New-York,	\$1,224 36
“ Phenix “ “	31,186 07
“ Metropolitan “ “	1,977 76
Bills and change in drawer, as counted and certified by Mr. A. S. Peet, General Book-keeper,	7,083 08
	\$41,471 27

THOS. W. GALE, }
THEO. STURGES. } *Auditing Committee.*

NEW-YORK, *March 4th*, 1856.

THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD COMPANY.

BALANCE-SHEET, DECEMBER 31, 1855.

PAGE.	10.	To CONSTRUCTION, Amount to December 31, 1854, as per last Annual Report, page 28,.....\$4,140,315 77 Expends in 1855, as stated on page 12,.....1,882,831 20	PAGE.	2.	By CAPITAL STOCK, 61,020 Shares paid in full,.....\$8,051,000 00 40 " on which has been paid,.....622 50	
19.	"	COAL DEPARTMENT—CONSTRUCTION, Amount to Dec. 31, 1854,.....\$4,140,315 77 Expenditures in 1855, (see page 16),.....1,882,831 20				\$8,051,622 50 900,000 00 1,500,000 00 1,187,472 74
4.	"	CASH.—Amount on hand,.....				
63.	"	MATERIALS ON HAND, Wood Account,.....\$6,550 97 Machine Shop, (Scranton),.....72,166 20 Materials purchased,.....702 45 Oil Account,.....2,776 84 Itasca Shop,.....4,465 82 Fuel Account,.....2,597 91 Lumber and Timber Account,.....498 40				2,500 00 58,167 01 910 88 670 18 241 64 18 75 18 74 10,000 00 5,000 00 883 18 24 75
150.	"	COAL ACCOUNT, 1856, 36,932 19-20 tons of coal on hand,.....				
38.	"	BILLS RECEIVABLE, Total, due at various dates,.....				
78.	"	ACCOUNTS RECEIVABLE, George W. Scranton, General Agent,.....8,650 24 J. J. Albright, General Coal Agent,.....8,668 00 Horatio W. Nicholson,.....519 68 Lackawanna Iron and Coal Company,.....1,688 01 Cayuga and Susquehanna R. R. Company,.....2,984 00 Warren R. R. Company,.....89,698 25 Lackawanna and Bloomsburg R. R. Co.,.....2,640 81 R. A. Henry, General Freight Agent,.....3,524 61 U. S. Post Office Department,.....1,881 81 Charles Scranton,.....497 03 John H. Dotterer,.....800 00 John I. Blair,.....750 00 Miscellaneous Accounts,.....108,765 86				81,640 00 27,826 71 94,614 48
403.	"	REAL ESTATE IN NEW-YORK,.....				284,260 71 126,451 59
405.	"	STOCK OF THE WARREN R. R. Co.,.....				92,988 48 28,976 53 61,808 21
407.	"	STOCK OF THE LACKAWANNA & BLOOMSBURG R. R. Co.,.....				28,642 21
						\$7,207,257 92

(E. L.) WM. E. WARREN, Treasurer.

EXHIBIT "A."
INCOME ACCOUNT 1855.

CREDIT.

By BALANCE as per last Annual Report, page 29.	-	-	-	\$105,851 15
" NET REVENUE in 1855, viz.:				
From TRANSPORTATION, per Exhibit "B,"	-	-	\$259,268 84	
" COAL, per Exhibit "C,"	-	-	167,105 18	
" MACHINE SHOP,	-	-	7,815 51	484,188 96
				<u>\$589,565 18</u>

DEBIT.

To INTEREST on (\$900,000) Bonds,		\$68,000 00	
" " on (\$1,500,000) " to 1st Oct., 1855,	\$48,625 16		
" " on " " for 8 mos., to } 31st Dec., 1855,	26,250 00		
		69,875 16	
" " on STOCK, 6 mos., to 30th June, 1855,	\$89,905 80		
" " on " 6 mos., to 31st Dec., "	90,817 75		
		180,728 05	
" " on FLOATING DEBT, being balance of the general } Interest Account for the year,		41,124 60	
" GEORGE W. SCHRANTON, late General Agent, for Oil pur- } chased of W. S. Brown, in 1852,		890 87	
" RENT OF CAYUGA AND SUSQUEHANNA RAIL-ROAD,		70,060 00	
" RENEWAL FUND, amount appropriated,		61,598 21	
" COAL DEPARTMENT FUND, amount appropriated,		28,976 58	515,922 92
			<u>\$28,642 21</u>
BALANCE,—applicable to Construction purposes,			

EXHIBIT "B."

TRANSPORTATION, 1855.

To TRANSPORTATION EXPENSES;		By PASSENGER EARNINGS,	\$64,586 81
cost of operating, repairs of		" FREIGHT "	423,626 08
road, repairs of machinery,		" TRANSPN OF MAIL,	3,688 25
superintendence, etc.,	\$269,243 46	" USE OF LOCOMOTIVES,	21,115 16
" NEW-YORK AND ERIE RAIL-		" " COAL CARS,	6,262 22
Road Co., transfer of old dis-		" STORAGE,	18 67
puted balance,	404 44	" RENTS,	716 00
" INCOME ACCOUNT,—apparent		" AMOUNT OF DRAWBACK from	
profits for the year.	250,268 84	N. Y. & Erie R. R. Co.,	8,898 60
	<u>\$528,911 24</u>		<u>\$528,911 24</u>

EXHIBIT "C."

COAL ACCOUNT, 1855.

To Value of Coal on hand Dec. 31st, 1854, 8,681½ tons,	\$24,172 05	By COAL SALES, viz.:	
" COAL DEPARTMENT EXPENSES, including mining, transporta- tion, coal purchased, superin- tendence, agents and clerks, use of coal cars on connecting roads, taxes, repairs, etc.,	547,869 77	January,	\$19,462 72
" SUNDRY DEDUCTIONS,	1,550 12	February,	21,856 91
" INCOME ACCOUNT,—apparent profits for the year.	167,105 18	March,	15,845 28
		April,	17,281 80
		May,	81,757 82
		June,	89,889 81
		July,	64,557 82
		August,	69,997 85
		September,	69,758 12
		October,	62,705 27
		November,	61,804 87
		December,	85,629 24
			\$608,990 96
		By RENTS,	8,800 04
		" Coal on hand December 31st, 1855, 86,988 tons, valued at	127,906 07
			\$740,197 07
			<u>\$740,197 07</u>

COAL TONNAGE ACCOUNT, 1855.

1855.	Mined.	Purchased.	Total.	Grand Total.	1855.
Jan. 1st, To amount on hand, this date.....				8,681 15	By SALES OF COAL, viz.:
January, ... 9,638 11	3,493 07	18,176 18			January, ... 4,167 09
February, ... 7,759 12	2,630 04	10,889 10			February, ... 4,798 11
March, ... 4,564 18	5,622 18	10,187 11			March, ... 3,488 14
April, ... 12,505 04	4,988 08	17,493 12			April, ... 3,851
May, ... 12,773 14	7,841 08	20,114 17			May, ... 22,182 02
June, ... 9,091 17	8,870 18	17,962 15			June, ... 24,808 11
July, ... 8,724 02	6,782 05	15,456 07			July, ... 18,291 02
August, ... 9,841 18	5,932 17	15,294 10			August, ... 18,901 02
September, ... 9,837 09	5,858 01	14,695 10			September, ... 19,665 10
October, ... 7,900 18	4,949 06	12,850 04			October, ... 16,896 15
November, ... 11,275 04	7,006 17	18,282 01			November, ... 15,919 12
December, ... 14,409 01	8,552 07	22,961 08			December, ... 9,249 07
			188,865 09		160,714 15
	117,866 18	71,493 11	188,865 09		
Coal received from Cayuga and Susque- hanna Rail-Road Co.,			150 10		By STOCK ON HAND, December 31, 1855.
					At Ithaca, ... 86 378 15
					" Great Bend, ... 88 15
					" Scranton, ... 520 19
					86,982 19
Tons,			197,647 14		Tons, ... <u>197,647 14</u>

THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD COMPANY.

SUMMARY OF LIABILITIES AND ASSETS AT THE SEVERAL DATES STATED.

LIABILITIES	December 31, 1893.			December 31, 1894.			December 31, 1895.		
Capital Stock.....	\$1,499,850 00	\$1,958,507 50		\$2,885,175 24			\$3,051,000 00		
Funded Debt.....	900,000 00	900,000 00		900,000 00			2,400,000 00		
Bills Payable.....	381,923 85	110,064 10		683,618 87			1,187,472 74		
Accounts Payable.....	86,371 89	114,768 11		172,202 28			598,392 04		
Interest on Bonds.....	51,640 00	51,500 00		51,745 00			56,266 71		
Interest on Stock.....		70,947 08		81,164 27			90,614 48		
Reserve Fund.....							61,598 21		
Coal Department Fund.....							28,976 58		
Balance to the Credit of Income Account.....	\$2,769,065 88	\$3,185,051 74		\$4,798,890 66			\$7,198,615 71		
		28,896 66		103,881 15			28,642 21		
	\$2,769,065 88	\$3,317,948 40		\$4,899,371 81			\$7,297,257 93		
ASSETS.	December 31, 1893.			December 31, 1894.			December 31, 1895.		
Construction, (R. R. and equipment,).....	\$2,588,087 68	\$3,787,889 45		\$4,140,815 77			\$4,092,666 97		
Coal Department—Construction.....	191,998 84	145,459 01		244,622 07			382,518 27		
Materials on hand at Shops.....	45,865 46	89,097 69		60,927 11			76,091 58		
Wood on hand.....	15,180 45	11,444 43		8,990 09			9,148 88		
Coal on hand.....	34,553 99	9,117 15		94,179 05			128,641 07		
Bills Receivable.....	192,646 40	198,756 33		88,447 06			112,108 93		
Accounts Receivable.....	20,967 54	57,641 96		181,932 57			178,945 39		
Cash on hand.....	10,891 01	50,066 86		13,068 83			41,471 27		
Capital Stock of other Companies.....				131,881 76			980,950 00		
Real Estate in New-York.....							24,181 88		
	\$2,769,065 88	\$3,317,948 40		\$4,899,371 81			\$7,297,257 93		

GENERAL -AGENT'S REPORT.

THE DELAWARE, LACKAWANNA AND WESTERN R. R. COMPANY.

OFFICE OF GENERAL AGENT, }
Scranton, Jan. 21st, 1856. }

GEORGE D. PHELPS, Esq., *President.*

DEAR SIR:—The officers having more immediate charge of the several Departments having made detailed Reports of the business thereof, I propose to confine myself chiefly to those general statements which will give a synopsis of the whole; adding such suggestions as seem expedient.

COAL DEPARTMENT.

From the report of J. J. Albright, Esq., General Coal Agent, it appears that the entire quantity sent to market over our Road, during the year, was 188,865 tons; being an increase over that of the previous year of 54,900 tons, or 41 per cent.

It must be gratifying to the Stockholders and other friends to know that the Coal sent to market, the past year, has given very general satisfaction to both dealers and consumers. I may state further, that the quality of the Coal in the several new openings, with the increase of facilities for reducing it to the most approved sizes, and for screening it, will justify us in promising that it will be still further improved during the coming year, and compare favorably with any that is sent to market.

The amount of sales that may be effected by us at the North and West, in 1856, exclusive of any supplies from other sources, will, it is estimated, reach 200,000 tons. In addition to this, we can furnish to the Eastern market, if required, 365,000 tons, besides the amount forwarded by our Road on account of the Lackawanna Rail-Road and Coal Company. It will thus be seen that a large transportation business will be provided for the Road immediately upon the opening of its Southern Division.

For the enlargement of our mining operations, we have now in course of completion, one slope, and one single, and one double shaft. The slope is already in partial use. The single shaft may be made ready for use by the 1st of July next, and the double shaft by 1857. When all complete, and in full operation, these several openings will yield 1,250 tons per day, or 375,000 tons per annum. This will be in addition to our present supply.

The completion of the slope and shafts aforesaid is the only new work autho-

rized, and in progress at the mines. I consider it important to finish them all during the present year. This will require an expenditure of seventy-nine thousand dollars, viz:—

Finishing slope,.....	\$5,000
Single shaft,.....	14,000
Double shaft,.....	60,000
Total,.....	\$79,000

This amount will include pumps, hoisting machinery, breakers and screens, all complete.

The estimated supply of coal from all sources, for transportation in this and the next year, is as follows:—

MINES	1856.	1857.
Diamond Mines,.....Tons,	160,000	Tons, 180,000
New Double Shaft,.....		90,000
Bellevue Mines,.....	55,000	100,000
Judson Clark's Mines,.....	60,000	100,000
Winton & Co.,.....	60,000	100,000
Sawyer & Co.,.....	60,000	100,000
Lewis & Howell,.....	40,000	60,000
Coursen & Co.,.....	20,000	60,000
Lackawanna and Bloomsburg Rail-Road,.	50,000	100,000
Lackawanna Rail-Road and Coal Co.,....	75,000	150,000
Lackawanna Iron and Coal Co.,.....	25,000	50,000
Totals,.....	605,000	1,090,000

TRANSPORTATION DEPARTMENT.

CAYUGA DIVISION.—W. R. Humphrey, Esq., Superintendent of this Division, has given in his Report a detailed and comprehensive statement of its general condition and business during the year, all of which is interesting, and will, I trust, be found satisfactory. It is only necessary for me to add an estimate of the expenditures which will be required upon this Division in 1856:—

Removal of 778 feet, lineal measure, of Truss Bridges, under contract, \$1,650.....	\$12,837
Ballasting 5 miles with gravel or slate, 1 foot deep, and 9 feet wide, 8,800 yards, 40c.,.....	4,400
15,000 Cross Ties laid, 40c.,.....	6,000
1,200 Chairs laid, 60c.,.....	720
75 tons of Rails, \$60,.....	4,500
5,000 lbs. Spikes, 4½c.,.....	2,250
Renewal of Turn-Table,.....	800
Finishing of Coal Depot and Schutes,.....	1,300
Other matters, not enumerated,.....	2,500
	\$35,307

NORTHERN DIVISION.—This Division extends from Scranton to Great Bend, and is considered as including, for transportation purposes, that portion of the New-York and Erie Rail-Road which lies between Great Bend and Owego. From the Report of D. H. Dotterer, Esq., Division Superintendent, it will be

seen that this Division is in better condition than at any former period. Its business, both as respects Passengers and Freight, has increased, while the cost of operating the Road has diminished.

Mr. Dotterer promises a further reduction, if he can have a more regular Coal business. This we must endeavor to furnish by a more uniform delivery from the mines, and prompt return of empty cars. The latter can be effected without difficulty, from Binghamton and Ithaca; but experience has shown, that when sent upon other Roads, our cars do not return as they might and should do. As the business becomes better understood, or of more importance to those Roads, it will receive more attention; but till then, I do not see any remedy.

There were consumed in our engines, during the year, 9,152 cords of wood, and 1,708 tons of coal; costing \$24,704. We have now contracts for the delivery of 10,900 cords of wood in 1856, and 16,500 in 1857.

I would remark here that the experiment of burning Anthracite Coal in Locomotive Engines proves entirely successful, and will doubtless soon come into general use, for Freight Engines, upon many of the Rail-Roads. This fact has very important bearings upon the Coal trade, since it must increase the demand to a very great extent.

Mr. Dotterer reports the Rolling Stock to be in good condition. The cost of running the engines has been 6 56-100 cents per mile; last year it was 7 72-100 cents.

Some improvements have been made in the construction of our four-wheeled cars—reducing their weight without diminishing their strength. The cost of these cars is \$200 each. The eight-wheeled side dumper car is now a favorite one on other Roads, where no proper fixtures are provided for discharging. This car carries from 10 to 12 tons, and costs \$500. We have another eight-wheeled car that also carries from 10 to 12 tons, and discharges at the bottom. It is a very good car for the New-York and Erie Rail-Road. It costs \$425.

There seems to be a very general preference among Rail-Road men in favor of the eight-wheeled car, although the experience of the Reading Rail-Road favors the four-wheeled car.

The Road-bed is reported as greatly improved during the year. Three and a-half miles have been relaid with heavy bevel-headed rails, and well ballasted. This renewal is to be extended to the Summit, a further distance of $3\frac{1}{2}$ miles, and will require an expenditure of.....\$35,000

There will also be wanted, for other portions of the Road, some

20,000 cross-ties, to replace those worn out; cost in the track 40c., 8,000

Also, eight miles of new fencing; cost,..... 2,500

Station Houses are required at Montrose, Hopbottom and Factory-ville, costing in all,..... 2,500

Completing embankments at Fuller's, Humphrey's, Leach's, and South

Branch—150,000 yards, at 20c..... 30,000

Total,.....\$78,000

SOUTHERN DIVISION.—At the last annual meeting it was generally understood and believed that this Division would be ready for business during the ensuing fall of 1855. The winter and spring, however, proved very severe, with frequent and deep snows, which rendered it almost impossible to do work, except at great disadvantage. The price of labor and provender of all kinds became much higher than formerly, which causes, combined, so discouraged the contractors, and delayed the work, that when the season opened it was really but little in advance of what it was the fall before. Contractors were very much disheartened, and many refused to go on without such advance in prices as seemed entirely extravagant—all asserting that they were large losers, and could not afford to lose any more.

In this state of things, the Executive Committee, after consulting with the Chief Engineer and General Agent, came to the conclusion that the work could not be re-let without a sacrifice of both time and money. They, therefore, determined to advance prices on contracts to a reasonable extent, when such advance would secure the progress of the work, and take back into the hands of the Company some portions that were much behind, to finish by the day.

For a time, this arrangement seemed to have provided for all the difficulties. But it was not long before new complaints of loss were made, coupled, in some cases, with threats, that unless *all losses* were made good, the possession of the Road would be retained, even with force of arms, if this became necessary. Such threats were regarded at first as without serious intent, but in a number of cases they have been carried out to the letter. Contractors, with large means and influence, as well as sub-Contractors under them, have armed their men, entered into agreements to sustain each other, built Block Houses across the track, and armed them for defence. They prevailed also upon the civil authorities and citizens to join them in resisting the Company; so that it became a serious matter to deal with, and one that caused much delay and loss to all parties.

In most of these cases the Company made settlements upon terms that may be thought to be too much of a sacrifice, for the sake of peace. But I believe that in no case have they paid as much as would have been necessary to carry out the work, had force been altogether adopted to obtain our rights.

The most serious cause of delay, however, in getting the track laid, was the unfinished state of some of the contracts. It seemed impossible to induce those having the work to do to make sufficient exertion to complete it in time; so that our track layers had all sorts of works to do—having, in many cases, to cut through both rock and earth, make embankments, &c., &c., besides having to ballast nearly one-half of the whole line; so that, although the superstructure is now laid to the Delaware River, still much is yet to be done before it is in good running order. I would add that the material along the whole line has proved much more difficult and expensive to remove than was anticipated.

I cannot close these remarks upon the Southern portion of our Road, without urging the great importance—I may almost say indispensableness—of an early completion of certain portions of the second track:—1st, from Scranton to Green-

ville, six miles; 2d, to the Lehigh Summit, thirteen miles further; 3d, from the Pocono Summit to Analomink, fourteen miles.

It will be economy to construct the second track upon these portions of the Road, in the order that they are mentioned; as in this way we shall be increasing its capacity at the least possible expense.

It is becoming every day more evident that in a very short time after we shall have opened our Road to tide-water, it will have more business than can possibly be done upon a single track; and as it will, no doubt, afford remunerating prices, there is every motive to induce all possible exertion to keep pace with this demand.

ELIZABETH PORT.—At this point we have in progress (under contract) three Piers, with intermediate Basins, at each of which four vessels can be loading at one time. This will be ample provision for the business of the present year. One of the Piers will be finished by the time it will be wanted, and the others are in such progress that I do not think we will meet with delay at this point.

The cost of this work, exclusive of the rails, chairs and spikes, will be about \$38,000, upon which there has been paid \$14,000.

The Company's property, at this point, is well adapted, in many respects, for an economical prosecution of its business—having room enough for four more Piers and Basins, besides sufficient ground for piling coal, and for houses for their workmen.

On the whole, I consider this location for the terminus of our Road as the best that could be found, and fully equal, if not superior, to any in use. The harbor is safe, also, for vessels in all kinds of weather; but we shall, no doubt, find it necessary to have a line of barges ready to deliver our coal at any point within certain limits where it may be wanted. Such an arrangement prevents delay when vessels are scarce, and saves the expense of piling.

All which is respectfully submitted,

JAMES ARCHBALD,
General Agent.

NOTE.—There are contracts for 28,000 cords of wood for Southern Division, to be delivered during the next two years, viz.: 1856 and 1857.

CHIEF ENGINEER'S REPORT.

THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD CO.

OFFICE,—ENGINEER DEPARTMENT, }
Scranton, Pa., January 24th, 1856. }

GEO. D. PHELPS, Esq., *President.*

SIR:—The construction of the Southern Division of your Road, which has so long claimed attention, was so far finished as to allow its opening for the transportation of passengers and way freight on the 21st inst. Assurances have been given that the Warren Rail-Road will be opened in March; hence it may be safely assumed that the regular transportation business of your Road may commence in April.

Among the causes which have conspired to delay the completion of your Road beyond the time named in the Second Annual Report, I am obliged to say the effective one was, the armed resistance offered, under various specious pretexts, by several of the contractors for grading, to laying the superstructure by and under the direction of the Company; the most plausible of which they believe to be, because most frequently urged, that, as their work was not finished within the time specified in their agreements, their contracts no longer ruled the prices for doing the work, and, in consequence, legalized claims for extra compensation, and invested them with the formidable rights of *squatler sovereignty*.

The pacific course taken by the Company, in respecting such assumed rights, resulted in a delay of four months and twenty-one days, previous to the 11th of December; when, to avoid further loss of time, after exhausting all peaceful means for obtaining possession of the work, the alternative of *taking possession* was resorted to, when all resistance degenerated to words.

NORTHERN DIVISION.

The mechanical work in progress during the past season, is finished, and there are now required 200,000 cubic yards of embankment to finish and give security to this Division of the road.

SOUTHERN DIVISION.

The annexed tabular statements exhibit the final estimates of graduation, masonry, bridging, &c.; from which will appear the aggregate of advances made to contractors during the prosecution of the work.

These large advances have been necessary from causes alluded to in my last report, and from those general causes, which, during the past three years, have operated to inflate the prices of every description of labor and property.

While it is true that your Road is an expensive one, it is, relatively the cheapest connection which can be had with the Lackawanna and Wyoming coal-fields, as has been clearly demonstrated by surveys of two distinct parallel lines of much less capacity, made subsequent to the final location of your Road. I mean, of course, the Delaware, Lehigh and Wyoming R. R. and the Lehigh and Susquehanna Divisions of the North Pennsylvania Rail-Road.

Allusion was made to the former in my first report, and a careful comparison of cost made; of the latter it may be remarked, what is obvious from a single *coup-d'œil*, that the two parallel transverse ridges, familiarly known as first and second mountain, will forever dispute the progress of rail-road improvements in that direction. This truth, then, is manifestly deducible: As compared with any parallel roads which have been or may be projected, the cost of your Road will be less and its capacity to earn, greater.

The policy pursued has been to construct a first-class road, and no departure has been made from this purpose. The mechanical work—masonry and bridge superstructure—deserves notice.

MASONRY.—We have been more fortunate in procuring valuable building materials than was at first anticipated, and the finished structures reflect much credit upon the builders and those in immediate charge of the work.

BRIDGING.—The Truss Bridges are built upon the general plan of Mr. J. Best, which was adopted for the Northern Division. In this connection it may be said, that though these bridges, four in number, have for more than four years been subjected to the severest tests, no repairs of the trusses have been necessary; and it is believed that in the arrangement of details and perfection of workmanship, they are inferior to none.

CONNECTIONS.

LACKAWANNA R. R.—This road is now open, and much of the rolling stock is upon the track. Two shafts are finished, and mining operations have already commenced.

LACKAWANNA AND BLOOMSBURG R. R.—The graduation, masonry and bridging of this road are three-fourths finished; while the N. Division, extending from Scranton to Nanticoke Dam, 25 miles, is nearly ready for the rails—three miles of which, from Scranton to the mines of the Union Iron and Coal Co., at Taylorville, are laid. The completion of the Southern Division, from Nanticoke to Rupert, 32 miles, requires but an outlay of \$100,000 in addition to that already expended, for which, I believe, provision has been made.

While it is gratifying to know that the immediate connections with this Road, which constitute a part of the same system of improvements for the full development of the Lackawanna and Wyoming coal-fields, are nearly finished, it may be interesting—pecuniarily, at least—to know the progress of those western roads, which, in connection with your own and the Lackawanna and Bloomsburg R. R., are to be known to New-York as the Western Route, and to know its character as compared with existing ones. These are:—

Lackawanna and Bloomsburg,	(Scranton to Rupert.)
Sunbury and Erie,	(Williamsport to Ridgway.)
Venango,	(Ridgway to State Line.)
Atlantic and Great Western,	(State Line to Crestline and Dayton.)

The above roads, or such portions of them as together perfect this line, are under contract, and large expenditures have already been made upon them respectively.

COMPARISON OF ROUTES.

CINCINNATI TO NEW-YORK.		CHICAGO TO NEW-YORK.	
	Miles.		Miles.
Cincinnati to Dayton, - -	60	Chicago to Crestline, - -	277
Dayton to State Line, - -	237	Crestline to State Line, - -	136
State Line to New-York, via D.,		State Line to New-York, via D.,	
L. & W. R. R. - - -	488	L. & W. R. R., - - -	488
	<hr/> 785		<hr/> 901
*Cincinnati to N. Y., via N. Y.		Chicago to N. Y., via N. Y. and	
and Erie R. R. - - -	857	Erie R. R. - - -	961
	<hr/>		<hr/>
Difference, - - -	72	Difference, - - -	60

Upwards of three millions of dollars have been expended during the past two years, by various private operators, in the purchase of coal lands in this valley, and preparations for mining on a gigantic scale have been undertaken, with all the ardor which capital, energy and a prospect of gain can inspire.

These openings, together with the older ones upon the lines of connecting roads, and the other legitimate business of your Road, guarantee a larger tonnage for your first year's business than has ever been realized by any road hitherto

opened; and the only serious question for years to come, will be to determine in what manner to accommodate, most economically, a business demanding annually largely increased facilities and capacity.

In conclusion, I should acknowledge indebtedness to J. Amsden and J. A. Evans, Esqs., Resident Engineers, and to members of their corps, for the highly creditable manner in which they have performed their respective duties, so clearly evidenced by the more enduring testimony of the work itself. Respectfully submitted,

E. McNEILL, Engineer.

VALUE OF WORK AT CONTRACT PRICES.

GRADUATION.

Contractors.	Earth.	L. Rock.	S. Rock.	Ballast.	Clearing	Tunnel'g.	In. W'k	Total value
	Cub. yds	Cub. yds	Cub. yds.		Miles.	Cub. yds		\$ cts.
Michael Malone & Co	405,834.9	13,886.4	115,336.1	.....	13.4	14,083.23	.....	194,281 90
Thompson Peckens & Co.	42,648.0	.....	13,188.8	.....	1.01	.....	.....	20,681 81
N. G. Howe	80,118.8	.....	254.0	.....	1.15	.....	.....	6,788 26
J. L. Travis & Co.	194,778.0	1,589.0	8,852.5	.....	2.9	.....	.....	57,387 55
Bloom & Carmichael	160,298.6	255.1	17,360.2	.....	8.2	.....	.....	58,101 04
Connolly & Walsh	125,526.0	.....	13,430.2	.....	4.5	.....	.....	42,800 64
William Cleary	81,902.8	889.0	17,840.0	.....	4.25	.....	.....	35,518 25
H. S. Welles & Co.	298,804.0	.....	27,909.0	.....	7.4	.....	.....	122,384 43
H. S. Welles & Co.	774,080.8	.....	258,508.7	.....	14.187	9,498.6	.....	880,988 26
Mott & Hammersly	152,985.9	8,785.1	41,890.9	.....	5.873	.....	.....	58,576 67
Noyes, Clark & Co.	815,189.8	5,781.1	88,752.0	.....	11.187	.....	.....	118,087 99
John Best	.....	.....	.....	.....	.....	.....	.....	8,069 58
Wright Keeney & Co.	.....	.....	.....	.....	.....	.....	.....	2,011 85
	3,584,609.6	29,585.7	598,176.9	.....	69.057	23,520.88	.....	1,099,627 68
W'rk done by R. R. Co.	114,408.0	.....	27,706.0	15,565.0	.....	.....	.....	96,120 70
W'rk rem'g to be done	175,670.0	.....	6,050.0	12,809.0	.....	.....	.....	71,060 00
Totals	3,875,080.6	29,585.7	631,982.9	27,374.0	69.057	23,520.88	.....	1,266,808 88

MASONRY.

Contractors.	Rect. Cul.	Arch Cul.	Rock Work.	2d Class Mort.	2d Class Dry.	S. Wall.	Pavi'g.	Total value.
								\$ cts.
Michael Malone & Co	508.70	148.9	4,983.85	1,432.35	12.00	8,972.40	1,152.70	53,859 82
Thompson Peckens & Co.	222.80	.....	.....	.....	.....	.....	15 00	574 50
N. G. Howe	201.10	.....	.....	.....	198.10	.....	21.50	1,024 88
J. L. Travis & Co.	287.40	805.8	.....	.....	.....	70.00	148.00	5,054 85
Bloom & Carmichael	10.00	890.0	.....	.....	.....	.....	.....	1,586 00
Connolly & Walsh	.....	.....	284.80	.....	.....	.....	20.00	1,194 00
William Cleary	50.00	.....	.....	.....	.....	.....	.....	150 00
H. S. Welles & Co.	871.43	.....	1,048.80	22.30	223.50	.....	84 89	2,613 25
H. S. Welles & Co.	1,439.94	1,607.6	2,747.50	.....	.....	227.00	148.71	32,500 33
Mott & Hammersly	365.25	.....	904.15	759.20	672.89	492.86	49 26	18,388 46
Noyes, Clark & Co.	766.04	.....	2,546.32	443.99	318.89	4,044.98	161.87	26,696 22
Totals	4,207.16	2,952.3	12,464.82	2,656.84	1,424.88	13,806.63	1,745.43	144,587 91
Work remaining to be done,	-	-	-	-	Arching Tunnel,	.....	.....	5,882 00
								149,969 91

BRIDGING.

John Best	1,759.5 Lin. Ft. Bridge, Superstructure,	77,194 91
-----------	--	-----------

RECAPITULATION.

Graduation, (including work remaining to be done),	\$1,266,808 38
Masonry,	149,969 91
Bridging,	77,194 15
Track-laying and distribution of Materials, (original estimates),	79,200 00

Total, \$1,573,172 44

VALUE OF WORK AT ADVANCED PRICES.

GRADUATION.

Contractors.	Earth.	L. Rock.	S. Rock.	Ballast.	Clearing	Tunnel'g.	In. W'k.	Total value
								\$ cts.
Michael Malone & Co	816,163.9	12,986.4	99,857.6	7,069.5	10.08	3,263.60	.....	181,456 87
Thompson Peckens & Co.....	43,648.0	.....	18,168.8	1,179.8	1.01	.....	.....	21,860 68
N. G. Howe.....	30,118.8	.....	254.0	1,778.0	1.15	.....	.....	8,085 88
John L. Travis & Co	196,778.0	1,589.0	8,862.5	3,749.4	2.90	.....	.....	64,951 28
Bloom & Carmichael	160,398.6	255.1	17,860.2	3,084.8	8.20	.....	.....	65,926 43
Connolly & Walsh...	46,183.0	.....	1,103.0	.....	2.25	.....	.....	18,960 06
William Cleary.....	34,723.8	217.0	8,506.0	.....	1.75	.....	.....	14,451 37
H. S. Welles & Co....	1,073,884.8	.....	286,417.7	17,996.2	21.587	9,488.60	.....	593,188 85
Mott & Hammersly...	151,520.9	8,785.1	41,890.9	7,564.6	5.878	.....	.....	92,882 37
Noyes, Clark & Co...	815,189.3	5,731.1	83,752.0	12,859.8	11.187	.....	.....	177,908 65
Krum & Co.....	89,245.0	.....	7,875.0	966.4	1.11	.....	.....	14,556 47
M. & S. Cummins....	23,971.0	.....	5,886.0	2,062.4	1.16	.....	.....	13,866 65
John L. Travis.....	25,955.0	.....	455.7	378.1	1.06	.....	.....	8,890 98
M. L. Noyes.....	.....	.....	2,151.8	200.0	.....	10,818.68	.....	45,006 62
James Haggarty & Co	79,348.0	.....	12,817.2	998.0	2.26	.....	.....	83,194 07
G. V. Adams.....	47,179.0	172.0	14,884.0	.....	2.50	.....	.....	82,064 88
A. Coan.....	1,465.0	.....	.....	.....	.....	.....	.....	297 08
John Best.....	.....	.....	.....	.....	.....	.....	.....	3,000 88
Wright, Keeney & Co	.....	.....	.....	.....	.....	.....	.....	2,011 85
	2,584,602.6	29,585.7	598,176.9	59,866.5	69.067	23,520.88	.....	1,887,764 23
Wrk done by R.R. Co	114,806.0	.....	27,706.0	15,565.0	.....	.....	.....	96,120 70
Wrk rem'g to be done	175,670.0	.....	6,060.0	12,809.0	.....	.....	.....	71,060 00
Totals.....	2,875,080.6	29,585.7	681,932.9	87,240.5	69.067	23,520.88	.....	1,554,944 92

MASONRY.

Contractors.	Rect. Cul.	Arch Cul.	Rock Work.	2d Class Mort.	2d Class Dry.	S. Wall.	Pavi'g.	Total value
								\$ cts.
Michael Malone & Co	181.40	148.90	4,889.05	1,483.85	12.00	7,684.50	787.70	49,118 48
Thompson Peckins & Co.....	292.80	.....	.....	.....	.....	.....	15.00	574 50
N. G. Howe.....	201.10	.....	.....	.....	198.10	.....	21.50	1,024 88
John L. Travis & Co	287.40	805.80	.....	.....	.....	70.00	148.00	6,666 45
Bloom & Carmichael	10.00	890.00	.....	.....	.....	.....	.....	1,586 00
William Cleary.....	14.00	.....	.....	.....	.....	.....	.....	42 00
H. S. Welles & Co....	1,801.37	1,607.60	3,795.80	92.80	223.50	227.00	188.60	42,114 19
Mott & Hammersly...	865.25	.....	904.15	.....	672.89	492.30	48.26	10,800 65
Noyes, Clark & Co...	766.04	.....	2,546.02	448.99	818.89	4,044.98	161.87	82,877 45
Krum & Co.....	108.40	.....	.....	.....	.....	1,114.20	209.80	2,151 60
M. & S. Cummins....	116.80	.....	94.80	.....	.....	228.70	5.80	1,200 90
John L. Travis.....	97.60	.....	.....	.....	.....	.....	149.90	398 90
James Haggarty & Co	.....	.....	284.80	.....	.....	.....	20.00	1,199 00
G. V. Adams.....	36.00	.....	.....	.....	.....	.....	.....	104 02
A. Coan.....	.....	.....	.....	758.20	.....	.....	.....	8,082 80
	4,207.16	2,952.80	12,464.82	2,656.84	1,424.88	13,806.68	1,745.43	151,881 77
Work remaining to be done - - - - - Arching Tunnel,.....	.....	.....	.....	.....	.....	.....	.....	5,893 00
	.....	.....	.....	.....	.....	.....	.....	\$157,263 77

BRIDGING.

John Best..... 1,759.5 Lin. Ft. Bridge, Superstructure,..... \$77,194 15

RECAPITULATION.

Graduation, (including work remaining to be done),.....	\$1,554,944 92
Masonry,	157,263 77
Bridging,	77,194 15
Track-laying and distribution of Materials,.....	74,803 37
Totals,	\$1,864,206 21

GENERAL LAND AGENT'S REPORT.

THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD CO.

OFFICE OF COUNSEL AND GENERAL LAND AGENT, }
Scranton, January 9th, 1866. }

GEO. D. PHELPS, Esq., *President.*

SIR:—During the year just closed, all of the right of way cases upon the Northern Division, which were regarded as difficult to adjust, and likely to involve the Company in litigation, have been amicably settled, upon terms satisfactory to all parties interested. There are yet nine cases upon that Division, in which releases have not been taken; in four of those the terms are agreed upon. The remaining five are of minor importance, and no difficulty is anticipated in settling them upon fair terms. Settlements have been made, and releases obtained, in eleven cases upon this Division during the year, most of which involved difficulties that had been accumulating since the commencement of the Road. The amount paid in said cases was \$3,643 29.

Upon the Southern Division there are a number of cases in which releases have not been obtained, a large proportion of which can be settled at a small expense. A few will be more difficult of fair adjustment, but none remain wherein the Company can be involved in consequences more serious than the payment of such damages as may be awarded. It is believed that, before the close of another year, all will be closed satisfactorily to the Company and the land-owners. The amount paid during the year is \$7,517 18; amount previously paid, \$12,896 48; total, \$20,413 66.

In view of the multiplicity of causes which during the past year have existed, tending to involve the Company in litigation, it is a matter of congratulation that those causes have all been removed without leaving behind them a train of legal controversies which, in the end, would unquestionably have resulted in consequences highly detrimental to all parties concerned. And although, in order to produce this result, the Company, in some instances, have probably paid more than could legally have been recovered, yet it is confidently believed that the interests of the Company have been better subserved by pacific measures than they could have been by hostile proceedings.

The Company are not now involved in any matters of litigation of any considerable importance. Some suits are depending, necessarily incident to, and which will always occur in, the transaction of a business so extensive and multifarious; but the uniform principle of fair dealing which has characterized all the business transactions of the Company, leaves but little room for that kind of litigation which is always injurious, if not ruinous, to all parties concerned.

Very respectfully, yours,

JOHN BRISBIN,
Counsel and General Land Agent.

GENERAL COAL AGENT'S REPORT.

THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD CO.

OFFICE,—COAL DEPARTMENT, }
Scranton, January 10, 1856. }

To JAMES ARCHBALD, Esq., *General Agent.*

SIR:—I submit for the information of the President and Board of Managers, the following Report of the business of the Coal Department, for the year 1855.

MINES.

DIAMOND MINES.—These have continued to be worked during the year by Mr. Peckens and his associates, and have yielded 114,833 tons, which might have been increased to the amount estimated in last year's Report, had the opening of the expected markets, by the completion of the Southern Division, called for it.

A new coal-breaker of ample capacity, has just been completed at these mines, which is intended for the preparation of the Coal taken from No. 1 Slope. This, with the screens and machinery previously built, will afford all necessary conveniences for working said Slope.

A large double shaft 10x36½ feet in dimensions, has been commenced near the Diamond Mines, and one section of it, of 10x10 feet, has been sunk to the depth of 203 feet, through the "E," or 9 feet Diamond Vein, and the "F," or 7 feet Vein to the large "G." Vein, which here proves to be 13 feet thick. The Coal of this Vein, though known to be of superior quality, surpasses, at this opening, our highest expectations, and when put into market cannot fail to be received with great favor. This shaft is designed to be continued to the "H," or lower Vein, 8 feet thick, and is intended to be a main pumping as well as working shaft, for the two lower Veins. The expenditures during the year, at these mines, have been about \$32,000.

From a careful survey, made by Mr. D. W. C. Cleaver, Mining Engineer, it appears that the whole area embraced within the working of the first opening at these mines was 64 acres, of which there still remain 28 acres, which will yield 9,000 tons per acre. Of the "F," or 7 feet Vein, about 3 acres have been partially mined, yielding 8,000 tons per acre.

BELLEVUE MINES.—The works in progress at these mines, at the commencement of the year, have been continued, and a coal-breaker for No. 3 Slope, has been erected. The sinking of the shaft designed to reach the large Vein, is in progress, and the Breaker buildings are in a forward state. The amount expended for the same during the year has been about \$49,000. 2,534 tons of Coal have been taken from these mines in the same time, and they are now in a state to produce a yearly amount, equal to all reasonable expectations.

COAL PURCHASED.

There has been received, during the year, as follows:—

From the "Pine Brook Mine," (owned and worked by the Lackawanna Iron and Coal Company,)	19,750	
From Clark's Mines,"	51,748	11-20
Total,	71,498	11-20

RECAPITULATION.

Coal mined by the Company.

" from Diamond Mines, 114,832 18-20 tons.
 " from Bellevue Mines, 2,534

Coal furnished from other Collieries, as above, 117,366 18-20
 71,498 11-20

Total, 188,865 9-20
 Total in 1854, 133,964 15-20

Being an increase of 41 per cent., 54,900 14-20

SALES, AND STOCK REMAINING ON HAND.

The Stock of Coal on hand December 31, 1854, was, 8,631 15-20
 Amount (as above) forwarded in 1855, 188,865 9-20
 " received from C. & S. R. R. Co., at the time of
 transfer, 150 10-20

197,647 14-20
 Of which were sold and delivered, 160,714 15-20

Leaving stock on hand, December 31, 1855, 36,932 19-20

The Coal sold as above, was delivered as follows:—

At Scranton, and on the Line of the Northern Division, ... 8,785 14-20
 At Binghamton, 46,511
 At Ithaca, 77,680 3-20
 At various points on N. Y. & Erie, and connecting Roads, 27,521 3-20
 " " Southern Division, 216 15-20

Total, 160,714 15-20
 The total sales in 1854, were, 129,357 17-20

Increase equal to, say 25 per cent., 31,356 18-20

At the same rate of increase our sales in the same markets, will amount, during 1856, to something over 200,000 tons.

The sales of our Coal is extending from year to year. Its quality gives general satisfaction, and it is received of late with more favor than in preceding years, when so little was known, in Interior and Western New-York, of the use of anthracite coal. The introduction of our Coal into that region tended, for a time, to reduce the price of wood for fuel, and promote its continued use; but a reaction has since taken place, and the price for wood advanced to the former standard. This advance must continue still further under the immense consumption of wood by locomotives, and must operate to produce a large and growing demand for our Coal from those sections.

Our collections have been made in the usual manner, and with accustomed promptness; and it is a gratification to be able to say that, notwithstanding the large number of our customers, scattered over a wide extent of country, the value of but a single car-load of Coal has ever been lost.

The Farms, Miners' Tenements, and other property under my charge, have been satisfactorily rented, and the rents collected, and duly accounted for to the Treasurer, who has also the accounts of all other Receipts and Disbursements of this Department.

The Coal lands of the Company have been carefully surveyed, and their limits marked by permanent stone bounds erected at the corners. A neat and accurate township map has been drawn, showing the said lands; also, the Coal lands of the Cayuga and Susquehanna Rail-Road Company; a copy of which map has been forwarded to the New-York Office.

Extensive contracts with various parties have been entered into for the purchase of Coal for a series of years to come; which, with the proceeds of our own

mines, and the shipments of parties on their own account, will, it is believed, furnish such quantity as will be adequate to the supply of the market.

Below, I add a statement of the amount of our Coal forwarded to market from the opening of the Northern Division, in 1851, to the present time.

Respectfully yours,

JOS. J. ALBRIGHT,

General Coal Agent.

Statement of Scranton Coal sent to market, and the mines from whence received, in each year, by the Delaware, Lackawanna and Western Rail Road:—

Year.	Company's Mines.	Lack. Iron & Coal Co.	Swetland Mines.	Clark Mines.	Total.
1851		6,000			6,000
1852	65,825	1,662			67,487
1853	69,042	21,891	6,425		97,358
1854	97,240	23,588	2,890	5,367	128,964
1855	117,867	12,750		51,748	182,365
	349,474	77,841	9,345	57,115	493,674

REPORT OF THE SUPERINTENDENT OF THE NORTHERN DIVISION.

DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD.

TRANSPORTATION DEPARTMENT.

OFFICE OF SUPERINTENDENT NORTHERN DIVISION, }
Scranton, January 28, 1856. }

TO JAMES ARCHBALD, Esq., *General Agent.*

DEAR SIR:—In submitting my third annual Report of the business of the Company transacted on this Division, I have the pleasure of stating to you, for the information of the President and Board, that there has been a large increase therein during the past year, as was predicted in my Report for 1854.

EARNINGS.—Full details of the business done, and revenue therefrom, are exhibited in the Reports of the General Freight Agent and General Ticket Agent.

The gratifying increase of business and revenue shown, will, it is believed, continue in the future. In consequence of the opening of the Southern Division, soon to be effected, the merchandise Freight on this Division, from New-York, *via* New-York and Erie Rail-Road, to Scranton, will be necessarily discontinued—but only to pass directly over the Southern Division to that place; while, in addition to this, the Freight and travel from New-York through to Ithaca and back, will, it is thought, more than replace said loss, even in the Northern Division. This, it is manifest, will constitute the nearest and most direct route between those points, (as also between New-York and Syracuse, *via* Syracuse and Binghamton Rail-Road,) and must necessarily receive a large share of the through business passing between them.

EXPENSES.—The Transportation Expenses of this Division, during the year, have been as follows:—

For Office and Station Expenses,	\$17,246 61
For Cost of Running,	63,596 33
For Repairs of Engines, Cars, &c.,	51,660 77
For Repairs of Road-bed and Track,	54,727 12
For Repairs of Station-Houses and Buildings,	1,558 67
General Expenses, including \$1,600 30 for proportion of Expenses of General Office,	6,173 44
Miscellaneous,	244 19
Total,	\$195,207 13

The gross amount of Earnings is... \$383,238 86
The gross amount of Expenses, as above,

Net Earnings,

Considerable expenditures for extraordinary repairs have been made necessary during the year, in consequence of heavy freshets, acting on embankments and culverts which were not properly protected. These have been repaired in the most substantial and durable manner. The prices of labor and materials have also been greater than heretofore. But, notwithstanding these sources of increase in the expenses, it is gratifying to be able to say that the whole cost of transportation of Freight per ton, per mile, has been less than in any former year. This is attributable mainly to the increased amount of Coal shipments made, constituting a larger business done, without any corresponding increase of agencies and means for performing it. There has been, also, some saving of oil and waste,

and a diminution of the cost of engine repairs per mile run; while, at the same time, the condition of the Road itself, in respect to grades, &c., is constantly improving.

The cost of coal-car repairs continues about the same as heretofore; nor can any considerable reduction be made in it, until all the original defective spoked-wheels, which are continually breaking, or getting spotted by spragging on other Roads, are removed; and some method can be adopted to prevent their being run in ordinary Freight trains on said Roads, at ruinous rates of speed; also, to impose a stricter responsibility upon other Rail-Road Companies, for their safe return to the Stations from which they were taken.

Some further saving may be obtained whenever greater regularity can be effected in the return and loading of the cars at the mines; thus enabling the locomotives to pass always with full trains—an improvement which has long been much needed.

The provision which has been made by the Board for renewals, and for extraordinary repairs, such as may be required from freshets, fires, and other casualties, in the establishment of a "Renewal Fund," while it will diminish the amount of the expenditure necessary, will have the effect to equalize it upon each year, and impose thus, upon each, its own proportionate share of expense incurred from the depreciation of the Road, and its equipment, and from the extraordinary sources above named. The average annual amount required for these purposes can be more definitely ascertained after we shall have had further experience.

FUEL. —Our stock of wood on hand, at the beginning of the year, was 1,575 cords, valued at.....	\$3,990 09
There have been purchased, during the year, 13,980 cords, costing, including its preparation for use, piling, &c.,.....	34,178 16
There have also been received from the Coal Department, 1,708 5-20 tons of coal, costing.....	2,270 61
	<u>\$40,438 86</u>

The consumption and cost of fuel have been as follows:—

Service.	Cords of Wood.	Tons of Coal.	Cost, Total.
TRANSPORTATION.			
For Passenger Engines,	1,062½	.....	\$2,629 25
" Fr'gt and Wood "	2,113	.....	5,223 20
" Coal Freight "	5,887	1,708 5-20	16,852 41
Gravel Engines in re- pairing Road,	510	.....	1,275 00
Totals,	9,572½	1,708 5-20	\$25,979 86
CONSTRUCTION.—NORTHERN DIVISION.			
For Gravel Engines,	993	.....	2,463 00
CONSTRUCTION.—SOUTHERN DIVISION.			
For Gravel-Engines,	1,708	.....	4,256 50
Total Cords,	12,273½		Total Cost, \$32,699 36
The stock on hand at the close of the year, was as follows:—			
3,281½ cords of wood, valued at.....			7,739 50
			<u>\$40,438 86</u>

It will be noticed that the stock of wood on hand is very small. This is owing to the fact that the contractors for supplying it have, to a great extent, failed in fulfilling their engagements. That which has been delivered has, for the most part, been but partially seasoned, requiring a larger consumption than would otherwise have been necessary. Notwithstanding this, however, a considerable saving has been effected in this item during the year, which, it is hoped, may be increased hereafter. The fact that the Southern Division passes through a densely wooded country, encourages the expectation that this article of consumption may hereafter be obtained from thence in any desired quantities, and at reasonable prices.

ROLLING STOCK.—The present equipment of this Division consists of the following:—

LOCOMOTIVES.

13 first-class,
9 second-class,
1 fourth-class,

Total 23, of which three are coal-burners.

The number of Engines reported last year was.....	19
Add new Engines purchased and received during the year,	7
Total,	26

Deduct the "Pocono" and "Wyalusing," detailed for service on Cayuga Division, and the "Pioneer," which, having become worn-out and unserviceable as a locomotive, has been converted into a stationary engine, for pumping water from the new well adjoining the machine and car shops, at Scranton, \$

Total in use, as above, 23

For a particular description of the locomotives, the service in which they have been employed during the year, their mileage, cost of repairs, and present condition, see the Report of the Chief Clerk of the Machine and Car Shops, page 61.

The coal-burners have had a severe trial on this Road during the past year, and have shown, conclusively, that their advantageous employment on this Road is no longer doubtful.

CARS.

The whole number of cars now in use is as follows:—

	On hand at the beginning of the year.	Additions in 1853.		Total in use.
		Made by us.	Purchased.	
Passenger—first-class,.....	4		14	18
“ second-class,...	1	1		2
Baggage, Mail and Express,	2	2		4
Freight—house,.....	32	7	10	49
“ platform,.....	39	49		88
Coal—eight-wheeled side- dump,.....	36	12		48
“ eight-wheeled bot- tom-bump,.....	40	4		44
“ four “ “	1,258	500		1,758
“ caboose,.....	4	2		6
Wood—four-wheeled,.....	2			2
Derrick—eight-wheeled,....	1	1		2
	1,419	578	24	2,021

In addition to the above, we have one wreck-car, one four-wheeled tool-car, 116 gravel-cars, 12 four-wheeled hand-cars, and 26 four-wheeled hand-trucks.

Important improvements have been made in the construction of four-wheeled coal-cars, diminishing their dead weight nearly one-third, yet leaving their strength the same. Some reduction is also effected in their first cost. The eight-wheeled side-dump coal-cars have also been improved, rendering them capable of being dumped with ease, and of discharging the coal entirely clear from the track upon level ground, or where trestling cannot be constructed for bottom dumps. The couplings and bumpers of these cars are so constructed as to admit of their being run, with safety, in the regular freight trains, and are well adapted for carrying coal to remote points on connecting roads, and for bringing back freight in return. The four-wheeled coal-cars are not built to admit of this, nor to run with the speed usual in such trains, especially on curves.

The four-wheeled cars now on hand are sufficient (provided they are unloaded and returned with reasonable dispatch) for carrying 380,000 tons per annum to Ithaca, or 350,000 tons to Elizabeth Port. The eight-wheeled side-dump cars are sufficient to transport to Ithaca 24,200 tons, or to Elizabeth Port 19,800 tons, per annum. The whole are sufficient for transporting 404,200 tons to Ithaca, or 369,800 tons to Elizabeth Port. The capacity of service of the locomotives is about equal to that of the coal-cars.

CONDITION OF THE ROAD.—(NORTHERN DIVISION.)

ROAD-BED.—The road-bed has been greatly improved during the past year. The special appropriation made by the Board for finishing the sloping through the cuts, and improving the line at a point north of Montrose Station, has been sufficient for these purposes, and no further expenditure will be required on their account. The embankment across Factoryville Hollow has been completed for a single track. The filling of Humphrey Hollow is in progress, and will probably be completed on or before the first of May next. Something has been done, also, towards the filling of Kingsley's, South Branch, Leach and Fuller trestlings; and if the force now engaged in this work is continued, the whole will be finished by the 1st of October next. About three and one-half miles of the track on Section No. 1 has been ballasted with gravel, two feet deep on the average. Great care has been taken, in doing this, to prepare for the second track, improve the line, and obtain the best working grade. Several unfinished culverts have been completed. Hemlock stringers have been removed, and others of hard wood, of the most durable kind, substituted. Several defective cattle-guards have been rebuilt, ditches opened, &c.; (which, as they are a supply of defects in the original construction, might properly be charged to construction account,) occasioning, in part, the increased cost under this head the past year. The road-bed is now in better condition than ever before; still, much remains to be done in improving the line and the grade, before it will be brought to entire completion.

BRIDGES AND TRESTLINGS.—The necessary repairs of these structures have been made, and they are now all in good condition, except the Lackawanna bridge, which, though entirely safe, will require new stringers and covering during this year. The bridges are constructed in a superior manner, so that our heaviest engines and trains cause scarcely a perceptible deflection in passing them, and the expense of repairs has consequently been very small.

The Factoryville trestling, as already stated, has been filled with earth, and the others are carefully watched, and kept in good repair. They should all be completed in the same manner, at the earliest possible moment, not only for purposes of safety, but also of economy—the increasing number of regular trains interfering more and more with the gravel trains, and causing, in consequence, increased delay and expense.

TRACK.—During the year, 3 14-100 miles of track, on Section No. 1, have been relaid, with the improved heavy rail and chairs. The best of the rails and chairs taken up were distributed along the line for repairs of the track, and the defective ones used for sidings on the line and at the mines. Sidings have been laid as follows:—1 16-100 miles at the mines; 83-100 miles at various points on the line, and 45-100 miles at Binghamton; total, 2 44-100 miles. 595 rails and chairs of the light Cayuga and Susquehanna Rail-Road pattern, laid on Martin's Creek, have been taken up, and their places supplied by the original 64 lb. Scranton rail, removed from Section No. 1. 335 bars of the above, with chairs, were sent to the Cayuga Division, and 264 bars and chairs to Binghamton, to be used in the aforesaid sidings.

In addition to the above, 568 defective, and 117 broken rails—in all 685—have been removed from the main line, and used for sidings, and their places supplied by good rails, selected from those taken up on Section No. 1.

3,461 broken chairs of the old light kind have been replaced with the improved chairs—none of which have been broken. 2,875 centre-chairs have been used in securing the outer rails, on curves laid with hemlock ties. The

necessity of employing these for said purpose has added materially to the expense of repairs on those portions of the track.

17,535 hemlock ties have been removed, (principally on curves,) and their places supplied with hard wood ties of the best quality. From 30,000 to 50,000 of the latter will be required during the present year.

SWITCHES.—Twenty-two new switches have been put in the past year, viz.:—Seven at the mines, five in the main track, and ten at stations. Fifteen switches of the old kind have been replaced with the improved safety-switch, which have proved very satisfactory—no accident having occurred in passing over them.

FENCES.—There have been built during the year 471½ rods of stone fence, costing about \$1 50 per rod, and 502½ rods of board fence, at a cost of about \$1 00 per rod. Three miles of fence, destroyed by freshets in New Milford Valley, have been rebuilt, and charged to transportation. This, with the resetting of fence on cuts, will account for the increased cost of fence repairs the past year.

About eight miles of fence will need to be constructed in the coming year, on those parts of the line where stone can be conveniently procured.

WATER-STATIONS.—These, with the exception noted below, are in good condition on the entire line of the Road, affording at all times an abundant supply. A well twelve feet in diameter, and sixty feet deep, has been sunk in the yard of the machine shops, and a pump placed in it, operated by the superannuated locomotive "Pioneer." In connection with this well, a large elevated tub has been constructed in the machine-shop, contiguous to the round or engine house, into which the water is pumped, affording an ample supply for engines, shops, &c. The brick curbing of this well is so made that the process of sinking can at any time be resumed, and when fully completed, the well will doubtless afford an unfailing supply for all our wants.

A more ample and reliable supply of water is needed at the station at Great Bend. The want of it has caused much inconvenience to this and to the New-York and Erie Rail-Road Company, the past year.

STATION-HOUSES.—Extensive additions are being made to the freight buildings, at Scranton, to accommodate the largely increased business at that station. The New Milford Station-House was considerably damaged by the recent freshet, but has been since repaired, and is now in good condition. A union depot building is much needed at Great Bend, both to afford proper accommodations to the public, and prevent the delay and expense in transshipping goods; also, the danger of crossing the main track of the New-York and Erie Rail-Road with our cars.

NEW BUILDINGS.—During the year, the additions of fifty feet to each wing of the car and machine shops have been completed; also, the engine house, turntable, and part of the track, sufficient to house twenty engines, (which building was described in my Report of last year;) also, the master-machinist's office and fire-proof oil-room attached. These are built, in every part, of the best materials, and in the most substantial manner; and, when fully completed, will be unsurpassed for magnitude and convenience by any similar structure in the country.

An inclined plane, with pockets and schutes for charging engine-tenders with coal, has been constructed; also a sand-drying house, for the supply of engines, and ash-pits to receive the ashes, cinders, &c., from coal-burners. A wood-house alone is now required to complete the arrangements by which the engines coming out of their stalls may receive all their supplies for running, without switching, with the greatest convenience.

MACHINE AND CAR SHOPS, AND FOUNDRIES.

This department, though subject to my general supervision, has been conducted, as heretofore, by Mr. H. L. Marvine, whose Report exhibits the business of the past year. It will be seen that there has been a large increase in the amount of work done, which, for workmanship and economy, is surpassed by that of no other similar establishment.

The additions of such tools as may be needed from time to time with those previously possessed, will, without doubt, render the capacity of these establishments sufficient for all the work which will be required by the Road when its maximum of business shall have been attained.

It may be permitted me to state that, in accordance with the well-known wishes of the President and Board, it has been to me a matter alike of duty and pride to take care that all persons employed by me, or under my control, in the shops and upon the Road, should have the highest character for sobriety, integrity and competency; and I take pleasure, in closing this Report, both to bear my testimony that they are such, and to express to them my thanks for their cheerful co-operation and valuable aid in the various duties of my office.

Respectfully,

Your obedient servant,

D. H. DOTTERER,

Superintendent of Northern Division.

REPORT OF CHIEF CLERK OF MACHINE AND CAR SHOPS AT SCRANTON.

THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD CO.

MACHINE AND CAR SHOPS, AND FOUNDRIES.

OFFICE—Scranton, January 5, 1856.

D. H. DOTTERER, Esq., *Superintendent.*

DEAR SIR:—I herewith submit statements showing the operations in this Department during the year just closed.

The stock of materials on hand Dec. 31, 1854, as per last Annual Report, (page 50,) was.....		\$60,054 64
The amount of iron, lumber, and other materials purchased and received during the year.....	\$171,933 13	
The amount paid for labor in same time.....	85,910 95	
		<u>257,844 08</u>
		\$317,898 72

The total amount of work done (labor and materials) during the year, was.....	\$250,284 52
The amount of stock of materials on hand at the end of the year.....	73,230 49
	<u>323,515 01</u>

Apparent profits..... \$5,616 29

The following exhibits the results of the year's operations, in comparison with 1854:—

	1854.	1855.	Increase.
Stock of materials at commencement of the year	\$44,824 39	\$60,054 64	\$15,230 25
Paid for materials.....	156,579 55	171,933 13	15,353 58
“ labor.....	60,568 92	85,910 95	25,342 08
Amount of work done.....	204,117 44	250,284 52	46,167 08
Stock of materials at close of the year.....	60,054 64	73,230 49	13,175 85
Apparent profits.....	2,199 92	5,616 29	3,417 07

The amount paid for materials and labor, and the amount of work done for the various departments in each month, will appear from the following tables:—

EXPENDITURES FOR MATERIALS AND LABOR IN 1855.

Month.	For Materials.	For Labor.	Total.
January.....	\$14,099 61	\$4,695 29	\$18,794 90
February.....	4,184 89	4,564 45	8,749 34
March.....	18,792 04	6,480 68	25,272 72
April.....	12,570 14	6,367 98	18,938 12
May.....	15,178 57	7,850 61	23,029 18
June.....	12,981 57	7,603 65	20,585 22
July.....	23,489 66	7,662 63	31,152 29
August.....	27,068 79	8,414 40	35,483 19
September.....	19,028 51	8,125 61	27,154 12
October.....	10,648 87	8,105 80	18,754 67
November.....	6,676 78	7,606 18	14,282 96
December.....	6,888 76	7,985 24	14,874 00
Totals.....	\$171,933 13	\$85,910 95	\$257,844 08

* Of this amount there was realized from the work done in the Iron Foundry, as per statement on page 59..... \$3,879 66
And from the work done in the Brass Foundry, page 60..... 787 11
Other work in Machine and Car Shops..... 1,949 52
\$5,616 29

VALUE OF WORK DONE (LABOR AND MATERIALS) IN 1885.

Month	Construction.			Transportation Expenses.	Coal Department.		Sundry Persons.	Total Amount.
	Northern Division.	General Expenditure.	Southern Division.		Construction.	Repairs.		
January.....	\$698 43	\$5,669 72	\$207 12	\$4,590 50	\$144 82	\$47 48	\$1,113 54	\$13,470 10
February.....	623 37	5,063 18	276 20	5,038 96	260 14	26 73	1,327 09	12,604 66
March.....	469 53	9,673 06	138 86	6,604 49	711 98	89 81	735 13	18,522 86
April.....	438 83	10,391 27	346 16	5,043 76	875 41		868 54	17,963 97
May.....	577 25	15,826 44	659 16	4,901 44	1,770 88		2,243 49	20,968 66
June.....	439 47	17,510 87	497 80	5,209 76	2,460 98		549 97	26,668 35
July.....	280 65	17,864 42	456 18	5,672 40	1,986 52		1,390 83	27,151 05
August.....	679 48	19,524 03	1,397 41	4,843 14	3,603 47		1,137 78	31,240 31
September.....	614 56	19,362 33	1,631 29	4,670 12	1,141 63		1,030 10	23,450 02
October.....	890 74	6,624 95	2,743 03	3,931 39	1,969 95		888 33	17,098 33
November.....	736 00	6,367 12	1,402 33	4,533 33	863 54		910 73	14,831 20
December.....	434 31	8,000 00	1,551 79	5,269 08	454 91		1,550 37	17,300 46
Totals.....	\$6,932 61	\$141,376 36	\$11,361 88	\$30,362 43	\$16,243 73	\$163 51	\$13,844 99	\$250,234 59

It will be seen by the above, that the amount of work done on construction of the Northern Division, was..... \$6,932 61

The most of this was for the repairs of engines and gravel cars employed in filling in the trestle-works, repairs of said trestle-works, making frogs and switches for new tracks and sidings, and in completing the new engine house and machine shop extension at Scranton.

The amount of work done for the construction of the Southern Division, was 11,361 88

The greater part of this was for repairs of engines, cars and tools employed in grading and track laying; constructing water stations; making switches, frogs, etc. The amount of work done, chargeable to General Expenditure, was..... 141,376 38

This account, as has been previously explained, represents the cost of the equipment of the Road, toward which we have made, during the year, the following new cars, viz.:—

500	four	wheeled coal cars,	
4	eight	"	"
12	"	"	side-dump cars.
7	"	"	house freight cars.
49	"	"	platform "
1	"	"	second class passenger car.
2	"	"	mail and express cars.
2	four	"	caboose "
1	eight	"	derrick "

Total 578. The cost of these was..... \$138,355 05

Cost of new machinery and tools made,..... 2,198 58

Work on locomotives and tenders, mostly in altering the "Carbon," (coal burner,)..... 822 75

\$141,376 38

The amount of work done, chargeable to "Transportation Expenses," being for repairs of locomotives, cars, tools, etc., was. . . 60,362 42

It is confidently believed that the expense of this work has been as small as practicable, and much less than the same would have cost elsewhere.

For the "Coal Department" there has been work done in the construction of machinery for coal-breakers, shafts and slopes, and in building mine cars, to the amount of..... \$16,242 73

And for sundry repairs made,..... 163 51 16,406 24

This work required a large amount of castings, in the furnishing of which, on economical terms, our foundries have proved very convenient and effective.

The amount of work done for "Sundry Persons"—principally in making dirt cars, irons for bridges, etc., for contractors upon the Southern Division, was..... 13,844 99

Total,..... \$250,284 52

The materials required for our work, consisting principally of iron and lumber, have been mostly procured in this place, and on the line of the Road. The iron used, which is of superior quality, is manufactured in this place by the Lackawanna Iron and Coal Co., and is furnished by them at reasonable rates—less than the same article of other make can be procured elsewhere, including cost of transportation. The facilities possessed by us for procuring, at economical prices, all kinds of material, especially fuel, for the manufacture of cars, and for all such other work as is incident to and required by our business, are believed to be unsurpassed, and probably not equaled, by any other locality in the country. In addition to these advantages, the supply of labor—caused by the healthiness of this location, and the inducements it presents as a place of residence, together with the fact that steady employment is given—is adequate to our wants.

I annex statements showing the business of our Iron Foundry and Brass Foundry, the cost of labor and materials used in each month, and the quantity and cost of castings produced, from which statements you will be able to determine the expediency of their establishment and continuance. It will be seen that the castings produced have cost less than those purchased elsewhere, and the convenience of being able to obtain at all times the various kinds of such castings, when wanted, is an important consideration.

I also annex a list of the locomotive engines employed on the Northern and Southern Divisions, and a statement of the cost of the repairs thereon, the distribution of the same, and the service performed by them.

The average number of mechanics, laborers, etc., employed in this Department during the year has been something over two hundred, and it is very gratifying to me to be able to state that they are, as a body, very moral and intelligent; and to the efficiency and fidelity of the foremen, with the industry and faithfulness of the men, the satisfactory results of the business of the year are to be attributed. I believe it is well understood in this community and elsewhere, where the executive officers and managers of the Company are known, that none but men of good character, as respects sobriety and integrity, are employed or continued in employment, in this or any other department of the Company.

Very respectfully,

H. L. MARVINE, *Chief Clerk.*

MACHINE AND CAR SHOPS IN ACCOUNT WITH IRON FOUNDRY.

1885. To sundry Castings made during the year :—

	Various at 3½c.	Chairs and Frgs. at 3½c.	Amount.
January.....	Lbs. 53,943	Lbs. 9,393	\$ 1,949 07
February.....	43,839	16,496	1,590 46
March.....	97,085	4,137	3,771 85
April.....	104,941	2,314	2,943 72
May.....	104,734	9,060	3,246 43
June.....	94,748	10,307	3,896 59
July.....	117,953	16,843	3,649 57
August.....	151,436	3,636	4,354 83
September.....	184,405	19,878	4,196 67
October.....	103,654	23,719	3,565 95
November.....	61,553	20,963	3,316 94
December.....	88,450	9,930	3,651 87
Totals.....	1,164,610	151,988	\$35,936 47

To 1. 2 cwt. 1 qr. 3 lbs. Pig Iron on hand at \$33..... 35 71
 184,569 lbs. sundry Scrap " at 1½c..... 2,106 86
 31,744 lbs. Old Irugs &c. " at 1c..... 317 44
\$38,296 48

1884, Dec. 31. By amount of materials on hand..... \$918 04
 1885, " " materials and labor during
 the year, viz :—

	Pig Metal, Borax, &c.	Wages of Pattern-makers, Moulders, and Laborers.	Amount.
January.....	\$ 1,703 61	893 27	\$ 2,096 88
February.....	1,605 90	940 03	1,945 93
March.....	3,704 79	764 53	3,473 36
April.....	2,811 15	895 14	3,193 29
May.....	1,941 67	853 83	2,385 55
June.....	1,470 54	723 83	2,194 43
July.....	2,470 06	854 86	3,354 49
August.....	2,497 33	1,080 09	3,577 43
September.....	2,257 89	1,025 56	3,313 45
October.....	2,115 33	981 54	3,096 89
November.....	1,839 40	734 27	2,623 67
December.....	2,423 43	876 22	3,399 64
Totals.....	\$24,973 97	\$9,514 81	\$34,488 78
Balance (apparent profit).....			2,879 66
			\$38,296 48

E. E.

H. L. MARVINE, Chief Clerk.

MACHINE AND CAR SHOPS IN ACCOUNT WITH BRASS FOUNDRY.

1855. To sundry Castings made during the year, viz.:—

	Brass at 80c.	White Metal at 25c.	Composition Metal, at 80c.	Tin, at 82c.	Lead, at 9c.	Zinc, at 7c.	Amount.
January.....	702	Lbs. 284	Lbs. 59	Lbs. 20	Lbs. 20	Lbs. 95	\$307 50
February.....	989	312	28	10	99	95	401 86
March.....	1,666	198	80	47	5	5	515 08
April.....	1,620	693	26	15	3	61	632 22
May.....	1,486	641	16		4		610 63
June.....	1,905	379	16				671 05
July.....	2,260	644	18½				844 55
August.....	2,544	1,137					1,047 45
September.....	1,883	674					733 40
October.....	1,455	593					584 75
November.....	1,120	192					384 00
December.....	1,284	200					435 20
Totals.....	18,714	5,886	177½	45	173	161	\$7,167 69

To Stock of Materials on hand Dec. 31, 1855, as per Inventory.....

\$764 09

\$7,931 78

1854, Dec. 31. By amount of materials on hand... \$394 83
1855. " " materials and labor during the year, viz.:—

	Copper and other Materials.	Wages of Laborers, Pattern-makers and Moulders.	Total.
January.....	\$ 232 96	\$ 33 15	\$ 266 11
February.....	251 46	38 75	290 21
March.....	21 50	46 91	68 41
April.....	123 37	37 50	159 87
May.....	611 80	41 60	653 40
June.....	509 67	61 75	571 43
July.....	888 99	60 00	948 99
August.....	1,054 87	67 50	1,122 37
September.....	497 10	63 60	560 70
October.....	713 93	60 49	774 43
November.....	837 80	84 18	921 98
December.....	898 97	32 50	931 47
Totals.....	\$6,077 42	\$672 98	\$6,750 35

By Balance, (apparent profit).....

\$787 11

\$7,931 78

E. E.

H. L. MARVINE, Chief Clerk.

THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD COMPANY.

List of Locomotive Engines in use on the Northern and Southern Divisions, and Statement of the cost of Repairs thereof, and service performed by them, during the year 1885.

NAME.	CLASS.	MAKES.	Time on the Road.	No. miles run in 1885.	Cost of Repairs.	Cost per mile run. Cents.	CONDITION.
1 Pioneer.	Fourth.	Unknown.	4 yrs 7 mos.	—	—	—	Worthless as a Locomotive; now used as a stationary engine for pumping water from the new well at Scranton.
2 Spitzire.	"	Englehart.	4 " 7 "	18,000	\$385 06	2.56	Under repairs; needs new crank axle.
3 Wyoming.	Second.	Rogers, Ketchum & Grosvenor.	4 " 2 "	16,945	366 16	2.17	In service; boiler and wheels need repairs.
4 Osipouse.	First.	Ditto.	4 " 2 "	14,971	690 35	4.61	Ditto. In good order.
5 Montrose.	Second.	Ditto.	4 " 1 "	19,058	945 68	4.96	Ditto. In good order.
6 Ithaca.	"	Ditto.	4 " 1 "	17,110	1,080 37	11.26	Ditto. In good order.
7 Keystone.	First.	William Swinburne.	3 " 9 "	8,622	1,067 66	12.89	Ditto. ditto.
8 Niagara.	"	Rogers, Ketchum & Grosvenor.	3 " 6 "	14,931	1,817 80	12.18	Ditto. ditto.
9 Ontario.	"	Ditto.	3 " 7 "	17,016	1,729 65	10.13	Ditto. ditto.
10 Genesee.	"	Ditto.	3 " 5 "	14,180	1,280 48	7.95	wants new tire.
11 Buffalo.	"	Ditto.	3 " 5 "	19,042	1,153 16	6.21	tire needs turning.
12 Wyalusing.	"	Ditto.	2 " 6 "	15,446	1,619 25	8.75	Transferred to Cayuga Division.
13 Peconic.	"	Danforth, Cooke & Co.	2 " 3 "	380	831 99	22.37	"
14 Anthracite.*	"	Ditto.	1 " 5 "	18,000	1,289 24	9.91	Ditto.
15 Rosolic.	Second.	N. J. Locomotive Co.	1 " 5 "	17,797	654 61	8.69	wants new tire.
16 Lackawanna.	First.	Danforth, Cooke & Co.	1 " 4 "	21,040	948 19	4.50	In good order.
17 Susquehanna.	"	Ditto.	1 " 4 "	23,652	281 45	1.20	Ditto.
18 Tobyhanna.	"	Ditto.	1 " 3 "	10,505	694 92	6.60	Ditto.
19 Carbon.*	"	N. J. Locomotive Co.	1 " 3 "	6,519	1,740 80	26.70	wants new tire.
20 Samson.*	Second.	Ross Winans.	1 " 9 "	9,000	119 24	1.22	Under repairs.
21 Wilkesbarre.*	"	Danforth, Cooke & Co.	5 " 5 "	8,960	155 59	1.89	In service; in good order.
22 Plymouth.*	"	N. J. Locomotive Co.	5 " 5 "	8,770	156 88	1.79	Ditto.
23 Lehigh.*	"	Ditto.	7 " 4 "	3,673	321 13	9.08	Ditto.
24 Hercules.*	First.	Danforth, Cooke & Co.	4 " 4 "	4,405	156 83	3.50	Ditto.
25 Kittatiny.*	First.	Rogers, Ketchum & Grosvenor.	3 " 3 "	6,700	134 43	1.87	Ditto.
26 Superintendent.*	Second.	Danforth, Cooke & Co.	3 " 3 "	1,850	88 87	4.79	Ditto.
				310,664	\$20,511 06	6.61	Average per mile.

* Coal Burners.
+ Purchased in 1885.

RECAPITULATION, AND DISTRIBUTION OF ENGINE REPAIRS.	
Repairs of Passenger Engines,	\$2,530 23
" Freight "	3,868 17
" Coal "	10,415 65
" Road-bed "	561 04
" Northern Division Grading Engines, "	1,537 41
" Southern "	1,478 85
" Superstructure Engines, "	174 71
	\$30,541 06

REPORT OF SUPERINTENDENT OF CAYUGA DIVISION.

DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD.

TRANSPORTATION DEPARTMENT.

OFFICE SUPERINTENDENT OF CAYUGA DIVISION, }
Ithaca, N. Y., January 1st, 1856. }

TO JAMES ARCHBALD, Esq., *General Agent.*

SIR:—In pursuance of the plans of the original projectors of the Ligett's Gap Rail-Road, (now the Delaware, Lackawanna and Western Rail-Road,) the Cayuga and Susquehanna Rail-Road has been transferred to this Company, by lease; and with it, as one of the conditions of the lease, all of the equipment of locomotives, cars and machinery,—also all materials on hand, and the steamboat property on Cayuga Lake. The lease took effect from and after January 1st, 1855; but actual possession was not given till about the first of May. The steamboat property was soon after sold—the Company not deeming it for their interest to be encumbered by the details of the business connected therewith, upon the lake.

This portion of the entire line of Road has been, for convenience' sake, named the "Cayuga Division;" and, in consequence of its acquisition, it will be a matter of interest to the Stockholders to be informed more particularly of its character, present condition and capacity, and the business done upon it the past year.

CHARACTERISTICS OF THE ROAD.

LENGTH.—This Division extends from its intersection with the New-York and Erie Rail-Road, at Owego, to the Pier in Cayuga Lake, at Ithaca. It has 34.61 miles of main track, and 3.49 miles of side track; making the total of track laid 38.10 miles.

ALIGNMENT.—The aggregate length of the tangents or straight lines is 17.67 miles; of curved lines, 16.94 miles. The whole amount of curvature of the Road is 1.285 degrees; being an average of 37 degrees per mile of the entire Road, and of 75.91 degrees of the curved part. The maximum radius is 30,000 feet, the minimum 800 feet; the latter extending for a short distance only, near Owego.

GRADES.—The sum of the ascents going south (from Ithaca to Owego) is 644 feet; going north, 224 feet—whole ascent and descent, 868 feet. The maximum grade line commences about two miles south of the Ithaca Station, and runs southward 3.42 miles, with an average ascending grade of 79.39 feet per mile. The line being flattened on curves, the tangents present a greater inclination; the maximum being 86 feet per mile.

The summit of the line is 12.15 miles south from Ithaca Station; being 594 feet above the level of the line at Ithaca, and 969 feet above tide at Albany. The summit is 20.68 miles from Owego, with an elevation above Owego of 175 feet.

The line from Owego to the summit is nearly straight, and has no opposing grade of more than 21 feet per mile, except at points where the line is undulating for short distances, in consequence of cuts or embankments not being brought exactly to the grade line. Maximum loads can therefore be hauled from Owego, north, with every train. The favorable location of the grades, in reference to the general course of the traffic, is a fact of great practical advantage in working the Road.

BRIDGES.—There are seven Truss bridges on the line, having an aggregate length of 1,204 feet, with 25 spans, of from 50 to 60 feet each; 426 feet of these bridges have been rebuilt within the past year, and the remaining 778 feet are

under contract, to be finished during the coming season. There are 24 smaller structures resting on bents or piles, and of an aggregate length of 1,720 feet. These are generally in good order, having had new stringers, and other extensive repairs, in the past two years. All the bridges were well and substantially built in 1849 and 1850; but the greatly increased weight of the engines, beyond what was contemplated at that time, together with the natural decay of the materials, has made necessary extensive additions to their strength, and large repairs. When the bridges now under contract shall have been finished, the expenditures in this department will, without doubt, be much lessened for many years to come.

PRESENT CONDITION OF THE ROAD.

For repairs of the track, and other purposes, the line is divided into six Sections, as follows:—

SECTION 1 commences at the Pier at Ithaca, and runs south 5.61 miles, and has 2.16 miles of side track; total, 7.77 miles. The Pier in Cayuga Lake has upon it 1,368 feet of track. It was originally built by the State, and is used by virtue of an Act of the Legislature to that effect—the Pier to be kept in repair, as a consideration for its use. Extensive additions were made to the Pier in 1850, since which time it has been kept in good repair. It now requires an expenditure of about \$150 00. The wharf known as the Old Steamboat Landing has received extensive repairs during the year. 200 feet of new docking have been put in, and 300 feet put in repair, and the whole basin thoroughly dredged out. The Cayuga Lake steamboats use said wharf, and by agreement, future repairs are to be made by the proprietor of said boats, at his own expense.

The Coal Wharves and Docks are also located on this Section, presenting a water-front of 3,300 feet, (including a wharf adjoining, used for lumber, plaster, &c.) all well situated, and adapted to the business intended. A portion only of this water-front, however, has been brought into actual use. The trestling used for unloading coal-cars has been extended this year 313 feet; making its present entire length 906 feet. A new trestling for empty cars has also been built this year, along side of the main trestling, and of the same length; but it cannot be used until the track is laid upon it—the iron for which has not yet been furnished. The fixtures mentioned are generally in good repair. Additional side tracks, for the use of Coal Trains, near the schutes, were commenced in the early part of the season, but have not been completed. Their completion is still called for, and when effected, much time, labor and expense, in sorting out and switching cars, will be saved, and many vexatious delays will be prevented.

The Engine House and Repair Shop at Ithaca are in good repair. The Turn-Table alone is defective, and will probably have to be renewed during this year. The Freight and Passenger Depot, and all other buildings of the Company, at Ithaca, are in a good state of preservation, and will need no repairs.

The whole of the track on this Section is generally well ballasted with good gravel or stone. The number of new ties put in during the year is 1,062: rails broken, 3; chairs broken, 260; defective rails in main track, 191; ditto in switches, 117; very defective in main track, 131; ditto in switches, 38,—being a total of 303 defective, and 169 very defective, or worn-out rails, now in this Section.

Three men are regularly employed on this Section, in repairs.

SECTION 2.—This Section has 5.10 miles of main track, and 324 feet of switches, equal to 5.16 miles in all, and terminates southwardly at the junction of the new line built in 1849, with the old Ithaca and Owego Rail-Road. This portion of the Road has never been regularly ballasted; and, in view of the large expenditure annually required to keep the track in order, the expediency of having it done at once is apparent. Eight men are regularly employed in repairs on this Section, at an expense of some \$1,500 annually, more than for the same purpose on Section No. 1, while its length is some $2\frac{1}{2}$ miles less. Besides this, a gravel train, with a large gang, has been required, from time to time, to remove slides upon the track in cuts, and replace slides from embankments, clearing out ditches, &c. 532 new ties have been placed in the track on this Section

during the year, and 6 rails, and 320 chairs broken. There are 468 defective rails in the main track, and 87 very defective, and 36 very defective in the switches. Total in this Section, 468 defective, and 123 worn-out rails.

SECTION 3 has 5.22 miles of main, and 0.34 miles of side track—in all 5.56 miles, generally well ballasted. Four men are regularly employed in repairs. There have been 759 new ties put in, and 10 rails, and 254 chairs broken. In the main track are 428 defective, and 23 very defective rails. In the switches, 174 very defective. Total in this Section, 428 defective, and 197 very defective rails.

SECTION 4 has in all 4.87 miles of track, and is generally well ballasted. New ties, 463; rails broken, 4; chairs broken, 194. There are 468 defective, and 42 very defective rails on this Section. Four men regularly employed.

SECTION 5 has 6.92 miles of main, and .37 of side track, generally well ballasted. New ties, 403; rails broken, 5; chairs ditto, 204. There are 518 defective, and 81 very defective rails in the main track, and 214 very defective in switches. In all, 518 defective, and 295 very defective rails in this Section. Three men regularly employed.

SECTION 6 has 6.189 miles of main, and .55 side track. Total, 7.44 miles, generally well ballasted. New ties put in, 781; chairs broken, 320. In the main track, 685 defective, and 133 very defective rails. In the switches, 6 defective, and 221 very defective ditto. Total, 691 defective, and 354 very defective rails in this Section. Four men are regularly employed in repairs. This Section terminates at Owego.

RECAPITULATION.

From the foregoing statements, it appears that, during the past year, 4,000 new ties have been placed in the track; 27 rails broken, 1,554 chairs ditto; in the main track 2,758, and in side tracks 123 defective rails; in the main ditto, 497; in side ditto, 683 very defective rails—being a total of 2,881 defective, and 1,180 very defective ditto, in the line.

Most of the ties now in use were cut in 1849 and 1850, so that it is safe to presume that all the ties will have to be renewed during the next three years. Seven ties were originally placed under each length of rails; nine are now used in renewal Oak and chestnut only are employed. Estimating the first cost of the tie at 25 cents, it costs, on the average, about 50 cents to replace an old tie with a new one.

The whole number of chairs placed in the Road was about 22,345, weighing about seventeen pounds each, used with a wooden key. Of this number, 5,782 have been broken during six years. The number of miles run in that period was 393,606, showing 25.8 per cent. wear, or one chair broken for sixty-eight miles run. Latterly a socket-chair has been used without key, weighing about twenty-four pounds. These have proved more durable.

There were originally placed in the track about 22,677 rails—about one-third English and two-thirds American. Of these were broken—in 1850, none; in 1851, sixty-five; in 1852, two; in 1853, seventeen; in 1854, two hundred and one, (principally in January and February;) in 1855, twenty-eight: total, three hundred and thirteen. Miles run by trains in that period, 393,606, giving one rail broken for 1,257 miles run. In December, 1854, there were 2,497 defective, and 455 very defective rails in the track; there are now 2,881 defective, and 1,180 very defective rails, showing an increase during the past year of defective rails, 384, and very defective, 725; to which must be added, sixty replaced by new rails, (the first ever put in,) making the whole increase in worn-out rails during the year, 785. It appears thus that most of the wear has been confined to rails defective at the beginning of the year; a fact which augurs well as to the future wear of the rails now in use. This Division has been in operation six years. Thirty-five hundred and twenty-two tons of rails were originally laid, equal, at fifty-eight pounds per yard, to 22,677 bars, each eighteen feet long. Whole number of miles run during said period, 393,606. Tons carried, 381,820. Number of worn-out rails now in the track, 1,180, besides sixty replaced during the year by new rails; making

the whole number of rails worn out in six years, 1,240, averaging one for every eighteen rails laid, or for 317.42 miles run, or 307.91 tons transported.

This estimate, however, does not show the entire amount of wear of the rails, inasmuch as it does not include the wear of those known to be defective, or of those regarded as good; all of which, if not actually broken down, are more or less worn on the upper surfaces and sides. Estimating, then, the 2,831 rails reported defective to be, say three-quarters worn, we have them equal to 2,161 worn-out rails, which number added to the 1,240 actually worn out, makes the total consumption of rails in six years, 3,401 bars; making an average of one for every 6.3 rails laid, or for 115.72 miles run, or for 112.26 tons transported.

There are in the main track 20,304 bars, of which 497 may be considered worn out, and 2,758 defective, say three-quarters worn, equal to 2,069 worn out; making an aggregate of 2,566 worn-out rails, and leaving in the track 17,738 good rails. These, according to the deductions from the results of the past six years, will suffice for about 2,052,641 miles of running by trains, and 1,991,267 tons of transportation, assuming that no more passenger trains pass over the road than heretofore—that is one each way daily; and that no increase in speed is adopted. These conclusions seem to disprove the ideas generally entertained as to the indestructibility and perpetuity of heavy rails. The returns of American Roads generally afford but little information on this subject. The Reading Rail-Road shows for six years, (1849–1854,) one bar worn out for every 303 tons transported; this Division, as above, one for every 307.

Notwithstanding the multitude of causes conspiring to destroy rails—such as bad sub-grade, poor ballasting, want of ditches, loose joints, unequal distribution of ties, inequalities in the dimensions of ties, and the use of freight cars without good springs—the wear of the rails is, after all, mainly owing, and is in proportion to, the speed of the trains. Common-sense would so decide, and all experiments fully demonstrate it. The results of one series of experiments, (and others might be cited, if necessary,) showed, that while rails weighing fifty-six pounds per yard were destroyed with the passage of 1,822,800 tons, hauled at a velocity of twelve to sixteen miles an hour, and by locomotives weighing from fourteen to sixteen tons each; with the same cars, but at a speed of but twelve miles per hour, the rails stood under the passage of 4,033,500 tons; and at three miles per hour they sustained the passage of 4,900,000 tons *without material injury*. The engines employed in these experiments weighed only from fourteen to sixteen tons. Those running on this Division weigh from twenty-three and a half to thirty-three and a half tons. This matter of speed is referred to, because, during the past year, the Managers of this Division, generally, and the undersigned in particular, have been censured because the trains under their direction have not been run more rapidly.

This Division, except in the particulars herein stated, is in good order and repair, and was never in so good condition for a heavy traffic as now, whether reference be had to the permanent way, rolling stock, or general facilities for operating.

LOCOMOTIVES.

The following table exhibits the names and description of the Locomotive Engines in use on this Division during the whole or part of the last year, with the number of miles run by each, the cost of repairs, and present condition of the same.

Name.	No. of Pairs of Driving Wheels.	Diam't'r of Wheels in feet.	Size of Cylinders. Inches.	Weight of Engines with wood and water. Tons.	Weight of Tender with wood and water. Tons.	Weight of Engine and Tender Tons.	Class.
Lackawanna...	2	6	15x20	28½	21	44½	Passenger.
G. W. Scranton	2	5	16x20	26	21	47	Freight.
De Witt.....	2	5	16x20	26	21	47	"
Tunkhannock.	3	5	18x20	38½	25.10	58.60	"
Cayuga.....	3	4½	17x20	28	24.10	52.10	"
Pocono....	3	4½	17x24	32½	25	57½	"
Wyalusing....	3	4½	17x24	32½	25	57½	"

	Miles run.	Cost of Repairs.	Cost pr. mile run—cts	Present Condition.
1. Lackawanna,.....	19,425	\$1,120 02	5.76	In good order and repair.
2. G. W. Scranton,...	14,168	526 88	3.71	" "
3. De Witt,.....	18,080	601 58	3.32	" "
4. Tunkhannock,....	12,968	1,481 73	11.43	" "
5. Cayuga,.....	16,148	581 45	3.21	" "
6. Pocono,.....	11,071	834 48	3.01	New Tire wanted.
7. Wyalusing,.....	1,176	24 70	1.10	" "
Total and Average,...	98,026	4,670 84	4.95	

1, 2, 3, 4, and 5, formerly belonged to the Cayuga & Susquehanna R. R. Co.

CARS.

There were received from the Cayuga and Susquehanna Rail-Road Company the following cars:—

- 3 First Class Passenger Cars.
- 3 Baggage "
- 18 House Freight "
- 16 Platform "
- 1 Eight-wheeled Caboose Car.
- 1 Four-wheeled Lumber "

Total 42; all of which have been in use during the year. Besides these, coal and other cars, from the Northern Division, have been used more or less; and some of the former have also been used on other Divisions.

BUSINESS OF THE PAST YEAR.

It is due to the men employed, to record that, under the favor of Providence, no accident has occurred during the year, involving the loss of life or limb, either of passengers or employes; nor has any claim been presented for baggage lost, or damages to merchandise.

EARNINGS.—The whole number of passengers carried is 28,487; of whom 14,582½ were carried northward, and 13,904½ southward. Total carried one mile, 695,234.

The whole amount of freight, of all kinds, transported, is 135,345 tons, of which 119,162 were carried northward, and 16,183 southward; making 88 per cent. of the whole drawn in the direction of the favorable grades, and 12 per cent. in the opposite. Total number of tons carried one mile, 4,286,988, of which 107,537 tons were of coal, carried northward.

The revenue derived from transportation during the year is

From Passengers,	\$20,554 76
“ Freight and Express,	113,451 36
“ Mail,	1,545 25
“ Storage,	3 06
“ Rents,	610 00

Total, \$136,164 43

For more minute details respecting the Freight and Passengers transported, reference is made to the reports of the General Freight Agent, (p. 69) and General Ticket Agent (p. 76.)

EXPENSES.—The transportation expenses for the year, have been as follows:—

Office and Station Expenses,	\$7,905 75
Cost of Running,	21,151 41
General Expenses,	3,128 18
Repairs of Engines and Cars,	12,587 35
“ of Track and Roadway,	30,247 46
“ of Buildings,	409 57
Miscellaneous, (including Taxes)	3,348 66
	<hr/>
	\$78,778 38
Deduct differ'ce in sale of Cayuga Lake Steamboat Property, .	4,742 05
	<hr/>
	\$74,036 33

The gross amount of earnings is. \$136,164 43

The total Expenses, 74,036 33

Amount of nett Revenue, \$62,128 10

The average number of men regularly employed during the year, has been as follows:—

Engaged in repairs of the Road, 29
“ “ machinery, 17
“ in operating the Road, 44

Total, 90

In respect to the future, in view of the rapidly increasing demand for our “Scranton Coal,” throughout Northern and Western New-York, as also for the produce of the West, in return for consumption in the mining region, it cannot be doubted that the business of this Division will continue to augment. Besides the important advantages formerly anticipated from the completion of the Lake Ontario, Auburn, and New-York Rail-Road from passing through Auburn, to Little Sodus Bay, on Lake Ontario, are now soon to be realized; said enterprise having recently been resumed with favorable auspices for its success. Much more may a large increase be expected from the completion of the

Southern Division of our Road, by which a continuous *broad gauge route* for Passengers and Freight, will be opened from the Lakes on the North to the great metropolis, and to the other important centres of business and influence in the South.

Large expenditures have been made the past year for repairs and renewals in the roadway, bridges, rolling stock, &c., which are usually classed as "extraordinary repairs," and are provided for, as a necessary incident of the business, by a "Renewal Fund," in Companies where such Fund has been established. This Fund, created by yearly appropriations from the earnings, serves to equalize the annual expenses from this source. Without such provision, the Road and its equipment are obviously soon worn out, with no means for their replacement, save from continued calls upon the Stockholders.

In view of these considerations, and also of the fact that the Stockholders of the Cayuga and Susquehanna Rail-Road Company have never received a dollar of dividend upon their investment, it has been decided by this Company to advance the rates for transportation of Passengers and Freight, to an amount which shall enable them to maintain the Road in order, and receive some compensation for the expenses incurred by them in furnishing accommodations for the public. It is gratifying to observe that this advance appears, in the main, to be satisfactory to the public; it being self-evident that small earnings, heavy expenses, and no dividends, cannot always continue to satisfy the reasonable expectations of confiding and hopeful Stockholders.

Respectfully submitted,

W. R. HUMPHREY,

Superintendent Cayuga Division.

GENERAL FREIGHT AGENT'S REPORT.

DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD.

TRANSPORTATION DEPARTMENT.

GENERAL FREIGHT OFFICE, }
Scranton, January 20, 1856. }

TO JAMES ARCHBALD, Esq., *General Agent.*

SIR:—I respectfully submit the following Report of the revenue derived from the transportation of Freight and Mails during the year 1855, with various statistics pertaining to the business of this office.

In compliance with instructions received from the General Office of the Company, our accounts are so kept as to show the whole amount of the transportation earnings, and also the portions of it accruing from each Division of the Road.

The total tonnage of Freight of all kinds, except coal, transported during the year, was 107,290 tons; and the aggregate mileage equal to 4,784,680 tons carried one mile. The total amount of coal carried was 214,282 tons; equal to 17,048,057 tons carried one mile. Total amount of Freight of all kinds 321,572 tons—equal to 21,832,737 tons carried one mile. The total revenue derived from Freight, including coal, was \$424,030 67, being an average of 1 94-100 cents per ton, per mile.

On the Northern Division were carried of Freight other than coal, 84,732 tons—equal to 4,041,076 tons carried one mile; of coal, 214,065 tons, equal to 13,490,874 tons for one mile. Total 298,798 tons—equal to 17,531,950 tons carried one mile, producing \$309,954 98—being an average of 1 76-100 cents per ton, per mile.

On the Cayuga Division were carried of Freight other than coal, 27,808 tons—equal to 738,263 tons carried one mile; of coal 107,537 tons—equal to 3,548,724 tons carried one mile. Total, 135,345 tons—equal to 4,286,988 tons carried one mile; yielding \$113,466 34, an average of 2 65-100 cents per ton, per mile.

On the Southern Division were carried of Freight other than coal, 657 tons—equal to 5,340 tons carried one mile; of coal, 216 tons—equal to 8,458 tons carried one mile. Total, 874 tons—equal to 13,798 tons carried one mile, producing \$609 35, being an average of 4 41-100 cents per ton, per mile.

Full details of the above business are exhibited in the annexed Tables.

In addition to the revenue from Freight, amounting to \$424,030 67

Less, refunded for errors and over charges,..... 404 64

\$423,626 03

There has been received as follows, viz.:—

For use of locomotives,.....	21,115 16
For use of cars,.....	6,262 22
Storage,	18 67
Transportation of mail,.....	3,688 25

Total for transportation exclusive of Passenger Earnings,.... \$454,710 33

The amount received for use of locomotives was paid by the New-York and Erie Rail-Road Company, under an arrangement with them, by which our Coal and Freight trains are run upon their Road between Great Bend and Owego: that Company charging us the regular rates of toll on Freight, stipulated in our contract with them, and allowing us for the use of our locomotives when employed in that service.

The amount received for use of cars was principally derived from the Coal Department, for said use upon other Roads, exclusive of that portion of the

New-York and Erie Rail-Road above mentioned, which, in the rates of Freight fixed in the transportation of coal to Binghamton, Owego, and Ithaca, is regarded as part of our Northern Division.

The Freight Tariff for the Northern Division, adopted by the Board of Managers on the 1st of April, 1854, has been continued, with slight modifications in respect to a few articles. The prices for the Cayuga Division, were increased, and a new tariff issued on the 15th October last.

At the request of a Committee of the Board on that subject, there is now in preparation a new Freight Tariff for the whole line of Road from New-York to Scranton and Ithaca, which will be issued on the opening of the Southern Division. It is not in contemplation, however, I believe, to make any material alteration in the rates per mile; although, in respect to the Cayuga Division, some modifications in the existing rates for the local business have been suggested and are under consideration.

In this connection, permit me to refer to a topic to which my attention has been called by the Treasurer, which, in my view, merits the consideration of the Board, and others interested in Rail-Road management. It is that of the present system of express freighting. The right to carry articles on the various Roads is, by general usage, farmed out to the Express Companies at a stipulated rate. Out of this business they have been enabled to make large profits, as appears from the market value of their capital stocks, which ordinarily much exceeds that of the Rail-Roads themselves, as evidenced by the quotations of sales in the large cities. It is not intended to intimate anything against the usefulness and importance of the Express business, or against its management by the various companies engaged in it, which is, doubtless, well and honorably conducted. Still, there is no apparent reason why this business might not be as well, or even better done, by the Rail-Road Companies themselves; by which, while the public are equally accommodated, the aforesaid large profits might accrue to the Stockholders by whose enterprise and capital these facilities for transportation have been provided. Indeed, it is obvious that it might be done by them with greater economy; since they are already and necessarily provided with men, offices, and facilities for transportation, sufficient, in nearly all cases, for the demands of that business—all which are a direct source of expense to the Express Companies, (except so far as gratuitously allowed by the former,) to be deducted from their receipts. Besides, a considerable, and that the most lucrative portion of said business—such as the transmission of money, and other small packages of value—affords, under the present system, no income to the Rail-Road whatever; and inasmuch as the agents of the latter, in many cases, act also in behalf of the former, for a commission, there must be a temptation for them to divert into the hands of the Express Companies what would otherwise naturally, and of right accrue to the business of the Roads.

I have been unable to discover any satisfactory reasons for the farming out of this portion of the transportation business of our Road, which would not equally well apply to any other. And if, on consideration, the Board should deem it expedient to adopt any change in this respect, it is not apprehended that any serious difficulty would be found in making all needed arrangements for carrying it into effect.

It is not deemed necessary to enter here into the details of our mode of conducting the Freight business. It is sufficient to observe that experience has shown it to be simple and easily comprehended, and also effective in providing all practicable checks against the usual sources of loss.

The rule requiring the payment of charges on Freight upon its delivery, continues to be enforced, and the Company have sustained no losses during the year from this source.

The following table exhibits the names of the Stations and Agents, and the amount of uncollected bills due for freight remaining on hand 31st December, 1855:—

<i>Stations.</i>	<i>Agents.</i>	<i>Uncollected Bills.</i>
Scranton,	A. B. Fuller,	\$1,112 39
Clark's Summit,	A. R. Dunn,	2 51
Abington,	Norman Phelps,	19 00
Factoryville,	U. V. Mace,	66 04
Tunkhannock,	A. D. King,	46 12
Hopbottom,	(No Agent,)	
Oakley's,	D. K. Oakley,	13 20
Montrose,	Benjamin Case,	57 98
New Milford,	S. H. Morse,	5 29
Great Bend,	C. B. Stow,	1,634 51
Binghamton,	A. Doubleday, Jr.,	1 48
Owego,	James Robbins,	88 99
Ithaca,	Horace Hill,	477 10
Total,		<hr/> \$3,524 61

I avail myself of this opportunity to testify to the industry, fidelity and devotion to their duties, exhibited by all the Station Agents.

In conclusion, I would observe, that the greatly increased earnings from the transportation of Freight during the past year, are well calculated to inspire the stockholders with lively hopes in the prospect of the opening and working of the entire line to New-York. If an unconnected portion of the Road has done so well, what may not be reasonably expected from the operations of the completed whole?

Our transportation business is still in its infancy, and must swell to gigantic proportions when this coal valley, through its length and breadth is covered with thriving villages, and a hundred engines and thousands of men are at work exhuming its inexhaustible treasures. Our Road will always be the main channel of trade between the city of New-York and the Lackawanna valley, and between the latter and the great routes of business at the West and North, and cannot fail of commanding a heavy and constantly increasing traffic.

Respectfully submitted,

REUBEN A. HENRY,

General Freight Agent.

THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD COMPANY.
TRANSPORTATION EARNINGS FOR 1855.

	Northern Division.		Cayuga Division.		Southern Division.		Lack and Bloomsburg R. R.		Total.
	\$	c.	\$	c.	\$	c.	\$	c.	
Passengers' Fares.....	43,952	03	20,515	08					64,467 06
" Extra Baggage.....	87	57	89	78					127 30
Freight, Coal.....	210,249	94	80,652	81	209	99			291,112 74
" Merchandise.....	98,205	86	31,651	98	899	86			130,287 90
" Express.....	1,499	18	1,181	55					2,680 73
Transportation of Mail.....	2,143	00	1,545	25					3,688 25
Use of Locomotives.....	21,115	16							21,115 16
" Coal Cars.....	6,262	22							6,262 22
Storage.....	15	61	8	06					18 67
Totals.....	838,530	57	135,569	41	609	85			519,709 83

MONTHLY EARNINGS OF NORTHERN DIVISION, IN 1865.

PASSENGERS.		FREIGHT.				Transp'n of Mail.	Use of Locomo's.		Use of Coal Cars.		Storage.		Totals.	
Fares.	Extra Baggage.	C. al.	Merchan- disc.	Express.	\$		c.	\$	c.	\$	c.	\$		c.
\$	\$	\$	\$	\$	\$	\$	\$	c.	\$	c.	\$	c.	\$	c.
2,904 00	2 25	14,673 60	5,018 65	127 66	178 59	1,493 05	259 21	7 60	24,664 61					
2,102 04	2 25	11,545 34	4,810 10	77 79	173 58	1,178 75	1,005 87		20,900 73					
8,161 58	8 50	10,925 84	6,199 59	102 19	178 58	1,192 09	753 66	1 87	22,453 81					
8,535 88	6 25	19,973 76	5,880 31	104 68	178 59	2,167 86	475 28	1 06	32,823 12					
8,921 46	8 25	22,918 92	8,835 03	112 60	178 58	2,379 14	119 40	1 00	38,474 47					
8,708 11	8 87	19,286 75	10,861 43	142 81	173 58	2,012 80	86 55		36,280 40					
4,168 70	9 26	18,392 40	9,530 89	108 58	178 59	1,879 53	141 67	1 44	34,410 56					
4,031 72	10 02	17,057 83	10,500 80	119 08	178 58	1,739 81	168 51	2 00	33,807 80					
4,389 87	10 87	10,741 12	7,729 81	137 56	173 58	1,456 66	851 81		24,995 28					
5,148 84	14 70	19,118 92	10,500 86	123 78	173 59	1,909 06	785 84	89	37,079 98					
8,493 91	5 73	19,682 06	9,139 87	154 77	178 58	1,894 82	980 24	25	35,470 28					
8,892 47	5 62	25,928 90	9,219 61	167 69	178 58	2,573 59	1,185 18		42,660 64					
43,952 03	87 57	210,249 94	93,205 86	1,499 18	2,143 00	21,115 16	6,262 22	15 61	388,530 57					
Totals.														

The increase of business thus shown on the Northern Division has been gradual, yet fully equal to what was anticipated, and may be reasonably expected to continue. In consequence of the access to this portion of the country, so rich in Mining and Manufacturing resources, which is furnished by the completion of this Road, the population is rapidly increasing, and cannot fail to enlarge the business of this Division, and of the entire line, in a yet greater ratio.

The decrease on the Cayuga Division is accounted for by the opening of the Syracuse and Binghamton Rail-Road, running nearly parallel with it; which in consequence now receives from some localities a large share of the travel which previously went by the Cayuga and Susquehanna Rail-Road, and Cayuga Lake.

The prices for transportation of both passengers and freight, which had been established by the previous management, though at lower rates than on the Northern Division, were continued on the Cayuga Division for some time; but being found not remunerative, they were, on the 1st of November last, increased so as about to equal the former, at the suggestion of the President. This measure, though at first causing some complaint, has been attended with satisfactory results, and has at length been generally acquiesced in, as reasonable and equitable alike to the Company and to the public.

The New-York travel from Ithaca and the towns adjacent to the Cayuga Division and Lake, has heretofore been by the way of the New-York and Erie Rail-Road. This travel will henceforth most naturally take the shorter and more direct route by our Road—a route far surpassing all others in the beauty and attractiveness of its scenery. This result cannot fail to demonstrate, as was predicted, the wisdom of that measure by which the C. and S. R. R. came under the control of this Company.

In addition to the increase thus anticipated, and from the increased population at Scranton, and elsewhere on the line, the completion of the Lackawanna and Bloomsburg Rail-Road will swell the business of this Road. It will also secure a large portion of the travel from the West and North to Philadelphia and the South, which has heretofore gone by the far less direct route by way of New-York.

It is reasonable thus to anticipate that, though constructed with particular reference to the Coal and Freight business, this Road will become also a thoroughfare for travel, equal in importance and productiveness to other Roads depending for their income mostly on the latter alone.

In anticipation of the opening of the Southern Division, a new tariff of passenger fares is now being prepared under the direction of the Board. The rates in this will be about the same as are now charged on the Northern Division, and though perhaps slightly higher than upon some other Roads, yet, in view of the very great cost of this Road, they will, it is believed, be satisfactory to the public.

Before closing this report, it may not be improper to describe briefly the methods in use in conducting the business of this office, as prescribed by the Treasurer. The tickets, having been duly prepared and numbered, are distributed to the several station agents, who report daily the sales made by them, showing the destination of the passengers and the numbers of the tickets sold; also, the amount received from the same. Similar reports are likewise made by each of the conductors, of their collections. The conductors return daily all the tickets collected by them, are compared with which the reports of the agents, and any discrepancies noted and corrected. The amounts specified in said reports are then charged to the several agents, etc.,—they remitting daily the moneys received by them to the Treasurer, or paying them to his order; whose acknowledgment therefor, at the close of the month, is the sole warrant for crediting them for the same on the books of this office. No ticket is ever issued a second time. It will be seen thus, that this plan furnishes a constant and perfect system of checks for all tickets sold. Inasmuch as it cannot, in the nature of things, apply equally to the collections of the conductors, the Company are obliged to confide, in great measure, to their integrity—a reliance which, in the case of those now employed by them, is believed to be entirely secure. The efficiency of these arrangements for the purpose in view, is satisfactorily evinced by the fact that no defalcation has ever taken place among those invested with these responsibilities. It is due to them to add also, that no Company has been more favored in respect to the fidelity and general good character of their agents and conductors than our own.

WM. N. JENKS, *General Ticket Agent.*

COMPARATIVE STATEMENT OF THE MONTHLY PASSENGER
EARNINGS IN 1854 AND 1855.

NORTHERN DIVISION.					CAYUGA DIVISION.				
In 1854.			In 1855.		In 1854.			In 1855.	
Mo's.	No. carried.	Revenue.	No. carried.	Revenue.	Mo's.	No. carried.	Revenue.	No. carried.	Revenue.
Jan..	3,127	\$2,351 77	3,656	\$2,906 25	Jan..	2,461½	\$1,818 60	2,186	\$1,524 36
Feb..	2,861	2,163 47	2,820½	2,104 29	Feb..	2,140	1,565 98	1,418½	1,000 06
Mar..	3,744½	2,882 98	3,321½	3,165 08	Mar..	2,857½	1,962 82	2,008½	1,368 63
April	3,985½	3,272 21	4,080½	3,541 58	April	3,069	1,812 94	2,244	1,725 41
May	3,831½	3,265 99	4,357½	3,929 71	May..	2,780½	1,719 84	2,351	1,610 98
June	3,602½	3,088 20	4,047½	3,711 98	June..	2,922	2,018 05	2,148	1,524 15
July.	4,959	3,878 20	5,176½	4,177 96	July..	3,478	2,108 84	2,604½	1,766 22
Aug..	4,923½	4,098 89	4,670½	4,041 74	Aug..	3,508	2,197 16	2,572½	1,788 20
Sept.	5,049½	4,422 11	4,964	4,400 24	Sept..	3,479½	2,543 39	2,900	2,068 50
Oct..	5,814½	4,765 82	5,587½	5,163 04	Oct..	3,465	1,959 17	3,691	2,677 50
Nov..	4,460½	3,819 58	4,228½	3,499 64	Nov..	2,619	1,841 46	2,854½	1,901 99
Dec..	3,211	2,686 76	4,182½	3,898 09	Dec..	1,786½	1,302 90	2,018½	1,608 76
Total	49,125	\$40,685 48	51,188	\$44,039 60	Total	34,517½	\$22,841 15	28,487	\$20,554 76

RECAPITULATION.

	No. carried.	Revenue.
Northern Division, 1855,	51,188	\$44,039 60
" " 1854,	49,125	40,685 48
Increase in 1855,	2,063	\$3,354 12
Cayuga Division, 1854,	34,517½	\$22,841 15
" " 1855,	28,487	20,554 76
Decrease in 1855,	6,030½	\$2,286 39
Total in 1855, Northern Division,	51,188	\$44,039 60
" " Cayuga " 	28,487	20,554 76
Total,	79,675	\$64,594 36
Total in 1854, Northern Division,	49,125	\$40,685 48
" " Cayuga " 	34,517½	22,841 15
Total,	83,642½	\$63,526 63
Aggregate in 1855,	79,675	\$64,594 36
" in 1854,	83,642½	63,526 63
Decrease in number carried,	3,967½	
Increase in Revenue in 1855,		\$1,067 73

DELAWARE, LAKAWANNA AND WESTERN RAIL-ROAD.
STATEMENT SHOWING THE NUMBER OF PASSENGERS FROM EACH STATION TO ALL OTHER STATIONS,
DURING THE YEAR 1855.

NORTHERN DIVISION.

	1,149½	1,719½	1,566	1,120½	779	575	1,581	1,000	11,081	9,748	8,299	36,494½
.....	1,149½	1,488	899½	669	489	397	871½	301	5,241½	1,875½	2,804	14,906½
944	944	980½	480½	56½	30½	14	75	15	97½	50	36	978½
1,786	1,598½	2,099½	180	180	50½	11½	75	28½	247½	918	96½	1,190½
1,599	869½	976	917	917	54½	97	44½	49	840½	196½	96	1,080
975	570	75	934½	70	207½	70	144	298½	486	244½	114	1,498½
685	394½	16	105½	148½	155½	155½	308	66	597½	17	38	1,071
566½	817½	9	15½	66	148½	148½	115	47	199	137	59½	547½
1,419	819	14½	71½	108½	947½	119	207½	207	3,074½	89	396	2,916½
1,144	287½	16	38	917½	93	70½	281½	New Market	1,718	404½	70	2,192½
12,469	5,870½	88½	288½	680½	568	390	2,091	2,110½	Great Bend	91	29	48
15	15	.....	59	179	.....	.....	207	40	.....	.....	.....	.....
2,888	2,689½	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
34,768½	18,766½	785	989½	718	1,800	1,031	8,499½	2,161½	5	.....	.....	.....

Going Northward.

Going Southward.

CAYUGA DIVISION.

	1,149½	1,719½	1,566	1,120½	779	575	1,581	1,000	11,081	9,748	8,299	36,494½
.....	1,149½	1,488	899½	669	489	397	871½	301	5,241½	1,875½	2,804	14,906½
944	944	980½	480½	56½	30½	14	75	15	97½	50	36	978½
1,786	1,598½	2,099½	180	180	50½	11½	75	28½	247½	918	96½	1,190½
1,599	869½	976	917	917	54½	97	44½	49	840½	196½	96	1,080
975	570	75	934½	70	207½	70	144	298½	486	244½	114	1,498½
685	394½	16	105½	148½	155½	155½	308	66	597½	17	38	1,071
566½	817½	9	15½	66	148½	148½	115	47	199	137	59½	547½
1,419	819	14½	71½	108½	947½	119	207½	207	3,074½	89	396	2,916½
1,144	287½	16	38	917½	93	70½	281½	New Market	1,718	404½	70	2,192½
12,469	5,870½	88½	288½	680½	568	390	2,091	2,110½	Great Bend	91	29	48
15	15	.....	59	179	.....	.....	207	40	.....	.....	.....	.....
2,888	2,689½	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
34,768½	18,766½	785	989½	718	1,800	1,031	8,499½	2,161½	5	.....	.....	.....

Going Northward.

Going Southward.

HISTORICAL VIEW

Of the succession of Officers and Managers of the Delaware, Lackawanna and Western Railroad Company, from its original organization, as the Ligett's Gap Rail-Road Company, till 1856.

Act Incorporating the Ligett's Gap Rail-Road Company, approved April 7th, 1832. Names of Commissioners designated therein to obtain subscriptions to the Capital Stock, and organize the Company, viz. :—

Of Susquehanna County.

FREDERICK BAILEY,
CHRISTOPHER L. WARD,
PUTNAM CATLIN,
JOHN MANN,
S. MILLIGAN,
ASA DIMOCK, JR.,
JABEZ HYDE, JR.,
CHARLES FRAZER.

Of Luzerne County.

HENRY W. DRINKER,
DOCTOR ANDREW BEDFORD,
JEREMIAH CLARK,
NATHANIEL COTTRELL,
ELISHA S. POTTER,
JAMES GRIFFIN,
JOHN S. DRIGGS,
THOMAS SMITH.

Various Supplements to Act of Incorporation were passed in the years 1836, 1842 and 1847.

First meeting of the Commissioners to obtain subscriptions to the Capital Stock, held at Harrison, (now Scranton,) March 7th, 1849, and the amount of Stock then subscribed by 56 individuals, was 5,026 shares, at \$50 each—say \$251,300.

Date of Charter signed by Governor WILLIAM F. JOHNSTON, March 14th, 1849.

First meeting of Stockholders for election of Officers, held at Harrison, January 2d, 1850. H. W. DRINKER, Chairman, JOHN S. SHERRERD, Secretary.

OFFICERS ELECTED FOR 1850.

(*William H. Tripp and Joseph C. Platt, Judges of the election.*)

JOHN J. PHELPS, *President*

(a) SELDEN T. SCRANTON, *Treasurer.*

(h) CHARLES F. MATTES, *Secretary.*

MANAGERS.

JOHN I. BLAIR,	(b) JEREMIAH CLARK,	(d) JOSEPH H. SCRANTON,
(g) HENRY W. DRINKER,	(f) ANDREW BEDFORD,	GEORGE W. SCRANTON,
(e) JOSEPH C. PLATT,	DANIEL S. MILLER,	FRED. R. GRIFFIN,
	(c) CHARLES FULLER.	

(a) Resigned, March 27th, 1850; and ROSWELL SPRAUZE, of New-York, elected in his stead.

(b) Resigned, March 27th, 1850; and HENRY HOTOHKISS, of New Haven, Conn., elected in his stead.

(c) Resigned, March 27th, 1850; and JOHN HOWLAND, of New-York, elected in his stead.

(d) Resigned, March 27th, 1850; and WILLIAM E. DODGE, of New-York, elected in his stead.

(e) Resigned, March 27th, 1850; and J. B. WILLIAMS, of Ithaca, N. Y., elected in his stead.

(f) Resigned, March 27th, 1850; and EDWARD MOWEY, of New-York, elected in his stead.

(g) Resigned, March 28th, 1850; and DRAKE MILLS, of New-York, elected in his stead.

(h) Resigned, July 6th, 1850; and MOSES W. SCOTT, of New-York, elected in his stead.

GEORGE W. SCRANTON appointed General Agent, March 28, 1850.

OFFICERS ELECTED FOR 1851.

JOHN J. PHELPS, *President*.
 ROSWELL SPRAGUE, *Treasurer*.
 MOSES W. SCOTT, *Secretary*.

MANAGERS.

JOHN I. BLAIR,	FREDERICK R. GRIFFIN,	WM. E. DODGE,
DANIEL S. MILLER,	HENRY HOTCHKISS,	J. B. WILLIAMS,
GEO. W. SCRANTON,	JOHN HOWLAND,	DRAKE MILLS,
	EDWARD MOWRY.*	

*Resigned December 12th, 1851; and GEO. BULKLEY, of New-York, elected in his stead.

Supplement approved April 14th, 1851, changing the corporate name to "The Lackawanna and Western Rail-Road Company."

OFFICERS ELECTED FOR 1852.

JOHN J. PHELPS, *President*.
 ROSWELL SPRAGUE, *Treasurer*.
 MOSES W. SCOTT, *Secretary*.

MANAGERS.

JOHN I. BLAIR,	FREDERICK R. GRIFFIN,*	WM. E. DODGE,
DANIEL S. MILLER,	HENRY HOTCHKISS,	J. B. WILLIAMS,
GEORGE W. SCRANTON,	JOHN HOWLAND,	DRAKE MILLS,
	GEORGE BULKLEY.	

*Deceased, 1852.

OFFICERS ELECTED FOR 1853.

(*J. C. Platt and S. T. Scranton, Judges of election.*)

(a) JOHN J. PHELPS, *President*.
 (c) ROSWELL SPRAGUE, *Treasurer*.
 (d) MOSES W. SCOTT, *Secretary*.

MANAGERS.

JOHN I. BLAIR,	(e) HENRY HOTCHKISS,	J. B. WILLIAMS,
(e) DANIEL S. MILLER,	(e) JOHN HOWLAND,	DRAKE MILLS,
GEORGE W. SCRANTON,	W. E. DODGE,	GEORGE BULKLEY,
	(b) GEORGE D. PHELPS.	

(a) Resigned, February 4th, 1853; and GEORGE D. PHELPS elected, February 11th, 1853 to fill the vacancy.

(b) Resigned, February 11th, 1853; and JOHN J. PHELPS elected in his stead.

(c) Resigned, March 11th, 1853, to take effect 1st of April; and WILLIAM E. WARREN elected in his stead.

(d) Resigned, April 8th, 1853; and WILLIAM E. WARREN elected in his stead.

(e) Resigned, December 31st, 1853.

Act of Legislature, approved March 11th, 1853, consolidating the Delaware and Cobb's Gap Rail-Road Company with this Company, and designating the consolidated Company, "The Delaware, Lackawanna and Western Rail-Road Company," accepted and adopted April 8th, 1853.

THE DELAWARE AND COBB'S GAP RAIL-ROAD COMPANY.

Act of Incorporation passed April 7th, 1849. Names of Commissioners designated therein to receive subscriptions to the Capital stock, and organize the Company:—

MOSES W. COOLBAUGH,	ADAM OVERFIELD,	FRANKLIN STARBURD,
SIMON W. SCHOONMAKER,	JOHN PLACE,	JAMES H. STROUD,
THOMAS GRATTAN,	BENJAMIN V. BUSH,	RUDOLPHUS BINGHAM,
HENRY M. LEBAR,	ALPHEUS HOLLISTER,	WILLIAM NYCE, and
	SAMUEL TAYLOR.	

First meeting of Commissioners, held at the house of JACOB KNECHT, in Stroudsburg, November 28th, 1850, at which time the whole number of shares authorized by Act of Incorporation were subscribed for by 27 different individuals, and the first installment paid thereon.

Date of Letters Patent, December 4th, 1850. First meeting of Stockholders for the election of Officers, held at the house of STROUD J. HOLINSHEAD, in Stroudsburg, 26th December, 1850.

(*William Overfield, Samuel Taylor and Philip H. Mattes*, Judges of the election.)

OFFICERS CHOSEN.

GEORGE W. SCRANTON, *President*.

DIRECTORS.

JOHN J. PHELPS,	JOHN I. BLAIR,	HORATIO W. NICHOLSON,
WM. E. DODGE,	SELDEN T. SCRANTON,	JAMES M. PORTER,
THOS. W. GALE,	JOS. H. SCRANTON,	JAMES M. STROUD, and
L. L. STURGES,	JOS. C. PLATT,	FRANKLIN STARBURD.

First meeting of the Board of Directors, held in Stroudsburg, December 26th, 1850, at which JOHN I. BLAIR was chosen Treasurer, and CHARLES F. MATTES Secretary.

OFFICERS ELECTED FOR 1853.

(*Roswell Sprague, Henry Hotchkiss and W. S. Rees*, Judges of the election.)

GEORGE W. SCRANTON, *President*.

DIRECTORS.

JOHN J. PHELPS,	L. L. STURGES,	JOS. H. SCRANTON,
WM. E. DODGE,	JOHN I. BLAIR,	JOS. C. PLATT,
THOS. W. GALE,	S. T. SCRANTON,	H. W. NICHOLSON,
JAMES M. PORTER,	JAS. M. STROUD,	FRANKLIN STARBURD.

And subsequently JOHN I. BLAIR was elected Treasurer, and C. F. MATTES, Secretary.

Survey and location of route by EDWIN MCNEILL, Engineer, accepted and adopted April 13th, 1853.

Act to consolidate the Lackawanna and Western, and Delaware and Cobb's Gap Rail-Road Companies, approved the 11th day of March, 1853. Accepted, and such consolidation agreed to, April 13th, 1853.

Officers of the consolidated Companies, under the title of "THE DELAWARE, LACKAWANNA AND WESTERN RAIL-ROAD COMPANY," elected for 1854:—

(*James Suydam and Wm. B. Skidmore*, Judges of the election.)

GEORGE D. PHELPS, *President*.

(b) WILLIAM E. WARREN, *Treasurer and Secretary*.

MANAGERS.

DRAKE MILLS,	GEORGE BULKLEY,	ROSWELL SPRAGUE,
JOHN J. PHELPS,	JOHN I. BLAIR,	(a) THOMAS TILESTON,
WM. E. DODGE,	GEO. W. SCRANTON,	MOSES TAYLOR,

JOHN BRADLEY, of New Haven, Conn.

Geo. W. SCRANTON resigned as General Agent, March 6, 1854.

(a) Resigned, November 24th, 1854.

(b) Mr. WARREN resigned the Secretaryship, December 29th, 1854.

JAMES ARCHBALD appointed General Agent December 29th, 1854.

OFFICERS ELECTED FOR 1855.

(*James Suydam and W. B. Skidmore, Judges of election.*)

GEORGE D. PHELPS, *President.*

DRAKE MILLS, *Vice-President.*

W. E. WARREN, *Treasurer.*

ANDREW J. ODELL, *Secretary.*

MANAGERS.

DRAKE MILLS,

JOHN J. PHELPS,

WM. E. DODGE,

GEORGE BULKLEY,

JOHN I. BLAIR,

GEORGE W. SCRANTON,

HENRY YOUNG.

ROSWELL SPRAGUE,

MOSES TAYLOR,

(a) JOHN BRADLEY,

(a) Resigned, January 5th, 1855; and SAMUEL WILLETS, of New-York chosen in his stead.

Supplement, increasing the number of Managers to fourteen, approved March 22d, 1855.

OFFICERS ELECTED FOR 1856.

(*L. L. Sturges and Thomas W. Gale, Judges of Election.*)

GEORGE D. PHELPS, *President.*

DRAKE MILLS, *Vice-President.*

WILLIAM E. WARREN, *Treasurer.*

ANDREW J. ODELL, *Secretary.*

MANAGERS.

DRAKE MILLS,

JOHN J. PHELPS,

WM. E. DODGE,

GEO. BULKLEY,

JOHN I. BLAIR.

GEO. W. SCRANTON,

ROSWELL SPRAGUE,

MOSES TAYLOR,

HENRY YOUNG,

SAMUEL WILLETS,

WM. E. WARREN,

THOS M'ELRATH,

SAMUEL L. MITCHILL,

RUFUS B. GRAVES.