

FEDERAL RESERVE BANK OF MINNEAPOLIS

January 10, 1942.

TO THE STOCKHOLDERS OF THE  
FEDERAL RESERVE BANK OF MINNEAPOLIS:

We are pleased to present a comparative statement of condition of the Federal Reserve Bank of Minneapolis at the close of business December 31, 1941, and December 31, 1940, together with comparison of earnings and expenses and volume of operations in principal departments of the bank, and other pertinent data for the years 1941 and 1940.

Respectfully submitted,

  
*President.*

## STATEMENT OF CONDITION

### ASSETS

	Dec. 31, 1941	Dec. 31, 1940
Gold Certificates on Hand and Due from U. S. Treasury.....	\$394,664,696.95	\$311,096,117.47
Redemption Fund—F. R. Notes.....	401,194.84	331,923.27
Other Cash .....	5,418,238.49	6,576,020.77
<b>Total Reserves .....</b>	<b>\$400,484,130.28</b>	<b>\$318,004,061.51</b>
<b>Bills Discounted:</b>		
Secured by U. S. Government Obligations, Direct and		
Guaranteed .....	\$ 50,000.00	\$ 109,250.00
Other Bills Discounted.....		107,281.08
<b>Total Bills Discounted.....</b>	<b>\$ 50,000.00</b>	<b>\$ 216,531.08</b>
Industrial Advances .....	\$ 513,994.01	\$ 218,577.11
<b>U. S. Government Securities, Direct and Guaranteed:</b>		
Bonds .....	\$ 43,272,000.00	\$ 36,611,000.00
Notes .....	22,931,000.00	25,636,500.00
Bills .....	306,000.00	
<b>Total U. S. Government Securities, Direct and</b>		
Guaranteed .....	\$ 66,509,000.00	\$ 62,247,500.00
<b>Total Bills and Securities.....</b>	<b>\$ 67,072,994.01</b>	<b>\$ 62,682,608.19</b>
Due from Foreign Banks.....	\$ 459.65	\$ 459.65
F. R. Notes of Other Banks.....	651,000.00	1,513,500.00
Uncollected Items .....	26,570,679.45	19,555,657.42
Bank Premises .....	1,338,161.57	1,367,008.01
Other Assets .....	1,309,108.52	1,395,171.19
<b>Total Assets .....</b>	<b>\$497,426,533.48</b>	<b>\$404,518,465.97</b>

### LIABILITIES

Federal Reserve Notes in Actual Circulation.....	\$206,509,760.00	\$158,709,015.00
<b>Deposits:</b>		
Member Bank—Reserve Account .....	\$178,535,152.29	\$174,476,119.29
U. S. Treasurer—General Account.....	52,460,366.02	22,856,979.54
Foreign Bank .....	16,796,440.13	17,048,559.62
Other Deposits .....	10,813,884.48	5,376,777.54
<b>Total Deposits .....</b>	<b>\$258,605,842.92</b>	<b>\$219,758,435.99</b>
Deferred Availability Items.....	\$ 22,554,458.72	\$ 16,343,592.98
Other Liabilities .....	83,955.53	81,540.18
<b>Total Liabilities .....</b>	<b>\$487,754,017.17</b>	<b>\$394,892,584.15</b>

### CAPITAL ACCOUNTS

Capital Paid In.....	\$ 3,003,150.00	\$ 2,974,500.00
Surplus (Section 7).....	3,152,420.27	3,152,420.27
Surplus (Section 13b).....	1,000,298.87	1,000,298.87
Other Capital Accounts.....	2,516,647.17	2,498,662.68
<b>Total Liabilities and Capital Accounts.....</b>	<b>\$497,426,533.48</b>	<b>\$404,518,465.97</b>

## EARNINGS AND EXPENSES

Earnings from:	1941	1940
Discounted Bills .....	\$ 2,649.35	\$ 2,755.97
Purchased Bills .....		-----
United States Government Securities.....	1,191,361.92	1,237,338.58
Industrial Advances .....	20,790.46	15,264.51
Commitments to make Industrial Advances.....	416.03	573.39
All Other .....	8,019.02	9,570.48
<b>Total Current Earnings.....</b>	<b>\$ 1,223,236.78</b>	<b>\$ 1,265,502.93</b>
<b>Expenses:</b>		
Net Operating Expenses.....	\$ 985,407.91	\$ 912,702.80
Assessment for Expenses of Board of Governors of the Federal Reserve System.....	40,614.36	38,397.55
Federal Reserve Currency:		
Original Cost .....	\$ 44,141.35	\$ 28,214.89
Cost of Redemption .....	5,264.90	5,619.03
<b>Total Current Expenses.....</b>	<b>\$ 1,075,428.52</b>	<b>\$ 984,934.27</b>
<b>Current Net Earnings.....</b>	<b>\$ 147,808.26</b>	<b>\$ 280,568.66</b>
<b>Additions to Current Net Earnings:</b>		
Profits on Sales of U. S. Government Securities.....	\$ 40,889.24	\$ 363,420.92
All Other .....	17,229.77	53,782.23
<b>Total .....</b>	<b>\$ 58,119.01</b>	<b>\$ 417,203.15</b>
<b>Deductions from Current Net Earnings:</b>		
Losses and Reserves for Losses on Industrial Advances..	\$ 4,853.82	\$ 499.00
Special Reserves and Charge-Offs on Bank Premises.....		-----
All Other .....	2,809.14	3,020.81
<b>Total .....</b>	<b>\$ 7,662.96</b>	<b>\$ 3,519.81</b>
<b>Net Additions to Current Net Earnings.....</b>	<b>\$ 50,456.05</b>	<b>\$ 413,683.34</b>
<b>Net Earnings .....</b>	<b>\$ 198,264.31</b>	<b>\$ 694,252.00</b>
Dividend Paid .....	\$ 179,789.68	\$ 177,400.58
Transferred to Surplus (Section 13b).....		-----
Paid to U. S. Treasurer (Section 13b).....	490.14	-----
Transferred to Surplus (Section 7).....	17,984.49	517,236.51
<b>SURPLUS ACCOUNT (SECTION 7)</b>		
Balance at Close of Previous Year.....	\$ 3,152,420.27	\$ 3,152,420.27
Transferred from Profits of Year.....	17,984.49	517,236.51
Transferred to Reserves for Contingencies.....	17,984.49	517,236.51
<b>Balance at Close of Year.....</b>	<b>\$ 3,152,420.27</b>	<b>\$ 3,152,420.27</b>
<b>SURPLUS ACCOUNT (SECTION 13b)</b>		
Balance at Close of Previous Year.....	\$ 1,000,298.87	\$ 1,000,683.96
Transferred from Profits of Year.....		-----
<b>Balance at Close of Year.....</b>	<b>\$ 1,000,298.87</b>	<b>\$ 1,000,298.87</b>

## VOLUME OF OPERATIONS IN PRINCIPAL DEPARTMENTS

	1941		1940	
	Number	Amount (In Thousands)	Number	Amount (In Thousands)
<b>Loans and Discounts:</b>				
<b>Bills Discounted:</b>				
Applications .....	89	2,666	109	2,391
Notes Discounted .....	115	346	181	580
Advances Made .....	77	2,300	73	1,728
<b>Industrial Advances:</b>				
Advances Made .....	174	1,408	43	403
Commitments to Make Industrial Advances .....	19	89	34	143
<b>Currency and Coin:</b>				
Currency Received and Counted .....	45,117,168	192,564	43,614,208	188,644
Coin Received and Counted .....	32,971,507	3,502	32,509,169	3,631
<b>Check Collection:</b>				
U. S. Government Checks .....	3,259,724	629,620	3,460,693	467,127
Work Relief Checks .....	1,849,000	56,724	2,396,000	68,489
Other Checks .....	31,966,757	6,595,001	29,879,253	5,363,619
<b>Noncash Collection:</b>				
City Collections—Grain Drafts .....	807,366	236,362	689,479	154,159
Other City Collections .....	35,170	106,229	40,166	87,265
Country Collections .....	75,196	52,750	74,130	52,886
Coupon (except Government) and Country Security Collections .....	31,139	39,655	33,659	34,366
<b>United States Government Coupons Paid:</b>				
Coupons from U. S. Government Direct Obligations .....	295,227	8,795	328,295	9,287
Coupons from Issues of Other U. S. Gov- ernment Agencies .....	155,169	2,298	178,070	2,444
<b>Issues, Redemptions and Exchanges by Fiscal Agency Department:</b>				
U. S. Government Direct Obligations .....	414,960	364,696	152,061	239,450
Other U. S. Government Agencies .....	8,360	26,624	13,281	9,956
<b>Transfers of Funds .....</b>	29,014	2,687,726	28,929	2,208,411
<b>Safekeeping—Member Banks:</b>				
Amount of Securities Held in Custody for Member Banks on Last Day of Year .....		311,904		288,280
Number of Coupons Cut from Securities Held for Member Banks .....	201,608		213,602	
<b>Purchase and Sale of Securities for Account of Banks Located in the Ninth Federal Re- serve District .....</b>	4,468	193,599	5,030	165,125

### PERSONNEL

December 31, 1941

	Head Office	Helena Branch	Total
<b>Number of Officers and Employees at End of Year:</b>			
Officers .....	10	3	13
Employees .....	549	34	583

**MEMBER BANKS**  
**NINTH FEDERAL RESERVE DISTRICT**

Number of Member Banks at end of Year:	<b>1941</b>	<b>1940</b>
National Banks .....	364	372
State Banks .....	88	88
	452	460

Changes during the Year 1941:

New National Banks Organized.....	2	
State Banks Admitted to Membership.....	2	
	4	
National Banks Consolidated with Other National Banks.....	0	
National Banks Succeeded by State Member Banks.....	1	
National Banks Succeeded by Nonmember State Banks.....	5	
National Banks Absorbed by Other National Banks.....	1	
National Banks Absorbed by Nonmember State Banks.....	1	
National Banks Absorbed by Member State Banks.....	1	
National Banks Liquidated .....	1	
State Member Banks Withdrawn .....	1	
State Member Banks Converted to National Banks.....	1	
	12	
Net Decrease in Number of Member Banks.....	8	

State Banks which became Members during the Year 1941:

- Gwinn State Savings Bank, Gwinn, Michigan.
- The Onida Bank, Onida, South Dakota

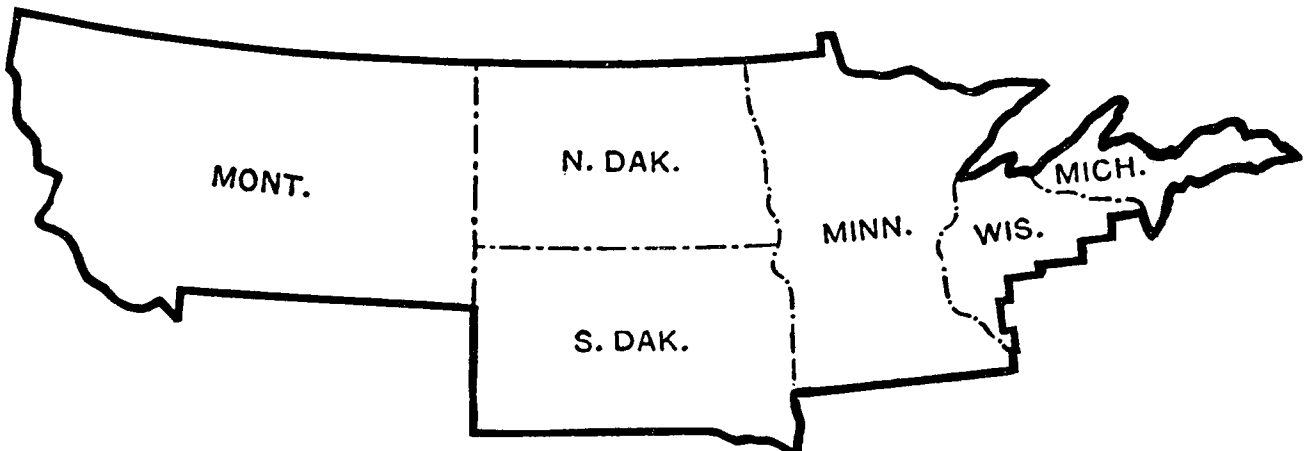
Number of Member Banks in each State or part of State, in the Ninth Federal Reserve District at the end of Year 1941:

	National Banks	State Banks	Total
Michigan.....	27	14	41
Minnesota.....	186	21	207
Montana.....	41	25	66
North Dakota.....	45	0	45
South Dakota.....	37	23	60
Wisconsin.....	28	5	33
	364	88	452

**DESCRIPTION OF NINTH FEDERAL RESERVE DISTRICT**

	<b>Land Area (Square Miles)</b>	<b>1940 Population</b>
Michigan (northern peninsula).....	16,691	323,544
Counties of—		
Alger	Keweenaw	
Baraga	Luce	
Chippewa	Mackinac	
Delta	Marquette	
Dickinson	Menominee	
Gogebic	Ontonagon	
Houghton	Schoolcraft	
Iron		
Minnesota .....	80,009	2,792,300
Montana .....	146,316	559,456
North Dakota.....	70,054	641,935
South Dakota.....	76,536	642,961
Wisconsin (northern part).....	23,273	582,770
Counties of—		
Ashland	Lincoln	
Barron	Oneida	
Bayfield	Pepin	
Buffalo	Pierce	
Burnett	Polk	
Chippewa	Price	
Douglas	Rusk	
Dunn	St. Croix	
Eau Claire	Sawyer	
Florence	Taylor	
Forest	Trempealeau	
Iron	Vilas	
La Crosse	Washburn	
	<u>412,879</u>	<u>5,542,966</u>
Total.....		

**NINTH FEDERAL RESERVE DISTRICT**



## DIRECTORS

WALTER C. COFFEY, President  
University of Minnesota, Minneapolis, Minnesota  
*Chairman of the Board and Federal Reserve Agent*

ROGER B. SHEPARD, President  
Finch, Van Slyck & McConville  
St. Paul, Minnesota  
*Deputy Chairman*

HOMER P. CLARK, Chairman of the Board  
West Publishing Company  
St. Paul, Minnesota

W. D. COCHRAN,  
Cochran Freight Lines  
Iron Mountain, Michigan

SHIRLEY S. FORD, President  
Northwestern National Bank & Trust Co.  
Minneapolis, Minnesota

ALBERT P. FUNK, President  
La Crosse Rubber Mills Co.  
La Crosse, Wisconsin

F. D. McCARTNEY, Vice President  
First National Bank  
Oakes, North Dakota

J. R. MCKNIGHT, President  
Pierre National Bank  
Pierre, South Dakota

J. E. O'CONNELL, President  
Eddy's Bakeries  
Helena, Montana

## OFFICERS

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O. S. POWELL, *First Vice-President*

H. I. ZIEMER, *Vice President and Cashier*

H. C. CORE, *Assistant Cashier*

WM. E. PETERSON, *Assistant Cashier*

T. H. HODGSON, *Assistant Counsel*

E. W. SWANSON, *Vice President and Secretary*

A. R. LARSON, *Assistant Cashier*

OTIS R. PRESTON, *Assistant Cashier*

A. W. MILLS, *Auditor*

SIGURD UELAND, *Counsel*

## MEMBER OF FEDERAL ADVISORY COUNCIL

LYMAN E. WAKEFIELD, President  
First National Bank & Trust Co.  
Minneapolis, Minnesota

## HELENA BRANCH—(MONTANA)

### DIRECTORS

ALEX CUNNINGHAM, Vice President-Treasurer  
Western Life Insurance Company  
Helena, Montana

P. B. McCLINTOCK, Cashier  
Farmers National Bank  
Chinook, Montana

H. D. MYRICK  
Square Butte, Montana

PETER PAULY, President  
Deer Lodge Bank and Trust Co.  
Deer Lodge, Montana

R. E. TOWLE, *Managing Director*

### OFFICERS

R. E. TOWLE, *Managing Director*

A. W. JOHNSON, *Assistant Manager*

C. J. LARSON, *Assistant Manager*