

December 23<sup>rd</sup> 1853.

Dear Sir

The annual report of the President and Directors of the Chesapeake and Ohio Canal Company made to the Stockholders last June, and then forwarded to you contains a statement of the affairs of the company to that time. I have postponed giving you such additional information as you might probably require, till the revenue of the present year could be ascertained.

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| The revenue of 1851, the first year of navigation from Cumberland to tide water, was |            | \$ 111,406 |
| The revenue of 1852  |            | 97,725     |
| The tolls of 1853 to the 1 <sup>st</sup> of Dec <sup>r</sup>                         | 132,000    |            |
| Estimated for December   | 12,000     |            |
| House and land rents   | 597        |            |
| Water rents  | 4,350      |            |
| Fines and Penalties  | <u>137</u> | 119,084.   |

As the navigation of the canal has been continued to a later period than was expected, when the estimate was made for the present month, the revenue for the present year will probably exceed one hundred and fifty thousand dollars. It would certainly have exceeded two hundred thousand, if the navigation had not been suspended for a considerable period during the business seasons of the year. This interruption was caused by the defective condition of dams 4 and 5, which in dry seasons never collect a sufficient quantity of water to supply the levels immediately below them. These dams were originally defective and have been injured by successive floods, and it will require an expenditure of forty or fifty thousand dollars to render them secure and effective. In consequence of the want of sufficient funds, the company has heretofore been obliged to depend on temporary repairs, which, however more fully answered the purpose of securing in proper depth of water in the canal. This deficiency has always interrupted navigation in times of drought, but is more sensibly felt now, than formerly, because it delays the passage of a greater number of boats. Arrangements have been made for the reconstruction of both dams, and as the work can be done without interfering with the trade of the canal, it is hoped that the expense may be defrayed out of the accruing revenue. The amount expended in repairing the damages of 1852, was much larger than the amount borrowed for that purpose, and the surplus revenue, beyond the necessary current expenses, has been applied to the payment of contractors and laborers, whose claims were too urgent to be postponed. The reconstruction of dam number six, which had been