

Examined by Swan B. Molander.

REPORT OF EXAMINATION
of the
BOOKS AND AFFAIRS
of the
STATE TREASURER'S OFFICE

Made for the State Board of Audit
as per provisions of Section 92, G. S. 1913.

Report covers period from
August 1, 1918 to March 31, 1919.

Date of Audit May 10, 1919.

ANDREW E. FRITZ,
Public Examiner.

2012

A report was practically completed under date of January 10, 1919, but at the time the state treasurer was short of help and unable to post his accounts of the inactive banks, some 800 in number, making it impossible for the examiner to verify the bank balances. It was therefore deemed advisable to postpone the report until April 1, covering the entire period from August 1, 1918 to March 31, 1919.

Members of Board of Audit Ex Officio.

Governor J. A. A. Burnquist

Secretary of State Julius A. Schmahl

Attorney General Clifford L. Hilton.

Receipts and Disbursements

Receipts

Balance August 1, 1918	\$8,277,814.30	
Receipts for August 1918	5,333,246.96	
" " September "	1,350,471.00	
" " October "	2,683,772.45	
" " November "	3,171,515.70	
" " December "	2,799,587.01	
" " January 1919	1,449,577.85	
" " February "	6,674,585.26	
" " March "	<u>3,827,358.59</u>	<u>\$35,567,929.12</u>

Disbursements

Disbursements for August 1918	\$1,777,460.29	
" " September "	2,078,341.56	
" " October "	4,574,379.97	
" " November "	4,320,889.39	
" " December "	4,227,916.65	
" " January 1919	2,438,929.81	
" " February "	2,560,030.58	
" " March "	<u>3,845,164.31</u>	<u>\$25,823,112.56</u>
Balance March 31, 1919		<u>9,744,816.56</u>
		<u>\$35,567,929.12</u>

Balance is made up of the following items:

Currency and coin	\$22.03	
Checks	5,827.76	
Thrift stamps	15.50	
War Savings stamps	66.24	
Express and exchange for which vouchers are not drawn	185.17	
County treasurers' collection fees	1,851.52	
Liberty bonds purchased from fire sufferers	<u>20,985.08</u>	28,953.30
Balances in 9 active banks		4,240,984.61
Balances 736 inactive banks		<u>5,474,878.65</u>
		<u>\$9,744,816.56</u>

Business transacted with active banks for period
August 1, 1918 to March 31, 1919.

Merchants National Bank, St. Paul

Checks outstanding July 31, 1918	\$6,708.06	
Total amount checks issued	<u>10,598,534.22</u>	<u>\$10,605,242.28</u>
Checks cancelled and returned	\$10,602,634.80	
Checks outstanding March 31, 1919	<u>2,607.48</u>	<u>\$10,605,242.28</u>
Treasurer's balance March 31, 1919		\$998,444.60
Bank's balance " " "	\$1,001,280.19	
Checks outstanding " " "		2,607.48
Plus interest for January and February not entered		262.11
Plus 3 checks on Frontenac bank charged to deposits but not collected before bank suspended	<u>34.00</u>	
	<u>\$1,001,314.19</u>	<u>\$1,001,314.19</u>

First National Bank, St. Paul

Checks outstanding July 31, 1918	\$238.78	
Total checks issued	<u>5,749,608.26</u>	<u>\$5,749,847.04</u>
Checks cancelled and returned	\$5,749,602.26	
Checks outstanding March 31, 1919	<u>244.78</u>	<u>\$5,749,847.04</u>
Treasurer's balance March 31, 1919		\$1,126,968.07
Bank's balance " " "	\$1,129,900.94	
Checks outstanding " " "		244.78
Plus interest for January and February not entered on treasurer's books		287.28
Minus interest for March	<u>2,400.81</u>	
	<u>\$1,127,500.13</u>	<u>\$1,127,500.13</u>

Capital National Bank, St. Paul

Checks outstanding July 31, 1918	\$661.24	
Total checks issued	<u>2,562,488.94</u>	<u>\$2,563,150.18</u>
Checks cancelled and returned	\$2,562,497.10	
Checks outstanding March 31, 1919	<u>653.08</u>	<u>\$2,563,150.18</u>
Treasurer's balance March 31, 1919		\$319,260.50
Bank's balance " " "	\$320,224.48	
Checks outstanding " " "		653.08
Plus interest for January and February not entered on treasurer's books		<u>310.90</u>
	<u>\$320,224.48</u>	<u>\$320,224.48</u>

American National Bank, St. Paul

Checks outstanding July 31, 1918		None
Total checks issued		<u>\$360,446.69</u>
Checks cancelled and returned		\$360,446.69
Checks outstanding March 31, 1919		<u>None</u>
		<u>\$360,446.69</u>
Treasurer's balance March 31, 1919		\$182,625.40
Bank's balance " " "	\$183,021.59	
Checks outstanding	None	
Plus interest for January and February not entered on treasurer's books		73.62
Minus interest for March	<u>322.57</u>	
	<u>\$182,699.02</u>	<u>\$182,699.02</u>

National Bank of Commerce, St. Paul

Checks outstanding July 31, 1918	\$249.22	
Total checks issued	<u>212,741.17</u>	<u>\$212,990.39</u>
Checks cancelled and returned	\$212,742.24	
Checks outstanding January 31, 1919	<u>248.15</u>	<u>\$212,990.39</u>
Treasurer's balance January 31, 1919		\$12,054.50
Bank's balance " " "	\$12,343.25	
Checks outstanding " " "		248.15
Plus interest for January not entered on treasurer's books		<u>40.60</u>
	<u>\$12,343.25</u>	<u>\$12,343.25</u>

On February 1, 1919, the account in the National Bank of Commerce was closed as an active bank and the balance, less amount of outstanding checks, transferred to a non-checking account. The outstanding checks are all old checks and still remained unpaid on March 31, 1919.

First and Security National Bank, Minneapolis

Checks outstanding July 31, 1918	\$41,737.67	
Total checks issued	<u>4,131,895.52</u>	<u>\$4,173,633.19</u>
Checks cancelled and returned	\$4,172,795.52	
Checks outstanding March 31, 1919	<u>837.67</u>	<u>\$4,173,633.19</u>
Treasurer's balance March 31, 1919		\$776,533.36
Bank's balance " " "	\$777,494.28	
Outstanding checks " " "		837.67
Plus interest for January and February not entered on treasurer's books		<u>123.25</u>
	<u>\$777,494.28</u>	<u>\$777,494.28</u>

Northwestern National Bank, Minneapolis

Checks outstanding July 31, 1918	\$283.52	
Total checks issued	<u>2,642,180.77</u>	<u>\$2,642,464.29</u>
Checks cancelled and returned	\$2,642,180.77	
Checks outstanding March 31, 1919	<u>283.52</u>	<u>\$2,642,464.29</u>
Treasurer's balance March 31, 1919		\$256,491.78
Bank's balance " " "	\$240,088.41	
Checks outstanding " " "		283.52
Plus interest for January and February not entered on treasurer's books		156.16
Plus check dated April 1, paid by bank on March 31, 1919	<u>16,843.05</u>	
	<u>\$256,931.46</u>	<u>\$256,931.46</u>

Mercantile State Bank, Minneapolis

Checks outstanding July 31, 1918	87.70	
Total checks issued	<u>147,254.49</u>	<u>\$147,262.19</u>
Checks cancelled and returned	\$147,074.93	
Checks outstanding March 31, 1919	<u>187.26</u>	<u>\$147,262.19</u>
Treasurer's balance March 31, 1919		\$140,828.56
Bank's balance " " "	\$141,340.63	
Checks outstanding " " "		187.26
Plus interest for January and February not entered on treasurer's books		89.46
Minus interest for March	<u>235.35</u>	
	<u>\$141,105.28</u>	<u>\$141,105.28</u>

Midland National Bank, Minneapolis

(This bank was changed from an inactive
to a checking bank on February 1, 1919)
Checks outstanding February 1, 1919

Total checks issued

None
\$245,434.23

Checks cancelled and returned
Checks outstanding March 31, 1919

\$245,434.23
None
\$245,434.23

Treasurer's balance March 31, 1919
Bank's balance " " " \$358,392.06
Checks outstanding " " " None
Interest for August 1, 1918 to February 1, 1919 not entered on treasurer's books

\$356,954.04

1,449.61
\$358,403.65
11.59

Less exchange paid by bank

\$358,392.06

\$358,392.06

American Exchange National Bank, Duluth

Checks outstanding July 31, 1918.
Total checks issued

None
\$1,203,664.85

Checks cancelled and returned
Checks outstanding March 31, 1919.

\$1,203,664.85
None
\$1,203,664.85

Treasurer's balance March 31, 1919.
Bank's balance " " "
Checks outstanding " " "
Checks dated April 1 paid by
bank March 31, 1919.
Deposit mailed March 31, 1919,
Interest for January and
February not entered in
treasurer's books

\$71,241.80
None
5,465.64
6,272.24

\$82,878.30

\$82,979.68

101.38
\$82,979.68

Summary

	<u>Balance</u>	<u>Checks Outstanding</u>
Merchants National Bank, St. Paul	\$1,001,280.19	\$2,607.48
First National Bank "	1,129,900.94	244.78
Capital National Bank "	320,224.48	653.08
American National Bank "	183,021.59	
First and Security National Bank, Minneapolis	777,494.28	837.67
Northwestern National Bank Minneapolis	240,088.41	283.52
Mercantile State Bank, Minneapolis	141,340.63	187.26
Midland National Bank "	358,392.06	
American Exchange National Bank Duluth	71,241.80	
	<u>\$4,222,984.38</u>	<u>\$4,813.79</u>
Merchants National Bank 3 Frontenac checks	34.00	
Northwestern National Bank checks paid dated April 1,	16,843.05	
American Exchange National Bank checks paid dated April 1,	5,465.64	
American Exchange National Bank deposit mailed March 31.	<u>6,272.24</u>	
Total bank balances	<u>\$4,251,599.31</u>	
First National Bank, St. Paul less interest for March	\$2400.81	
American National Bank less interest for March	322.57	
Mercantile State Bank less interest for March	<u>235.35</u>	2,958.73
Midland National Bank less exchange paid by bank		<u>11.59</u>
		<u>\$4,802.20</u>
Interest not certified to state auditor		2,853.77
Treasurer's balance certified	<u>\$4,248,640.50</u>	<u>4,240,984.61</u>
		<u>\$4,248,640.50</u>

The treasurer's actual balance at close of business March 31 1919, exclusive of interest on bank balances for March should be \$4,243,838.38. Owing to a shortage of help the treasurer was unable to balance up the bank accounts on April 1, 1919. The \$2,853.77 interest will therefore appear as receipts for month of April.

Special Funds

(Special funds do not constitute part of treasurer's cash balance.)

Prison Certificates

Capital National Bank

Receipts

Balance July 31, 1918,	\$140,660.00	
Deposit September 2, 1918,	<u>1,010.00</u>	\$141,670.00

First National Bank

Deposit January 2, 1919,		<u>100,542.50</u>
		<u>\$242,212.50</u>

Disbursements

Capital National Bank

Checks #289 to 298 inclusive for redemption of prison certificates and interest coupons	\$141,670.00	
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First National Bank

Checks #784, 785 and 786 for redemption of prison certificates and interest coupons	<u>100,542.50</u>	<u>\$242,212.50</u>
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Historical Society

American National Bank

Receipts

Balance July 1, 1918,	\$11,162.50	
Deposits	<u>10,575.00</u>	<u>\$21,737.50</u>

Disbursements

Checks #32 to 59 inclusive for redemption of certificates and interest coupons	\$20,297.50	
Balance March 31, 1919	<u>1,440.00</u>	<u>\$21,737.50</u>

Armory Board

National Bank of Commerce

Receipts

Balance July 31, 1918,	\$380.10	
Deposit January 3, 1919	3,420.00	
" " 25, "	<u>540.00</u>	<u>\$4,340.10</u>

Disbursements

Checks # 40 to 46 inclusive for redemption of certificates and interest coupons	\$4,340.00	
Balance March 31, 1919,	<u>.10</u>	<u>\$4,340.10</u>

Corporation Fees

Merchants National Bank

Receipts

August 1918	\$6,240.00	
September "	2,165.00	
October "	4,375.00	
November "	4,625.00	
December "	6,040.00	
January 1919	16,625.00	
February "	7,865.00	
March "	<u>7,910.00</u>	<u>\$55,845.00</u>

Disbursements

Credited to state revenue	\$47,935.00	
Balance March 31, 1919,	<u>7,910.00</u>	<u>\$55,845.00</u>

Departmental Fees

Marchants National Bank

Receipts

Balance July 31, 1918	\$63,699.98	
August 1918	393,576.01	
September "	552,739.09	
October "	1,788,093.95	
November "	2,236,038.41	
December "	281,369.41	
January 1919.	500,357.87	
February "	435,665.77	
March "	<u>339,545.39</u>	\$6,591,085.88
Interest on deposits		<u>1,130.29</u>
		<u>\$6,592,216.17</u>

Disbursements

Distribution to various funds as provided by law	\$6,399,096.03	
Undistributed balance March 31, 1919.	<u>193,120.14</u>	<u>\$6,592,216.17</u>

Motor Vehicle Licenses

Capitol National Bank

Receipts

Balance August 1, 1918	\$73,982.83	
August 1918	20,874.00	
September "	13,387.50	
October "	12,353.50	
November "	4,833.50	
December "	5,050.10	
January 1919	4,346.50	
February "	4,395.50	
March "	<u>10,063.50</u>	\$149,286.93
Interest on deposits		<u>165.50</u>
		<u>\$149,452.43</u>

Disbursements

Distribution of funds as provided by law	\$139,506.85	
Balance undistributed March 31, 1919.	<u>9,945.58</u>	<u>\$149,452.43</u>

Gettysburg Monument

Ramsey County State Bank

Receipts

Balance July 31, 1918.	\$110.79	
Interest on deposit	<u>6.79</u>	<u>\$117.58</u>

Disbursements

Care of monument	\$10.00	
Balance March 31, 1919.	<u>107.58</u>	<u>\$117.58</u>

Summary

Balances special funds March 31, 1919:

Capital National Bank	\$9,945.58	
American " "	1,440.00	
National Bank of Commerce	.10	
Merchants National Bank	7,910.00	
" " "	193,120.14	
Ramsey County State "	<u>107.58</u>	<u>\$212,523.40</u>

Motor Vehicle Licenses	\$ 9,945.58	
Historical Society	1,440.00	
Armory Board	.10	
Corporation Fees	7,910.00	
Department Fees	193,120.14	
Gettysburg Monument	<u>107.58</u>	<u>\$212,523.40</u>

All certificates and interest coupons redeemed have been counted and found to correspond with amount of checks issued in payment for same. The treasurer has on hand a large amount of paid certificates and interest coupons. It is recommended that the board meet and destroy these documents.

The domestic bonds and miscellaneous securities belonging to the various trust funds were counted during the month of January 1919, and found to correspond to state auditor's balances under date of December 31, 1918.

The foreign bonds were also counted and found to be correct according to balances on above date.

Since that time however, the following bonds were sold by order of the state investment board.

<u>Description</u>	<u>Par Value</u>	<u>Amount sold for</u>
Alabama 4% coupon	\$143,000.00	\$142,714.00
Delaware 3% "	135,000.00	119,475.00
Utah 3% "	100,000.00	98,625.00
Virginia 3% registered	52,500.00	45,740.62
Massachusetts 3% "	905,000.00	827,105.00
	<u>\$1,335,000.00</u>	<u>\$1,233,659.62</u>

The Alabama bonds cost the state \$138,737.50 and sold at a profit of \$3,976.50.

The Delaware, Utah and Massachusetts bonds were purchased at par. Loss on Delaware bonds \$15,525.00 ; Utah bonds \$1,375.00 and Massachusetts bonds \$77,895.00 .

The Virginia bonds cost the state \$49,612.50 and sold at a loss of \$3,871.88 .

The losses on the Delaware, Utah, Virginia and Massachusetts bonds aggregating \$98,666.88 were made up to the trust funds out of the appropriations provided by Chapter 464, Laws 1917.

The discretionary power vested in the investment board to sell trust securities at a loss is given by Chapter 464, Laws 1917.

With the proceeds of the sale of above enumerated bonds and other available funds on hand, the investment board purchased \$1,506,050.00 Liberty Bonds at a cost of \$1,422,435.30, exclusive of Liberty Bonds purchased from fire sufferers. Bonds purchased from fire sufferers are at present held as cash items by state treasurer.

The First and Security Bank of Minneapolis has \$445,000.00 of the Liberty Bonds of various denominations in custody, to be sent to Washington for registration.

Respectfully submitted,

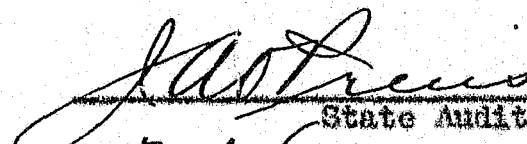
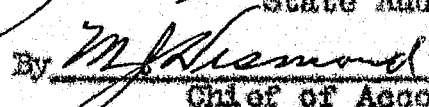
Evan B. Mohlander

Assistant Public Examiner.

STATEMENT OF MONIES TO THE CREDIT OF THE FOLLOWING FUNDS
AT THE CLOSE OF BUSINESS ON MARCH 31ST, 1919.

Revenue	\$6,431,923.75
Soldiers Relief	68,070.61
Prison Building	74,995.85
State Road and Bridge	785,906.60
National Guard Armories	60,440.63
Itasca State Park Land	8,295.63
Historical Society Building	22,433.60
Permanent School	62,630.56
General School	544,084.39
Permanent University	62,980.09
General University	299,674.84
State Land Improvement	3,334.26
Drainage	4,772.24
Internal Improvement Land	1,019.05
Internal Improvement Land, Interest	7,313.80
Swamp Land	16,588.01
Swamp Land, Interest	86,970.94
Grain Inspection	338,873.67
Hay Inspection	4,306.79
State Prison Revolving	60,637.92
Teacher's Insurance and Retirement	24,960.27
Forest Fires Relief	<u>787,003.06</u>
Total	\$9,744,816.56

I hereby certify that the above is a true and correct statement of the cash held by the State Treasurer belonging to the State of Minnesota at the close of business on March 31st, 1919.


 State Auditor.
 By 
 Chief of Accounts.

STATEMENT OF BONDS BELONGING TO THE TRUST FUNDS
OF THE STATE OF MINNESOTA AT THE CLOSE OF BUSINESS
ON MARCH 31st, 1919.

PERMANENT SCHOOL FUND

MASSACHUSETTS,	\$ 1,990,000.00
Virginia,	661,500.00
Minn. Sch Dists. Cities, Twps, Cos. etc.,	19,571,489.00
Prison Buildings Certificates of Indebt.	147,000.00
National Guard Armories Certificates of Indebt.	32,200.00
Itasca State Park Lands " " "	75,000.00
U. S. Government Liberty Loan Bonds,	1,608,900.00
Minnesota Forest Fire Relief Certificates of Ind.	185,000.00
	<u>\$24,271,089.00</u>

PERMANENT UNIVERSITY FUND:

Minnesota Villages, etc.,	\$ 1,389,866.00
Massachusetts,	130,000.00
Virginia,	50,000.00
	<u>\$ 1,569,866.00</u>

INTERNAL IMPROVEMENT LAND FUND:

Virginia,	\$ 55,000.00
National Guard Armories Certif. of Indebt.	27,800.00
Historical Bdg. Certificate of Indebt.,	10,000.00
U. S. Government Liberty Loan Bond,	106,750.00
	<u>\$ 199,550.00</u>

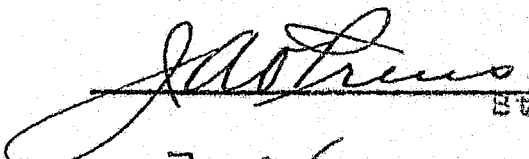
SWAMP LAND FUND:

Virginia,	100,000.00
Minn. Sch Dists. Twp Cos. Etc.	3,474,599.05
National Guard Armories certificates of Indebt.,	60,000.00
U. S. Liberty Loan Bond	125,000.00
	<u>\$3,759,599.05</u>

TEACHERS INSURANCE AND RETIREMENT FUND:

Minn. Sch. Dists, Twps Cos. etc.	\$ 466,600.00
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I hereby certify that the above is a true and correct list of the funds held by the State Treasurer belonging to the Trust Funds of the State of Minnesota at the close of business on March 31st, 1919.


State Auditor

By 
Chief of Accounts.

2012