

# FEDERAL RESERVE BANK OF ATLANTA.

## SECOND ANNUAL REPORT.

ATLANTA, GA., January 2nd, 1917.

TO THE STOCKHOLDERS OF THE  
FEDERAL RESERVE BANK OF ATLANTA:

We beg leave to present herewith the Second Annual Report of the Federal Reserve Bank of Atlanta. The First Annual Report, under date of January 2nd, 1916, covered the operation of the bank from November 2nd, 1914, to December 30, 1916. This report covers a period from January 1st, 1916, to December 31st, 1916, and the following pages contain statement of condition of the bank at the close of business December 30th, 1916. The statement shows the gross earnings, the cost of operation and the net earnings. On December 29th, 1916, we issued our checks payable on January 2nd, 1917, covering a dividend to our member banks at the rate of 6% per annum from January 1st, 1916 to June 30th, 1916. The profits arising in the bank during its operation for the year, justified the payment of this cumulative dividend, thus relieving us of any liability for dividends up to June 30th, 1916, and leaving a net undivided profit after declaring said dividend of \$10,120.04, and we invite your attention to the following pages for the detailed statement.

It must be remembered that financial conditions have been such during the past year that our member banks could not loan all of their available funds arising from their deposits, and that there was very little demand on the Federal Reserve Bank for the discount of paper during this period of twelve months. This was due largely to the fact that our exports to foreign countries exceeded our imports, thus bringing into the United States a plethora of gold on which credits were based, and enabling banks in the financial centers to offer money at reduced rates of discount, thus affecting the profits not only of this institution, but of our member banks as well. A great portion of the earnings of this bank has been made out of the purchase of bankers' acceptances, the purchase of state, county and municipal warrants, and the holding of U. S. bonds, which enabled us to make what we believe to be a very good showing under all existing circumstances.

The reserve position of this bank has been kept sufficiently strong to meet any reasonable emergency, and in addition thereto we have issued the largest amount of Federal Reserve Notes of any of the twelve Federal Reserve Banks, with the exception of the Federal Reserve Bank of New York. These notes was issued primarily to aid the member banks in furnishing currency to move the crops, this bank receiving therefor exchange on the financial centers which we were able to convert into gold, relieving us of liability on nearly all of our outstanding Federal Reserve Notes, and creating a bulwark of strength that could be resorted to in case there should come an immediate demand for credit in this district.

We desire to express to our member banks our appreciation of their co-operation, and extend our best wishes for the coming year.

JOSEPH A. McCORD,  
Governor.

**Comparative Statement of Condition,  
December 30, 1916 and December 31, 1915**

( Including New Orleans Branch )

**ASSETS**

<b>Earning Assets</b>	December 30, 1916.	December 31, 1915.
Bills Discounted—Members .....	\$ 2,964,133.02	\$ 8,074,293.25
Bills bought in open market.....	4,447,696.96	71,665.22
United States Bonds.....	2,534,000.00	
Municipal Warrants .....	401,509.00	330,147.58
	\$10,347,338.98	\$ 8,476,106.05
 <b>Misc. Assets</b>		
Interest Accrued on U. S. Bonds.....	\$ 14,386.66	
Expenses paid in advance.....	517.43	
Cost of Unissued Federal Reserve Notes.....	20,314.87	9,484.98
Bank Premises.....	102,500.00	
Furniture and Fixtures.....	12,282.26	15,713.90
	150,001.22	6,228.92
 <b>Deductions from Deposits</b>		
Due from Federal Reserve Banks.....	\$ 5,312,435.71	1,001,921.68
Due from Member Banks—Overdrafts.....	4,819.11	77,012.60
Due from Banks and Bankers.....	341,704.52	43,878.76
Checks and Cash Items.....	21,806.71	23,633.83
Exchanges for Clearing House.....	825,242.33	229,464.60
Deferred Debits—Members.....	5,117,731.24	1,375,911.47
	11,623,739.62	
 <b>Other Cash and Exchange</b>		
Federal Reserve Notes.....	\$ 1,241,765.00	1,276,610.00
N. B. & F. R. Notes—Other Banks.....	1,677,795.00	1,072,970.00
Nickels and Cents.....	160.83	36.81
Currency for Redemption.....	180,000.00	148,000.00
	3,099,720.83	2,497,616.81
 <b>Cash Reserve</b>		
Gold Settlement Fund.....	\$ 7,439,000.00	\$ 3,717,000.00
5% Redemption (Gold) Fund.....	348,778.29	307,512.36
Gold Coin and Certificates.....	5,246,531.07	4,833,289.90
Legal Tenders, Silver, etc.....	82,626.00	133,753.80
	13,116,935.36	8,991,556.06
 <b>TOTAL ASSETS.....</b>	 <b>\$38,337,736.01</b>	 <b>\$21,356,904.29</b>

**LIABILITIES**

Capital paid in.....	\$ 2,450,000.00	\$ 2,422,400.00
Profits and Loss.....	10,120.04	82,532.39
Discount and Interest Unearned.....	23,711.45	36,021.14
Service Charges—Transit.....	2,483.24	
Reserve for Sundry Expenses.....	460.64	326.17
 <b>Gross Deposits</b>		
Government Deposits.....	\$ 3,821,076.20	\$ 5,000,000.00
Due to Federal Reserve Banks.....	5,762,247.41	291,520.84
Due to Member Banks.....	21,812,983.12	8,760,434.30
Cashier's Checks Outstanding.....	53,885.12	13,669.45
Reserve for Dividend No. 2.....	70,941.30	
Deferred Credits.....	58,727.49	14,065,624.59
	31,579,860.64	
Federal Reserve Note Liability.....	4,271,100.00	4,750,000.00
 <b>TOTAL LIABILITIES.....</b>	 <b>\$38,337,736.01</b>	 <b>\$21,356,904.29</b>

## PROFIT AND LOSS ACCOUNT

### Federal Reserve Bank of Atlanta

( Including New Orleans Branch )

Balance, January 1, 1916 . . . . .		\$ 82,532.39
Gross earnings, January 1, 1916 to December 30, 1916 . . . . .	\$ 263,243.62	
LESS Total expense, Jan. 1, 1916 to Dec. 30, 1916. . . . .	132,637.50	
Net earnings for 1916 . . . . .		<u>130,606.12</u>
Total Net earnings to date . . . . .		\$213,138.51
LESS, Dividends paid		
No. 1, 6% for period from Nov. 16, '14 to Dec. 31, '15 . . . . .	129,198.00	
No. 2, 6% for period from Jan. 1, '16 June 30, '16 . . . . .	70,941.30	
Premium paid on surrendered capital stock for 1916 . . . . .	<u>2,879.17</u>	<u>203,018.47</u>
Balance carried forward, Undivided profits, . . . . .		10,120.04

**OFFICERS**

M. B. WELLBORN, Chairman of the Board.  
EDW. T. BROWN, Deputy-Chairman.  
JOS. A. McCORD, Governor.  
W. H. TOOLE, Secretary.  
J. M. SLATTERY, Deputy-Secretary  
M. W. BELL, Cashier.  
W. S. GRAVES, Assistant Cashier.

**DIRECTORS**

EDW. T. BROWN, Atlanta, Ga.	W. H. KETTIG, Birmingham, Ala.
F. W. FOOTE, Hattiesburg, Miss.	J. A. McCRARY, Decatur, Ga.
W. H. HARTFORD, Nashville, Tenn.	P. H. SAUNDERS, New Orleans, La.
L. P. HILLYER, Macon, Ga.	W. H. TOOLE, Winder, Ga.
M. B. WELLBORN, Anniston, Ala.	

**Member Federal Advisory Council**

CHAS. A. LYERLY, Chattanooga, Tenn.

**COUNSEL**

HOLLINS N. RANDOLPH, Atlanta, Ga.