

Federal Reserve Bank

of Dallas



REPORT TO STOCKHOLDERS

December 31, 1940

January 23, 1941

**To the Stockholders of the
Federal Reserve Bank of Dallas:**

There is presented herein a comparative statement of condition of the Federal Reserve Bank of Dallas, including its branches, for the years ended December 31, 1940, and December 31, 1939; also a comparative statement of earnings and expenses for the years 1940 and 1939. In addition, there are included statistical data reflecting the principal activities of the various departments of the bank.

It is hoped this information will be of interest to your bank.

Yours very truly,

R. R. GILBERT

President

COMPARATIVE STATEMENT OF CONDITION

ASSETS

	Dec. 31, 1940	Dec. 31, 1939
Gold certificates on hand and due from U. S. Treasury	\$280,158,786.08	\$242,195,849.92
Redemption fund—Federal Reserve notes	509,393.17	364,374.99
Other cash	14,009,315.10	15,258,031.06
Total reserves	294,677,494.35	257,818,255.97
Bills discounted	40,304.67	149,780.00
Industrial advances	278,346.14	500,359.67
U. S. Government securities, direct and guaranteed:		
Bonds	49,948,000.00	48,970,000.00
Notes	34,974,500.00	41,075,500.00
Total U. S. Government securities	84,922,500.00	90,045,500.00
Total bills and securities	85,241,150.81	90,695,639.67
Due from foreign banks	1,401.20	1,354.01
Federal Reserve notes of other banks	1,023,850.00	865,450.00
Uncollected items	29,528,994.51	26,817,913.55
Bank premises	1,226,150.54	1,175,000.96
Other assets	1,864,227.61	2,138,533.32
Total assets	\$413,563,269.02	\$379,512,147.48

LIABILITIES

Federal Reserve notes in actual circulation	\$ 97,864,595.00	\$ 83,573,910.00
Deposits:		
Member bank—reserve account	240,274,756.51	216,793,717.02
U. S. Treasurer—general account	10,925,758.93	21,232,956.79
Foreign bank	23,248,035.84	11,784,306.77
Other deposits	2,446,097.17	9,584,184.70
Total deposits	276,894,648.45	259,395,165.28
Deferred availability items	27,399,365.31	25,388,178.26
Other liabilities	61,011.04	48,438.97
Total liabilities	402,219,619.80	368,405,692.51

CAPITAL ACCOUNTS

Capital paid in	4,207,550.00	4,065,950.00
Surplus (Section 7)	3,974,489.86	3,974,461.76
Surplus (Section 13b)	1,262,609.36	1,266,043.21
Other capital accounts	1,899,000.00	1,800,000.00
Total liabilities and capital accounts	\$413,563,269.02	\$379,512,147.48
Commitments to make industrial advances	\$ 3,907.12

COMPARATIVE STATEMENT OF EARNINGS AND EXPENSES
FOR THE YEARS 1940 AND 1939

Earnings:	1940	1939
Discounted bills	\$ 4,656.38	\$ 3,672.49
Purchased bills		67.37
Industrial advances	22,477.03	32,598.51
Commitments to make industrial advances	15.49	127.25
U. S. Government securities	1,624,280.89	1,422,669.85
All other	11,860.08	7,075.97
Total current earnings	1,663,289.87	1,466,211.44
Current operating expenses	1,694,392.32	1,623,832.16
Less—Reimbursements received for certain fiscal agency and other expenses	518,613.82	509,981.33
Net operating expenses	1,175,778.50	1,113,850.83
Assessment for expenses of Board of Governors	50,508.56	47,679.31
Cost of Federal Reserve currency	35,976.73	37,945.73
Total net expenses	1,262,263.79	1,199,475.87
Current net earnings	401,026.08	266,735.57
Additions to current net earnings:		
Profits on U. S. Government securities sold—net	449,202.79	169,192.05
All other	52,951.76	8,514.18
	<u>502,154.55</u>	<u>177,706.23</u>
Deductions from current net earnings:		
Special reserve on bank premises	543,737.78	78,000.00
Reserve for estimated losses on industrial advances—net	16,000.00	14,000.00
All other	271.39	240.17
	<u>560,009.17</u>	<u>92,240.17</u>
Net earnings	\$ 343,171.46	\$ 352,201.63
Disposition of net earnings:		
Paid U. S. Treasurer (Section 13b)		616.93
Dividends paid	247,577.21	241,185.41
Transferred from surplus (Section 13b)	3,433.85	
Transferred to surplus (Section 7)	99,028.10	110,399.29
	<u>\$ 343,171.46</u>	<u>\$ 352,201.63</u>
SURPLUS ACCOUNT (SECTION 7)		
Balance at close of previous year	\$3,974,461.76	\$3,891,869.97
Addition as above	99,028.10	110,399.29
Transferred to reserves for contingencies	99,000.00	27,807.50
Balance at close of current year	\$3,974,489.86	\$3,974,461.76

NUMBER OF MEMBER BANKS IN OPERATION

	December 31, 1940			December 31, 1939		
	National	State	Total	National	State	Total
Arizona	1	1	2	1	1	2
Louisiana	9	2	11	9	2	11
New Mexico	16	3	19	16	3	19
Oklahoma	10	1	11	10	1	11
Texas	446	79	525	445	56	501
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Total	482	86	568	481	63	544

FEDERAL RESERVE NOTE CIRCULATION

	1940	1939
Average	\$ 84,285,000	\$78,851,000
Maximum	98,408,000	86,142,000
Minimum	78,028,000	75,329,000

VOLUME OF THE PRINCIPAL TRANSACTIONS HANDLED DURING
THE YEARS 1940 AND 1939
(Units and Amounts Shown in Thousands)

	1940		1939	
	Units	Amount	Units	Amount
Discounts and advances.....	1	\$ 4,694	1	\$ 4,485
Currency received	59,619	195,636	57,270	189,066
Coin received	77,860	7,524	74,833	7,354
Currency paid out.....		212,240		197,856
Coin paid out.....		9,292		8,504
Checks handled	49,713	8,563,569	47,023	7,929,323
Checks returned unpaid.....	1,111	39,148	1,024	34,938
Collections handled	250	190,029	230	221,349
U. S. Government interest coupons paid	174	5,018	191	5,712
Coupons of governmental agencies paid	99	1,244	138	1,436
U. S. Government checks and war- rants paid	7,117	665,015	6,883	634,942
Transfers of funds for member banks	52	4,138,356	55	4,202,878
U. S. Government securities issued, exchanged and redeemed.....	104	248,796	98	269,925
Securities of governmental agencies issued, exchanged and redeemed....	8	11,405	26	42,188
Purchase and sale of securities and acceptances for investors.....		82,610		113,600

DIRECTORS AND OFFICERS

January 1, 1941

DIRECTORS

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Chairman

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Deputy Chairman

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Dallas, Texas

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Vice President, Angelina County Lumber
Company, Keltys, Texas

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President, The Cooper Company, Inc.,
Waco, Texas

FORD SEALE,
President, Citizens National Bank,
Denison, Texas

FRANK TURNER,
President, First National Bank in Decatur,
Decatur, Texas

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Company, Houston, Texas

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Executive Vice President, Continental
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Fort Worth, Texas

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L. G. PONDROM, Assistant Cashier

R. O. WEBB, Assistant Cashier

MAC C. SMYTH, Assistant Cashier

W. H. HOLLOWAY, General Auditor

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Deming, New Mexico

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Company, Tucson, Arizona

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H. RENFERT,
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Galveston, Texas

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W. D. GENTRY, Managing Director

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San Antonio, Texas

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EDWIN F. FLATO,
President, Corpus Christi Hardware Company,
Corpus Christi, Texas

J. A. WALKER,
Cashier, Del Rio National Bank,
Del Rio, Texas

M. CRUMP, Managing Director

OFFICERS

M. CRUMP, Managing Director

W. E. EAGLE, Cashier

