

THIRD ANNUAL REPORT OF
(1917)
FEDERAL RESERVE BANK
OF ATLANTA.

ATLANTA, GA. January 10th, 1918

To the Board of Directors and Member Banks,
Sixth Federal Reserve Bank

Dear Sirs:

We herewith submit you the Third Annual Report of the Federal Reserve Bank of Atlanta, covering the operations of the Bank from January 1st, 1917 to December 31st, 1917. The statement shows the gross earnings, the cost of operation, and the net earnings.

On June 30th, 1917, we paid a dividend for six months due to the shareholders from July 1st, 1916, to December 31st, 1916. On December 31st, 1917, we paid a dividend for twelve months on all stock in this bank up to and inclusive of that date, thus paying to our shareholders or member banks, the dividends due them up to date. The profits arising in the bank during its operation for the year justified the payment of these cumulative dividends. In addition thereto, we wrote off the depreciation of furniture and fixtures, paid all of the expenses of operation, cost of printing and issuing Federal Reserve notes, and set aside a reserve for depreciation in addition thereto, of \$24,909.00. After paying these dividends and setting aside these funds, there remained \$80,000 of net profits for the year's operations, and under the law under which we operate one-half of this is set aside to our surplus account, being \$40,000, and the other half is paid into the Treasury of the United States as a franchise tax to the United States Government.

We are glad to be able to make this statement, considering the fact that the Government has been at war with the Imperial Government of Germany since April of last year. During this time there has been floated two issues of government bonds, and this bank both at the home office in Atlanta and the branch at New Orleans are highly pleased with the results obtained in this district in the way of subscriptions to said loans; and believe that the prosperous conditions that surround us at the present time and the immediate outlook for the future will justify a larger subscription to the anticipated loan that is near at hand.

During the present year we have been of service to nearly all classes of banks. We have handled the farmers' loans, loans of the stock raiser, we have taken care of the agricultural interests and the manufacturer's interests, and then as these crops float to the center, it has been our pleasure to take care of the commercial interests coming to us from the larger banks in the centers. We have also been of service to the community at large, in being able to furnish a sufficient amount of currency to handle the needs of the trade for the marketing of the crops and the handling of business conditions.

The reserve position of the bank has been kept sufficiently strong to meet any reasonable emergency, and in addition thereto, we have issued sufficient Reserve notes and possibly one of the largest issues of any of the twelve Federal Reserve Banks. These notes are largely secured by gold; in fact, three-fourths of the issue is covered by actual gold in the hands of the Government, and the sale of the products from this section of the country brings to us exchange, which is converted into gold reserve in the financial centers, relieving us of the outstanding liability on reserve notes, and creates a bulwark of strength 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.

Respectfully submitted,

JOS. A. McCORD,

Governor.

COMPARATIVE STATEMENT OF CONDITION

December 31, 1917, and December 30, 1916
(Including New Orleans Branch)

ASSETS		Dec. 31, 1917	Dec. 30, 1916
EARNING ASSETS			
Bills discounted—Members		11,895,589.16	2,414,133.02
Member banks' collateral notes.....		2,628,250.00	550,000.00
Acceptances bought in open market.....		6,497,061.67	4,447,696.96
United States Securities.....		3,888,000.00	2,534,000.00
Municipal warrants		284,372.00	401,509.00
Bill of Lading drafts.....		503,831.60	
Total.....		25,697,104.43	10,347,338.98
MISCELLANEOUS ASSETS			
Interest accrued on U. S. Securities.....		25,814.07	14,386.66
Cost of unissued F. R. Notes.....		588.24	20,314.87
Other deferred charges.....		2,237.36	517.43
Bank premises		140,875.20	102,500.00
Furniture and equipment.....			12,282.26
Due from Treasurer of the United States.....		45,694.07	
Total.....		215,208.94	150,001.22
DEDUCTIONS FROM DEPOSITS			
Due from other F. R. Banks.....		2,182,401.91	5,312,435.71
Due from member banks—Overdrafts			4,819.11
Due from banks and bankers		354,061.46	341,704.52
Exchanges for Clearing House.....		2,552,616.60	825,242.33
Checks and other cash items.....		56,940.23	21,806.71
Nat'l bank notes and notes of other F. R. Banks.....		2,395,950.00	
Other mutilated currency fwd. for redemption.....		232,250.00	
Deferred debits—Transit account.....		14,011,092.75	5,117,731.24
Total.....		21,785,312.95	11,623,739.62
OTHER CASH ON HAND			
Nat'l bank notes and F. R. notes of other banks.....			1,677,795.00
Federal Reserve notes on hand.....		1,909,030.00	1,241,765.00
Mutilated F. R. notes fwd. for redemption.....		43,500.00	180,000.00
Nickels and cents.....		407.51	160.83
Total.....		1,952,937.51	3,099,720.83
CASH RESERVE			
Gold with Federal Reserve Agent.....		50,701,320.00	
Gold Settlement Fund.....		12,482,000.00	7,439,000.00
Due from Treasurer U. S.—Gold Redemption Fund.....		1,119,140.98	348,778.29
Due from Foreign Agencies.....		1,575,000.00	
Gold coin and certificates.....		5,717,322.72	5,246,531.07
Legal tenders, Silver, etc.....		415,715.00	82,626.00
Total.....		72,010,498.70	13,116,935.36
TOTAL ASSETS		121,661,062.53	38,337,736.01

COMPARATIVE STATEMENT OF CONDITION—Cont'd
LIABILITIES

	Dec. 31, 1917	Dec. 30, 1916
CAPITAL AND PROFITS		
Capital paid in.....	\$ 2,812,750.00	\$ 2,450,000.00
Surplus	40,000.00	
Profit and Loss.....		10,120.04
Due Government of the United States—franchise tax.....	40,000.00	
Total	2,982,750.00	2,460,120.04
MISCELLANEOUS		
Unearned discount	65,157.01	23,711.45
Reserved for depreciation.....	59,492.92	460.64
Service charges (net receipts).....		2,483.24
Total	124,649.93	26,655.33
GROSS DEPOSITS		
U. S. Government deposits.....	4,476,782.74	3,821,076.20
Due to Federal Reserve Banks.....	1,334,971.71	5,762,247.41
Due to Member banks—Reserve account.....	36,849,923.90	21,812,983.12
Cashier's and Expense Checks.....	15,973.73	53,885.12
Dividend checks	145,465.61	70,941.30
Due to non-member banks—Collection account.....	97,903.27	
Federal Reserve Bank drafts.....	115,280.00	
Deferred credits—Transit Department.....	8,739,936.64	58,727.49
Total	51,776,242.60	31,579,860.64
Federal Reserve Note liability		4,271,100.00
Federal Reserve Notes outstanding	66,867,420.00	
TOTAL LIABILITIES	121,661,062.53	38,337,736.01

PROFIT AND LOSS ACCOUNT
FEDERAL RESERVE BANK OF ATLANTA
(Including New Orleans Branch)

Gross earnings for 1917.....		\$ 541,822.74
LESS—Expenses of operation, including current expense of Bank proper and Federal Reserve Agent's Dept.	\$ 149,021.27	
Cost of Federal Reserve Notes.....	69,123.22	
Depreciation of furniture and fixtures and bank premises.....	10,677.80	
Reserved for depreciation.....	24,909.00	253,739.29
Total net earnings to date		288,083.45
		10,120.04
Profit and Loss January 1, 1917		298,203.49
Dividends paid during 1917.....	218,203.49	
Carried to Surplus.....	40,000.00	
Reserved for payment of franchise tax to the Government of the United States	40,000.00	298,203.49
TOTAL PROFITS TO DATE		
Surplus	40,000.00	
Franchise tax paid to Government of United States.....	40,000.00	80,000.00
Dividends paid to date.....		421,229.96
Total		501,229.96

OFFICERS

M. B. WELLBORN, Chairman of the Board and
Federal Reserve Agent
EDW. T. BROWN, Deputy Chairman of the Board
JOS. M. SLATTERY, Asst. Federal Reserve Agent
JOS. A. McCORD, Governor
J. B. PIKE, Cashier
M. W. BELL, Assistant Cashier
W. B. ROPER, Assistant Cashier
W. R. PATTERSON, Assistant Cashier
W. ALBERTSON, Auditor
G. A. HAGAN, Assistant Auditor

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. EDGAR B. STERN, New Orleans, La.
L. P. HILLYER, Macon, Ga. P. R. KITTLES, Sylvania, Ga.
M. B. WELLBORN, Anniston, Ala.

DIRECTORS, NEW ORLEANS BRANCH

FRANK ROBERTS, Lake Charles, La. A. P. BUSH, Mobile, Ala.
J. E. BOUDEN, Jr., New Orleans, La. JAS. E. ZUNTS, New Orleans, La.
H. B. LIGHTCAP, Jackson, Miss. EDGAR B. STERN, New Orleans, La.
MARCUS WALKER, New Orleans La.

MEMBER FEDERAL ADVISORY COUNCIL

CHAS. A. LYERLY, Chattanooga, Tenn.

COUNSEL

HOLLINS N. RANDOLPH, Atlanta, Ga.