

AUDITOR'S REPORT
FEDERAL RESERVE BANK OF MINNEAPOLIS
DECEMBER 30, 1916.

I N D E X

Sheet

✓	1	Proof Bills Discounted	✓ All from no of banks sub allat. Paisthane
✓	1	" Acceptances Purchased	✓ " " " " " " " " " " " "
✓	2	" Warrants	✓ " " " " " " " " " " " "
✓	2	" U.S. Bonds	✓ " " " " " " " " " " " "
✓	3	List Warrants held	✓ " " " " " " " " " " " "
✓	4	Bank Balances - Federal Reserve Bank	✓ " " " " " " " " " " " "
✓	5	" " - Members	✓ " " " " " " " " " " " "
✓	5	Government Deposits	✓ " " " " " " " " " " " "
✓	6	Gold Settlement Fund	✓ " " " " " " " " " " " "
✓	6	Capital Stock	✓ " " " " " " " " " " " "
✓	7	Wisconsin banks withdrawn from district	✓ " " " " " " " " " " " "
✓	8	" " "	✓ " " " " " " " " " " " "
✓	9	Earnings for month	✓ " " " " " " " " " " " "
✓	10	Expenses " "	✓ " " " " " " " " " " " "
✓	11	Expense Comparison 1915 - 1916	✓ " " " " " " " " " " " "
✓	12	Transit Expense, Service Charges since July 15, 1916	✓ " " " " " " " " " " " "
✓	13	Average earning assets and rates December 1916	✓ " " " " " " " " " " " "
✓	14	" " " " " " by months 1916	✓ " " " " " " " " " " " "
✓	15	Gross earnings by months 1916	✓ " " " " " " " " " " " "
✓	16	Profit & Loss Account	✓ " " " " " " " " " " " "
✓	17	Cash Record - Bank	✓ " " " " " " " " " " " "
✓	18	Gold and Federal Reserve Notes held by Agent	✓ " " " " " " " " " " " "
✓	19	Federal Reserve Notes received and cost	✓ " " " " " " " " " " " "
✓	20	Rediscounts - Minnesota	✓ " " " " " " " " " " " "
✓	21	" - North Dakota, South Dakota, Montana, Michigan	✓ " " " " " " " " " " " "
✓	22	Balance sheet Dec. 30, 1916.	✓ " " " " " " " " " " " "

Minneapolis, January 2, 1917.

To the Directors,

Federal Reserve Bank of Minneapolis.

Gentlemen:-

During the closing week of December, all Discounts, Acceptances, Warrants and Bonds were verified; the ledgers proven and the amounts of Unearned Interest and Unearned Discount found to be in control with General Ledger balances. Account "Premium on Bonds Purchased" is being amortized monthly in an amount sufficient to wipe out the premium by maturity of the bonds. Continuous audit is being maintained as nearly as possible on all cash held by the Bank as well as that held by the Agent. Proof of cash in possession of Teller was made under date of December 27th. Details of the various examinations and other information follows:

BILLS DISCOUNTED - MEMBERS AS OF DECEMBER 26, 1916. (PROVEN).

Member Banks collateral loans	335,700.00
" " rediscunts on hand	1,464,023.40
" " " sent for collection (since verified)	<u>175,832.08</u>
Total	1,975,555.48

Average amount of rediscunts from members during 1916 \$ 1,268,400.

Average rate of discount on above 4.804%

ACCEPTANCES PURCHASED (Verified as of Dec. 23, 1916).

On Hand	5,020,665.90
Sent for collection (since verified)	<u>1,018,617.90</u>
Total	6,039,283.80

Average amount purchased during 1916 \$ 2,154,300.

Average rate earned after paying commission 2.326%

STATE AND MUNICIPAL WARRANTS (Verified Dec. 31, 1916.)

Warrants on hand, or Trust Receipts for those held by other Federal Reserve Banks for our account	\$ 569,664.72
Average amount invested during 1916	\$ 1,251,300.
" rate earned after paying commissions	2.748%

(Various warrants held shown on separate sheets).

**UNITED STATES BONDS AND NOTES ON HAND AND HELD IN
WASHINGTON AT CLOSE OF BUSINESS Dec. 31, 1916.
(Verified)**

		<u>Par Value</u>	
Reg. 2%	Panama Canal Loan 1906-1936	50,000.	
" 2%	Consols " 1900-1930	1,014,900.	
" 3%	Panama Can Loan 1911-1961	500.	
" & Coup.	U.S. Loans 1898-1918	1,193,740.	
" & Coup.	U.S. Loans 1875-1925	<u>181,000.</u>	2,440,140.
Coup. 3%	Conversion Bonds 1916-1946	2,200.	
" 3%	1 year Treasury	< 350,000.	
" 3%	Notes - Due April 1, 1917	<u>350,000.</u>	702,200.
	Total Held		3,142,340.

Average amount invested in U.S. Securities during 1916	\$ 3,015,300.
" rate earning during year	2.297%

On January 2 there were converted into 3% bonds and notes \$1,060,000. of our present holdings of 2% bonds, and our profit on purchase price of 2% bonds stands at \$13,551.24.

Of premium account \$18,495.80 represents the price over par paid for \$181,000. of 4% bonds, and \$17,852.05 the premium on \$1,193,740. of 3% bonds of 1918. These two amounts are being amortized \$186.82 and \$850.09 respectively each month.

WARRANTS OF STATES AND MUNICIPALITIES
HELD CLOSE OF BUSINESS DECEMBER 31, 1916.

	<u>Interest Basis</u>	<u>Due</u>	<u>Maturity Value</u>
City of New York	2 5/8	January 3, 1917	\$ 81,282.19
City of Leominster, Mass.	3	January 15, 1917	10,000.00
City of Fitchburg, "	2.875	January 26, 1917	25,000.00
City of Yonkers, N.Y.	3 3/4	January 29, 1917	13,262.88
School Board Munising Township			
Alger County, Michigan	4 1/2	February 1, 1917	12,117.00
City of Syracuse, N.Y.	3	February 2, 1917	25,170.83
City of Quincy, Mass.	3	February 8, 1917	25,000.00
Town of Winthrop "	3	February 15, 1917	15,000.00
Town of Russell "	3 1/4	March 1, 1917	5,000.00
Jordan School Dist. Salt Lake			
County, Utah	4	March 1, 1917	10,320.80
Town of West Hoboken, N.J.	3 1/2	March 12, 1917	18,343.90
Board of Education			
City of Minneapolis, Minn.	3	March 15, 1917	304,167.12
City of Brockton, Mass.	3 3/8	May 29, 1917	25,000.00
			\$569,664.72

BANK BALANCES

The balances "due from" and "due to" other Federal reserve banks at close of business December 31, 1916, were as follows:

<u>Place</u>	<u>Due from</u>	<u>Due to</u>
Boston	\$ 355,628.92	\$ 88,145.80
New York	1,540,599.88	237,023.56
Philadelphia	3,103.46	188,921.31
Cleveland	1,056.83	268,168.72
Richmond	522.47	22,425.39
Atlanta	2,296.93	5,619.35
Chicago	202,687.66	1,407,580.37
St. Louis	5,927.58	134,753.07
Kansas City	45,760.39	183,469.88
Dallas	12,830.46	11,318.06
San Francisco	<u>49,957.42</u>	<u>5,894.18</u>
	2, 220,372.00	2,553,318.69
Deferred Debits and Credits to other Fed. res. banks	<u>1,378,625.07</u>	<u>1,793,837.89</u>
	3, 598,997.07	4,347,156.58

The balances due us have been checked and found correct. Statements of balances due to other Federal Reserve banks have been forwarded and will be followed up until verified.

Verification of footings on member bank ledgers has been made as of Dec. 30, 1916, and found to agree with controlling balances on General Ledger. Daily statements are rendered all banks and as rapidly as possible we will obtain each bank's verification of balance to close of business December 30.

AVERAGE MEMBER BANK DEPOSITS BY MONTHS.

	<u>YEAR</u>	<u>1 9 1 6.</u>		
January	\$	14,350,000	July	\$ 19,605,000
February		14,513,000	August	20 ,406,000
March		15,050,000	September	21,490,000
April		15,382,000	October	22,773,000
May		17,621,000	November	26,801,000
June		19,129,000	December	29,670,000
Yearly Average \$19,732,000				

DEPOSITS BY STATES AS OF DECEMBER 30, 1916.

Michigan	\$	1,156,659.84	North Dakota	\$2,378,580.04
Minnesota		17,899,665.55	South Dakota	2,317,806.72
Montana		3,015,608.85	Wisconsin	2,766,640.87
TOTAL DEPOSITS \$29,534,961.87				

On January 2 our deposits were reduced \$1,750,219.92 through the transferring of 50 Wisconsin banks to the Chicago district. (Particulars of banks transferred, deposits and capital stock shown on separate sheet.)

GOVERNMENT DEPOSITS

	<u>Average by months,</u>	<u>1916.</u>		
January	\$238,647.81		July	\$771,286.91
February	353,621.10		August	957,902.83
March	508,175.10		September	1,066,491.06
April	457,112.58		October	1,030,821.49
May	618,187.05		November	839,200.49
June	747,994.49		December	860,752.26
Average for year \$704,182.76				

GOLD SETTLEMENT FUND.

Under date of December 9, 1916, this fund was examined by the Auditor of the Federal Reserve Bank, Boston, representing the Banks, and the Auditor of the Federal Reserve Bank, St. Louis, representing the Agents. The gold certificates comprising the fund were found to agree in amount with the records of the Federal Reserve Board. This Bank's participation was shown to be \$9,391,000 and that of the Agent of this bank \$6,250,000. Both of these balances are in accord with the records of this bank as of like date.

The holdings in this fund are United States Treasury Gold Certificates (\$10,000 denomination only) issued payable to the order of the Federal Reserve Board, indorsed by perforation "payable only to the Treasurer of the United States or a Federal Reserve Bank".

Examinations are made once during each quarter and the different banks rotate in making the audit.

CAPITAL STOCK.

Total holdings of member banks as shown by stock ledgers is \$2,609,700. which amount is in accord with general ledger balance.

Particulars of Capital Stock --- Dividends Paid and Accrued.

State	No. of Banks	Stock Held	Dividend to July 1, 1915	Dividend Accrued July 1 1915 to Dec. 31/15	Dividend Accrued Jan. 1 1916 to Dec. 31/16
Michigan	32	133,900	3,254.99	3,943.20	
Minnesota	286	1,404,350	29,735.58	39,491.04	
Montana	74	261,000	5,995.89	7,420.60	
No. Dakota	156	249,000	5,745.74	7,158.58	
So. Dakota	124	112,500	4,608.30	5,816.83	
Wisconsin	88	348,150	8,379.37	10,292.02	
	760	2,608,900	57,719.87	74,122.28	154,807.80
Total dividends accrued to Dec. 31, 1916					228,930.08
Less dividends Jan. 1, 1916 to Dec. 31, 1916 on stock of Wisconsin banks transferred to Chicago					<u>12,764.</u>
Total unpaid dividends to Dec. 31, 1916					216,166.08

On January 2 we transferred to Chicago 229,400 covering all the holdings of the 52 Wisconsin banks removed from the district.

The dividend yet to be paid these transferred banks covers the period from July 1, 1915 to Dec. 31, 1915, and amounts to 6,207.86

Particulars of banks transferred and the various amounts will be found on separate sheet.

Capital Stock and Reserve Balances
of
Wisconsin Banks Transferred to Seventh District.

		<u>Capital Stock</u>	<u>Reserve Balance</u>
Antigo	First National	3600	31,531.39
"	Langlade "	2250	19,895.70
Appleton	Citizens "	6000	53,919.56
"	Commercial "	7500	53,340.55
"	First "	12000	63,033.95
Berlin	" "	3000	36,115.12
Black River Falls	" "	1900	21,567.93
Brillion	" "	1000	9,532.95
Chilton	Chilton "	1800	15,620.79
Clintonville	First "	2200	21,935.37
Dale	" "	900	8,195.59
Dé Pere	National Bank of	2350	10,340.45
Fond du Lac	Commercial National	6000	70,607.94
" " "	First National	4500	45,091.00
" " "	Fond du Lac National	7500	56,757.04
Grand Rapids	Citizens National	3350	6,492.98
" "	First "	4500	39,162.56
" "	Wood Co. "	6000	51,620.62
Green Bay	Citizens "	12500	70,543.09
" "	Kellogg "	7500	49,121.63
" "	McCartney "	9000	50,410.39
Koshkong	First "	1800	14,628.99
Manawa	" "	900	8,627.82
Manitowoc	National Bank of	5300	20,413.28
Marinette	First National	4200	15,174.22
"	Stephenson National	6000	56,376.01
Marshfield	American "	2700	31,660.83
"	First "	3600	36,023.92
Menasha	" "	3000	23,154.15
Neenah	" "	5650	34,090.09

WISCONSIN BANKS TRANSFERRED TO SEVENTH DISTRICT.

		<u>Capital Stock</u>	<u>Reserve Balance</u>
Neenah	National Manufacturers	3850	29,368.26
Neillsville	First National	1800	9,685.03
New London	" "	1950	26,921.72
Oconto	Citizens "	2350	19,148.22
"	Oconto "	2200	9,055.92
Oshkosh	City "	7200	39,964.44
"	Commercial National	9000	57,860.76
"	Old National	12000	117,411.42
Peshtigo	Peshtigo National	1050	10,261.51
Princeton	First National	950	8,132.17
Ripon	" "	3750	37,479.80
"	German "	3750	29,716.54
Seymour	First "	1200	13,291.46
Shawano	" "	2250	16,539.75
"	German "	1950	13,502.98
Stevens Point	Citizens "	3600	45,474.83
" "	First "	3900	47,937.62
Tigerton	" "	900	4,502.93
Waupaca	Old "	1950	28,706.03
Wausau	First "	15000	79,691.99
Weyauwega	" "	900	8,071.90
Wausau	National German American	13500	72,376.62
		\$ 229400	\$ 1,750,219.92

EARNINGS OF THE FEDERAL RESERVE BANK OF MINNEAPOLIS

FOR THE MONTH OF DECEMBER 1916.

	TOTAL FOR MONTH	TOTAL SINCE Jan.1, 1916.	TOTAL YEAR 1915.
EARNINGS FROM:			
Bills discounted and bought:			
Bills discounted for member banks	5,825.73	60,937.81	50,488.75
Bills bought in open market	12,200.44	50,098.78	5,247.90
Investments:			
United States bonds	6,056.59	69,266.49	18,793.25
Municipal Warrants	1,781.72	34,267.09	20,930.82
Commissions received			
Sundry profits	<u>1,251.91</u>	<u>23,538.51</u>	<u>4,148.59</u>
Total Earnings	27,116.39	238,108.68	99,609.31

M E M O R A N D U M

	<u>TOTAL FOR MONTH</u>	<u>TOTAL AS SHOWN ON FORM 34</u>
Cost of F.R. notes unissued by bank; (including expressage, insurance, etc.)	1,279.21	16,295.18
Cost of furniture and equipment:		
Furniture and fixtures	341.18	
Vaults		
Machines		
Other		
Total cost of furniture and equipment	341.18	59,274.19

EXPENSES OF THE FEDERAL RESERVE BANK OF MINNEAPOLIS
FOR THE MONTH OF DECEMBER 1916.

I. <u>CURRENT EXPENSES</u>	TOTAL FOR M ONTH	TOTAL SINCE JAN. 1, 1916	DECEMBER 1915
Assessments a/c expenses F.R. Board (monthly proportion)	\$ 643.66	8,962.07	792.21
Federal Advisory Council (fees and traveling expenses)	184.50	743.50 -	
Gov'rs confer'ns (incl'g trav'g expenses)	128.10	1,391.56 -	
F.R. Agts " " " "	195.	417.29 -	112.28
Salaries : Bank officers	2,291.66	26,624.92 -	2,250.00
Clerical Staff	4,225.42	29,276.59 -	2,909.97
Spec'l officers and watchmen	117.50	1,311.20 -	228.75
All other	0	78.	
Directors' fees	350.	3,100	540.
Per diem allowance	120.	990. -	80.
Traveling expenses	192.91	1,485.86 -	146.08
Officers' and clerks' traveling expenses	182.30	1,144.55 -	3.30
Legal fees	125.	1,500 -	125.
Rent	721.67	6,955.04 -	416.67
Telephone	48.87	568.20 -	45.99
Telegraph	42.54	299.10 -	26.19
Postage	1,551.78	8,156.55 -	60.08
Expressage	77.57	532.94 -	31.14
Insurance & premiums on fidelity bonds	382.10	1,721.39 -	564.95
Light, heat and power	0	0	0
Printing and stationery	1,724.63	6,197.92 -	260.03
Repairs and alterations	160.40	719.47 -	10.10
All other expenses, n.s.	472.32	3,169.15	366.15
Total expenses of operation	13,947.93	105,355.30	8,968.89
II. <u>COST OF F.R. NOTES ISSUED BY BANK</u>			
DURING MO. (including expressage, insurance, etc).	326.03	9,866.06	
III. <u>ORGANIZATION EXPENSES</u>			
Organization Expenses Jan. 1, 1916:			
Cost of F.R. notes used prior to Jan. 1, 1916, not offset by earnings	<u>18,701.27</u>		
All other \$23,941.71 charged Profit	<u>13,640.44</u>		
Total & Loss Acct. 7/12/16	<u>32,341.71</u>		
Amortization account:			
F.R. notes: Monthly proportion		4,800.00	
All other organization expenses:			
Monthly proportion		3,600.00	
IV. <u>DEPRECIATION OF FURNITURE & EQUIPMENT</u>	585.00	5,353.00 -	
Total current expenses	14,858.96	128,974.36	
Less expense recovered from service charges	6,238.01	17,068.53	
	8,620.95	111,905.83	

COMPARISON OF OPERATING EXPENSES 1915 AND 1916

	<u>Year 1916</u>	<u>Year 1915</u>
Assessment a/c expenses Fed. Res. Board	\$ 8,962.07	\$ 11,153.30
Expenses Federal Advisory Council	783.50	696.65
Governors' Conferences (including traveling exp.)	1,391.56	1,002.99
Agents' " "	417.29	339.38
Salaries: Bank officers	26,624.92	27,541.64
" Clerical staff	20,823.56	20,744.75
" Special officers and watchmen	1,311.20	1,796.53
" All other	78.00	0.
Directors' fees	3,100.00	3,410.00
" per diem allowance	990.00	940.00
" Traveling expenses	1,485.86	952.62
Officers and clerks traveling expenses	1,144.55	673.91
Legal fees	1,500.00	1,923.75
Rent	5,280.04	5,000.04
Telephone	557.20	542.76
Telegraph	299.10	273.91
Postage	4,871.63	1,864.39
Expressage	532.94	345.46
Insurance and premiums on fidelity bonds	1,493.52	1,144.30
Printing and stationery	4,131.64	3,808.06
Repairs and alterations	719.47	507.48
All other expenses n.s.	2,381.72	2,103.54
	<hr/>	<hr/>
	88,839.77	86,767.46
Balance of expenses prior to Nov. 16-1914 paid in 1915		1,290.87
Cost of Federal Reserve notes issued during year	9,866.06	None
Organization expense- proportion charged to Current expense January to June inclusive	8,400.00	None
Amount of depreciation on Furniture and Equipment during year	4,800.00	None
	<hr/>	<hr/>
Total	111,905.83	88,058.33

**TRANSIT EXPENSE
FEDERAL RESERVE BANK OF MINNEAPOLIS
DECEMBER 1916.**

	Total for Month	Total since July 15	Service charges Applied against	Recovered since July 15
Salaries (833.33)	2,585.00	8,453.03	3,231.45	8,453.03
Rent	250.00	1,675.00	735.00	1,675.00
Telephones	2.00	11.00	3.80	11.00
Postage (50.00)	649.40	3,284.92	959.44	3,284.92
Ins. & Proms.	55.00	237.87	73.87	237.87
Printing & Stationery (50.00)	307.71	2,066.28	511.86	2,066.28
All other (158.85)	388.01	787.43	537.61	787.43
Depreciation	115.00	553.00	185.00	553.00
	1,092.18	4,349.12	17,068.53	6,238.01
			17,068.53	
			4,426.82	

This total represents service charges since July 15 in excess of expense. We have applied this amount against the various expense items, as indicated, which will reimburse the bank for expenditures prior to July 15.

Total expense proper for December was \$3,286.94 to which we have added \$1092.18 for expense prior to July 15, 1916.

TRANSIT DEPARTMENT EQUIPMENT AS OF DECEMBER 31, 1916.

(Included in Furniture & Fixture Account)

		Depreciation to December 31, 1916.	Balance
Furniture & Fixtures	\$2,575.32		
Machines	7,469.00		
Other	<u>109.40</u>		
	10,153.72	553.	9,600.72

AVERAGE AMOUNT OF EACH CLASS OF EARNING ASSETS
 HELD BY THE FEDERAL RESERVE BANK OF MINNEAPOLIS
 EARNINGS AND RATES OF EARNINGS (LESS COMMISSIONS)
 THEREON FOR THE MONTH OF DECEMBER 1916.

	Average during Month	Earnings for Month	Annual Rate
Bills Discounted - Members	1,512,100.	5,825.73	4.548
Bills bought in Open Market	5,514,200.	12,200.44	2.612
U. S. Bonds	2,446,100.	4,306.59	2.078
Treasury notes	700,000.	1,750.00	2.951
Municipal Warrants	675,100.	1,781.72	3.115
Total	10,847,500.	25,864.48	2.815

AVERAGE AMOUNT OF EARNING ASSETS BY MONTHS.

	Discounted for Members	Acceptances	Warrants	U.S. Bonds and Notes	Totals
January	1,130,400	545,100	960,200	1,408,300	4,044,000
February	986,000	508,000	1,169,300	1,687,500	4,350,800
March	874,600	638,500	1,340,800	2,069,200	4,923,100
April	773,000	998,300	1,433,700	2,396,800	5,601,800
May	703,000	1,217,400	1,926,800	3,378,100	7,225,300
June	881,100	1,666,500	1,387,600	3,812,300	7,747,500
July	1,266,700	2,465,600	1,069,900	3,862,600	8,664,800
August	1,896,900	3,024,500	1,054,400	3,770,200	9,746,000
September	1,872,200	3,207,900	1,041,600	3,719,400	9,841,100
October	1,905,800	3,050,300	1,674,900	3,617,200	10,248,200
November	1,418,800	3,015,500	1,281,400	3,316,500	9,032,200
December	1,512,100	5,514,200	675,100	3,146,100	10,847,500
Early Average	1,268,400	2,154,300	1,251,300	3,015,300	7,689,400

AVERAGE RATE OF EARNINGS BY MONTHS ON ABOVE INVESTED FUNDS.

	On Dis- counts for Members	On Accept- ances	On Warrants	On U.S. Bonds	On U.S. Notes	On Totals.
January	4.87%	2.05%	3.27%	2.11%		3.15%
February	4.84	2.05	2.93	2.46		3.08
March	4.99	1.99	2.39	2.19		2.71
April	4.78	1.90	2.19	2.40		2.59
May	4.90	1.92	2.29	2.22		2.46
June	4.62	1.96	2.55	2.27		2.52
July	4.82	2.15	2.81	2.15	2.95	2.65
August	4.74	2.45	2.88	2.12	2.95	2.78
September	4.64	2.22	2.91	2.18	3.05	2.80
October	4.71	2.39	2.82	2.22	3.05	2.88
November	4.93	2.41	2.86	2.22	3.05	2.86
December	4.55	2.61	3.11	2.08	2.95	2.81
Average rate for year	4.80	2.33	2.75	2.23	3.	2.79

**GROSS EARNINGS OF FEDERAL RESERVE BANK OF MINNEAPOLIS
BY MONTHS FOR 1 9 1 6.**

Month of	Gov't Paper	Acceptances	U.S. Bonds	Warrants	Sundry Profits	Total
January	\$4,673.31	\$ 964.73	2,645.39	2,705.16	482.63	11,471.21
February	3,791.66	828.96	3,308.79	2,719.73	260.56	10,909.70
March	9,689.57	1080.95	3,857.27	2,718.29	378.50	11,724.58
April	3,076.87	1644.36	4,798.28	2,720.48	230.60	12,480.69
May	2,969.43	2091.08	6,451.02	3,986.77	284.33	15,782.63
June	3,383.51	2812.95	7,207.18	3,009.27	731.95	17,154.86
July	5,166.11	4496.39	7,270.02	2,548.56	869.17	20,350.25
August	7,603.42	5754.54	7,019.23	2,569.40	2128.24	25,074.83
September	7,407.59	6094.69	6,205.01	2,484.12	4279.53	27,170.94
October	7,605.25	6168.78	7,246.47	4 003.64	5187.88	30,212.02
November	5,735.36	5960.91	6,501.14	3,009.95	7453.22	28,660.58
December	8,835.73	12200.44	6,056.59	1,781.72	1251.91	27,116.39
Total	60,937.81	30098.78	69,366.49	34,267.09	23578.51	238,108.68

Average monthly earnings for year 1916	\$19,842.39
" " expenses " " "	<u>9,325.49</u>
" net profit: per month " "	\$10,516.90
 Average monthly earnings last half of 1916	 26,430.84
" " expenses " " " "	<u>2,649.43</u>
" net profits per month " " "	16,781.41

Rate Percent earned on Capital stock for year	5.16
" " " " " last half 1916	7.714

PROFIT AND LOSS ACCOUNT JUNE 30, 1916.

<u>Credit</u>		<u>Debit</u>	<u>Credit.</u>
Discount from member banks			\$21,594.35 ✓
" " Bankers' Acceptances			9,423.03 -
Interest " U.S. Securities			28,268.03 -
" " Warrants			17,869.70 -
Sundry profits including interest on transfer drafts			3,368.56 ✓
 <u>Debit</u>			
Current Expenses	\$ 45,609.27 ✓		
Organization Expense	32,341.71 ✓		
Balance forward	<u>1,572.69</u>	<u>79,523.67</u>	<u>79,523.67</u>
		79,523.67	79,523.67

PROFIT AND LOSS ACCOUNT December 31, 1916.

<u>Credit</u>		<u>Debit</u>	<u>Credit</u>
Discount from member banks			39,343.46 ✓
" " Bankers' Acceptances			40,675.75 ✓
Interest " U. S. Securities			40,998.46 ✓
" " Warrants			16,397.39 ✓
Sundry profits including interest on transfer drafts			21,169.95 ✓
Balance brought forward from June 30, 1915			1,572.69
 <u>Debit</u>			
Current Expenses July 1 to Dec. 31, 1916	57,896.56		
Dividend for the period Nov. 2, 1914 to July 1, 1915	57,719.87		
Balance forward	<u>44,541.27</u>	<u>160,157.70</u>	<u>160,157.70</u>
		160,157.70	160,157.70

CASH REPORT

FEDERAL RESERVE BANK OF MINNEAPOLIS

December 30, 1916.

Com- part- ment	Gold Coin	Gold Ctfs. Bearer	Gold Ctfs. Order	Federal Reserve Notes	Silver and Legal	Total
D	90,000.			160,000.	10,000.	250,000.
15				695,000.		695,000.
16					45,000.	45,000.
17					95,000.	95,000.
18		2,181,000.				2,181,000.
19		1,718,000.				1,718,000.
20				120,000.		120,000.
21				290,000.		290,000.
22		1,310,000.				1,310,000.
23	485,000.					485,000.
24	335,000.					335,000.
25		2,420,000.	190,000.			2,610,000.
26				300,000.		300,000.
27				365,000.		365,000.
	900,000.	7,629,000.	190,000.	1,880,000.	150,000.	10,799,000.

A and C (PAYING TELLER).

Gold Coin	6,487.	
Gold Ctfs.		
(Bearer	20,150.	
Fed. Res.		
Notes	444,565.	
Silver	17,882.	
Legal	10,535.	
National	18,000.	
Miscellaneous	1,135.47	519,574.47
Total Cash of F.R. Bank		\$ 11,319,574.47

**GOLD AND FEDERAL RESERVE NOTES HELD BY THE AGENT
OF THE FEDERAL RESERVE BANK OF MINNEAPOLIS.**

FEDERAL RESERVE NOTES HELD.						
Compart- ment	5's	10's	20's	50's	100's	Total
1		160,000				160,000
2	160,000					160,000
3		520,000	960,000			1,480,000
5				220,000	80,000	300,000
6	520,000					520,000
12	355,000	115,000	30,000			500,000
	1,035,000	795,000	990,000	220,000	80,000	3,120,000

Compart- ment	GOLD HELD:			Total
	Gold Coin	Gold Cert. Order	Gold Cert. Bearer	
4		5,000,000	2,000,000	7,000,000
5		1,240,000	1,990,000	3,230,000
9	1,000,000			1,000,000
10	1,000,000			1,000,000
11	1,000,000			1,000,000
	5,000,000	6,240,000	3,990,000	15,230,000
	AF Agent's credit with Federal Reserve Board			6,250,000
	" " " in Redemption Fund			<u>1,004,045.</u>
	Total Gold held			20,484,045.
	" Fed. Res. Notes held			3,120,000
	" " " " Destroyed			<u>825,255</u>
	Total amount of notes received to Dec. 31, 1916 from Comptroller of the Currency.			24,500,000

**RECORD OF FEDERAL RESERVE NOTES RECEIVED SINCE OPENING
FROM COMPTROLLER, ISSUED, REISSUED AND DESTROYED AS OF DECEMBER 31, 1916.**

<u>Denom- ination</u>	<u>Rec'd. from Comptroller</u>	<u>Ret'd. to Ag't. by bank</u>	<u>Issued to Bank (New)</u>	<u>Reissued to Bank (Used)</u>	<u>Destroyed at Washington</u>	<u>On Hand</u>
5	9,180,000	1,257,000	8,500,000	882,000	467,735	1,035,000
10	8,120,000	890,000	7,440,000	775,000	289,910	795,000
20	6,400,000	285,000	5,440,000	255,000	132,310	990,000
50	400,000	50,000	180,000	50,000	2,400	230,000
100	400,000	40,000	320,000	40,000	3,600	80,000
	<u>24,500,000</u>	<u>2,502,000</u>	<u>21,860,000</u>	<u>2,002,000</u>	<u>895,955</u>	<u>3,120,000</u>

NEW FEDERAL RESERVE NOTES ISSUED TO BANK AND COST

Cost of F.R. Notes issued to Bank Nov. 16, 1914 to Dec. 31, 1915

18,701.27 Amt. issued 14,000,000

" " " " Jan. 1, 1916 to Dec. 31, 1916 9,866.06 " " 7,860,000

Total cost charged off 28,567.33 **Total "** 21,860,000

Amount of notes destroyed at Wash. to Dec. 31, 1916 895,955.

" " unfit notes held by Agent " 500,000.

" " " " " Bank " 1,200,000. 2,595,955.

Balance of notes fit for use on which all costs have been paid 19,264,045.

In addition to the new Federal Reserve Notes received from Agent during 1916 there was a reissue of \$2,000,000, making a total of \$9,860,000. for the year. As soon as new notes are taken from the Agent the full cost is charged to expense at the rate of \$36.04 per thousand sheets of notes. This rate will be in effect until we have used up our original order of \$30,000,000.00, the cost on further preparation of notes being at the rate of \$ 34.37 per thousand sheets.

Rediscounts for month of December 1916
for State of Minnesota.

Name of Bank	Location	Balance Dec. 30	Rediscounts for January
First National	Adams	8,369.78	
" "	Amboy	14,775.15	
" "	Atwater	44,356.39	14,470.00
" "	Benson	10,347.39	3,576.23
" "	Caledonia	1,778.00	
" "	Ceylon	5,853.51	
" "	Clarkfield	17,970.80	
" "	Clinton	35,216.53	3,683.50
Farmers "	Dodge Center	10,259.54	6,514.70
First "	" "	16,346.07	2,346.43
" "	Ermons	31,428.98	13,420.54
Fairmont National	Fairmont	1,370.00	
First National	"	34,721.24	
" "	Fulda	20,111.70	7,956.63
" "	Jackson	12,562.91	
Jackson "	Jackson	3,075.00	
National Citizens	Lake Benton	4,242.84	
First National	Lake Crystal	9,427.91	
" "	Lakefield	26,363.01	
Farmers--A--	Lake Preston-----	7,937.46	
First "	Lakeville	7,500.00	17,500.00
" "	Litchfield	15,977.86	13,732.61
Farmers "	Luverne	753.89	
Scand. American Nat.	Minneapolis	605,127.12	615,127.12
Farmers & Merchants Nat.	Minnesota	1,294.94	
First National	Montevideo	1,736.80	1,736.80
Noorhead National	Noorhead	37,774.29	
Northfield National	Northfield	4,876.00	
Peoples First National	Olivia	9,615.42	417.42
National Farmers	Owatonna	75,143.60	10,192.34
First National	Plainview	2,168.50	
Goodhue County National	Red Wing	63,675.96	
First National	St. Charles	7,197.21	
Merchants National	St. Cloud	38,395.53	42,395.53
American National	St. Paul	300,700.00	500,700.00
Truman National	Truman	3,035.63	
First National	Wells	51,735.39	27,086.94
Wells National	Wells	3,165.50	
First National	Wheaton	7,707.52	10,707.52
" "	Willmar	23,252.89	12,414.62
" "	Winthrop	21,965.46	
" "	Woodstock	2,207.25	
Citizens National	Worthington	8,158.20	
		1,603,742.51	303,978.91

Rediscounts for month of December 1916.
for State of North Dakota.

<u>Name of Bank</u>	<u>Location</u>	<u>Balance Dec. 30</u>	<u>Rediscounts for December</u>
First National	Abercrombie	5,862.62	
" "	Brinsmade	2,898.69	
" "	Crosby	2,169.76	2,169.76
" "	E. Fairview	2,169.76	
" "	Forman	17,656.48	4,977.00
Hope National	Hope	11,637.59	
First "	Mc Villo	5,568.75	5,568.75
" "	Marion	11,311.24	7,162.22
" "	Medina	24,610.40	24,610.40
Union "	Minot	25,000.00	25,000.00
First "	Reeder	19,246.31	15,104.20
		<u>128,021.49</u>	<u>82,592.33</u>

South Dakota.

Farmers National	Lake Preston	7,937.46	4,817.01
First National	Arlington	6,883.37	
" "	Colman	8,958.63	8,958.63
" "	Dell Rapids	11,108.97	
" "	Egan	5,723.34	
Fort Pierre Nat.	Fort Pierre	6,998.25	
Gregory National	Gregory	22,650.75	
Peoples National	Hot Springs	12,040.33	
First National	Kennebec	8,227.62	
" "	Milbank	41,022.20	16,585.62
" "	Mitchell	24,322.57	
Western "	Mitchell	37,217.46	37,217.46
First "	Parker	10,183.39	
" "	Wessington Springs	30,616.60	17,321.45
		<u>227,861.14</u>	<u>84,960.17</u>

Montana.

First National	Jeraldine	420.44	
Farmers National	Sidney	880.00	
First National	Sidney	2,944.67	
" "	Stevensville	1,302.50	
		<u>5,547.61</u>	

Michigan.

Cogebic National	Irenwood	20,000.00	20,000.00
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Condition of
FEDERAL RESERVE BANK OF MINNEAPOLIS
 At close of business, December 30, 1916.

<u>RESOURCES</u>	<u>Dec. 30, 1916.</u>	<u>Dec. 31, 1915.</u>
Bills discounted - Members	\$ 1,651,982.75 ✓	1,244,615.71
Bills bought in open market	6,199,999.55 ✓	477,806.40
Member banks collateral loans	383,200.00 ✓	
Investments - Municipal warrants	569,864.72 ✓	916,986.70
United States bonds on hand	2,442,340.00 ✓	1,328,820.00
Premium and Discount on United States Bonds	36,347.85 ✓	
Interest accrued on United States Bonds	15,607.73 ✓	
United States gold notes	700,000.00 ✓	
Cost of unissued Federal Reserve notes	16,295.18 ✓	38,634.12
Furniture and equipment	59,274.19 ✓	54,159.64
Expenses paid in advance	1,250.00 ✓	
Expense current	57,896.56 ✓	59,682.11
Commissions paid		819.48
Expense- organization	NONE	21,738.04
Due from other Federal Reserve Banks	3,598,997.07 ✓	4,390,694.20
Due from member banks-Overdrafts	2,972.41 ✓	
Due from banks and bankers	540,005.56 ✓	
Checks and other cash items	265,172.30 ✓	
Deferred debits (Transit account)	2,641,779.34 ✓	
National bank notes and F. R. notes of other banks	18,800.00 ✓	8,945.00
Federal Reserve notes on hand	2,374,585.00 ✓	868,390.00
Nickels and cents	5.47 ✓	75.98
Gold settlement fund, credit balance	7,064,000.00 ✓	4,355,000.00
Due from Treas. U.S. Redemp. Fund (F.R. Notes)	30,000.00 ✓	30,000.00
Gold bullion and coin	906,487.00 ✓	470,508.00
Gold certificates (including C H certificates)	7,839,150.00 ✓	2,246,790.00
Silver certificates " " " "	72,882.00 ✓	5,291.00
Legal tender notes " " " "	105,535.00 ✓	10,050.00
Silver coin	1,130.00 ✓	
TOTAL RESOURCES	37,545,359.68	16,535,006.35
.....		
<u>LIABILITIES</u>		
Capital paid in	2,608,900.00 ✓	2,546,550.00
Capital -suspense account	800.00 ✓	500.00
Profit and loss	1,572.69 ✓	
Discount earned on bills discounted-Members	39,343.46 ✓	42,928.83
Discount earned on bills bought in open market	40,675.75 ✓	
Interest earned on investments	16,397.39 ✓	21,600.25
Interest earned on United States bonds	40,998.46 ✓	7,069.14
Sundry Profits	21,169.95 ✓	4,075.11
Discount and Premium on United States bonds	22,534.74 ✓	
Unearned discount on bills discounted-Members	11,218.41 ✓	13,471.70
Unearned discount on bills bought in open market	22,314.31 ✓	
Unearned interest on investments	2,737.76 ✓	5,491.55
Difference account	3.97 ✓	
Government Deposits	886,437.51 ✓	
Due to other Federal Reserve Banks	4,347,156.58 ✓	26,340.33
Due to member banks	29,477,242.00 ✓	13,865,362.24
Expense checks	2,395.84 ✓	
Cashier's checks outstanding	3,284.61 ✓	1,822.20
Withheld for Federal Income Tax	176.28 ✓	
TOTAL LIABILITIES	37,545,359.68	16,535,006.35
Total reserve carried -----	57.9%	74.8%

Wm. C. ...
 Audit or.