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# REPORT

OF THE

PRESIDENT AND DIRECTORS

OF THE

**MORRIS CANAL AND BANKING COMPANY,**

TO THE

**STOCKHOLDERS.**

MARCH, 1837.

**New York**

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D I R E C T O R S .

LOUIS McLANE,  
GEORGE GRISWOLD,  
SAMUEL R. BROOKS,  
HENRY W. HICKS,  
EDWIN LORD,  
JAMES B. MURRAY,  
WASHINGTON IRVING,

HENRY YATES,  
JOSEPH L. OSEPH,  
DANIEL JACKSON,  
JONATHAN GOODHUE,  
STEPHEN WHITNEY,  
SIMEON DRAPER, jr.,  
EDWIN POST.

GARRET D. WALL,  
PETER M. RYERSON,  
JOHN TRAVERS,

CHRISTIAN B. ABRISKIE,  
ISAAC H. WILLIAMSON.

JOHN MOSS,  
EDWARD R. BIDDLE,

THOMAS C. CADWALADER,  
WASHINGTON JACKSON.



O F F I C E R S .

LOUIS McLANE, President.

THOMAS A. ALEXANDER, cashier.

TO THE  
STOCKHOLDERS  
OF THE  
MORRIS CANAL AND BANKING COMPANY.

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On the occasion of the annual meeting of the stockholders, the president and directors herewith submit a statement, prepared pursuant to the charter and by-laws, which exhibits the condition of the company on the 1st day of February.

It will be observed that, during the past year, the board have been enabled, out of the net profits of the institution, to make two semi-annual dividends; the first of three per cent., and the second of four per cent.; making together seven per cent, for the year, upon the capital.

The profits, thus divided among the stockholders, were the fruits of only a partial possession of the capital; and, from causes which it is unnecessary to detail, received but a small contribution from the canal.

In the course of the ensuing year, however, the whole capital may be rendered fully active; and the canal, and its appurtenances, in consequence of the arrangement hereinafter, referred to, will become a source of considerable revenue.

As anticipated in the last report, the board have caused due notice to be given to the holders of the debt in Holland, that both the principal and interest will be reimbursed on the 1st day of July next; when the mortgage on the canal, by which that debt was secured, will be cancelled, and the property of the company released from incumbrance.

Since the last meeting of the stockholders, the canal has been completed to Jersey City. The works connected with the reservoir at Long Pond, and with the feeder from that point to the canal near Mead's Basin, according to the estimate of the engineer, will be completed on or before the 1st of July next. Measures have also been taken for the construction of reservoirs at Mount Pleasant, &c., &c., which will be completed at an early day; and from these, and the other sources already in operation, an abundant supply of water for the increasing business of the canal, and for all the purposes authorized by the charter, will be obtained.

In the course of the past year, it became apparent, that the augmenting concerns of the company, growing out of the active employment of the other powers of the charter, would not permit either the executive officers, or the directors, to give the requisite attention to the canal. The successful management of such a work calls for more than a skilful police and general supervision on the line. It requires, also, constant and judicious observation and attention, in developing the resources of the country which the work penetrates ; and unremit-

ting exertions, not only to make known its advantages, but to multiply and extend its connections, in order that it may enjoy a proper share of the trade for which there will always be so much competition. It seemed, therefore, to be the duty of the directors, either to reorganize the company, so as to place the canal and its business under the management of a distinct board, (which would have materially augmented the expenses,) or to combine with it other connections, whose interests would lead them to co-operate in promoting and extending the trade. After full deliberation, the board determined to adopt the latter expedient.

The president and directors have, therefore, entered into an agreement with the LITTLE SCHUYLKILL AND SUSQUEHANNA RAIL-ROAD COMPANY, whereby, in consideration of the right of using the canal, and enjoying all the water power and real estate attached or appurtenant to it,- so far as by the charter they may lawfully do,- that company have agreed to purchase of the Morris Canal and Banking Company all their old boats at a valuation by appraisers mutually chosen, and the new boats at the cost; have guaranteed all the expenses of working the canal, and keeping it and the appurtenances in repair; and have agreed to pay, for the term *of* five years from the 1st day of December last, a net income of six per centum per annum upon the entire expenditure made, and to be made, upon the canal and its appurtenances, and upon the cost of the real estate.

The contract, also, secures to the Little Schuylkill and Susquehanna Company, the option of extending the time for a further term of five years at the same rate; and afterwards, for a like term of five years, at the rate of eight per cent. per annum. The exercise of the franchise conferred by the charter, remains, in the mean time, in this company.

By this arrangement, it is believed, there has been secured an annual revenue from the canal and its works equal to *four and a half per cent.* upon the capital of \$4,100,000.

The LITTLE SCHUYLKILL AND SUSQUEHANNA RAILROAD COMPANY IS incorporated by the state of Pennsylvania, with authority to construct a railroad from Williamsport to the rail-road of the BEAVER MEADOW COMPANY, in the state of Pennsylvania.

It has authority, also, to hold *five thousand acres of coal lands*, of which a considerable portion has already been purchased. It may be presumed that a chief motive by which this company may have been influenced in forming the contract, herein explained, is to acquire at all times certain and ample means of transportation for the produce of the extensive mines; and the' directors are understood to possess full confidence in their ability, from the various means at their command, to render the contract immediately profitable.

The capital of the company may be extended to the sum of two millions of dollars, of which, it is understood, an amount has been already subscribed, by the Bank of the United States and responsible

individuals, sufficient to insure the early completion of the rail-road, and the seasonable development of the mines.

That the responsibility of the *Little Schuylkill and Susquehanna Rail-road Company* may be better appreciated, and a just estimate formed of the important sources of trade which will hereafter be combined with the Morris Canal, and which are to assist in rendering the contract mutually profitable and advantageous to both parties, a map has been prepared, and, with this report, is submitted to the stockholders.

It will thence appear, that the Morris Canal will be connected, by way of the Lehigh Canal and the Beaver Meadow Rail-road, with the Little Schuylkill and Susquehanna Rail-road, extending to Williamsport, a distance of eighty-eight miles.

In connection with these continuous routes, the projected rail-roads to *Elmira, Pittsburg, and Erie*, will open the nearest and most direct communication from the bituminous coal field to *Jersey City* and the city of *New-York*.

The length of the Morris Canal from Easton to Jersey City being one hundred and one miles, and the Lehigh Canal to Mauch Chunk forty-seven miles, and the Beaver Meadow Rail-road to Quakake fourteen miles, the anthracite coal field will, by these routes, be comprehended in a distance of one hundred and sixty-two miles. The Little Schuylkill and Susquehanna Rail-road from Quakake to Williamsport, eighty-eight miles, will extend

the communication to the verge of the bituminous coal field, and at the aggregate distance of two hundred and fifty miles.

From *Williamsport* the rail-road to *Pittsburg* will be two hundred and ,seventeen miles, and to *Erie* two hundred miles; making the total distance from New-York to the *former* place, four hundred and sixty-seven miles, and to *Erie* four hundred and fifty miles.

Of these improvements, thus connecting New-York with the great West, the *Morris Canal*, the *Lehigh Canal*, and the *Beaver Meadow Rail-road*, comprehending a distance of one hundred and sixty-two miles, are already completed; and the *Little Schuylkill and Susquehanna Rail-road*, a distance of eighty-eight miles, is in progress of completion.

It will appear that, of this important chain of internal improvements, the Little Schuylkill and Susquehanna Rail-road is a principal link; and, that the interests of all parties connected with that undertaking, will be deeply concerned in promoting the trade on the Morris Canal, and in constituting it one of the principal communications with the city of New-York.

All of which is respectfully submitted.

By order of the Board,  
LOUIS McLANE, President.

T. A. ALEXANDER, Cashier.  
*March 6th, 1837.*



*General and Consolidated Statement of the Affairs of the Morris Canal and Banking Company, February 1, 1837*

*Dr.*

Morris Canal-Cost from the Delaware to the Hudson Rivers, comprising expenditures on account of its various works, real estate, water privileges, damages,&c. &c.	\$2,928,231 17
Canal Boats.-Balance of this account, including payments on account of new boats	112,360 05
Real Estate – Banking House in Jersey City	17,218 02
Wm, Willink, jr., Amsterdam – Amount remitted him to Pay interest on the Holland Loan	18,879 78
Lehigh Coal and Navigation Company-Balance due from them	22,949 23
Bills Receivable – Amount on hand	\$3,053,541 44
Loans on Bond and Mortgage	34,025 00
Loans on Stocks,	142,000 00
Stock in Little Schuykill and Schuykill Rail-Road Company	136,000 00
Stock in Susquehanna and Lehigh Canal Company	4,000 00
Due from individuals on Securities	440,143 00
	\$3,809,710 13
Indiana 5 per cent. Stock	898,834 45
Morrison, Cryder & Co., London	650,248 15
Due from distant Banks,	104,077 07
Interest fund, Indiana five per cent. Stock	3,825 00
Expenses on Indiana Bonds	773 25
Cash, viz: in Bank of America,	\$15,125 62
Phoenix Bank	29,450 75
Notes of other Banks, Checks, &c	154,231 51
Specie,	117,726 05
	316,533 93
	\$8,883,640 73

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Capital Stock.—For Canaling purpose,	\$3,100,000 00
“ Banking,	\$1,000,000 00
	\$4,100,00 00
Hollan Loan	748,000 00
Bonds payable in London (1846)	1,964,444 43
Bonds payable at the Banking House	124,000 00
Bills payable	100,000 00
Remittance of Indiana Bonds to London.	444,444 43
Due Canal Fund Commisioners, of the State of Indiana.	584,890 00
“ Distant Banks	241,697 79
“ Treasurer of the State of New Jersey	5,000 00
Interest Fund Indiana State Bank Loan	9,475 00
Unclaimed Dividends	90 00
Dividend No. 2 of 4 per cent (payable 10 <sup>th</sup> inst.)	164,000 00
Profit and Loss. Balance	157,713 24
Post Notes	14,000 00
Bank Notes, amount in circulation	80,391 00
Due to Individual Depositors	144,694 84
	\$8,,883,640 73

## CLASSIFICATION OF DIRECTORS

**SAMUEL REEVES BROOKS,  
EDWARD R. BIDDLE, and  
THOS. C. CADWALADER,**

First Class, whose  
term of service is to  
expire in March, 1842.

**JONATHAN GOODHUE,  
GEORGE GRISWOLD,  
SIMEON DRAPER, Jr.  
EDWIN POST , and  
JAMES B. MURRAY,**

Second Class, whose  
term of service is to  
expire in March, 1838.

**HENRY W. HICKS,  
WASHINGTON IRVING,  
DANIEL JACKSON,  
WASHINGTON JACKSON, and  
PETER M. RYERSON,**

Third Class, whose  
term of service is to  
expire in March, 1839

**JOSEPH L. JOSEPH,  
EDWIN LORD,  
JOHN MOSS,  
JOHN TRAVERS, and  
GARRET D. WALL,**

Fourth Class, whose  
term of service is to  
**expires in March, 1840**

**LOUIS McLANE,  
STEPHEN WHITNEY,  
HENRY YATES,  
ISAAC H. WILLIAMSON, and  
CHRISTIAN B. ZABRISKIE,**

Fifth Class, whose  
term of service is to  
expire in March, 1841.

