FEDERAL RESERVE BANK OF DALLAS
ELEVENTH ANNUAL REPORT
of the
Federal Reserve Bank
of Dallas

For the Year Ended
December 31
1925

Eleventh Federal Reserve District
LETTER OF TRANSMITTAL

January 30, 1926

Gentlemen:

I have the honor to submit herewith the Eleventh Annual Report of the Federal Reserve Bank of Dallas covering the year ended December 31, 1925.

Respectfully,

C. C. WALSH,
Federal Reserve Agent.

Federal Reserve Board,
Washington, D. C.
DIRECTORS AND OFFICERS
OF THE
FEDERAL RESERVE BANK OF DALLAS
1926

DIRECTORS

CLASS A
J. H. FROST, San Antonio, Texas
HOWELL E. SMITH, McKinney, Texas
W. H. PATRICK, Clarendon, Texas

CLASS B
J. H. NAIL, Fort Worth, Texas
FRANK KELL, Wichita Falls, Texas
J. J. CULBERTSON, Paris, Texas

CLASS C
C. C. WALSH, Dallas, Texas
S. B. PERKINS, Dallas, Texas
CLARENCE E. LINZ, Dallas, Texas

OFFICERS
C. C. WALSH, Chairman and Federal Reserve Agent
CLARENCE E. LINZ, Deputy Chairman
CHAS. C. HALL, Assistant Federal Reserve Agent
W. J. EVANS, Assistant Federal Reserve Agent
R. L. FOULKS, General Auditor
CHAS. C. HUFF, General Counsel
E. B. STROUD, JR., Counsel
LYNN P. TALLEY, Governor
R. R. GILBERT, Deputy Governor
R. B. COLEMAN, Deputy Governor
FRED HARRIS, Cashier
W. O. FORD, Assistant Cashier
W. D. GENTRY, Assistant Cashier
J. L. HERMANN, Assistant Cashier
E. B. AUSTIN, Assistant Cashier

EL PASO BRANCH

DIRECTORS
A. P. COLES, El Paso, Texas
E. A. CAHOON, Roswell, N. M.
G. D. FLORY, El Paso, Texas
E. M. HURD, El Paso, Texas
H. L. KOKERNOT, Alpine, Texas
M. CRUMP, El Paso, Texas
C. M. NEWMAN, El Paso, Texas

OFFICERS
M. CRUMP, Managing Director
ALLEN SAYLES, Cashier

HOUSTON BRANCH

DIRECTORS
J. C. WILSON, Beaumont, Texas
FRED W. CATTERALL, Galveston, Tex.
R. M. FARRAR, Houston, Texas
E. F. GOSSETT, Houston, Texas
DWIGHT P. REORDAN, Houston, Tex.
E. A. PEDEN, Houston, Texas
GUY M. BRYAN, Houston, Texas

OFFICERS
DWIGHT P. REORDAN, Managing Director
L. G. PONDROM, Cashier
H. R. DeMOSS, Assistant Cashier

MEMBER FEDERAL ADVISORY COUNCIL
B. A. MCKINNEY, Dallas, Texas
Business and industrial activity in the Eleventh Federal Reserve District during 1925 was maintained at a high level despite the deterrent effects of the prolonged drouth, which extended over an important portion of the district during the crop growing season. The large returns from the 1924 crops enabled the farmers to wipe out their old indebtedness and to enter the year 1925 in a strong financial condition. The improved position of the farmer was reflected in a heavy distribution of merchandise during the early months of 1925, but as the effects of the drouth became pronounced, reduced business activity was noticeable in many sections of the district and irregularity persisted in wholesale distribution throughout the remainder of the year.

Agricultural production for 1925 showed a considerable decline, both in volume and value, as compared with the record-breaking crops of 1924. Nevertheless, the purchasing power of the district at the close of the year, as reflected by bank deposits and other trustworthy indices, gave evidence of a satisfactory business situation and outlook at the beginning of 1926. While the demand for credit during the year was large, the banks were able to take care of it without extensive recourse to the Federal Reserve Bank.

Due to the lessened requirements of member banks and to the increased efficiency of personnel, departments of the Federal Reserve Bank of Dallas as a whole functioned with fewer employees and at smaller expense than during the previous year.
FEATURES OF 1925 OPERATIONS

Loans, rediscounts, and investments:
- Notes discounted and rediscounted for member banks: 27,619, $123,701,701
- Bills bought for our own account: 10,056, $118,700,851
- Bills bought for other than own account: 857, $7,417,546
- Purchase and sale of securities for own account: 437, $137,862,300
- Purchase and sale of securities other than own account: 789, $31,557,376

Currency and Coin:
- Bills received and counted: 43,232,734, $209,027,202
- Coin received and counted: 34,061,246, $8,902,578

Check Collections:
- Checks collected: 33,619,439, $6,996,631,274
- Collection items handled: 110,578, $157,044,709
- Return items: 822,446, $34,753,202
- U. S. Government checks paid: 778,599, $90,262,937
- U. S. Government coupons paid: 670,991, $5,227,035

Transfers:
- Transfer of funds other than five per cent fund of national banks: 85,165, $3,762,524,402
- Transfer of funds for five per cent fund of national banks: 17,685, $36,255,336

Fiscal Agency:
- U. S. Securities issued, converted, redeemed, canceled and exchanged: 74,610, $136,407,926

Custody of Securities:
- Number of pieces received from outside sources: 34,031, Not available
- Number of pieces received inter-departmental transactions: 55,605, Not available
- Number of pieces delivered other than inter-departmental: 30,478, Not available
- Number of pieces delivered inter-departmental transactions: 55,727, Not available
EARNINGS AND EXPENSES

The gross earnings of the bank in 1925 were $1,813,626, as compared with $2,157,964 in 1924, a decrease of $344,338, or 15.9 per cent. Of this amount $522,599, or 28.8 per cent, resulted from the purchase of bills, as compared with $630,682, or 29 per cent, in 1924; $252,520, or 13.9 per cent, resulted from the discount and rediscount of paper, as compared with $531,356, or 25 per cent in 1924.

Current net earnings in 1925 were $590,282, as compared with $826,302 in 1924. The average rate on bills discounted was 4 per cent, compared with 4.40 per cent in 1924; and on purchased paper 3.18 per cent, as compared with 3.66 per cent in 1924. The annual rate of net earnings to paid-in capital was 14 per cent in 1925, compared with 20 per cent in 1924.

Current expenses in 1925 were $1,223,344, as compared with $1,331,662 in 1924, a decrease of $108,318, or 8.1 per cent.

On December 31, 1924, after adjustments necessary in closing the books for the year had been made, the bank's capital was $4,130,450 and surplus $7,592,396. Semi-annual dividends were paid to member banks on June 30 and December 31, 1925, at the rate of 6 per cent per annum. After making provisions for depreciation allowances and reserves to care for possible losses, the balance in current net earnings of $22,896 was transferred to surplus, making that account $7,615,292 on December 31, 1925.

INVESTMENT OPERATIONS

At the beginning of 1925 holdings of United States securities were $25,496,000, of which $23,816,000 consisted of participation in purchases made by the Open Market Investment Committee. Holdings of bankers' acceptances amounted to $26,196,000, or an aggregate of United States securities and bankers' acceptances of $51,693,000.

During the year United States securities amounting to $73,702,000 were purchased from other Federal Reserve banks, member banks and in the open market, while securi-
ties aggregating $42,132,000 matured or were sold. The participation in purchases of the Open Market Investment Committee increased $1,327,000 during the year, leaving the holdings of United States securities at $31,829,000 on December 31, an increase of $6,332,000.

The yield on Government securities remained fairly steady at about 3\(\frac{1}{2}\) per cent during the entire year.

At the beginning of the year holdings of bankers’ acceptances amounted to $26,196,000. This amount was gradually reduced by regular maturities to $6,223,000 on May 4, which was the minimum holdings for the year. From this figure the holdings were increased to $35,219,000 on December 12, and by the close of the year the amount had been reduced by regular maturities and sales to $28,870,000.

Bankers’ acceptances amounting to $118,700,000 were purchased from other Federal reserve banks, member banks and in the open market during the year, while bills amounting to $116,026,000 matured or were sold.

At the beginning of the year discount rates on bankers’ acceptances ranged from 2\%\, per cent to 3\(\frac{1}{8}\) per cent, rising slightly from time to time, the range at the close of the year being 3\(\frac{1}{8}\) per cent to 3\(\frac{3}{4}\) per cent. The average yield on bankers’ acceptances for the year was 3.18 per cent.

**DISCOUNT OPERATIONS**

The volume of paper discounted, rediscounted and purchased for member banks in 1925 was $242,402,000, as compared with $269,619,000 in 1924, a decrease of $27,217,000, or 10 per cent.

Of total advances in 1925, 93 per cent was to national bank members and 7 per cent to state member banks.

From January 2, when loans to members aggregated $2,742,000, there was a steady decline during the spring months until April 2, when loans amounted to $1,395,000, the minimum for the year. From this figure a gradual increase was shown through regular seasonal demands to August 24,
when loans aggregated $11,527,000. From this point the trend was downward until the close of the year, when loans aggregated $4,007,000. In 1924 the maximum of $23,026,000 was reached on August 28 and the minimum of $2,672,200 on December 5.

The average daily holdings of bills discounted in 1925 was $6,315,000, as compared with $12,081,000 in 1924.

The number of applications for advances in 1925 was 2,747, as compared with 6,666 in 1924; and the number of banks served was 361, a decrease of 131, or 27 per cent, from 1924.

Of the total paper discounted in 1925, $51,349,000, or 41 per cent, consisted of notes secured by Government obligations, compared to $51,978,000, or 35 per cent, in 1924.

**RESERVE POSITION**

The bank's reserve position in 1925 followed the seasonal trend and was subject to the usual wide fluctuations resulting from changes in the demand for credit, volume of earning assets, note circulation, deposit liability and open market activities. For the first six months of the year the ratio ranged between a maximum of 81.5 per cent on April 22, when total cash reserves were $85,100,000, to a minimum of 58.8 per cent on June 24, when total cash reserves aggregated $56,969,000. The ratio declined during the last six months of the year, fluctuating between a maximum of 64.2 per cent on September 23, when cash reserves were $69,838,000, to a minimum of 41.5 per cent on December 9, when cash reserves aggregated $46,677,000.

**CLEARING OPERATIONS**

The volume of checks handled in 1925 totaled 34,396,000, amounting to $7,086,894,000, an increase over 1924 in the number of items handled of 1,103,000 and value of $400,-176,000. The volume during the last three months of 1925 was exceptionally heavy, which is the seasonal trend due to
utilization of funds realized through the marketing of cotton and other fall crops. The daily average number of checks handled during this period was 125,000, as compared with a daily average of 120,000 during 1924 and a daily average of 106,000 during 1923. The maximum number of items handled at the head office in any one day was 132,224 on October 13, 1925.

The privilege of routing items direct to other Federal Reserve banks for collection and credit on the books of this bank was availed of by 150 member banks in 1925. Notwithstanding the increase in the number of banks utilizing the direct routing privilege, which eliminates the handling of items in our office and in many instances enables the direct sending member to receive earlier credit, the year just ended witnessed a large increase in the number of checks which actually passed through our Transit Department.

During the year 832,446 checks were returned for various reasons, a ratio of one check returned for every 38 items handled. During 1924 the ratio was one to 43.

Clearings through the Reserve City Clearing House during the year aggregated $1,032,229,000.

Non-cash collection items handled in 1925 totaled 110,578, amounting to $157,045,000.

The clerical force in the Transit Department was reduced approximately 9 per cent during the year.

**MOVEMENT OF MEMBERSHIP**

On January 1, 1925, the total number of national banks in the district was 655. During the year 99 national banks were chartered; 22 were dropped through liquidation, mergers and other causes, making a net increase of 77, or a total on December 31, 1925, of 732.

On January 1, 1925, the total state bank membership was 183. During the year four state banks were admitted to membership. The membership of 59 state banks was terminated through liquidation, consolidations and other causes,
making a net reduction of 55, or a total state bank membership on December 31, 1925, of 128.

The total membership, by states, on December 31, 1925, was:

<table>
<thead>
<tr>
<th>State</th>
<th>National</th>
<th>State</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>6</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Louisiana</td>
<td>14</td>
<td>1</td>
<td>15</td>
</tr>
<tr>
<td>New Mexico</td>
<td>24</td>
<td>1</td>
<td>25</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>28</td>
<td>1</td>
<td>29</td>
</tr>
<tr>
<td>Texas</td>
<td>660</td>
<td>124</td>
<td>784</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>732</td>
<td>128</td>
<td>860</td>
</tr>
</tbody>
</table>

FEDERAL RESERVE NOTES

The lessened demand for currency in the district during the year is reflected in the movement of Federal reserve notes, the average amount in circulation being $3,009,000 less than the preceding year, as shown by the following table:

<table>
<thead>
<tr>
<th></th>
<th>1924</th>
<th>1925</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>$47,707,000</td>
<td>$44,698,000</td>
</tr>
<tr>
<td>High</td>
<td>58,664,000</td>
<td>54,020,000</td>
</tr>
<tr>
<td>Low</td>
<td>39,584,000</td>
<td>37,471,000</td>
</tr>
</tbody>
</table>

As in 1924, the minimum circulation in 1925 was reached in July, while the maximum, during the fall harvesting season, was not reached until December. The maximum in 1924 was reached in November. The difference between the maximum and minimum circulation for the last three months of 1925, the period of greatest activity, was $3,643,000, while the difference in 1924 was $5,447,000. During the same period in 1925, shipments of Federal reserve notes aggregated $19,900,000, a turnover of more than five times the difference between the maximum and minimum circulation. For the same period in 1924, note shipments aggregated $25,750,000, or a turnover of five times this difference.
The Examination Department made 130 credit examinations during 1925 in conjunction with regular examinations of member state banks conducted by the state authorities; 45 investigations of national banks in conjunction with national bank examiners; one independent credit investigation of a national bank, and examined ten non-member institutions in connection with applications for membership. In addition, two investigations were made incident to applications for national bank charters, making a total of 147 visits to member and non-member banks during the year, as compared with 199 in 1924. During the year our examiners traveled a total of 36,656 miles in the discharge of their duties.

The decrease in the activities of the department is attributable, in part, to the large number of conversions of Texas state banks into national banks during the year and, to a lesser degree, to the general improvement in banking and business conditions.

Close and friendly relations with the state banking departments in this district were maintained, particularly in Texas, where the bulk of our state bank membership is located, and where the state commissioner has agreed to co-operate with us each year in a series of continuous examinations until all member state banks have been examined. This plan, in conjunction with the nationalization of a large number of member state banks, has enabled us to dispense with the services of one examiner, so that the work in future will be conducted by two examiners instead of three.

During the course of the year the traveling representatives of the Bank Relations Department made 808 visits to member banks, 266 visits to non-members, and three special visits, making a total of 1,077 visits during the year. Members of the staff were also used from time to time on various missions in behalf of other departments of the bank.

All bankers' conventions, group meetings, and a number of formal bank openings in this district were attended either
by a field representative or by an officer of the bank. For various occasions, this bank supplied a total of 15 speakers during the course of the year.

**INSOLVENT BANKS DEPARTMENT**

Fifteen member banks suspended business in 1925, of which nine were indebted to this bank. These added to the 32 banks which were in process of liquidation at the close of 1924, increased the number of failed banks to 41. Of the latter, 14 have liquidated in full, leaving a total of 27 banks in process of liquidation on December 31, 1925, with a net liability to this bank of $1,494,305.

During the year practically all of the cattle and other live stock in New Mexico were disposed of, and as a result of this it was possible to reduce the personnel of the field force to four, compared with 11 in that service on December 31, 1924.

The number of employees in the office at the close of 1925 was four, the same as on December 31, 1924.

Total collections for the year from all member banks indebted to us at the time of closing amounted to $1,164,927.

**INTERNAL ORGANIZATION AND PERSONNEL**

The Board of Directors held eleven meetings in 1925, with an average attendance of seven.

There were two changes in the personnel of the Board in 1925. At the meeting of May 5 the Board of Directors very reluctantly accepted the resignation of Marion Sansom as Class B Director, representing banks in Group 1. Mr. Sansom resigned on account of ill health and consequent inability to regularly attend meetings of the Board. He was one of the original members of the Board, having served continuously since 1914, had always felt the keenest interest in the growth and development of the bank and the Federal Reserve System, and his resignation was much regretted.
In June a special election was conducted for a successor to Mr. Sansom, resulting in J. H. Nail of Fort Worth, Texas, being elected without opposition.

At the Board meeting of May 5 Governor B. A. McKinney tendered his resignation, effective May 16, to accept an executive position with a commercial bank in Dallas. At the same meeting Lynn P. Talley, Chairman of the Board and Federal Reserve Agent, was unanimously elected Governor, effective when his successor was named by the Federal Reserve Board.

At the same meeting Val J. Grund tendered his resignation as Deputy Governor, to accept an official position with a commercial bank in Los Angeles.

R. B. Coleman, formerly Cashier, was elected Deputy Governor to succeed Mr. Grund, effective June 1.

Fred Harris, formerly Managing Director of the Houston Branch, was elected Cashier to succeed Mr. Coleman, effective June 1.

Dwight P. Reordan, formerly Managing Director of the El Paso Branch, was appointed a Director of the Houston Branch, and designated as Managing Director, to succeed Mr. Harris, effective June 1.

M. Crump, formerly Cashier of the El Paso Branch, was appointed a Director of the Branch, and designated as Managing Director, to succeed Mr. Reordan, effective June 1.

Allen Sayles, formerly Assistant Cashier of the El Paso Branch, was elected Cashier to succeed Mr. Crump, effective June 1.

On June 12 the Federal Reserve Board announced the appointment of C. C. Walsh of San Angelo, Texas, as Class C Director to fill the unexpired term of Lynn P. Talley, and designated Mr. Walsh as Chairman of the Board and Federal Reserve Agent for 1925. Mr. Walsh qualified by taking the oath of office on July 1, and on the same date Mr. Talley assumed his duties as Governor.
At the Board meeting of June 18 the resignation of S. H. Leavell, Assistant Auditor, was accepted, effective June 21.

At the Board meeting of October 14 Reece T. Freeman resigned as Assistant Cashier, effective October 15.

No appointments were made to fill the vacancies caused by the resignation of Messrs. Leavell and Freeman.

The terms of W. H. Patrick, Class A. Director, Group 3, and J. H. Nail, Class B Director, Group 1, expired on December 31, 1925. The annual election conducted in November resulted in the re-election of Messrs. Patrick and Nail for three-year terms, beginning January 1, 1926.

On December 21 the Federal Reserve Board announced the reappointment of C. C. Walsh as Class C Director for the three-year term beginning January 1, 1926, and his redesignation as Chairman of the Board and Federal Reserve Agent for 1926. On the same date the Federal Reserve Board announced the redesignation of Clarence E. Linz as Deputy Chairman of the Board for 1926.

On December 31, 1925, the total number of officers and employes of the bank and branches was 439, a reduction of 47 from the number on December 31, 1924.

FISCAL AGENCY OPERATIONS

The volume of business handled in 1925 was less than in previous years as a whole, the principal decrease being in redemptions, which show a marked decrease over the previous year. A small decrease is also noted in the volume of exchange, conversion and transfer transactions and in the number of original issues and a small increase in the number of Government warrants handled. Since no new loans are being made by the War Finance Corporation, there has, of course, been a considerable decrease in that function, there being a reduction of approximately $2,000,000 in the amount of loans outstanding. On July 1, 1925, the conversion privilege for First and Second Liberty Loan Bonds expired.
During the month of June there was transferred to the Fiscal Agency Department the duties incident to the safekeeping of securities for this bank and its members, and in this move the personnel of the department was increased by two employes. The volume of transactions handled in connection with the safekeeping of securities during the year, exclusive of interest coupons clipped, increased approximately 45 per cent over 1924.

On December 31, 1924, there were 24 employes in the department, compared with 21 on December 31, 1925, showing a reduction over 1924 of three employes. The annual salary rate at the end of 1924 was $40,160, as compared with $37,630 at the end of 1925. These figures, however, include the two employes that were transferred to the department during the year, and, in reality, there were in the department 19 employes engaged in Fiscal Agency work on December 31, 1925, compared with 24 employes on December 31, 1924.

OPERATIONS OF BRANCHES

The volume of business handled at the El Paso Branch in 1925, compared with 1924, is shown in the following table:

<table>
<thead>
<tr>
<th>Item</th>
<th>1925</th>
<th>1924</th>
<th>1925</th>
<th>1924</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes discounted and re-discounted</td>
<td>1,920</td>
<td>5,347</td>
<td>$28,716,938</td>
<td>$17,577,180</td>
</tr>
<tr>
<td>Currency and coin shipments received</td>
<td>4,643</td>
<td>4,945</td>
<td>37,305,426</td>
<td>44,554,251</td>
</tr>
<tr>
<td>Currency and coin shipments forwarded</td>
<td>3,584</td>
<td>3,438</td>
<td>40,125,898</td>
<td>46,182,751</td>
</tr>
<tr>
<td>Transfers of funds</td>
<td>11,243</td>
<td>10,733</td>
<td>202,631,848</td>
<td>181,193,955</td>
</tr>
<tr>
<td>Check collections</td>
<td>2,605,678</td>
<td>2,439,059</td>
<td>368,875,682</td>
<td>329,189,098</td>
</tr>
<tr>
<td>Treasury warrants</td>
<td>185,391</td>
<td>179,504</td>
<td>19,889,130</td>
<td>19,392,633</td>
</tr>
<tr>
<td>Collection items handled</td>
<td>15,842</td>
<td>20,996</td>
<td>10,504,426</td>
<td>12,057,563</td>
</tr>
<tr>
<td>Return items</td>
<td>47,937</td>
<td>52,808</td>
<td>2,942,037</td>
<td>3,574,987</td>
</tr>
</tbody>
</table>

The expense of operation, excluding furniture and equipment, during the year, was $128,827, compared with $157,744 in 1924.
At the beginning of the year 46 member banks (42 national and four state) were attached to the branch. Three national banks were admitted to membership during the year, while the membership of one state bank was terminated, leaving total membership of 48 on December 31, 1925.

At the end of the year the branch had two officers and 46 employees, compared with three officers and 50 employees on December 31, 1924.

The volume of business handled at the Houston Branch in 1925, compared with 1924, is shown in the following table:

<table>
<thead>
<tr>
<th>Number</th>
<th>1925</th>
<th>1924</th>
<th>Amount</th>
<th>1925</th>
<th>1924</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes discounted and re-discounted</td>
<td>1,998</td>
<td>3,419</td>
<td>$16,240,259</td>
<td>$19,979,599</td>
<td></td>
</tr>
<tr>
<td>Currency and coin shipments received</td>
<td></td>
<td></td>
<td>61,085,388</td>
<td>58,748,513</td>
<td></td>
</tr>
<tr>
<td>Currency and coin shipments forwarded</td>
<td></td>
<td></td>
<td>59,660,569</td>
<td>63,527,115</td>
<td></td>
</tr>
<tr>
<td>Transfer of funds</td>
<td>22,338</td>
<td>21,839</td>
<td>1,177,384,564</td>
<td>1,094,057,673</td>
<td></td>
</tr>
<tr>
<td>Check collections</td>
<td>6,865,812</td>
<td>6,487,603</td>
<td>1,663,566,481</td>
<td>1,548,441,846</td>
<td></td>
</tr>
<tr>
<td>Treasury warrants</td>
<td>154,703</td>
<td>155,182</td>
<td>16,326,985</td>
<td>16,093,792</td>
<td></td>
</tr>
<tr>
<td>Collection items handled</td>
<td>30,190</td>
<td>29,226</td>
<td>71,206,308</td>
<td>64,383,105</td>
<td></td>
</tr>
<tr>
<td>Return items</td>
<td>140,872</td>
<td>128,302</td>
<td>7,128,019</td>
<td>6,917,633</td>
<td></td>
</tr>
</tbody>
</table>

The expense of operation, excluding furniture and equipment, during the year was $165,372, compared with $174,227 in 1924.

At the beginning of the year 142 member banks (109 national and 33 state) were attached to the branch. Sixteen national banks were admitted to membership, of which five were primary organizations and eleven were conversions of state banks, four of the latter being members. The membership of 12 banks (three national and nine state) was terminated during the year, leaving total membership of 146 on December 31, 1925.

At the end of the year the branch had three officers and 60 employees, compared with three officers and 63 employees on December 31, 1924.
## FEDERAL RESERVE BANK OF DALLAS

### COMPARATIVE STATEMENT OF CONDITION

(In Thousands of Dollars)

### RESOURCES

<table>
<thead>
<tr>
<th></th>
<th>Dec. 31, 1925</th>
<th>Dec. 31, 1924</th>
<th>Dec. 31, 1923</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold with Federal Reserve Agent</td>
<td>24,269</td>
<td>37,186</td>
<td>25,814</td>
</tr>
<tr>
<td>Gold redemption fund with United States Treasury</td>
<td>2,351</td>
<td>1,978</td>
<td>2,252</td>
</tr>
<tr>
<td>Gold held exclusively against Federal Reserve Notes</td>
<td>26,620</td>
<td>39,164</td>
<td>28,066</td>
</tr>
<tr>
<td>Gold settlement fund with Federal Reserve Board</td>
<td>12,102</td>
<td>18,033</td>
<td>12,339</td>
</tr>
<tr>
<td>Gold and gold certificates held by bank</td>
<td>11,398</td>
<td>9,065</td>
<td>11,904</td>
</tr>
<tr>
<td><strong>Total gold reserves</strong></td>
<td><strong>50,120</strong></td>
<td><strong>66,262</strong></td>
<td><strong>52,309</strong></td>
</tr>
<tr>
<td>Reserves other than gold</td>
<td>5,749</td>
<td>8,948</td>
<td>6,015</td>
</tr>
<tr>
<td><strong>Total reserves</strong></td>
<td><strong>55,869</strong></td>
<td><strong>75,210</strong></td>
<td><strong>58,324</strong></td>
</tr>
<tr>
<td>Nonreserve cash</td>
<td>2,593</td>
<td>2,508</td>
<td>2,866</td>
</tr>
<tr>
<td><strong>Total resources</strong></td>
<td><strong>154,333</strong></td>
<td><strong>166,978</strong></td>
<td><strong>155,019</strong></td>
</tr>
</tbody>
</table>

### Bills discounted:

- **Secured by United States Government obligations** | 1,924 | 246 | 550 |
- **Other bills discounted** | 2,083 | 2,467 | 8,322 |
- **Total bills discounted** | 4,007 | 2,713 | 8,872 |
- **Bills bought in open market** | 28,871 | 26,197 | 49,438 |

### United States Government securities:

- **Bonds** | 6,949 | 3,273 | 1,780 |
- **Treasury notes** | 17,236 | 16,998 | 4,575 |
- **Certificates of indebtedness** | 7,644 | 5,226 | 325 |
- **Total U. S. Government securities** | 31,829 | 25,547 | 6,680 |

### Foreign loans on gold | 273 | 228 | |

### Total bills and securities | 64,980 | 54,635 | 64,990 |

### 5% redemption fund—Federal Reserve Bank notes

|                                | 28 |

|                                | 27,906 | 30,999 | 23,652 |
|--------------------------------| 1,793 | 1,833 | 1,911 |
| **All other resources** | 1,192 | 1,793 | 3,248 |

| **Total resources** | **154,333** | **166,978** | **155,019** |

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<table>
<thead>
<tr>
<th>LIABILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Reserve notes in actual circulation</td>
</tr>
<tr>
<td>Federal Reserve bank notes in circulation—net</td>
</tr>
<tr>
<td><strong>Deposits:</strong></td>
</tr>
<tr>
<td>Member banks—reserve account</td>
</tr>
<tr>
<td>Government</td>
</tr>
<tr>
<td>Other deposits</td>
</tr>
<tr>
<td><strong>Total deposits</strong></td>
</tr>
<tr>
<td>Deferred availability items</td>
</tr>
<tr>
<td>Capital paid in</td>
</tr>
<tr>
<td>Surplus</td>
</tr>
<tr>
<td>All other liabilities</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
</tr>
<tr>
<td>Ratio of total reserves to deposit and Federal Reserve note liabilities combined</td>
</tr>
<tr>
<td>Contingent liability on bills purchased for foreign correspondents</td>
</tr>
</tbody>
</table>