UNITED STATES MINT

2017 ANNUAL REPORT

ACTING DEPUTY DIRECTOR'S LETTER

David Motl
United States Mint
Acting Deputy Director

Fiscal Year 2017 was a remarkable year for the United States Mint. In our day-to-day operations, we produced more than 14 billion coins for use in commerce, over 24 million ounces of bullion and nearly 4 million units of numismatic products. On top of that, the United States Mint Police protected and safeguarded all the assets entrusted to us by the American people. We have fully and successfully executed our mission for the citizens of the United States of America.

During FY 2017, we also engaged in activities that promoted our core values and executed the elements of our strategic plan. The quality of our numismatic products is clearly reflected in our Customer Satisfaction score of 91.7 percent. This score represents all aspects of numismatic product line – from design and product development and production, to order processing and fulfillment. Further, the Mint achieved the status of being a top 100 e-commerce retailer according to Internet Retailer – ranking 99th overall for North America, and 6th in the "specialty" category. In addition, we fully met demand for our bullion products without putting any product on allocation, and successfully inserted the new palladium product line into our bullion product portfolio. We did an outstanding job in delivering all Federal Reserve Bank orders for circulating coins without straining our supply chain or production lines. Our ability to level load our production lines allowed us to meet the Federal Reserve Banks' full demand for circulating coins with an on-time delivery mark of 100 percent.

In FY 2017, we focused on understanding the needs and concerns of both our internal and external customers, and laying the foundation for internal customer service to be a part of our daily interactions. Each Mint employee participated in new training on internal customer service. By working collaboratively, effectively, and responsively within the organization and providing knock-your-socks-off customer service to each other, we can maximize the value provided to our external customers. I am excited at the prospect of enriching our culture with enhanced customer service skills to meet the demands and challenges of our mission.

Integrity is at the core of who we are and the mission we carry out. In conjunction with these important achievements, we continue to maintain the trust of the American Public, and ensure that we execute our mission with integrity. We continue to operate the Mint in a cost effective and efficient manner, and striving for diversity and inclusion in our workforce. Together we move forward as One Mint that values the contributions of each and every employee.

Finally, as we close our 225th year of service to the Nation, let us all pause and give due appreciation to the legacy of the many men and women who have proudly served the Mint throughout its history and played a role in shaping our culture and helping to ensure delivery of coins to the American people so that commerce across this great republic occurs seamlessly each and every day. They have our thanks and our pledge that we will continue to serve the public with the same zeal that they did.

Sincerely,

David Motl, Acting Deputy Director

CELEBRATING 225 YEARS

UNITED STATES MINT WELCOMES JOVITA CARRANZA, 44TH TREASURER OF THE UNITED STATES

Jovita Carranza
44th Treasurer
of the United States

It is the Mint's privilege and honor to serve with the 44th Treasurer of the United States, Jovita Carranza. After being appointed by President Donald J. Trump, Jovita assumed the Office of the Treasurer on April 28, 2017. She brings an impressive combination of both government and corporate experience to the Treasury Department. We are indeed fortunate to have the opportunity to benefit from her guidance and leadership.

Jovita previously served as the Deputy Administrator for the United States Small Business Administration from December 2006 to January 2009. Prior to her SBA appointment, she had a distinguished career at United Parcel Service, where she started as a part-time, night-shift box handler and worked her way up to become the highest ranking Latina in company history, eventually attaining the position of president of Latin America and Caribbean operations.

She is the recipient of numerous awards and honors, including "Woman of the Year" by Hispanic Business Magazine, "Woman of Distinction" by the American Association of University Women and NASPA Student Affairs Administrators in Higher Education, and she is an "Honorary Alumna" at Alverno College.

Welcome, Treasurer Carranza. The Mint is excited to have the opportunity to work with you in the upcoming years.

Seated Left to Right: Dennis O'Connor, Chief, Mint Police; Jean Gentry, Chief Counsel; DeAnna Wynn, Acting Chief Information Officer; Randall Johnson, Denver Superintendent; Peggy Yauss, Acting Associate Director, Human Capital Directorate; Thomas V. Johnson, Chief, Office of Corporate Communications; Marc Landry, Senior Advisor, Numismatic and Bullion Division; April Stafford, Chief, Design Management

Standing Left to Right: Eric Anderson, Executive Secretary; Kristie McNally, Acting Associate Director/Chief Financial Officer; David Jacobs, San Francisco Superintendent; Ellen McCullom, West Point Superintendent; David Motl, Acting Deputy Director; Deborah Hayes, Chief, Diversity Management and Civil Rights; B. B. Craig, Associate Director, Environment, Safety and Health; Frank Goulart, Acting Associate Director, Manufacturing; David Croft, Acting Chief Administrative Officer and Acting Philadelphia Superintendent

ORGANIZATIONAL PROFILE

OUR MISSION

The United States Mint (Mint) enables America's economic growth and stability by protecting assets entrusted to us and manufacturing coins and medals to facilitate national commerce.

OUR CORE VALUES

The Mint is privileged to connect America through coins and medals, which reflect the remarkable history, values, culture, diversity, and natural beauty of our Nation. To maintain the Mint's reputation as one of the finest mints in the world, Mint employees are committed to undertaking their work according to the core values of service, quality, and integrity.

Established in 1792, the Mint is the world's largest coin manufacturer. Since Fiscal Year (FY) 1996, the Mint has operated under the Public Enterprise Fund (PEF) (31 U.S.C. § 5136). The PEF enables the Mint to operate without an appropriation. The Mint generates revenue through the sale of circulating coins to the Federal Reserve Banks (FRB), numismatic products to the public, and bullion coins to authorized purchasers. Revenue in excess of amounts required by the PEF is transferred to the United States Treasury (Treasury) General Fund.

The Mint operates six facilities and employs nearly 1,700 employees across the United States. Each facility performs unique functions critical to our overall operations. Manufacturing facilities in Philadelphia and Denver produce coins of all denominations for circulation. Both facilities also produce dies for striking coins. All sculpting and engraving of coin and medal designs is performed in Philadelphia. Production of numismatic products, including bullion coins, is primarily performed in West Point. All four production facilities produce commemorative coins as authorized by Federal laws. The United States Bullion Depository at Fort Knox stores and safeguards United States gold bullion reserves. Administrative and oversight functions are performed at the Mint Headquarters in Washington, D.C.

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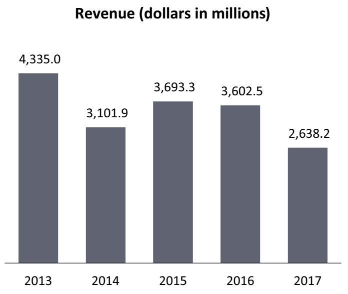
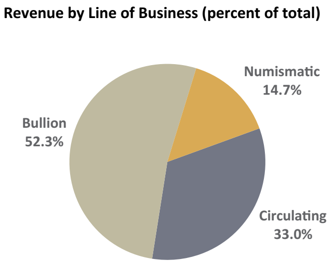
THE UNITED STATES MINT AT A GLANCE

UNITED STATES MINT (MINT)

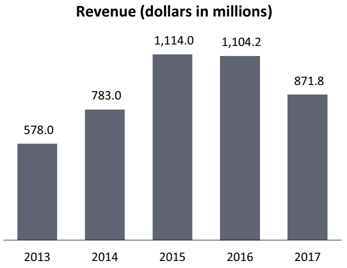
The men and women of the Mint manufacture and distribute circulating coins, precious metal and collectible coins, and national medals to meet the needs of the United States. The Mint has the following lines of operation: Circulating, Bullion, and Numismatic.

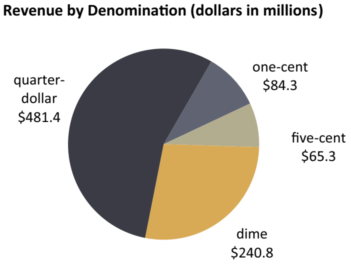

Revenue (dollars in millions)


Revenue by Line of Business (percent of total)

CIRCULATING COINAGE

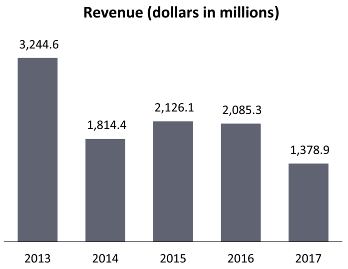
The Mint is the sole manufacturer of legal tender coinage in the United States. The Mint's highest priority is to efficiently and effectively mint and issue circulating coinage.

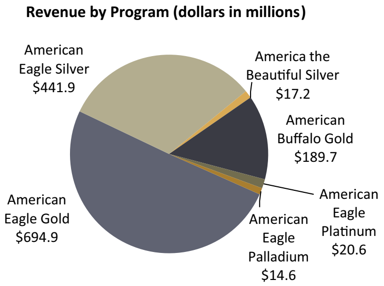

Revenue (dollars in millions)


Revenue by Denomination (dollars in millions)

BULLION COINS

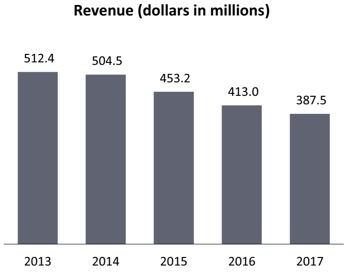
The Mint is the world's largest producer of gold and silver bullion coins. The bullion coin program provides consumers a simple and tangible means to acquire precious metal coins. Investors purchase bullion coins for the intrinsic metal value and the United States Government's guarantee of each coin's metal weight, content, and purity.

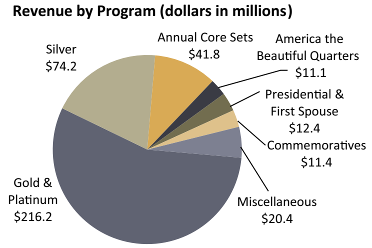

Revenue (dollars in millions)


Revenue by Program (dollars in millions)

NUMISMATIC PRODUCTS

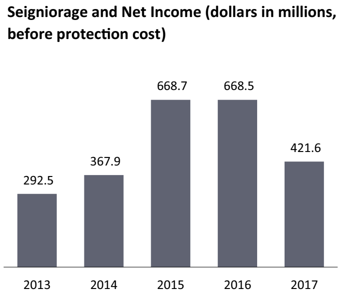
The Mint prepares and distributes numismatic products for collectors and those who desire high-quality versions of coinage. Most of the Mint's recurring products are required by Federal statute. Others are required by individual public laws.

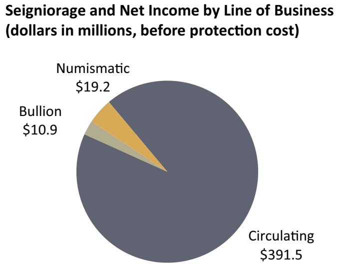

Revenue (dollars in millions)


Revenue by Program (dollars in millions)

SEIGNIORAGE AND NET INCOME

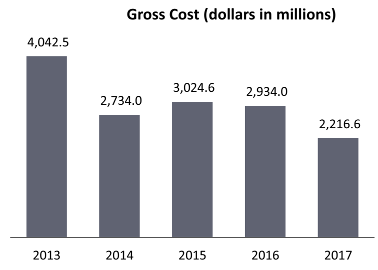
Seigniorage is the difference between the face value and cost of producing circulating coinage. The Mint transfers seigniorage to the Treasury General Fund to help finance national debt. Net income from bullion and numismatic operations can also fund Federal programs.


Seigniorage and Net Income (dollars in millions, before protection cost)


Seigniorage and Net Income by Line of Business (dollars in millions, before protection cost)

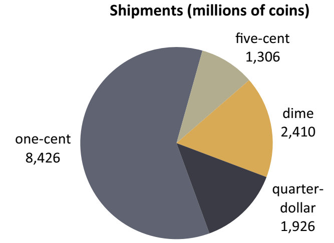
2017 PERFORMANCE

FY 2017 revenue was $2,638.2 million, a decrease of 26.8 percent compared to last year. Cost of goods sold (COGS) decreased 26.0 percent to $2,063.3 million. Selling, general and administrative (SG&A) expenses increased 5.7 percent from last year. Total seigniorage and net income before protection expenses decreased 36.9 percent to $421.6 million compared to last year, reflecting the impact of decreased circulating coinage shipments and lower demand in the bullion business line.



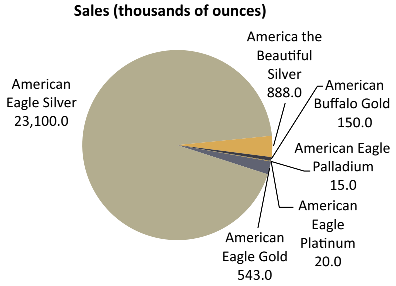
CIRCULATING COINAGE

Circulating coin shipments decreased 13.7 percent to 14,068 million coins in FY 2017. Shipments for all denominations decreased compared to last year. Circulating revenue decreased 21.0 percent to $871.8 million. Seigniorage decreased 32.3 percent to $391.5 million. Seigniorage per dollar issued decreased to $0.45 from $0.52 last year.



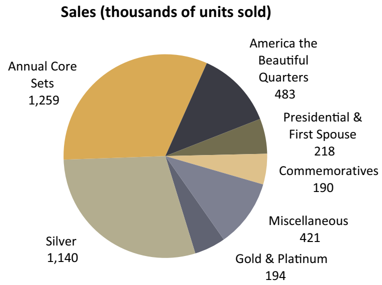
BULLION COINS

Demand for bullion coins slowed in FY 2017 compared to last year. The Mint sold 24.7 million ounces of gold, silver, platinum, and palladium bullion coins, a decrease of 20.4 million ounces from last year. Total bullion coin revenue decreased 33.9 percent to $1,378.9 million in FY 2017, primarily due to a 41.5 percent decrease in silver bullion coin revenues from lower demand and higher spot prices. Bullion coin net income decreased 80.3 percent to $10.9 million and bullion coin net margin decreased to 0.8 percent compared to 2.7 percent last year.



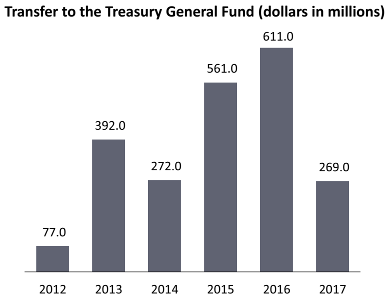
NUMISMATIC PRODUCTS

Numismatic sales decreased 6.1 percent to 3.9 million units in FY 2017. Numismatic revenues decreased 6.2 percent to $387.5 million due to decreased sales of Presidential and First Spouse products. Numismatic net income decreased 44.3 percent to $19.2 million (before protection expenses). Numismatic net margin decreased to 5.0 percent compared to 8.4 percent last year.



TRANSFER TO THE GENERAL FUND

In FY 2017, the Mint transferred $269 million to the Treasury General Fund from the United States Mint Public Enterprise Fund. The Mint transferred $250 million of seigniorage as a non-budget transfer. In the first quarter, the Mint made a budget transfer of $19 million from FY 2016 numismatic program results.



MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

CIRCULATING COINAGE FOR THE NATION'S COMMERCE

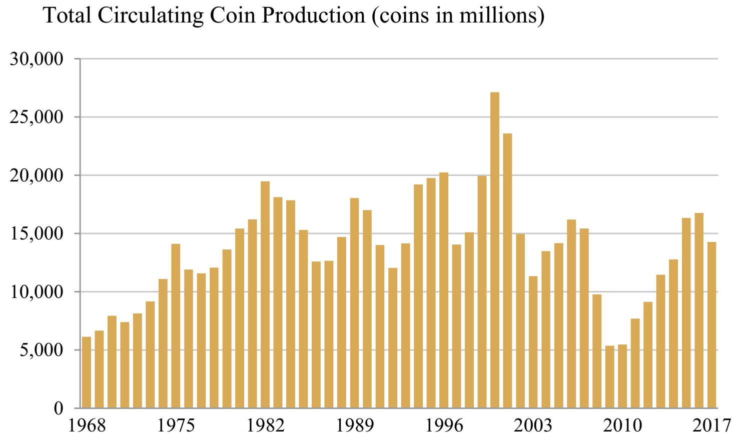
CIRCULATING

As America's sole manufacturer of legal tender coinage, the efficient and effective production and distribution of coinage is the Mint's highest priority.

The Mint produces and issues circulating coins to the FRB in quantities to support their service to commercial banks and other financial institutions. These financial institutions then meet the coinage needs of retailers and the public. The Mint recognizes revenue from the sale of circulating coins at face value when they are shipped to the FRB.

CIRCULATING RESULTS

FY 2017 circulating coin shipments to the FRB decreased by 2.2 billion units (13.7 percent) to a total 14.1 billion coins compared to last year. The year saw decreases in all denominations which resulted in decreases in revenue compared to last year.


Total Circulating Coin Production (coins in millions)

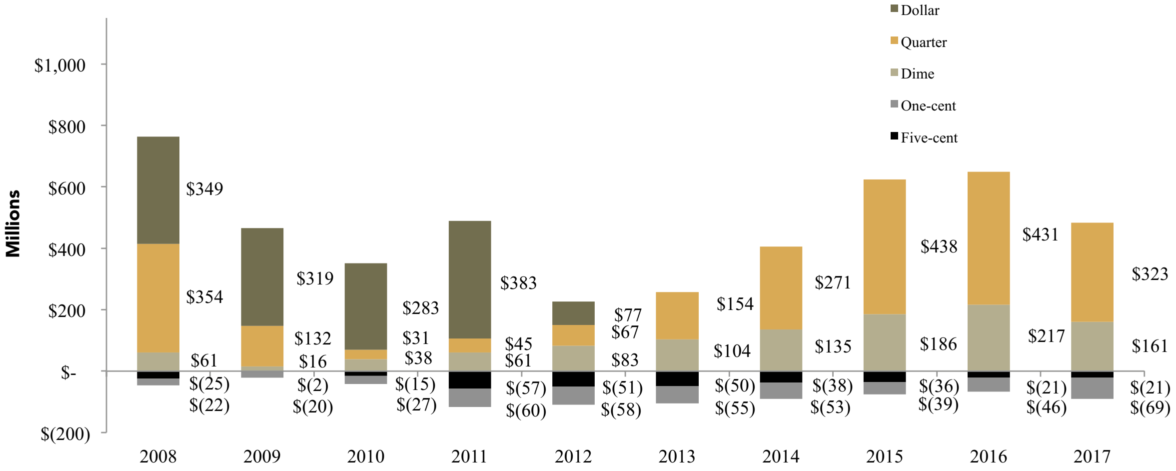
The overall shipment mix decreased for all denominations except for the penny. As a percentage of total shipments, penny shipments increased from 55.9 percent in FY 2016 to 59.9 percent in FY 2017. The percentage of total shipments for all other denominations decreased by 4.0 to 40.1 percentage points.

FY 2017 circulating revenue was $871.8 million, 21.0 percent lower than last year, driven by a $139.4 million (22.5 percent) decrease in quarter-dollar revenue and a $72.6 million (23.2 percent) decrease in dime revenue. FY 2017 circulating seigniorage was $391.5 million, 32.3 percent lower than last year, because of declining volumes, higher metal costs and higher general and administrative expenses. The resulting seigniorage per dollar issued was $0.45, $0.07 below $0.52 from last year.

FY 2017 unit costs increased for all denominations compared to last year. The unit cost for both pennies (1.82 cents) and nickels (6.60 cents) remained above face value for the twelfth consecutive fiscal year. Higher metal costs and higher unit costs generated a larger FY 2017 net loss ($89.8 million) for these two denominations compared to FY 2016 ($66.8 million).

Compared to last year, FY 2017 average spot prices for nickel increased 10.3 percent to $10,214.20 per tonne, average copper prices rose 21.3 percent to $5,782.69, and average zinc prices increased 45.4 percent to $2,715.62.

Circulating Seigniorage by Year ($ Millions)



CIRCULATING
(coins and dollars in millions except seigniorage per $1 issued)

	2017	2016	2015	2014	2013	% Change 2016 to 2017
Coin Shipments	14,068	16,308	16,151	13,037	10,696	(13.7%)
Value of Shipments	$871.8	$1,104.2	$1,114.0	$783.0	$578.0	(21.0%)
Gross Cost	$480.3	$525.5	$573.1	$493.9	$440.6	(8.6%)
Cost of Goods Sold	$418.1	$468.5	$520.0	$435.4	$383.7	(10.8%)
Selling, General & Administrative	$62.2	$57.0	$53.1	$58.5	$56.9	9.1%
Seigniorage	$391.5	$578.7	$540.9	$289.1	$137.4	(32.3%)
Seigniorage per $1 Issued	$0.45	$0.52	$0.49	$0.37	$0.24	(13.5%)

ONE CENT COINS PRODUCED IN PHILADELPHIA GET "P" MINT MARKS

Philadelphia was the site of the Nation's first mint in 1793. As other mints were added around the country, each was given a unique mintmark to include on its coins – pennies minted at the United States Mint at Denver carry the "D" mintmark and pennies minted at the United States Mint at San Francisco carry the "S" mintmark. However, coins minted at the Philadelphia Mint did not bear a mint mark until World War II, when a "P" mintmark was add to nickels containing silver. The "P" mintmark was not used again until 1979, when it was placed on all coins minted in Philadelphia except for pennies. The "P" mintmark has never appeared on pennies produced at the Philadelphia Mint. So, as the Mint approached its 225th anniversary, employees suggested incorporating a mintmark on pennies minted in Philadelphia as a tangible way to acknowledge the Mint's anniversary during calendar year 2017. For the first time in history, the United States Mint included the "P" mintmark on all pennies produced at the United States Mint at Philadelphia in 2017.

UNIT COST OF PRODUCING AND DISTRIBUTING COINS BY DENOMINATION

2017	One-Cent	Five-Cent	Dime	Quarter-Dollar
Cost of Goods Sold	$0.0156	$0.0564	$0.0284	$0.0711
Selling, General & Administrative	$0.0024	$0.0088	$0.0045	$0.0103
Distribution to FRB	$0.0002	$0.0008	$0.0004	$0.0010
Total Unit cost	$0.0182	$0.0660	$0.0333	$0.0824

2016	One-Cent	Five-Cent	Dime	Quarter-Dollar
Cost of Goods Sold	$0.0131	$0.0551	$0.0269	$0.0672
Selling, General & Administrative	$0.0017	$0.0071	$0.0034	$0.0080
Distribution to FRB	$0.0002	$0.0010	$0.0005	$0.0011
Total Unit cost	$0.0150	$0.0632	$0.0308	$0.0763

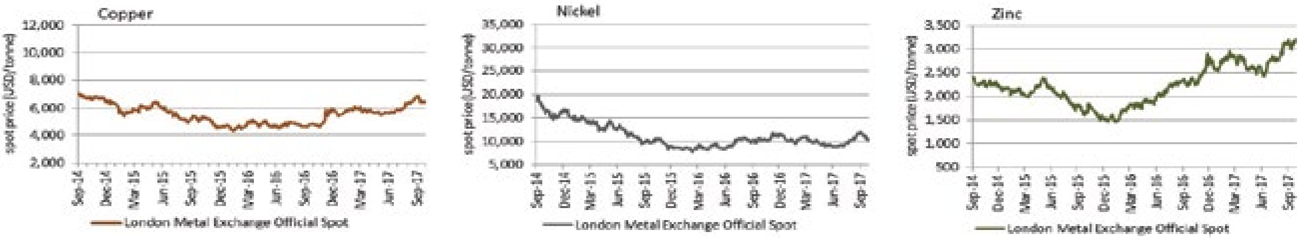
2015	One-Cent	Five-Cent	Dime	Quarter-Dollar
Cost of Goods Sold	$0.0125	$0.0664	$0.0315	$0.0755
Selling, General & Administrative	$0.0015	$0.0068	$0.0033	$0.0076
Distribution to FRB	$0.0003	$0.0012	$0.0006	$0.0013
Total Unit cost	$0.0143	$0.0744	$0.0354	$0.0844

SHIPMENTS, COSTS, AND SEIGNIORAGE BY DENOMINATION
(coins and dollars in millions except seigniorage per $1 issued)

2017	One-Cent	Five-Cent	Dime	Quarter-Dollar	Mutilated & Other	Total
Coin Shipments	8,426	1,306	2,410	1,926		14,068
Value of Shipments	$84.3	$65.3	$240.8	$481.4		$871.8
Gross Cost	$153.1	$86.3	$80.3	$158.7	$1.9	$480.3
Cost of Goods Sold	$133.0	$74.8	$69.5	$138.9	$1.9	$418.1
Selling, General & Administrative	$20.1	$11.5	$10.8	$19.8		$62.2
Seigniorage	$(68.8)	$(21.0)	$160.5	$322.7	$(1.9)	$391.5
Seigniorage per $1 Issued	$(0.82)	$(0.32)	$0.67	$0.67		$0.45

2016	One-Cent	Five-Cent	Dime	Quarter-Dollar	Mutilated & Other	Total
Coin Shipments	9,114	1,578	3,134	2,482	-	16,308
Value of Shipments	$91.1	$78.9	$313.4	$620.8	$-	$1,104.2
Gross Cost	$137.1	$99.7	$96.4	$189.4	$2.9	$525.5
Cost of Goods Sold	$121.9	$88.5	$85.7	$169.5	$2.9	$468.5
Selling, General & Administrative	$15.2	$11.2	$10.7	$19.9	$-	$57.0
Seigniorage	$(46.0)	$(20.8)	$217.0	$431.4	$(2.9)	$578.7
Seigniorage per $1 Issued	$(0.50)	$(0.26)	$0.69	$0.69		$0.52

2015	One-Cent	Five-Cent	Dime	Quarter-Dollar	Mutilated & Other	Total
Coin Shipments	9,155	1,477	2,874	2,645	-	16,151
Value of Shipments	$91.6	$73.8	$287.3	$661.3	$-	$1,114.0
Gross Cost	$130.1	$109.7	$101.6	$223.2	$8.5	$573.1
Cost of Goods Sold	$116.5	$99.7	$92.1	$203.2	$8.5	$520.0
Selling, General & Administrative	$13.6	$10.0	$9.5	$20.0	$-	$53.1
Seigniorage	$(38.5)	$(35.9)	$185.7	$438.1	$(8.5)	$540.9
Seigniorage per $1 Issued	$(0.42)	$(0.49)	$0.65	$0.66		$0.49



Base Metal Daily Official Spot Price (prices per metric tonne in dollars)

PRECIOUS METAL BULLION COINS FOR INVESTORS

BULLION COINS

The Mint's bullion coin program provides the public a simple and tangible means to acquire precious metal coins at a slight premium to spot market metal prices. Investors purchase bullion coins not only for their intrinsic metal value, but also because the United States guarantees each coin's metal weight, content, and purity.

The Mint produces and issues gold, silver, platinum, and palladium bullion coins on Authorized Purchaser network through the American Buffalo, America the Beautiful Silver Bullion Coin™, and the American Eagle Programs. The Mint sells the coins to the authorized purchasers at the same market price paid for the metal, plus a premium to cover bullion program operating costs. Authorized purchasers agree to maintain an open, two-way market for these coins, assuring their liquidity. This allows the public to purchase and sell bullion coins at the prevailing market price, adjusting for any premium the authorized purchaser applies.

BULLION RESULTS

In FY 2017, the Mint sold 24,716 thousand ounces of bullion, a decrease of 20,447 thousand ounces or 45.3 percent compared to FY 2016. Because of lower bullion demand, FY 2017 bullion coin program revenue and net income decreased compared to FY 2016. Revenue totaled $1,378.9 million, down 33.9 percent from $2,085.3 million last year. Net income decreased 80.3 percent to $10.9 million from $55.3 million, driven by American Eagle Silver bullion earnings, which decreased $29.7 million (98.3 percent).

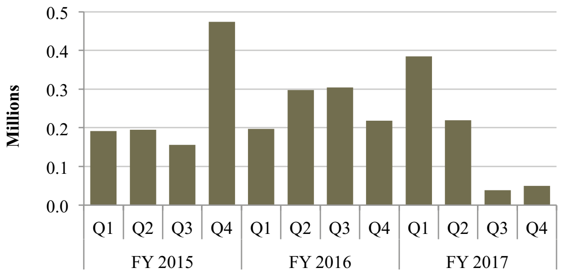
Total demand for bullion decreased from FY 2016 levels due in large part to declines in silver bullion coin demand. Additionally, demand for gold started experiencing a dramatic slowdown due to the volatility of the market. The decrease in total bullion revenue was slightly more modest than the volume declines because gold bullion revenue was still robust at the beginning of the fiscal year.

GOLD BULLION COIN RESULTS

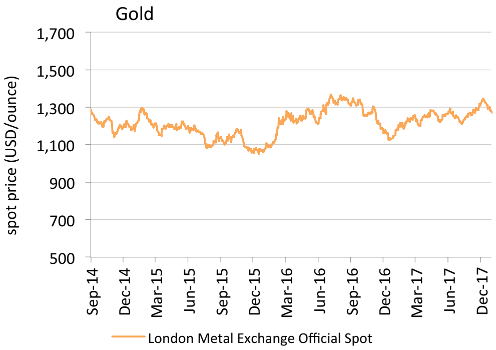
Bullion coin program results are highly dependent on trends in commodity market prices. These commodity prices are, in turn, dependent on variables such as global supply constraints, perceived strength as a safe-haven asset, currency exchange markets, and earnings potential from other commodities or investments.

Although FY 2017 gold bullion demand started the year strong, declines that began in the second quarter resulted in lower volumes than last year. FY 2017 sales decreased 325 thousand ounces (31.9 percent) to 693 thousand ounces, with a 33.7 percent decrease in American Eagle gold bullion coin ounces sold compared to last year.

Total Gold Bullion Coin Sales (ounces sold in millions)



Precious Metal Daily Official Spot Price
(prices per troy ounce in dollars)



BULLION COINS
(dollars in millions)

	2017	2016	2015	2014	2013	% Change 2016 to 2017
Gold oz. sold (thousands)	693	1,018	1,018	702	1,218	(31.9%)
Silver oz. sold (thousands)	23,988	44,125	48,727	38,968	44,644	(45.6%)
Platinum oz. sold (thousands)	20	20	3	14	-	-
Palladium oz. sold (thousands)	15	-	-	-	-	-
Sales Revenue	$1,378.9	$2,085.3	$2,126.1	$1,814.4	$3,244.6	(33.9%)
Gross Cost	$1,368.0	$2,030.0	$2,065.1	$1,786.4	$3,185.3	(32.6%)
Cost of Goods Sold	$1,342.7	$2,003.9	$2,038.5	$1,760.9	$3,159.0	(33.0%)
Selling, General & Administrative	$25.3	$26.1	$26.6	$25.5	$26.3	(3.1%)
Net Income	$10.9	$55.3	$61.0	$28.0	$59.3	(80.3%)
Bullion Net Margin	0.8%	2.7%	2.9%	1.5%	1.8%	(70.4%)

BULLION COINS REVENUE, COST, AND NET INCOME BY PROGRAM
(dollars in millions)

2017	American Eagle Gold	American Buffalo Gold	Sub-Total Gold	American Eagle Silver	America the Beautiful Silver	Sub-Total Silver	American Eagle Platinum	American Eagle Palladium	Total
Ounces Sold (thousands)	543	150	693	23,100	888	23,988	20	15	24,716
Sales Revenue	$694.9	$189.7	$884.6	$441.9	$17.2	$459.1	$20.6	$14.6	$1,378.9
Gross Cost	$683.2	$186.9	$870.1	$441.4	$18.1	$459.5	$22.5	$15.9	$1,368.0
Cost of Goods Sold	$679.6	$186.3	$865.9	$421.6	$17.4	$439.0	$22.2	$15.6	$1,342.7
Selling, General & Administrative	$3.6	$0.6	$4.2	$19.8	$0.7	$20.5	$0.3	$0.3	$25.3
Net Income	$11.7	$2.8	$14.5	$0.5	$(0.9)	$(0.4)	$(1.9)	$(1.3)	$10.9
Bullion Net Margin	1.7%	1.5%	1.6%	0.1%	(5.2%)	(0.1%)	(9.2%)	(8.9%)	0.8%

2016	American Eagle Gold	American Buffalo Gold	Sub-Total Gold	American Eagle Silver	America the Beautiful Silver	Sub-Total Silver	American Eagle Platinum	Total
Ounces Sold (thousands)	819	199	1,018	42,446	1,679	44,125	20	45,163
Sales Revenue	$1,033.8	$244.1	$1,277.9	$755.2	$29.6	$784.8	$22.6	$2,085.3
Gross Cost	$1,012.9	$239.9	$1,252.8	$725.0	$28.5	$753.5	$23.7	$2,030.0
Cost of Goods Sold	$1,009.1	$239.3	$1,248.4	$704.3	$27.7	$732.0	$23.5	$2,003.9
Selling, General & Administrative	$3.8	$0.6	$4.4	$20.7	$0.8	$21.5	$0.2	$26.1
Net Income	$20.9	$4.2	$25.1	$30.2	$1.1	$31.3	$(1.1)	$55.3
Bullion Net Margin	2.0%	1.7%	2.0%	4.0%	3.7%	4.0%	(4.9%)	2.7%

2015	American Eagle Gold	American Buffalo Gold	Sub-Total Gold	American Eagle Silver	America the Beautiful Silver	Sub-Total Silver	American Eagle Platinum	Total
Ounces Sold (thousands)	810	208	1,018	47,870	857	48,727	3	49,748
Sales Revenue	$979.6	$252.2	$1,231.8	$875.4	$15.5	$890.9	$3.4	$2,126.1
Gross Cost	$957.8	$247.7	$1,205.5	$841.1	$14.7	$855.8	$3.8	$2,065.1
Cost of Goods Sold	$954.8	$247.2	$1,202.0	$818.5	$14.3	$832.8	$3.7	$2,038.5
Selling, General & Administrative	$3.0	$0.5	$3.5	$22.6	$0.4	$23.0	$0.1	$26.6
Net Income	$21.8	$4.5	$26.3	$34.3	$0.8	$35.1	$(0.4)	$61.0
Bullion Net Margin	2.2%	1.8%	2.1%	3.9%	5.2%	3.9%	(11.8%)	2.9%

Gold bullion revenue decreased by 30.8 percent to $884.6 million because of decreases of 22.3 percent in American Buffalo and 32.8 percent in American Eagle revenue, respectively.

Coinciding with lower gold volume and revenue, FY 2017 gold bullion net income decreased $10.6 million (42.2 percent), driven by a $9.2 million (44.0 percent) decrease in American Eagle gold bullion coins. American Buffalo gold coin earnings decreased by $1.4 million (33.3 percent).

The FY 2017 average daily spot price of gold was $1,243.16 per ounce, up 1.8 percent from $1,221.75 last year.

SILVER BULLION COIN RESULTS

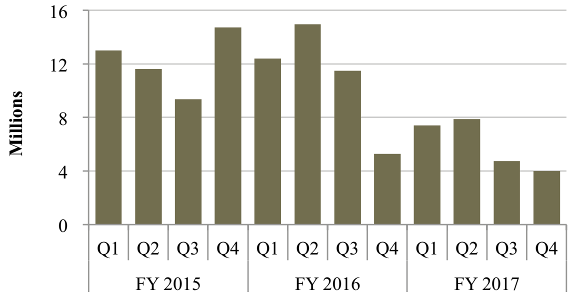
Total silver bullion ounces sold decreased 20,137 thousand ounces (45.6 percent) to 23,988 thousand ounces with a 45.6 percent decrease in American Eagle Silver Bullion Coin ounces sold compared to last year.

Net income from Silver Bullion Coins decreased 101.3 percent because of a $29.7 million decrease in American Eagle earnings. America the Beautiful Silver Bullion Coins experienced a $2.0 million decrease (181.8 percent) in earnings compared to last year.

Lower volumes meant that FY 2017 silver revenue decreased by 41.5 percent. American Eagle revenue decreased by $313.3 million (41.5 percent), and America the Beautiful revenue decreased by $12.4 million (41.9 percent).

The FY 2017 average daily spot price of silver was $17.17 per ounce, up 3.9 percent from $16.53 compared to the same period last year.

Total Silver Bullion Coin Sales (ounces sold in millions)



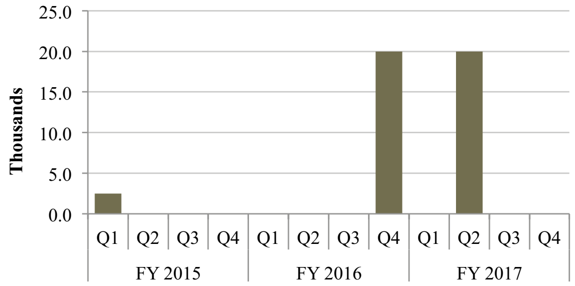
Precious Metal Daily Official Spot Price
(prices per troy ounce in dollars)

PLATINUM BULLION COIN RESULTS

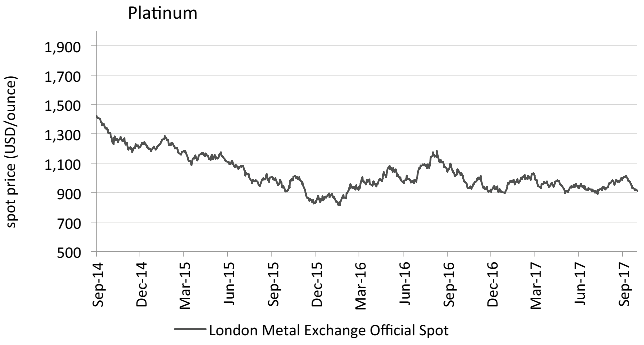
The Mint began accepting orders for 2017 American Eagle platinum bullion coins on January 23, 2017, and the entire inventory of 20,000 ounces was sold out by January 25. Ounces sold matched last year's sales and revenue decreased slightly to $20.6 million, or 8.8 percent lower than last year. This program generated a net loss of $1.9 million, which was 72.7 percent lower than FY 2016.

The FY 2017 average daily spot price of platinum was $954.46 per ounce, down 2.6 percent from $979.58 per ounce in the same period last year.

Total Platinum Bullion Coin Sales (ounces sold in thousands)



Precious Metal Daily Official Spot Price
(prices per troy ounce in dollars)



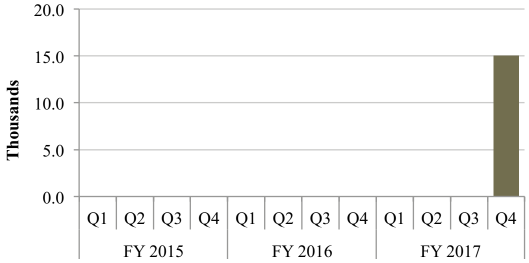
PALLADIUM BULLION COIN RESULTS

For the first time, the Mint began sales of a one-ounce American Eagle Palladium Bullion Coin on September 25, 2017. As with all bullion coins, American Eagle Palladium Bullion Coins were made available through the Mint's Authorized Purchaser network.

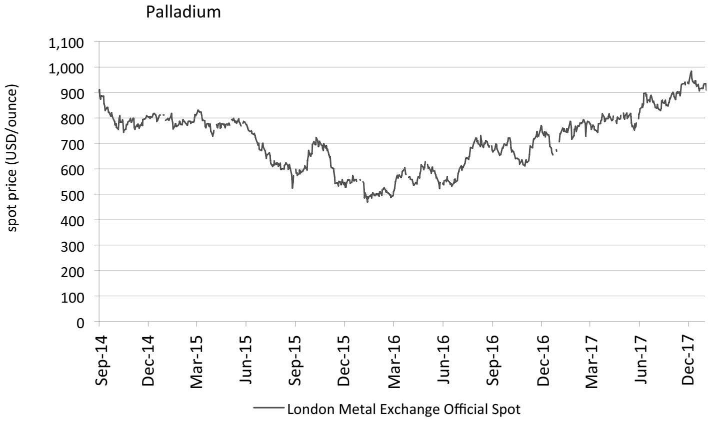
The American Eagle Palladium Bullion Coin Act was signed into law in 2010 and amended in 2015. As required by law, a marketing study of the demand for palladium bullion investments was issued in 2013. During FY 2017, the Mint identified vendors that met Mint requirements to provide palladium planchets. The Mint sold 15,000 ounces of palladium bullion, generating revenue of $14.6 million. Startup costs contributed to an overall loss of $1.3 million in FY 2017.

The Mint sold its entire inventory of 15,000 American Eagle Palladium Bullion Coins on the first day of release. The average daily spot price of palladium during FY 2017 was $794.07 per ounce.

Total Palladium Bullion Coin Sales (ounces sold in thousands)



Precious Metal Daily Official Spot Price
(prices per troy ounce in dollars)



MINT WINS TWO COIN OF THE YEAR AWARDS

The United States earned top honors in two coin design categories at the World Money Fair in Berlin, Germany. The Mint won in the category of Best Circulating Coin for its America the Beautiful Program quarter honoring Kisatchie National Forest and in the category of Most Inspirational Coin for its March of Dimes Silver Dollar commemorative coin.

The March of Dimes Silver Dollar, which celebrates the 75th anniversary of the establishment of the March of Dimes Foundation, includes a reverse designed and sculpted by sculptor-engraver Don Everhart, who was with the Mint from 2004 until his retirement in 2017. The obverse features the profiles of President Franklin D. Roosevelt and Dr. Jonas Salk, two leaders in the fight against polio, and was designed by Paul Balan, a member of the Artistic Infusing Program (AIP) since 2010, and sculpted by Mint sculptor-engraver Michael Gaudioso, who has been with the Mint since 2009.

The America the Beautiful Program quarter honoring Kisatchie National Forest features a wild turkey in flight over blue stem grass with long leaf pine in the background on the reverse. The design is by Susan Gamble, who was part of the AIP from 2004 until her death in 2015. Sculptor-engraver Joseph Menna, who joined the Mint in 2005, sculpted the design.

The Coin of the Year Awards recognize artistic talent among 10 design categories. A panel of international judges selects from coins issued two years prior to the year of the award. Both of the coins were issued in 2015 and are no longer available from the Mint.

NUMISMATIC PRODUCTS FOR THE PUBLIC

NUMISMATIC

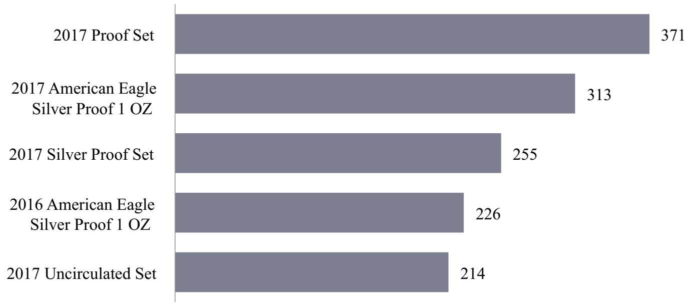
The Mint's numismatic program provides high-quality versions of circulating coinage, precious metal coins, commemorative coins, and medals for sale to the public. Most of the Mint's recurring products—such as United States Mint Uncirculated Coin Sets®, United States Mint Proof Sets®, and United States Mint Silver Proof Sets®—are required by Federal statute. Others, such as commemorative coins and Congressional Gold Medals, are required by individual public laws. A main objective of the numismatic program is to increase the Mint's customer base and foster sales while controlling costs and keeping prices as low as practicable.

NUMISMATIC RESULTS

Numismatic product sales decreased to 3.9 million units in FY 2017 compared to 4.2 million units in FY 2016. The largest driver was a fall in the Presidential and First Spouse medal category. Presidential and First Spouse medal units were 73.0 percent lower than last year, due to the Presidential $1 Coin program ending its 10-year run in calendar year 2016 along with the First Spouse coin program. Presidential and First Spouse medals contributed 5.6 percent to overall numismatic units in FY 2017, compared to 19.4 percent last year.

Top Selling Products Fiscal Year

(units sold in thousands)



Numismatic revenue was also lower than last year. FY 2017 numismatic revenue was $387.5 million, a $25.5 million (6.2 percent) decrease from FY 2016. There was a $24.0 million decrease in revenue from Presidential and First Spouse products also due to the end of the program.

The 2017 United States Mint Proof Set and the 2017 American Eagle Silver One Ounce Proof Coin were the most popular sellers (in terms of units) this year, selling a combined 684 thousand units. Sales for these products were 7.1 percent lower than they were last year.

Gold and platinum numismatic products generated the largest share of revenue (55.8 percent) compared to the other numismatic products. This category generated $216.2 million in numismatic revenue compared to $171.3 million revenue generated by the other categories. Annual recurring sets recorded a $17.3 million net loss in FY 2017.

The numismatic net margin decreased to 5.0 percent in FY 2017 from 8.4 percent in FY 2016. FY 2017 numismatic COGS decreased by 4.5 percent and by $14.1 million, driven by the lower units. SG&A expenses increased 6.3 percent this year.

AMERICAN EAGLE PLATINUM PROOF COIN 20TH ANNIVERSARY

Twenty years ago the United States Mint made numismatic history when it introduced its first legal tender American Eagle Platinum Proof Coin. In 1997, Treasury Secretary Robert E. Rubin authorized the Mint to produce .9995 platinum bullion coins and approved designs for the program. Authority to produce platinum coins was enacted as part of the Omnibus Consolidated Appropriations Act for Fiscal Year 1997 (P.L. 104–208).

The platinum Eagle represents a historic expansion of the Mint's bullion coin program, appealing to both collectors and investors. To commemorate the 20th anniversary of production of this coin, the Mint revived the original designs depicted on the coin. The coin features a rendition of the Statue of Liberty on the obverse and a soaring eagle design on the reverse.

NUMISMATIC
(dollars in millions)

	2017	2016	2015	2014	2013	% Change 2016 to 2017
Units Sold (Thousands)	3,905	4,159	5,379	5,725	5,509	(6.1%)
Sales Revenue	$387.5	$413.0	$453.2	$504.5	$512.4	(6.2%)
Gross Cost	$368.3	$378.5	$386.4	$453.7	$416.6	(2.7%)
Cost of Goods Sold	$302.5	$316.6	$322.3	$386.3	$356.5	(4.5%)
Selling, General & Administrative	$65.8	$61.9	$64.1	$67.4	$60.1	6.3%
Net Income & Seigniorage	$19.2	$34.5	$66.8	$50.8	$95.8	(44.3%)
Numismatic Net Margin	5.0%	8.4%	14.7%	10.1%	18.7%	(40.5%)
Seigniorage Portion	$10.2	$25.6	$26.0	$28.1	$29.3	(60.2%)

Net Income & Seigniorage figures are before protection costs. Seigniorage portion results from the sale of circulating coins (boxes, bags and rolls) directly to the public through the numismatic channels.

NUMISMATIC REVENUE, COST, AND NET INCOME OR SEIGNIORAGE BY PROGRAM
(dollars in millions)

2017	Gold and Platinum Coin Products	Silver Coin Products	Annual Sets*	Quarter Products	Presidential and First Spouse Medals	Commemorative	Miscellaneous	Total
Units Sold (Thousands)	194	1,140	1,259	483	218	190	421	3,905
Sales Revenue	$216.2	$74.2	$41.8	$11.1	$12.4	$11.4	$20.4	$387.5
Gross Cost	$183.1	$62.1	$59.1	$14.8	$10.9	$12.5	$25.8	$368.3
Cost of Goods Sold	$176.7	$46.7	$35.9	$8.9	$7.5	$9.3	$17.5	$302.5
Selling, General & Administrative	$6.4	$15.4	$23.2	$5.9	$3.4	$3.2	$8.3	$65.8
Net Income & Seigniorage	$33.1	$12.1	$(17.3)	$(3.7)	$1.5	$(1.1)	$(5.4)	$19.2
Numismatic Net Margin	15.3%	16.3%	(41.4%)	(33.3%)	12.1%	(9.6%)	(26.5%)	5.0%
Seigniorage Portion	$-	$-	$-	$2.0	$5.4	$-	$2.8	$10.2

2016	Gold and Platinum Coin Products	Silver Coin Products	Annual Sets*	Quarter Products	Presidential and First Spouse Medals	Commemorative	Miscellaneous	Total
Units Sold (Thousands)	332	656	1,278	503	808	289	293	4,159
Sales Revenue	$233.7	$41.7	$47.7	$11.9	$36.4	$22.9	$18.7	$413.0
Gross Cost	$192.6	$29.4	$71.8	$16.9	$24.1	$21.7	$22.0	$378.5
Cost of Goods Sold	$185.0	$22.4	$50.3	$11.3	$14.6	$17.8	$15.2	$316.6
Selling, General & Administrative	$7.6	$7.0	$21.5	$5.6	$9.5	$3.9	$6.8	$61.9
Net Income & Seigniorage	$41.1	$12.3	$(24.1)	$(5.0)	$12.3	$1.2	$(3.3)	$34.5
Numismatic Net Margin	17.6%	29.5%	(50.5%)	(42.0%)	33.8%	5.2%	(17.6%)	8.4%
Seigniorage Portion	$-	$-	$-	$2.5	$20.1	$-	$3.0	$25.6

2015	Gold and Platinum Coin Products	Silver Coin Products	Annual Sets*	Quarter Products	Presidential and First Spouse Medals	Commemorative	Miscellaneous	Total
Units Sold (Thousands)	169	1,436	1,403	512	1,067	479	313	5,379
Sales Revenue	$206.2	$87.0	$52.4	$12.2	$48.4	$26.3	$20.7	$453.2
Gross Cost	$162.9	$60.0	$60.9	$14.0	$27.2	$21.8	$39.6	$386.4
Cost of Goods Sold	$160.3	$44.7	$41.2	$9.5	$17.2	$16.8	$32.6	$322.3
Selling, General & Administrative	$2.6	$15.3	$19.7	$4.5	$10.0	$5.0	$7.0	$64.1
Net Income & Seigniorage	$43.3	$27.0	$(8.5)	$(1.8)	$21.2	$4.5	$(18.9)	$66.8
Numismatic Net Margin	21.0%	31.0%	(16.2%)	(14.8%)	43.8%	17.1%	(91.3%)	14.7%
Seigniorage Portion	$-	$-	$-	$2.4	$20.6	$-	$3.0	$26.0

**Annual Sets are the United States Mint Silver Proof Set, United States Mint Proof Set, and United States Mint Uncirculated Coin Set.*

MINT MATURES CYBERSECURITY PROGRAM

In 2017, the Mint continued to enhance the capabilities that advance its overall cybersecurity efforts. As the first Treasury bureau to begin the Department of Homeland Security's Continuous Diagnostics & Monitoring program, the Mint has implemented hardware, software, and vulnerability management capabilities that give us greater visibility into the cyber environment and strengthen our protection against cyberattack. As we transition to more cloud solutions, the Mint is delivering on a secure cloud-first strategy that protects data and access. The Mint also participated proactively in cross-agency cybersecurity initiatives – as an active sponsoring member of a cybersecurity threat information sharing community among the Treasury bureaus, and also by sponsoring a member of the Treasury-wide Cybersecurity Cohort Pilot Program, which aims to build a pipeline of future cybersecurity talent in the Federal community.

COMMEMORATIVE COINS

Commemorative coin programs are created by acts of Congress to honor a person, place, organization, or event. The price of each coin ordinarily includes a surcharge authorized payable to designated recipient organizations.

Two commemorative coin programs began in FY 2017. The Boys Town Centennial Commemorative Coin Program had revenue of $6.0 million with surcharges of $0.9 million through September 30. This program runs through calendar year 2017 and final surcharges will be totaled December 30. The surcharges support the Boys Town National Hotline, Boys Town National Research Hospital, and other community services.

The Lions Clubs International Centennial Silver Dollar Program had revenue of $3.9 million with surcharges of $0.8 million through September 30. The surcharges allowed the Lions Clubs to further its programs for the blind and visually impaired in the United States and abroad, to invest in adaptive technologies for the disabled, and to invest in youth and those affected by a major disaster. Both of these commemorative coin programs ran through December 31, 2017.

Two commemorative coin programs ended during FY 2017. The National Park Service 100th Anniversary program had revenue of $16.2 million with surcharges of $2.2 million through September 30. The surcharges support National Park Foundation projects intended to preserve, protect, and promote National Park Service resources for public enjoyment.

The Mark Twain program had revenue of $12.1 million with surcharges of $1.7 million through September 30. The surcharges support Twain's legacy through the following four institutions: the Mark Twain House & Museum; the Mark Twain Boyhood Home and Museum; the University of California, Berkeley; and Elmira College. These two commemorative programs ran through December 31, 2016.

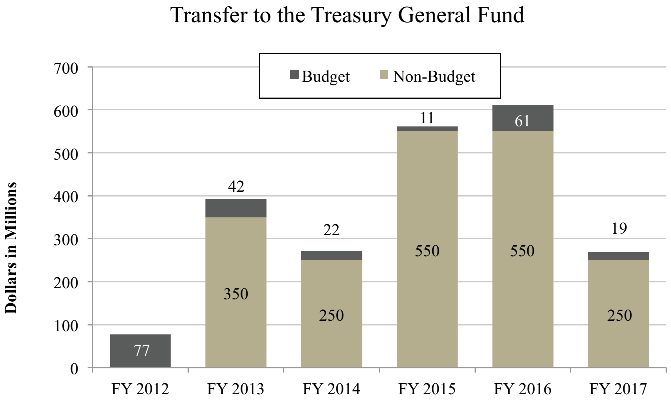
PEF EARNINGS AND TRANSFERS TO THE TREASURY GENERAL FUND

As required by 31 U.S.C. § 5136, the Mint deposits all receipts from operations and programs into the PEF. Periodically, the Mint transfers amounts out of the PEF determined to be in excess of amounts required to support ongoing operations and programs. The circulating, bullion, and numismatic program data exclude costs for the protection of custodial assets activity. Consolidated earnings are discussed below to provide a status of the entirety of the PEF compared to prior periods.

FY 2017 protection costs increased by 1.1 percent to $45.5 million compared to $45.0 million last year. FY 2017 PEF earnings after protection costs decreased to $376.1 million compared to $623.5 million last year.

The Mint made two transfers to the Treasury General Fund this fiscal year totaling $269 million. In FY 2016, the Mint transferred $611 million. The Mint makes two types of transfers. Non-budget transfers from the PEF consist of seigniorage, which is not treated as a budgetary receipt to the Government, but as a means of financing. Budget transfers to the Treasury General Fund from the PEF usually consist of numismatic net income and can be treated as a budgetary receipt to the Government.

In December 2016, the Mint made a budget transfer of $19 million from numismatic and bullion earnings to the Treasury General Fund, compared to $61 million transferred last year. On September 30, 2017, the Mint made a non-budget transfer of $250 million to the Treasury General Fund, compared to $550 million that was transferred last year.



FOSTER A SAFE, FLEXIBLE, DIVERSE, AND ENGAGED WORKFORCE

It is the goal of the Mint to have a safe and innovative workforce. Therefore, the Mint strives to foster a workforce that is safe, flexible, diverse, and engaged. Ensuring the safety of the workforce is of the utmost importance. The Mint will continue to drive awareness of safety protocols, improve training opportunities, and ensure compliance with environmental safety and health requirements. As technology evolves, the Mint's workforce will become more responsive to changing mission requirements. The Mint must also maintain its competitive edge by employing an extraordinary diverse workforce of employees with unique skills, professional experiences, and personal backgrounds. Cultivating a more flexible and engaged workforce is important to the Mint so that all of the employees are motivated to achieve their maximum potential. The Mint takes pride in providing employees with opportunities to grow and advance within the organization.

ELIMINATION AND REDUCTION OF HAZARDOUS CHEMICALS

The San Francisco Mint updated its recurring Safety Baton program to focus on reducing hazardous chemicals in the workplace. Over the course of the year, each division was tasked with eliminating at least two chemicals from their respective work areas. In the first few months, the teams were able to eliminate eight regularly used chemicals and replace them with green or bio-based chemicals. Shortly after, the San Francisco Mint embarked on a journey of tallying and reviewing each and every chemical in the entire facility. This enormous effort resulted in the identification of 800 chemicals being used/stored in the facility. Each division manager was then tasked with reviewing each and every chemical in their work area and place the chemical into one of three categories: Eliminate, Replace, or Use. After conducting this effort, the San Francisco Mint was able to eliminate 406 chemicals from its inventory – a reduction of more than 50 percent. This decrease in chemicals reduces the risk of injury, promotes a healthier work environment, and reduces the cost of purchasing and storing the chemicals at the facility.

EMPLOYEE ENGAGEMENT

The Mint continued its employee engagement efforts by reviewing the results of the 2016 Federal Employee Viewpoint Survey (FEVS) and communicating the results to the workforce. Senior managers encouraged each directorate to focus on addressing some of the deficiencies identified in the survey results. Each directorate developed an EngageMINT action plan that's updated quarterly and tracked throughout the year. The results have been a more engaged workforce, as well as increased productivity and performance.

Additionally, the Mint has made significant improvements in several areas because of its commitment to its workforce and to effectively managing its talent. The FEVS is a critical part of the Mint's EngageMINT strategy. Moreover, the Senior Executive team has proactively increased communications regarding the United States Mint's Strategic Plan and priority initiatives. On a quarterly basis, the Senior Executive team convenes all employees for a Town Hall meeting. At each Town Hall meeting, employees have an opportunity to ask questions relevant to the workplace, as well as the bureau's progress towards meeting its strategic goals. This open two-way communication has increased trust and supports employee engagement, and incrementally improved the FEVS results.

MINT DELIVERS TECHNOLOGY EFFICIENCIES

In 2016, the Mint successfully launched The Artist Portal. As a result of this technology, members of the public were able to submit designs electronically and a panel of judges to review submissions for the 2018 World War I American Veterans Centennial Silver Dollar Commemorative Coin, and the 2018 Breast Cancer Awareness Commemorative Coin design competitions. In May of 2017, the Mint launched the Apollo 11 50th Anniversary Commemorative Coin Program design competition on the same platform, employing parallax layout and historical images from U.S. space missions to create a highly engaging site. Just weeks prior, in April, the Mint crossed another significant milestone in its Digital Services Strategy (DSS) when we deployed a new Web Content Management System (WCMS). The WCMS provides a new and substantially streamlined way of curating, editing, and sharing information with the public. The Mint achieved digital efficiencies internally as well, implementing advanced solutions to facilitate various functions across the organization, including: (1) a library that enables digital tracking and management of the Mint's HR documentation, (2) a solution that automates the nomination and judging process for the Mint's historic Rittenhouse Medal for Excellence Award Program, and (3) a sophisticated platform to support management, tracking, and analysis of the end-to-end delivery of all products in the Mint's numismatic portfolio. The Mint will realize a number of benefits from these initiatives, including enhanced digital performance and availability; improved enterprise-wide, data-driven governance and decision making capabilities; reduced data center footprint; and an improved process for publishing and managing content on our website.

MINT LEADERSHIP OFFICIALLY LAUNCH THE MINT PRODUCT LIFECYCLE INTO OPERATION

Over the last year, the Mint Product Lifecycle (MPL) team has been using research into industry best practices, staff interviews, workshops, executive and stakeholder feedback, and training sessions to collaboratively develop a process, operating model, and technology solution to help better manage the lifecycle of a numismatic and bullion products. The results of these efforts culminated in the delivery of a Full Operating Capability solution.

We are now officially implementing an operating model, process, and technology platform that will enhance the way we carry out our mission. The solution introduces "value-add" features like a phase gate timeline, structured governance, and a visual means of tracking progress. It also introduces a Product Closeout phase, wherein data gathered and lessons learned inform future product development and enable continuous improvement.

The MPL will help both individuals and business units integrate with each other, and allow the agency to more effectively operate as "One Mint."

U.S. MINT POLICE CONDUCT EXTENSIVE COORDINATION EXERCISE

In July 2017, the Mint conducted an extensive table-top exercise which encompassed all field facilities, Mint Police Chiefs, inspectors and other designated facilitators/evaluators, as well as with local, state and federal emergency agencies and law enforcement near the facility to improve joint operations and coordination. The main objectives of the exercise were to: 1) validate current Mint Police unit occupant and emergency action plans and procedures for Improvised Explosive Device (IED) threats in accordance with the Mint Police Hazardous Incident Plan; 2) evaluate current capability of the Mint Police field units to coordinate information sharing with local jurisdictions; and, 3) evaluate current capability of the Mint field police units to integrate resources with local jurisdictions in accordance with Mint Police Incident Command Protocols.

225TH ANNIVERSARY

On April 2, 1792, a young nation took its first bold and official steps toward an unknown future. The passage of the Coinage Act of 1792 officially established the United States Mint. April 2, 2017, marked the 225th Anniversary of the 1792 Act of Congress that established the first United States Mint facility.

For two and one quarter centuries, the Mint has manufactured the circulating coinage used across the country in daily transactions as instruments of national commerce. The Mint also produces coins and medals to honor and remember key persons, places, and events in American history. As the Nation and the Mint celebrate this historical milestone, it's worth looking back at where the Mint started and how it has grown over the course of 225 years.

The United States was less than a decade old when Congress debated what the fledgling democracy might put on its coins. The final decision was a simple one: every coin had to have an "impression emblematic of liberty." Since then, emblematic figures of liberty have graced both numismatic and circulating American coins.

The first Mint building in the Mint system was constructed in Philadelphia, Pennsylvania. Although the modern Mint facility in Philadelphia remains an important national facility, the original building was significant in its day because it was the first building of the Republic raised under the newly signed Constitution of the United States of America. Today, the United States Mint consists of a headquarters building in Washington D.C. (non-coining operation), Mint facilities in Philadelphia, Denver, San Francisco, and West Point, and the bullion depository at Fort Knox. What started as a singular operation inside of "Ye Olde Mint" in the city of Philadelphia, then the national capital, has grown to become one of the foremost minting operations in the world.

When the United States government began minting coins in 1792, the original Mint facility in Philadelphia was hard-pressed to produce enough currency for our small country. As the country grew so did its demand for coins. A lot has changed since 1792. The Mint is constantly evolving and innovating its manufacturing, sustainability, and environmental best practices. The technology in use by the Mint today would have surely been described as "impossible" by even the most prominent visionaries of 1792.

To commemorate this historic event, the Mint produced and released a collection of 2017 American Liberty 225th Anniversary products. The coins' design is unique in that it portrays Liberty as an African-American woman, a departure from previous classic designs. Our newest Lady Liberty is a modern rendition of this iconic figure that embodies the ideals of freedom and equality first set forth in our Declaration of Independence. On the coin, Liberty looks to the left, her chin set, her hair swept back, the slightest smile on her lips. On the reverse of the coin is the powerful image of an American bald eagle in flight. This is one of the most detailed and intricate designs of an eagle to be featured on American coinage. Every facet of the bird's feathers is visible and its sharp eyes keenly watch the horizon.

The Mint has a wonderfully storied history, and the making of coins has long fascinated the American public. For 225 years, we have told the story of our country's history, culture, traditions, and values by connecting America through coins. From the manufacture of superior work products to the protection of the national assets under our control, we execute our mission with unquestioned quality and integrity while providing outstanding customer service to the nation. All of the employees of the United States Mint are looking forward to serving the American people by continuing to manufacture and distribute circulating, precious metal and collectible coins and national medals, and by providing security for the assets entrusted to us for the next 225 years.

ANALYSIS OF SYSTEMS, CONTROLS, AND LEGAL COMPLIANCE

The Mint is responsible for establishing and maintaining effective internal control over financial reporting and has made a conscious effort to meet the internal controls requirements of the Federal Managers' Financial Integrity Act (FMFIA), the Federal Financial Management Improvement Act (FFMIA), Office of Management and Budget (OMB) Circular A-123, and the Government Accountability Office (GAO)'s Standards for Internal Control in the Federal Government. The Mint is operating in accordance with the procedures and standards prescribed by the Comptroller General and OMB guidelines.

The systems of management control for the Mint organization are designed to ensure that:

- Programs achieve their intended results;
- Resources are used consistent with overall mission;
- Programs and resources are free from waste, fraud, and mismanagement;
- Laws and regulations are followed;
- Controls are sufficient to minimize any improper or erroneous payments;
- Performance information is reliable;
- System security is in compliance with all relevant requirements;
- Continuity of operations planning in critical areas is sufficient to reduce risk to reasonable levels;
- Financial management systems are in compliance with Federal financial systems requirements, (i.e., FMFIA Section 4 and FFMIA);
- Complete and accurate data is reported on USASpending.gov; and
- Controls and policies are in place to prevent fraud and inappropriate use of government charge cards.

For all Mint responsibilities, unmodified assurance is provided herein that the above listed management control objectives, taken as a whole, were achieved by our organization during FY 2017. Specifically, this assurance is provided in accordance with Sections 2 and 4 of the FMFIA. The Mint further assures that its financial management systems comply with the requirements imposed by the FFMIA.

The Mint management is responsible for establishing and maintaining adequate internal control over financial reporting, which includes safeguarding of assets and compliance with laws and regulations. The Mint conducted the required Treasury assessment of the effectiveness of its internal controls over financial reporting in accordance with OMB Circular A-123, Management's Responsibility for Internal Control. Based on the results of this assessment, the Mint can provide unmodified assurance that its internal control over financial reporting as of June 30, 2017, was operating effectively. No material weaknesses were found in the design or operation of the internal control over financial reporting. In addition, the Mint is committed to maintaining effective internal control, as demonstrated by the following actions:

- Annual audits of the Mint's financial statements pursuant to the Chief Financial Officer Act, as amended, including a) information revealed in preparing the financial statements, b) auditors reports on the financial statements, and c) internal controls and compliance with laws and regulations and other materials related to preparing financial statements.
- Annual performance plans, reviews, and reports pursuant to the Government Performance Results Act, which include analysis and evaluation of performance measures.
- The development, tracking, and closure of corrective actions identified in the Financial Statement Audit and OMB Circular A-123 Assessment.
- Internal management and program reviews conducted for the purpose of assessing management controls.
- Reviews of financial systems for requirements compliance in conjunction with OMB Circular A-123 and FFMIA.
- Reviews of systems, applications, and contingency plans conducted pursuant to the Computer Security Act of 1987 and OMB Circular A-130, Management of Federal Information Resources.

- Annual assessments, reviews, and reporting performed in compliance with the Improper Payments Elimination and Recovery Act of 2010 and the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA).
- Reviews and reporting in compliance with the Federal Information Security Management Act (FISMA).

The Mint continues to make improvement in maintaining effective internal control over financial reporting and is committed to monitoring and improving its internal controls throughout the entire organization.

LIMITATIONS OF THE FINANCIAL STATEMENTS

The principal financial statements have been prepared to report the financial position and results of operations of the Mint, pursuant to the requirements of 31 U.S.C. § 3515(b). The statements have been prepared from the books and records of the Mint in accordance with generally accepted accounting principles for Federal entities and the formats prescribed by the Office of Management and Budget. The statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. The statements should be read with the realization that they are for a component of the United States Government.

MESSAGE FROM THE ACTING CHIEF FINANCIAL OFFICER

Kristie McNally
United States Mint
Acting Chief Financial Officer

As the Acting Chief Financial Officer at the United States Mint, I am pleased to present the Fiscal Year 2017 Annual Report. Furthermore, it is truly my pleasure to report that the Mint's independent auditors have once again rendered an unmodified or "clean" audit opinion on these financial statements. I would like to take this time to personally thank all of the dedicated men and women of the United States Mint for their hard work and attention to detail toward making Fiscal Year 2017 yet again an overall success with impressive results for our country.

This has been an exciting year for the Mint. On April 2, 2017, we celebrated the 225th anniversary of the 1792 Act of Congress that established the first Mint in Philadelphia. Today, the Mint continues its mission by producing circulating coins as well as commemorative products and medals that memorialize important moments in United States history.

As the financial statements show, the Mint continues to remain in good fiscal health in its 225th year. Continued efforts to control costs, increase efficiency, and strategically reserve resources have provided a solid foundation that enables the Mint to be flexible when meeting coin demand. While striving to increase efficiencies and control costs, customer service continues to be at the forefront of our ideals to ensure that we effectively meet the needs of both external and internal customers. These efforts enabled the Mint to return $250 million in seigniorage to the Treasury General Fund to reduce the United States' interest on debt.

In FY 2017, demand for circulating coins decreased to 14.1 billion coins, down 13.7 percent from last year. Shipments for all denominations decreased compared to last year and circulating revenue decreased 21.0 percent to $871.8 million. Seigniorage decreased 32.3 percent to $391.5 million along with seigniorage per dollar issued decreasing to $0.45 from $0.52 last year.

FY 2017 featured the return of platinum bullion sales for the Mint. In spite of this, demand for bullion coins slowed in FY 2017 compared to last year. The Mint sold 24.7 million ounces of gold, silver, platinum, and palladium bullion coins, a decrease of 20.4 million ounces from last year. Total bullion coin revenue decreased 33.9 percent to $1,378.9 million in FY 2017, primarily due to a 41.5 percent decrease in silver bullion coin revenues from lower demand and higher spot prices. Bullion coin net income decreased 80.3 percent to $10.9 million and bullion coin net margin decreased to 0.8 percent compared to 2.7 percent last year.

A highlight of the FY 2017 bullion program – the Mint's first American Eagle Palladium Bullion Coin was produced. The coin was made available to authorized purchasers on September 25th, and the program completely sold out the first day the coin was offered. Investors quickly responded to the addition of this precious metal, and its successful launch was the result of the dedicated team of Mint employees who are proud to be a part of this 225 year old entity.

In concert with the decrease in bullion and circulating coinage, FY 2017 demand for numismatics decreased 6.1 percent to 3.9 million units. Numismatic revenues decreased due to decreases in Presidential and First Spouse coins. Numismatic net income decreased 44.3 percent to $19.2 million (before protection expenses). Numismatic net margin decreased to 5.0 percent compared to 8.4 percent last year.

The statements presented herein comply with accounting standards issued by the Federal Accounting Standards Advisory Board (FASAB). The FASAB is designated by the American Institute of Certified Public Accountants as the standard-setting body for the financial statements of Federal Government entities, with respect to establishment of the United States Generally Accepted Accounting Principles. In addition, the Mint conducted a comprehensive assessment of the effectiveness of internal controls over financial reporting. Based upon the results of this review, the Mint can provide unmodified assurance that its internal controls over financial reporting are operating effectively in accordance with Office of Management and Budget Circular A-123.

As Mint employees, we are proud of the deep historical roots of this great organization and the Mint's continued financial strength. We remain dedicated to helping lead the Mint's efforts to operate in the most cost effective manner and after 225 years, we will continue to adhere to sound fiscal principles, look for ways to improve the financial results of operations, and invest wisely in support of our mission to serve our customers.

Kristie McNally

Kristie McNally, Acting Chief Financial Officer

KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report

Inspector General
Department of the Treasury

Acting Deputy Director
United States Mint:

Report on the Financial Statements

We have audited the accompanying financial statements of the United States Mint, which comprise the balance sheets as of September 30, 2017 and 2016, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, in accordance with the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in accordance with Office of Management and Budget (OMB) Bulletin No. 17-03, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 17-03 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Financial Statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United States Mint as of September 30, 2017 and 2016, and its net costs, changes in net position, and budgetary resources for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the information in the Management's Discussion and Analysis (including Analysis of Systems, Controls and Legal Compliance, and Limitations of the Financial Statements) and Required Supplementary Information sections be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Acting Deputy Director's Letter, the information on pages 2 and 3, Organizational Profile, The United States Mint at a Glance, Message from the Acting Chief Financial Officer, Other Information, and Appendix I: FY 2017 Coin and Medal Products are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2017 on our consideration of the United States Mint's internal control over financial reporting and our report dated December 8, 2017 on our tests of its compliance with certain provisions of laws, regulations, and contracts and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the United States Mint's internal control over financial reporting and compliance.

KPMG LLP

Washington, DC
December 8, 2017

DEPARTMENT OF THE TREASURY UNITED STATES MINT
BALANCE SHEETS

As of September 30, 2017 and 2016

(dollars in thousands)	2017	2016
Assets		
Intragovernmental:		
Fund Balance with Treasury (Note 3)	$818,889	$727,959
Advances and Prepayments (Note 5)	1,858	2,181
Total Intragovernmental Assets	820,747	730,140
Custodial Gold and Silver Reserves (Note 6)	10,493,740	10,493,740
Accounts Receivable, Net (Note 4)	11,195	15,293
Inventory (Notes 7 & 20)	666,427	736,466
Supplies	14,948	14,212
Property, Plant and Equipment, Net (Note 8)	187,663	188,114
Advances and Prepayments (Note 5)	1	1
Total Non-Intragovernmental Assets	$11,373,974	$11,447,826
Total Assets (Notes 2 and 14)	$12,194,721	$12,177,966
Heritage Assets (Note 9)		
Liabilities		
Intragovernmental:		
Accounts Payable	$273	$183
Accrued Workers' Compensation and Benefits	7,918	8,084
Total Intra-governmental Liabilities	8,191	8,267
Custodial Liability to Treasury (Note 6)	10,493,740	10,493,740
Accounts Payable	30,828	130,705
Surcharges payable (Note 3)	3,685	5,036
Accrued Payroll and Benefits	18,231	17,774
Other Actuarial Liabilities	30,982	30,931
Unearned Revenues	962	578
Total Non-Intragovernmental Liabilities	$10,578,428	$10,678,764
Total Liabilities (Notes 10 and 14)	$10,586,619	$10,687,031
Commitments and Contingencies (Notes 12 and 13)		
Net Position		
Cumulative Results of Operations - Funds from Dedicated Collections (Note 14)	1,608,102	1,490,935
Total Liabilities and Net Position	$12,194,721	$12,177,966

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF THE TREASURY UNITED STATES MINT
STATEMENTS OF NET COST

For the years ended September 30, 2017 and 2016

(dollars in thousands)	2017	2016
Numismatic Production and Sales		
Gross Cost	$1,733,591	$2,402,850
Less Earned Revenue	(1,753,474)	(2,467,131)
Net Program Cost (Revenue)	(19,883)	(64,281)
Numismatic Production and Sales of Circulating Coins		
Gross Cost	2,439	5,590
Less Earned Revenue	(2,439)	(5,590)
Net Program Cost (Revenue)	-	-
Circulating Production and Sales		
Gross Cost	480,446	525,535
Less Earned Revenue (Note 16)	(480,446)	(525,535)
Net Program Cost (Revenue)	-	-
Net Cost (Revenue) Before Protection of Assets	(19,883)	(64,281)
Protection of Assets		
Protection Costs	45,519	45,017
Less Earned Revenue	-	-
Net Cost of Protection of Assets	45,519	45,017
Net Cost (Revenue) from Operations (Notes 14 and 15)	$25,636	($19,264)

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF THE TREASURY UNITED STATES MINT
STATEMENTS OF CHANGES IN NET POSITION

For the years ended September 30, 2017 and 2016

(dollars in thousands)	2017	2016
Cumulative Results of Operations		
Net Position, Beginning of Year - Funds from Dedicated Collections	$1,490,935	$1,465,479
Financing Sources:		
Transfers to the Treasury General Fund Budget	(19,000)	(61,000)
Transfers to the Treasury General Fund Non-Budget	(250,000)	(550,000)
Other Financing Sources (Seigniorage) (Note 16)	401,680	604,217
Imputed Financing Sources (Note 11)	10,123	12,975
Total Financing Sources	142,803	6,192
Net Revenue from Operations	(25,636)	19,264
Net Position, End of Year - Funds from Dedicated Collections (Note 14)	$1,608,102	$1,490,935

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF THE TREASURY UNITED STATES MINT
STATEMENTS OF BUDGETARY RESOURCES

For the years ended September 30, 2017 and 2016

(dollars in thousands)	2017	2016
Budgetary Resources		
Unobligated balance, brought forward, October 1	$300,731	$576,217
Recoveries of prior-year unpaid obligations	17,790	16,618
Other changes in unobligated balance	(18,939)	(57,941)
Unobligated balance from prior year budget authority, net	299,582	534,894
Spending Authority from Offsetting Collections	2,386,730	3,043,410
Total Budgetary Resources	$2,686,312	$3,578,304
Status of Budgetary Resources		
New Obligations and Upward Adjustments (Note 17)	$2,270,391	$3,277,573
Unobligated balance, end of year	$415,921	300,731
Apportioned	415,887	183,851
Unapportioned	34	116,880
Total Budgetary Resources	$2,686,312	$3,578,304
Change in Obligated Balances		
Unpaid obligations:		
Unpaid obligations, brought forward, October 1	$427,228	$431,928
New Obligations and Upward Adjustments (Note 17)	2,270,391	3,277,573
Gross Outlays	(2,276,861)	(3,265,655)
Recoveries of Prior-Year Unpaid Obligations	(17,790)	(16,618)
Unpaid obligations, end of year	$402,968	$427,228
Memorandum (non-add) entries:		
Obligated balance, start of year	$427,228	$431,928
Obligated balance, end of year	$402,968	$427,228
Budget Authority and Outlays, Net:		
Budget Authority, gross	$2,386,730	$3,043,410
Actual offsetting collections	(2,386,791)	(3,046,469)
Change in uncollected customer payments from Federal Sources	-	-
Recoveries of prior year paid obligations	61	3,059
Budget Authority, Net	$-	$-
Outlay, gross	$2,276,861	$3,265,655
Actual offsetting collections	(2,386,791)	(3,046,469)
Outlays, net	(109,930)	219,186
Distributed offsetting receipts	(1)	(2)
Agency Outlays, Net	($109,931)	$219,184

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Years Ended September 30, 2017 and 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

Established in 1792, the United States Mint (Mint) is a bureau of the Department of the Treasury (Treasury). The mission of the Mint is to serve the American people by manufacturing and distributing circulating, precious metal and collectible coins, national medals, and providing security over assets entrusted to us. Numismatic products include medals; proof coins; uncirculated coins; platinum, gold, palladium, and silver bullion coins; commemorative coins; and related products or accessories. Custodial assets consist of the United States gold and silver reserves. These custodial assets are often referred to as "deep storage" and "working stock," and are reported on the Balance Sheet.

The production of numismatic products is financed through sales to the public. The production of circulating coinage is financed through sales of coins at face value to the Federal Reserve Banks (FRBs). Additionally, the Mint sells certain circulating products directly to the public as numismatic items. Activities related to protection of United States gold and silver reserves are funded by the Mint Public Enterprise Fund (PEF). Pursuant to Public Law 104-52, *Treasury, Postal Service, and General Government Appropriation Act for FY 1996*, as codified at 31 U.S.C. § 5136, the PEF was established to account for all receipts and expenses related to production and sale of numismatic items and circulating coinage, as well as protection activities. Expenses accounted for in the PEF include the entire cost of operating the bureau. Any amount in the PEF that is determined to be in excess of the amount required by the PEF is transferred to the Treasury General Fund.

Treasury's Bullion Fund (Bullion Fund) is used to account for United States gold and silver reserves. Separate Schedules of Custodial Deep Storage Gold and Silver Reserves have been prepared for the deep storage portion of the United States gold and silver reserves for which the Mint serves as custodian.

BASIS OF ACCOUNTING AND PRESENTATION

The accompanying financial statements were prepared based on the reporting format promulgated by Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*, and in accordance with accounting standards issued by the Federal Accounting Standards Advisory Board (FASAB). The Mint's financial statements have been prepared to report the financial position, net cost of operations, changes in net position, and budgetary resources, as required by 31 U.S.C. § 5134.

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Accounts subject to estimates include, but are not limited to, depreciation, imputed costs, payroll and benefits, accrued worker's compensation, allowance for uncollectible accounts receivable, and unemployment benefits.

The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual method, revenues and other financing sources are recognized when earned and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash.

EARNED REVENUES AND OTHER FINANCING SOURCES (SEIGNIORAGE)

Numismatic Sales: Revenue from numismatic sales to the public is recognized when products are shipped to customers. Prices for most numismatic products are based on the product cost plus a reasonable net margin. Bullion coins are priced based on the market price of the precious metals plus a premium to cover manufacturing, marketing, and distribution costs.

Numismatic Sales of Circulating Coins: Specially packaged products containing circulating coins are sold directly to the public rather than to the FRB. These products are treated as a circulating and numismatic hybrid product. Revenue is recognized when products are shipped to customers.

Circulating Sales: The PEF provides for the sale of circulating coinage at face value to the FRBs. Revenue from the sale of circulating coins is recognized when the product is shipped to the FRBs. Revenue from the sale of circulating coins to the FRBs and numismatic sales of circulating coins to the public is limited to the recovery of the cost of manufacturing and distributing those coins. Seigniorage is a financing source and not considered as revenue.

Other Financing Sources (Seigniorage): Seigniorage equals the face value of newly minted coins, less the cost of production (which includes the cost of metal, manufacturing, and transportation). Seigniorage adds to the government's cash balance, but unlike the payment of taxes or other receipts, it does not involve a transfer of financial assets from the public. Instead, it arises from the exercise of the government's sovereign power to create money and the public's desire to hold financial assets in the form of coins. Therefore, the President's budget excludes seigniorage from receipts and treats it as a means of financing.

Rental Revenue: The Mint sublets office space at cost to another federal entity in the leased building in Washington, D.C. A commercial vendor subleases a portion of the first floor space of the same building.

FUND BALANCE WITH TREASURY

All cash is maintained at the Treasury. Fund Balance with Treasury is the aggregate amount of the Mint's cash accounts with the United States government's central accounts and from which the bureau is authorized to make expenditures. It is an asset because it represents the Mint's claim to United States government resources.

ACCOUNTS RECEIVABLE

Accounts receivable are amounts owed to the Mint from the public and other federal entities. An allowance for uncollectible accounts receivable is established for all accounts that are more than 120 days past due. However, the Mint will continue collection action on those accounts that are more than 120 days past due, as specified by the *Debt Collection Improvement Act of 1996*.

INVENTORIES

Inventories of circulating and numismatic coinage are valued based on standard cost (which approximates historical cost) or valued at the lower of cost or market. The costs of the metal and fabrication components of the inventories are determined using a weighted average inventory methodology. Conversion costs (i.e., the cost to convert the fabricated blank into a finished coin) are valued using a standard cost methodology. The Mint uses three classifications for inventory: raw material (raw metal, unprocessed coil, or blanks), work-in-process (WIP – material being transformed to finished coins), and finished goods (coins that are packaged or bagged and ready for sale or shipment to the public or the FRB).

UNITED STATES CUSTODIAL GOLD AND SILVER RESERVES

United States gold and silver reserves consist of both “deep storage” and “working stock” gold and silver.

Deep Storage is defined as that portion of the United States gold and silver reserves which the Mint secures in sealed vaults. Deep storage gold comprises the vast majority of the bullion reserve and consists primarily of gold bars. Deep storage silver is also primarily in bar form.

Working Stock is defined as that portion of the United States gold and silver bullion reserves which the Mint can use as the raw material for minting coins. Working stock gold comprises only about one percent of the gold bullion reserve and consists of bars, blanks, unsold coins, and condemned coins. Similarly, working stock silver consists of bars, blanks, unsold coins, and condemned coins.

Treasury allows the Mint to use some of its gold as working stock in the production of gold coins. This allows the Mint to avoid the market risk associated with buying gold in advance of the sales date of the gold coins. The Mint replenishes the Treasury gold working stock at or just prior to the time the coins are sold. Generally, the Mint does not deplete the working stock used in production. Instead, the Mint will purchase a like amount of gold on the open market to replace the working stock used.

Treasury also allows the Mint to use silver as working stock. However, Treasury does not have enough silver to fulfill all Mint manufacturing needs. Accordingly, for the purpose of avoiding market risk associated with owning silver, the Mint has entered into a silver hedging arrangement (see Note 20).

SUPPLIES

Supplies are items that are not considered inventory and are not a part of the finished product. These items include plant engineering and maintenance supplies, as well as die steel and coin dies. Supplies are accounted for using the consumption method, in which supplies are recognized as assets upon acquisition and expensed as they are consumed.

ADVANCES AND PREPAYMENTS

Payments in advance of the receipt of goods and services are recorded as an asset at the time of prepayment, and are expensed when related goods and services are received or used.

PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment are valued at cost, less accumulated depreciation. The Mint’s threshold for capitalizing new property, plant, and equipment is $25,000 for single purchases and $500,000 for bulk purchases. Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets as follows:

Computer Equipment	3 to 5 years
Software	2 to 10 years
Machinery and Equipment	7 to 20 years
Structures, Facilities, and Leasehold Improvements	10 to 30 years

Major alterations and renovations are capitalized over a 20-year period, or the remaining useful life of the asset (whichever is shorter) and depreciated using the straight-line method, while maintenance and repair costs are charged to expense as incurred. There are no restrictions on the use or convertibility of property, plant, and equipment.

HERITAGE ASSETS

Heritage assets are items that are unique because of their historical, cultural, educational, or artistic importance. These items are collection-type assets that are maintained for exhibition and are preserved indefinitely.

LIABILITIES

Liabilities represent actual and estimated amounts likely to be paid as a result of transactions or events that have already occurred. All liabilities covered by budgetary resources can be paid from revenues received by the PEF.

SURCHARGES

Public laws authorizing commemorative coin and medal programs often require that the sales price of each coin include an amount called a surcharge. A surcharge is an authorized collection and payment of funds to a qualifying organization for the purposes specified. A surcharges payable account is established for surcharges collected, but not yet paid, to designated recipient organizations.

Recipient organizations cannot receive surcharge payments unless all of the Mint's operating costs for the coin program are fully recovered. The Mint may make interim surcharge payments during a commemorative program if the recipient organization meets the eligibility criteria in the authorizing public law, if the recovery of all costs of the program is determinable, and if the Mint is assured it is not at risk of a loss. Additionally, recipient organizations must demonstrate that they have raised from private sources an amount equal to or greater than the surcharges collected based on sales. Recipient organizations must also prove compliance with Title VI of the Civil Rights Act of 1964 and other applicable civil rights laws. A recipient organization has two years from the end of the program to meet the matching funds requirement.

FUNDS FROM DEDICATED COLLECTIONS

Pursuant to 31 U.S.C. § 5136, the PEF was established as the sole funding source for Mint activities. The PEF meets the requirements of a fund from dedicated collections as defined in Statement of Federal Financial Accounting Standards (SFFAS) No. 43, *Funds from Dedicated Collections: Amending SFFAS No. 27, Identifying and Reporting Earmarked Funds*. As non-entity and non-PEF assets, the United States gold and silver bullion reserves are not considered to be funds from dedicated collections.

UNEARNED REVENUES

These are amounts received for numismatic orders which have not yet been shipped to the customer.

RETURN POLICY

If for any reason a numismatic customer is dissatisfied, the entire product must be returned within seven days of receiving the order to receive a refund or replacement. Shipping charges are not refunded. Further, the Mint will not accept partial returns or issue partial refunds. Historically, the Mint receives few returns, which are immaterial. Therefore, no reserve for returns is considered necessary.

SHIPPING AND HANDLING

The Mint reports shipping and handling costs of circulating coins and numismatic products as a cost of goods sold. General postage costs for handling administrative mailings are reported as part of the Mint's general and administrative expenses.

ANNUAL, SICK, AND OTHER LEAVE

Annual leave is accrued when earned and reduced as leave is taken. The balance in the accrued leave account is calculated using current pay rates. Sick leave and other types of non-vested leave are charged to operating costs as they are used.

ACCRUED WORKERS' COMPENSATION AND OTHER ACTUARIAL LIABILITIES

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to cover Federal civilian employees injured on the job or who have developed a work-related occupational disease, and to pay beneficiaries of employees whose deaths are attributable to job-related injuries or occupational disease. The FECA program is administered by the United States Department of Labor (DOL), which pays valid claims and subsequently seeks reimbursement from the Mint for these paid claims. The FECA liability is based on two components. The first component is based on actual claims paid by DOL but not yet reimbursed by the Mint. There is generally a two- to three-year time period between payment by DOL and DOL's request for reimbursement from the Mint.

The second component is the actuarial liability, which estimates the liability for future payments as a result of past events. The actuarial liability includes the expected liability for death, disability, medical, and miscellaneous costs for approved compensation cases.

PROTECTION COSTS

United States gold and silver reserves are in the custody of the Mint, which is responsible for safeguarding the reserves. These costs are borne by the Mint, but are not directly related to the circulating or numismatic coining operations of the Mint. The Protection Department is a separate function from coining operations and is responsible for safeguarding the reserves, as well as Mint employees and facilities.

OTHER COSTS AND EXPENSES (MUTILATED AND UNCURRENT)

Other costs and expenses consist primarily of returns of mutilated or uncurrent coins to the Mint. Coins that are chipped, fused, and/or not machine-countable are classified as mutilated. The Mint reimburses the entity that sent in the mutilated coins using weight formulas that estimate the face value of these coins. Uncurrent coins are worn, but machine-countable, and their genuineness and denominations are still recognizable.

Uncurrent coins are replaced with new coins of the same denomination by the FRBs. The FRBs then seek replacement coins from the Mint. All mutilated or uncurrent coins received by the Mint are defaced and subsequently sold to its fabrication contractors to be processed into coils or blanks to be used in future coin production.

TAX EXEMPT STATUS

As a bureau of the Federal Government, the Mint is exempt from all taxes imposed by any governing body, whether it is a federal, state, commonwealth, local, or foreign government.

CONCENTRATIONS

The Mint purchases the coil and blanks used in the production of circulating coins from three vendors at competitive market prices. The Mint also purchases precious metal blanks from four different suppliers.

CONTINGENT LIABILITIES

Certain conditions may exist as of the date of the financial statements that may result in a loss to the government, but which will be resolved only when one or more future events occur or fail to occur. The Mint recognizes a loss contingency when the future outflow or other sacrifice of resources is probable and reasonably estimable. Loss contingencies that are determined by management to have a reasonably possible chance of occurring or that cannot be estimated are included as a footnote to the financial statements. Contingent liabilities considered remote are generally not disclosed unless they involve guarantees, in which case the nature of the guarantee is disclosed.

TRANSFERS TO THE TREASURY GENERAL FUND

The Mint may transfer amounts determined to be in excess of the amounts required for bureau operations and programs to the Treasury General Fund periodically throughout the fiscal year. Seigniorage derived from the sale of circulating coins and the sale of numismatic products containing circulating coins is a non-budget receipt to the Treasury General Fund. Non-budget means that these funds cannot be used for currently funded programs or to reduce the annual budget deficit. Instead, they are used solely as a financing source (i.e., they reduce the amount of cash that Treasury has to borrow to pay interest on the national debt).

Revenue generated from the sale of numismatic products is transferred to the Treasury General Fund as a budget receipt. Unlike seigniorage, the numismatic transfer amount is available to the Federal Government as current operating cash or it can be used to reduce the annual budget deficit.

BUDGETARY RESOURCES

The Mint does not receive an appropriation from the Congress. Instead, the bureau receives all financing from the public and the FRBs, and receives an apportionment of those funds from OMB. This apportionment is considered a budgetary authority, which allows the Mint to spend the funds. The Mint's budgetary resources consist of unobligated balances, transfers, and spending authority from offsetting collections, which is net of amounts that are permanently not available. "Permanently not available" funds are budget transfers to the Treasury General Fund.

DERIVATIVE FINANCIAL INSTRUMENTS

The Mint engages in an economic hedging program to avoid the effects of fluctuating silver costs as a result of the changes in market prices. The derivatives used for economic hedging in this program do not qualify for hedge accounting. At the time of purchase of silver inventory used in the production of silver coins, the Mint economically hedges its silver inventory using a silver forward derivative contract. The silver forward derivative contract is settled as silver coins are sold to authorized purchasers, and a gain or loss is recognized, which is expected to substantially offset the gain or loss on the fluctuation in price of the silver inventory during that time the forward position remains open.

Each transaction with the trading partner carries a small transaction fee; the fees net to a cost of one-half cent per ounce. The Mint incurred $121 thousand in hedging fees in FY 2017, compared to $184 thousand incurred in FY 2016.

2. NON-ENTITY ASSETS

Components of Non-entity Assets at September 30 are as follows:

(dollars in thousands)	2017	2016
Custodial Gold Reserves (Deep Storage)	$10,355,539	$10,355,539
Custodial Silver Reserves (Deep Storage)	9,148	9,148
Custodial Gold Reserves (Working Stock)	117,514	117,514
Custodial Silver Reserves (Working Stock)	11,539	11,539
Total Non-entity Assets	10,493,740	10,493,740
Total Entity Assets	1,700,981	1,684,226
Total Assets	$12,194,721	$12,177,966

Non-entity assets are those that are held and managed by the Mint on behalf of the U.S. government but are not available for use by the Mint. United States gold and silver bullion reserves, for which the Mint is custodian, are non-entity assets.

3. FUND BALANCE WITH TREASURY

Fund Balance with Treasury at September 30 consist of:

(dollars in thousands)	2017	2016
Revolving Fund	$818,889	$727,959
Total Fund Balance with Treasury	$818,889	$727,959
Status of Fund Balance with Treasury		
Unobligated Balance	$415,921	$300,731
Obligated Balance, Not Yet Disbursed	402,968	427,228
Total	$818,889	$727,959

The Mint does not receive appropriated budget authority. The Fund Balance with Treasury is entirely available for use to support Mint operations. At September 30, 2017 and 2016, the revolving fund balance included $3.7 million and $5 million, respectively, in restricted amounts for possible payment of surcharges to recipient organizations.

4. ACCOUNTS RECEIVABLE, NET

Components of accounts receivable are as follows:

SEPTEMBER 30, 2017

(dollars in thousands)	Gross Receivables	Allowance	Net Receivables
Intragovernmental	$ -	$ -	$ -
With the Public	11,485	(290)	11,195
Total Accounts Receivable	$11,485	($290)	$11,195

SEPTEMBER 30, 2016

(dollars in thousands)	Gross Receivables	Allowance	Net Receivables
Intragovernmental	$ -	$ -	$ -
With the Public	15,956	(663)	15,293
Total Accounts Receivable	$15,956	($663)	$15,293

In FY 2017 and FY 2016, the Mint had no Intragovernmental accounts receivable. Receivables with the public at September 30, 2017 are $11.5 million, of which $8.6 million is owed by fabricators for scrap, webbing, and mutilated coin. The remaining $2.9 million is owed by the public for numismatic products. This compares to receivables with the public at September 30, 2016, of $16 million, of which $11.4 million was owed by fabricators for scrap and webbing, in addition to the $4.6 million owed by the public for numismatic products. The allowance for doubtful accounts is the balance of the accounts receivable with the public that is past due by 120 days or more. Collection action continues on these accounts, but an allowance is recorded.

5. ADVANCES AND PREPAYMENTS

The components of advances and prepayments at September 30 are as follows:

(dollars in thousands)	2017	2016
Intragovernmental	$1,858	$2,181
With the Public	1	1
Total Other Assets	$1,859	$2,182

In FY 2017, the Mint had an Intragrovernmental advances and prepayment balance of approximately $1.9 million, which represented payments made to the United States Postal Service for product delivery services as of September 30, 2017, compared to approximately $2.2 million paid at September 30, 2016. Advances with the public for both FY 2017 and 2016 are outstanding travel advances to Mint employees who were traveling on government business.

6. CUSTODIAL GOLD AND SILVER RESERVES

As custodian, the Mint is responsible for safeguarding much of the United States gold and silver reserves, which include deep storage and working stock. The asset and the custodial liability to Treasury are reported on the Balance Sheet at statutory rates. In accordance with 31 U.S.C. § 5117(b) and 31 U.S.C. § 5116(b)(2), statutory rates of $42.2222 per fine troy ounce (FTO) of gold and no less than $1.292929292 per FTO of silver are used to value the custodial assets held by the Mint.

The market values for gold and silver as of September 30 are determined by the London Gold Fixing (PM) rate. Amounts and values of gold and silver in custody of the Mint as of September 30 are as follows:

	2017	2016
Gold - Deep Storage:		
Inventories (FTO)	245,262,897	245,262,897
Market Value ($ per FTO)	$1,283.10	$1,322.50
Market Value ($ in thousands)	$314,696,823	$324,360,181
Statutory Value ($ in thousands)	$10,355,539	$10,355,539
Gold - Working Stock:		
Inventories (FTO)	2,783,219	2,783,219
Market Value ($ per FTO)	$1,283.10	$1,322.50
Market Value ($ in thousands)	$3,571,148	$3,680,807
Statutory Value ($ in thousands)	$117,514	$117,514
Silver - Deep Storage:		
Inventories (FTO)	7,075,171	7,075,171
Market Value ($ per FTO)	$16.86	$19.35
Market Value ($ in thousands)	$119,287	$136,905
Statutory Value ($ in thousands)	$9,148	$9,148
Silver-Working Stock		
Inventories (FTO)	8,924,829	8,924,829
Market Value ($ per FTO)	$16.86	$19.35
Market Value ($ in thousands)	$150,473	$172,695
Statutory Value ($ in thousands)	$11,539	$11,539
Total Market Value of Custodial Gold and Silver Reserves ($ in thousands)	**$318,537,731**	**$328,350,588**
Total Statutory Value of Custodial Gold and Silver Reserves ($ in thousands)	**$10,493,740**	**$10,493,740**

7. INVENTORY

The components of inventories at September 30 are summarized below:

(dollars in thousands)	2017	2016
Raw Materials	$169,559	$288,277
Work-In-Process	266,816	194,445
Inventory held for current sale	230,052	253,744
Total Inventory	$666,427	$736,466

Raw materials consist of unprocessed materials and by-products of the manufacturing process and the metal value of unusable inventory, such as scrap or condemned coins, which will be recycled into a usable raw material. In addition, as of September 30, 2017 and 2016, the inventory includes $443 million and $523.4 million, respectively, which are the market values of the silver hedged. Additional information can be found in Note 20. Work-in-process consists of semi-finished materials.

The Mint leases platinum and palladium to avoid the effects of fluctuating metal costs as a result of the changes in market prices. The Mint leases platinum for a fee of 1 percent of the asset's value and leases palladium for fees that range between 4.5 percent to 5.15 percent. The Mint takes physical possession of the metal to manufacture the bullion coins. Upon sale to the customer, the Mint purchases the metal from the lessor on the same day for the same market price. In FY 2017 and FY 2016, the Mint paid $507 thousand and $254 thousand in leasing fees for platinum. In FY 2017, the Mint paid $438 thousand in leasing fees for palladium.

8. PROPERTY, PLANT, AND EQUIPMENT, NET

Components of property, plant and equipment are as follows:

	SEPTEMBER 30, 2017		
(dollars in thousands)	Asset Cost	Accumulated Depreciation and Amortization	Total Property, Plant and Equipment, Net
Land	$2,529	$ -	$2,529
Structures, Facilities and Leasehold Improvements	223,903	(145,377)	78,526
Computer Equipment	17,868	(15,455)	2,413
ADP Software	4,774	(4,402)	372
Construction-In-Progress	13,500	-	13,500
Machinery and Equipment	321,749	(231,426)	90,323
Total Property, Plant and Equipment, Net	$584,323	($396,660)	$187,663

	SEPTEMBER 30, 2016		
(dollars in thousands)	Asset Cost	Accumulated Depreciation and Amortization	Total Property, Plant and Equipment, Net
Land	$2,529	$ -	$2,529
Structures, Facilities and Leasehold Improvements	230,772	(150,742)	80,030
Computer Equipment	25,467	(22,004)	3,463
ADP Software	11,696	(11,334)	362
Construction-In-Progress	11,641	-	11,641
Machinery and Equipment	313,667	(223,578)	90,089
Total Property, Plant and Equipment, Net	$595,772	($407,658)	$188,114

The land and buildings used to manufacture circulating coinage and numismatic products are owned by the Mint and located in Philadelphia, Denver, San Francisco, and West Point. In addition, the Mint owns the land and buildings at the United States Bullion Depository at Fort Knox. Construction-in-progress (CIP) represents assets that are underway, such as in the process of being readied for use, or which are being tested for acceptability, but which are not yet being fully utilized by the Mint and, therefore, not being depreciated. Depreciation and amortization expenses charged to operations during FY 2017 and FY 2016 were $28.7 million and $28.8 million, respectively.

9. HERITAGE ASSETS

The Mint maintains collections of heritage assets, which are any property, plant, or equipment that are retained by the Mint for their historic, natural, cultural, educational, or artistic value, or significant architectural characteristics. For example, the Mint's historical artifacts include, among other things, examples of furniture and equipment used in the Mint's facilities over the years, as well as examples of the coin manufacturing process, such as plasters, galvanos, dies, punches, and actual finished coins. The coin collections include examples of the various coins produced by the Mint over the years, separated into collections of pattern pieces/prototypes, coin specimens, quality samples, and exotic metal coin samples. The buildings housing the Mint's facilities at Denver, West Point, San Francisco, and Fort Knox are all considered multi-use heritage assets. The Mint generally does not place a value on heritage assets, even though some of the coins and artifacts are priceless. However, the assets are accounted for, and controlled, for protection and conservation purposes. The following chart represents the Mint's various collections and historical artifacts.

	Quantity of Collections Held September 30	
Coin Collections	2017	2016
Pattern Pieces/Prototypes	1	1
Coin Specimens	1	1
Quality Samples	1	1
Exotic Metal Coin Samples	1	1
Total	4	4

	Quantity of Collections Held September 30	
Historical Artifacts	2017	2016
Antiques/Artifacts	1	1
Plasters	1	1
Galvanos	1	1
Dies	1	1
Punches	1	1
Historical Documents	1	1
Multi-use heritage assets	4	4
Total	10	10

10. LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

Components of Liabilities Not Covered by Budgetary Resources at September 30 are as follows:

(dollars in thousands)	2017	2016
Custodial Gold Reserves (Deep Storage)	$10,355,539	$10,355,539
Custodial Silver Reserves (Deep Storage)	9,148	9,148
Working Stock Inventory-Gold	117,514	117,514
Working Stock Inventory-Silver	11,539	11,539
Total Liabilities Not Covered by Budgetary Resources	$10,493,740	$10,493,740
Total Liabilities Covered by Budgetary Resources	92,879	193,291
Total Liabilities	$10,586,619	$10,687,031

Liabilities not covered by budgetary resources represent the Mint's custodial liabilities to the Treasury that are entirely offset by United States gold and silver reserves held by the Mint on behalf of the federal government.

11. RETIREMENT PLANS, OTHER POST-EMPLOYMENT COSTS AND OTHER IMPUTED COSTS

The Mint contributes seven percent of basic pay for employees participating in the Civil Service Retirement System (CSRS). Most employees hired after December 31, 1983, are automatically covered by the Federal Employees' Retirement System (FERS) and Social Security. A primary feature of FERS is that it offers a savings plan to which the Mint automatically contributes one percent of basic pay and matches employee contributions up to an additional four percent of basic pay. Employees can contribute a specific dollar amount or a percentage of their basic pay, as long as the annual dollar total does not exceed the Internal Revenue Code limit of $18,000 for calendar year 2017 (a $6,000 catch-up contribution can be given by participants age 50 and older in addition to the $18,000 contribution). Employees participating in FERS are covered by the Federal Insurance Contribution Act (FICA), for which the Mint contributes a matching amount to the Social Security Administration.

Although the Mint contributes a portion for pension benefits and makes the necessary payroll deductions, it is not responsible for administering either CSRS or FERS. Administering and reporting on pension benefit programs are the responsibilities of the Office of Personnel Management (OPM).

OPM has provided the Mint with certain cost factors that estimate the cost of providing the pension benefit to current employees. The cost factors of 32.8 percent of basic pay for CSRS-covered employees and 14.7 percent of basic pay for FERS-covered employees were in use for FY 2017. The CSRS and FERS factors were 33.5 percent and 15.1 percent, respectively, in FY 2016.

The amounts that the Mint contributed to the retirement plans and Social Security for the year ended September 30 are as follows:

(dollars in thousands)	2017	2016
Social Security System	$7,789	$7,889
Civil Service Retirement System	587	707
Federal Employees Retirement System		
(Retirement and Thrift Savings Plan)	16,277	16,269
Total Retirement Plans and Other Post-Employment Costs	$24,653	$24,865

The Mint also recognizes its share of the future cost of pension payments and post-retirement health and life insurance benefits for employees while they are still working with an offset classified as imputed financing. OPM continues to report the overall liability of the Federal Government and make direct recipient payments. OPM has provided certain cost factors that estimate the true cost of providing the post-retirement benefit to current employees. The cost factors relating to health benefits are $5,412 and $6,266 per employee enrolled in the Federal Employees Health Benefits Program in FY 2017 and FY 2016, respectively. The cost factor relating to life insurance is two-one hundredths percent (.02 percent) of basic pay for employees enrolled in the Federal Employees Group Life Insurance Program for both FY 2017 and FY 2016.

The amount of imputed cost related to retirement plans and other post-employment costs incurred by the Mint for the year ended September 30 is as follows (before the offset for imputing financing):

(dollars in thousands)	2017	2016
Health Benefits	$7,226	$9,592
Life Insurance	26	24
Pension Expense	1,869	2,689
Total Imputed Retirement and Postemployment Costs	$9,121	$12,305

In addition to the pension and retirement benefits described above, the Mint records imputed costs and financing for Treasury Judgment Fund payments made on behalf of the Mint. Entries are made in accordance with FASAB Interpretation No. 2. For FY 2017, the Judgment Fund paid $332 thousand on behalf of the Mint for the clean-up of an EPA Superfund site. The EPA Superfund payment was part of a multi-year court order, which requires that the Mint and four other federal agencies pay for cleaning up the site. Payments are made by the Judgment Fund when the court determines that the site owner has submitted valid bills for clean-up work. For FY 2016, there were no payments by the Judgment Fund on behalf of the Mint. Also during FY 2017 and FY 2016, the Mint received unreimbursed services (imputed financing) from another federal agency in the amount of approximately $670 thousand in both years, respectively.

12. LEASE COMMITMENTS AND SUBSEQUENT EVENT

THE MINT AS LESSEE

The Mint leases office and warehouse space from commercial vendors, the General Services Administration (GSA), and the Bureau of Engraving and Printing. In addition, the Mint leases copiers and other office equipment from commercial vendors and vehicles from GSA. With the exception of the commercial lease on an office building in Washington, D.C., all leases are one-year, or one-year with renewable option years. On October 1, 2016, the Mint renewed its commercial lease on its headquarters building for a term of 20 years with no renewal option years.

Future Projected Payments:	Leases
FY 2018	$10,933,950
FY 2019	9,690,310
FY 2020	9,760,777
FY 2021	9,126,793
FY 2022	9,347,570
After 5 Years	158,272,373
Total Future Operating Lease Payments	$207,131,773

THE MINT AS LESSOR

The Mint sublets office space at cost to another federal entity in the leased Headquarters building in Washington, D.C. As of September 30, 2017, the Mint sublets approximately 4,500 square feet of office space to the U.S. Marshals Service. This sub-lease is an operating lease and subject to annual availability of funding. The Mint has also entered into an agreement to sublet space in the Headquarters building to a commercial tenant.

Future Projected Receipts:	Building Sub-lease
FY 2018	$404,460
FY 2019	404,460
Total Future Operating Lease Receipts	$808,920

13. CONTINGENCIES

The Mint is subject to legal proceedings and claims which arise in the ordinary course of its business. Judgments, if any, resulting from pending litigation against the Mint generally would be satisfied from the PEF. Likewise, under the *Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002* (No FEAR Act, P. L. 107-174), settlements and judgments related to acts of discrimination and retaliation for whistle blowing will be paid from the PEF.

The Mint is also involved in employment related legal actions (e.g., matters alleging discrimination and other claims before federal courts, the Equal Employment Opportunity Commission, and the Merit Systems Protection Board) for which an unfavorable outcome is reasonably possible, but for which an estimate of potential loss cannot be determined at this time. In the opinion of management, the ultimate resolution of these actions will not have a material adverse effect on the Mint's financial position or the results of its operations.

14. FUNDS FROM DEDICATED COLLECTIONS

Pursuant to 31 U.S.C. § 5136, all receipts from Mint operations and programs, including the production and sale of numismatic items, the production and sale of circulating coinage at face value to the FRB, the protection of government assets, and gifts and bequests of property, real or personal shall be deposited into the PEF and shall be available to fund its operations without fiscal year limitations. The PEF meets the requirements of funds from dedicated collections as defined in SFFAS No. 43, *Funds from Dedicated Collections: Amending SFFAS No. 27, Identifying and Reporting Earmarked Funds*. As non-entity and non-PEF assets, the United States gold and silver reserves are not included in the funds from dedicated collections.

15. INTRAGOVERNMENTAL COSTS AND EARNED REVENUE

Intragovernmental costs and earned revenue reflect transactions in which both the buyer and seller are federal entities. Revenue with the public reflects transactions for goods or services with a non-federal entity. The purpose for this classification is to enable the federal government to prepare consolidated financial statements. The following table provides earned revenues, gross cost, and net program revenue:

(dollars in thousands)	2017	2016
Numismatic Production and Sales		
Cost:		
Intragovernmental:		
Cost of Goods Sold	$15,153	$15,925
Selling, General and Administrative	16,391	17,482
Imputed Costs	4,934	6,091
Total Intragovernmental Costs	36,478	39,498
Public:		
Cost of Goods Sold	1,622,818	2,293,586
Selling, General and Administrative	74,295	69,766
Total Public Cost	1,697,113	2,363,352
Gross Cost	1,733,591	2,402,850
Revenue:		
Intragovernmental:		
Rent Revenues	264	3,191
Other Intragovernmental Revenues	97	35
Total Intragovernmental Revenues	361	3,226
Public:		
Rent Revenues	447	-
Other Public Revenue	1,752,666	2,463,905
Total Public Revenues	1,753,113	2,463,905
Total Earned Revenue	1,753,474	2,467,131
Net Program Cost (Revenue)	$(19,883)	$(64,281)

Numismatic Production and Sales of Circulating Coins		
Cost:		
Intragovernmental:		
Selling, General and Administrative	$44	$156
Total Intragovernmental Costs	44	156
Public:		
Cost of Goods Sold	2,194	4,813
Selling, General and Administrative	201	621
Total Public Cost	2,395	5,434
Gross Cost	2,439	5,590
Revenue:		
Public	2,439	5,590
Total Earned Revenue	2,439	5,590
Net Program Cost (Revenue)	$ -	$ -

(dollars in thousands)	2017	2016
Circulating Production and Sales		
Cost:		
Intragovernmental:		
Cost of Goods Sold	$3,803	$3,163
Selling, General and Administrative	14,359	12,761
Imputed Costs	5,189	6,883
Total Intragovernmental Costs	23,351	22,807
Public:		
Cost of Goods Sold	407,328	455,546
Selling, General and Administrative	47,865	44,223
Other Costs and Expenses (Mutilated and Uncurrent)	1,902	2,959
Total Public Cost	457,095	502,728
Gross Cost	480,446	525,535
Revenue:		
Other Intragovernmental Revenues	-	22
Public	480,446	525,513
Total Earned Revenue	480,446	525,535
Net Program Revenue	$ -	$ -
Net Cost (Revenue) Before Protection of Assets	$(19,883)	$(64,281)
Protection of Assets		
Intragovernmental:		
Protection Cost	$7,049	$6,781
Public:		
Protection Cost	38,470	38,236
Net Cost of Protection of Assets	$45,519	$45,017
Net Cost (Revenue) from Operations	$25,636	$(19,264)

16. EARNED REVENUE AND OTHER FINANCING SOURCES (SEIGNIORAGE)

The Statement of Net Cost reflects the earned revenue and corresponding gross costs for Circulating Production and Sales and for Numismatic Production and Sales of Circulating Coins. Circulating Production and Sales represents coin sales to the FRB, and Numismatic Production and Sales of Circulating Coins represents sales of circulating coins to the public (i.e., numismatic customers). SFFAS No. 7, *Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting*, provides requirements related to the recognition of net program revenue from production of circulating coins to the cost of metal, manufacturing and transportation. OMB Circular A-136 defines the treatment of other financing sources on the Statement of Changes in Net Position, particularly as it relates to seigniorage. Therefore, on the Statement of Net Cost, earned revenue is recognized only to the extent of the gross cost of production. The difference between those costs and the face value of the coin is an "Other Financing Sources" referred to as seigniorage. Any revenue over face value for circulating coins sold as numismatic items is considered earned revenue and included in the category Numismatic Production and Sales on the Statement of Net Cost.

The following chart reflects the two components of the receipts from the sale of circulating coin – the earned revenue from the Statement of Net Costs and Seigniorage from the Statement of Changes in Net Position for the year ended September 30:

(dollars in thousands)	2017	2016
Revenue - FRB	$480,446	$525,535
Seigniorage - FRB	391,514	578,621
Total Circulating Coins	$871,960	$1,104,156
Revenue - with the public	$2,439	$5,590
Seigniorage - with the public	10,166	25,596
Total Numismatic sales of Circulating Coins	$12,605	$31,186
Total Seigniorage	$401,680	$604,217

17. APPORTIONMENT CATEGORIES OF OBLIGATIONS INCURRED

The Mint receives apportionments of its resources from OMB. An apportionment is an OMB-approved plan to use budgetary resources. An apportionment typically limits the obligations an agency may incur for specified time periods, programs, activities, projects, objects, or any combination thereof. All Mint obligations are classified as reimbursable, as they are financed by offsetting collections received in return for goods and services provided. OMB uses several categories to distribute budgetary resources. Category B apportions budgetary resources by program, project, activities, objects or a combination of these categories. The Mint had only category B apportionments in FY 2017 and FY 2016.

The following chart reflects the amount of reimbursable obligations incurred against amounts apportioned under categories B apportionments.

(dollars in thousands)	2017	2016
Category B		
Total Operating Expenses	$2,230,845	$3,248,985
Numismatic Capital	10,311	18,116
Circulating and Protection Capital	29,235	10,472
Total Apportionment Categories of Obligations Incurred	**$2,270,391**	**$3,277,573**

18. EXPLANATION OF DIFFERENCES BETWEEN THE STATEMENT OF BUDGETARY RESOURCES AND THE BUDGET OF THE UNITED STATES GOVERNMENT

SFFAS No. 7, *Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting*, requires an explanation of material differences between the Statement of Budgetary Resources (SBR) and the related actual balances published in the Budget of the United States Government (President's Budget). The President's Budget for FY 2017 is expected to be published in February 2018 and made available through OMB. Therefore, the analysis presented here is for the prior year (FY 2016) "actual" figures published in the President's budget in February 2017. The following chart displays the comparison of the FY 2016 SBR and the actual FY 2016 balances included in the FY 2018 President's Budget. The differences between the FY 2016 SBR and the President's Budget are as a result of the Mint recording an obligation for the headquarters building lease that represents the total payments expected to arise under the full term of the lease agreement for financial reporting purposes, as required by the OMB Circular No. A-11, *Preparation, Submission, and Execution of the Budget,* after submission of the trial balance to the Treasury Information Executive Repository (TIER).

(rounded to millions)	September 30, 2016		
United States Public Enterprise Fund	Statement of Budgetary Resources	President's Budget	Difference
Total Budgetary Resources	$3,578	$3,707	($129)
New Obligations Incurred and Upward Adjustments	$3,277	$3,272	$5
Net Outlays	$219	$219	-

19. LEGAL ARRANGEMENTS AFFECTING USE OF UNOBLIGATED BALANCES

The PEF statute establishes that all receipts from Mint operations and programs, including the production and sale of numismatic items, the production and sale of circulating coinage, the protection of government assets, and gifts and bequests of property, real or personal, shall be deposited into the PEF and shall be available without fiscal year limitations. Any amount that the Secretary of the Treasury determines to be in excess of the amount required by the PEF shall be transferred to the Treasury for deposit as miscellaneous receipts. At September 30, 2017 and 2016, the Mint transferred excess receipts to the Treasury General Fund of $269 million and $611 million, respectively.

20. DERIVATIVE FINANCIAL INSTRUMENTS

At September 30, 2017 and 2016, the silver forward contract fair values were $5.5 million and $0.7 million, respectively, which are located in Inventory in the Balance Sheet. The Mint recorded net gains of $28.4 million on its silver forward contract in FY 2017, compared to net losses of $40.2 million in FY 2016, located in Gross Cost in the Statements of Net Cost.

21. RECONCILIATION OF NET COST OF OPERATIONS (PROPRIETARY) TO BUDGET

(dollars in thousands)	For the Years Ended September 30, 2017	 2016
Resources Used to Finance Activities:		
Budgetary Resources Obligated		
Obligations Incurred	$2,270,391	$3,277,573
Less: Spending Authority from Offsetting Collections and Recoveries	2,404,580	3,063,087
Less: Offsetting Receipts	1	2
Net Obligations	(134,190)	214,484
Other Resources		
Transfers to the Treasury General Fund Budget	(19,000)	(61,000)
Transfers to the Treasury General Fund Non-Budget	(250,000)	(550,000)
Imputed Financing from Costs Absorbed by Others	10,123	12,975
Other Financing Sources (Seigniorage)	401,680	604,217
Net Other Resources Used to Finance Activities	142,803	6,192
Total Resources Used to Finance Activities	$8,613	$220,676
Resources Used to Finance Items Not Part of the Net Cost of Operations		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but Not Yet Provided	$74,478	$(16,110)
Resources that fund Expenses Recognized in Prior Periods	-	(40)
Budgetary Offsetting Collections and Receipts That Do Not Affect Net Cost of Operations - Other	(1)	(2)
Resources that Finance the Acquisition of Assets or Liquidation of Liabilities	510,947	703,807
Other	(19,000)	(64,128)
Total Resources Used to Finance Items Not Part of the Net Cost of Operations	$566,424	$623,527
Total Resources Used to Finance the Net Cost of Operations	$(557,811)	$(402,851)
Components Requiring or Generating Resources in Future Periods		
Increase in Exchange Revenue Receivable from the Public	$(486)	$-
Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods	$(486)	$-
Components not Requiring or Generating Resources in the Current Period		
Depreciation and Amortization	$28,681	$28,775
Revaluation of Assets	5,672	274
Other	549,580	354,538
Total Components of Net Revenue from Operations that will not require or Generate Resources	$583,933	$383,587
Total Components of Net Revenue from Operations that will not require or Generate Resources in the Current Period	$583,447	$383,587
Net Cost (Revenue) from Operations	$25,636	($19,264)

22. UNDELIVERED ORDERS AT THE END OF THE PERIOD

Budgetary resources obligated for undelivered orders as of September 30, 2017 and 2016 were $116,030 and $107,650 respectively.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

INTRODUCTION

This section provides the Required Supplementary Information as prescribed by the OMB Circular A-136, *Financial Reporting Requirements, SFFAS No. 29, Heritage Assets and Stewardship Land and SFFAS No. 42, Deferred Maintenance and Repairs: Amending SFFAS Nos. 6, 14, 29 and 32.*

HERITAGE ASSETS

The Mint is steward of a large, unique and diversified body of heritage assets that demonstrate the social, educational, and cultural heritage of the Mint. These items include a variety of rare and semi-precious coin collections and historical artifacts, and are held at various Mint locations. Some of these items are placed in locked vaults within the Mint, where access is limited to only special authorized personnel. Other items are on full display to the public, requiring little if any authorization to view.

Included in the heritage assets are the buildings housing the Mint at Denver, West Point, San Francisco, and Fort Knox. The Mint generally does not place a value on heritage assets, even though some of the coins and artifacts are priceless. However, the assets are accounted for, and controlled, for protection and conservation purposes. Heritage assets held by the Mint are generally in acceptable physical condition.

DEFERRED MAINTENANCE

Deferred maintenance and repairs is maintenance and repair activity that was not performed when it should have been, or was scheduled to be, and is put off or delayed for a future period. In fiscal years 2017 and 2016, the Mint had no deferred maintenance costs to report on vehicles, buildings, structures, and equipment owned by the Mint. There is also no deferred maintenance on heritage assets, which includes the Denver, West Point, San Francisco, and Fort Knox buildings.

OTHER INFORMATION (UNAUDITED)

DEPARTMENT OF THE TREASURY UNITED STATES MINT STATEMENT OF SPENDING

	For The Periods Ended September 30,	
(dollars in thousands)	2017	2016
What Money is Available to Spend?		
Total Resources	$2,686,312	$3,578,304
Less Amount Not Agreed to be Spent	(415,887)	(183,851)
Less Amount Not Available to be Spent	(34)	(116,880)
Total Amounts Agreed to be Spent	$2,270,391	$3,277,573
How was the Money Spent?		
Personnel Compensation	$143,355	$146,159
Personnel Benefits	49,490	49,952
Benefits for Former Personnel	144	53
Travel and transportation of persons	1,621	1,653
Transportion of things	28,524	32,100
Rent, Communications, and utilities	95,637	28,334
Printing and reproduction	3,551	962
Other contractual services	100,774	94,319
Supplies and materials	1,805,973	2,886,027
Equipment	29,424	25,088
Land and structures	11,879	12,905
Insurance claims and indemnities	3	-
Interest and dividends	16	21
Total Amounts Agreed to be Spent	$2,270,391	$3,277,573
Who did the Money go to?		
Federal	$67,765	$68,081
Non-Federal	2,202,626	3,209,492
Total Amounts Agreed to be Spent	$2,270,391	$3,277,573

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Independent Auditors' Report on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Inspector General
Department of the Treasury

Acting Deputy Director
United States Mint:

We have audited, in accordance with auditing standards generally accepted in the United States of America, in accordance with the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in accordance with Office of Management and Budget (OMB) Bulletin No. 17-03, *Audit Requirements for Federal Financial Statements*, the financial statements of the United States Mint, which comprise the balance sheets as of September 30, 2017 and 2016, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 8, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements as of and for the year ended September 30, 2017, we considered the United States Mint's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the United States Mint's internal control. Accordingly, we do not express an opinion on the effectiveness of the United States Mint's internal control. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the result of that testing, and not to provide an opinion on the effectiveness of the United States Mint's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the United States Mint's internal control. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Washington, DC
December 8, 2017

KPMG LLP
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1801 K Street, NW
Washington, DC 20006

Independent Auditors’ Report on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Inspector General
Department of the Treasury

Acting Deputy Director
United States Mint:

We have audited, in accordance with auditing standards generally accepted in the United States of America, in accordance with the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in accordance with Office of Management and Budget (OMB) Bulletin No. 17-03, *Audit Requirements for Federal Financial Statements*, the financial statements of the United States Mint, which comprise the balance sheets as of September 30, 2017 and 2016, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 8, 2017.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the United States Mint’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 17-03.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the result of that testing, and not to provide an opinion on the United States Mint’s compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the United States Mint’s compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Washington, DC
December 8, 2017

APPENDIX I: FY 2017 COIN AND MEDAL PRODUCTS

PRESIDENTIAL MEDALS

BARACK OBAMA (FIRST TERM) BRONZE MEDAL

Medal Released: January 17, 2017
Mintage Limits: None
Description: The Department of the Treasury has a long-standing tradition of honoring each President of the United States with an official medal issued by the Secretary and struck by the United States Mint. Presidents who serve more than one term are traditionally honored with two medals, one highlighting each of their terms. Since the 1960s, with the exception of Ronald Reagan, all Presidents who served more than one term have been honored with two medals. Typically, these medals are presented during the President's term of office. Traditionally, Presidential medals feature a portrait of the President on the obverse with elements such as inaugural dates, terms of office, presidential symbols and seals, and excerpts from speeches on the reverse. The obverse design features a portrait of President Barack Obama with the inscription "BARACK OBAMA." The reverse design features a quote from President Obama beneath the Presidential Seal. The quote reads, "OUR DESTINY IS NOT WRITTEN FOR US. IT IS WRITTEN BY US." The additional inscription reads, "JANUARY 20, 2009," the date of President Obama's inauguration. Beneath the date is the President's signature. The design is bordered by 50 stars.

BARACK OBAMA (SECOND TERM) BRONZE MEDAL

Medal Released: January 17, 2017
Mintage Limits: None
Description: The Department of the Treasury has a long-standing tradition of honoring each President of the United States with an official medal issued by the Secretary and struck by the United States Mint. Presidents who serve more than one term are traditionally honored with two medals, one highlighting each of their terms. Since the 1960s, with the exception of Ronald Reagan, all Presidents who served more than one term have been honored with two medals. Typically, these medals are presented during the President's term of office. Traditionally, Presidential medals feature a portrait of the President on the obverse with elements such as inaugural dates, terms of office, presidential symbols and seals, and excerpts from speeches on the reverse. The obverse design features a traditional profile of President Obama with the inscription "BARACK OBAMA." The reverse design features a quote from President Obama beneath an image of the White House. The quote reads "THE SINGLE MOST POWERFUL WORD IN OUR DEMOCRACY IS THE WORD 'WE.' WE THE PEOPLE. WE SHALL OVERCOME. YES WE CAN." The additional inscription beneath the White House reads, "JANUARY 20, 2013," the date of President Obama's second inauguration. The designs also feature President Obama's signature and 50 stars around the border.

JACOB J. LEW SECRETARY OF THE TREASURY BRONZE MEDAL

Medal Released: January 25, 2017

Mintage Limits: None

Description: The Treasury Department has a longstanding tradition of striking an official medal for each Secretary of the Treasury. The Mint produces the medal under the general authority of 31 U.S.C. § 5111 (a) (2), which states that the Secretary may prepare and strike "national and other medals" if it does not interfere with regular minting operations. Since the 1890s, the Mint has prepared, struck, and distributed medals for 33 of the 35 Senate-confirmed Secretaries. The obverse design features a portrait of Jacob J. Lew with a flag in the background and the inscriptions "JACOB J. LEW" and "76th SECRETARY OF THE TREASURY." The reverse design features a depiction of the Statue of Liberty and the Main Building on Ellis Island alongside a quote from Emma Lazarus. The inscriptions read "I LIFT MY LAMP BESIDE THE GOLDEN DOOR" and "EMMA LAZARUS."

225TH ANNIVERSARY COINS

225TH ANNIVERSARY GOLD COIN

Coin Released: June 5, 2017

Mintage Limits: 100,000

Description: For the 225th Anniversary, the Mint produced a special gold coin, marketed to collectors with a face value of $100, with a profile of Liberty depicted as an African American woman. On the coin, Liberty looks to the left, her chin set, her hair swept back, the slightest smile on her lips. On her head is a crown of stars. 2017 marks the 225th anniversary of the United States Mint. To mark this momentous occasion, we are proud to introduce the 2017 American Liberty 225th Anniversary Gold Coin™ featuring a modern rendition of Lady Liberty. Emblematic figures of liberty have graced American coins since the founding of the United States Mint 225 years ago. Our newest Lady Liberty is a modern rendition of this iconic figure that embodies the ideals of freedom and equality first set forth in our Declaration of Independence. Struck in conjunction with the Mint's 225th anniversary, this unique coin portrays allegorical Liberty as an African-American woman. Its obverse (heads) design depicts a profile of Liberty wearing a crown of stars, with the inscriptions "LIBERTY," "1792," "2017," and "IN GOD WE TRUST." The reverse (tails) design depicts a bold and powerful eagle in flight, with eyes toward opportunity and a determination to attain it. American Liberty 225th Anniversary Gold Coins are minted in 99.99% 24–karat gold, in high–relief, with raised edge lettering, and a proof finish.

225TH ANNIVERSARY AMERICAN LIBERTY SILVER MEDAL

Medal Released: June 14, 2017

Mintage Limits: None

Description: The 2017 American Liberty 225th Anniversary Silver Medal is the medal counterpart of the 2017 American Liberty 225th Anniversary Gold Coin design representing a modern rendition of Liberty. Emblematic figures of liberty have graced American coins and medals since the founding of the United States Mint 225 years ago. The American Liberty 225th Anniversary Silver Medal is minted in 99.9-percent silver with a proof finish. The obverse design features a profile of Liberty wearing a crown of stars. The reverse design features a bold and powerful eagle in flight, with eyes toward opportunity and a determination to attain it.

AMERICA THE BEAUTIFUL QUARTERS® PROGRAM

FORT MOULTRIE (FORT SUMTER NATIONAL MONUMENT) – SOUTH CAROLINA

Coin Released: November 14, 2016

Description: Fort Moultrie, the first fort on Sullivan's Island, was still incomplete when Commodore Sir Peter Parker and nine warships attacked it on June 28, 1776. After a nine-hour battle, the ships were forced to retire. Charleston was saved from British occupation, and the fort was named in honor of its commander, Colonel William Moultrie. In 1780, the British finally captured Charleston, abandoning it only on the advent of peace. After the Revolutionary War, Fort Moultrie was neglected, and by 1791 little of it remained. Then, in 1793, war broke out between England and France. A second Fort Moultrie, one of 20 new forts along the Atlantic coast, was completed in 1798. It too suffered from neglect and was finally destroyed by a hurricane in 1804. In 1809 a new, brick third Fort Moultrie stood on Sullivan's Island. It was established as a national site in 1948. The coin design depicts Sergeant William Jasper returning the regimental flag to the ramparts while under attack from a British ship.

EFFIGY MOUNDS NATIONAL MONUMENT – IOWA

Coin Released: February 6, 2017

Description: The America the Beautiful Effigy Mounds National Monument quarter is the first in 2017, and the 36th overall in the America the Beautiful Quarters Program. The Effigy Mounds National Monument protects one of the largest remaining concentrations of ancient American Indian earthworks in the United States. Effigy Mounds National Monument was established in 1949. It is considered a sacred landscape by members of many modern-day tribes whose ancestors once lived here. The majority of the mounds were constructed between one thousand and two thousand years ago — often to bury the dead, but sometimes for ceremonial purposes, or to tell important stories. The park is home to more than 200 mounds in a wide variety of forms, including more than 30 animal or bird-shaped "effigy" mounds for which the park is named. Often more than 100 feet long individually, many of these animal and bird shaped mounds are perched high atop rugged bluffs overlooking the adjacent Mississippi River. Aside from preserving these tangible links to an ancient and highly creative people, the park features outstanding views of the Mississippi River Valley, and hosts many of the native plant and animal communities that sustained people in this area for millennia.

FREDERICK DOUGLASS NATIONAL HISTORIC SITE – WASHINGTON, D.C.

Coin Released: April 3, 2017

Description: The Frederick Douglass National Historic Site quarter is the second in 2017, and the 37th overall in the America the Beautiful Quarters Program. The Frederick Douglass National Historic Site was established in 1962 to preserve the home and legacy of Frederick Douglass, abolitionist, civil rights advocate, author, and statesman. Douglass lived in this home from 1877 until his death in 1895. Frederick Douglass was born into slavery on a plantation on the Eastern Shore of Maryland in 1818. By 15, he was a literate, independent teenager who educated other slaves. In

1838, he disguised himself as a sailor and boarded a train to New York City, where he declared himself a free man. Douglass turned his efforts to helping those still enslaved. An impressive orator, he traveled across the North speaking against slavery. He wrote his first autobiography in which he revealed his original name, his owners' names, and his birthplace. In danger of being returned to slavery as a result of this revelation, he fled to the British Isles where he continued to speak against slavery and ultimately, British supporters purchased his freedom. Douglass returned to the United States, and during the Civil War, recruited African Americans to fight in the Union Army. He continued to write and speak against slavery. He met with Abraham Lincoln to advocate for African American troops and encouraged Lincoln to see the war as a chance to transform the country. Following the Civil War, Douglass moved to his home in Washington, DC. He served as the U.S. Marshal for the District of Columbia, the District's Recorder of Deeds, and the U.S. Minister to Haiti and Chargé d 'Affaires to the Dominican Republic. He continued to work to expand civil rights in the country until his death.

OZARK NATIONAL SCENIC RIVERWAYS – MISSOURI

Coin Released: June 5, 2017

Description: Ozark National Scenic Riverways was established in 1964 to protect 134 miles of the Current and Jacks Fork Rivers in the Ozark Highlands of southeastern Missouri. The park encompasses 80,785 acres of unique natural resources, including a world-class spring system that is unparalleled in North America, more than 400 caves, and other special geologic features. The rivers offer remarkably clean, clear water that is complemented by the breathtaking blue shade of the waters of the large springs. The spectacular natural beauty of the area attracts park visitors to participate in a variety of recreational opportunities, such as boating, canoeing, swimming, and fishing. Hiking, hunting, and horseback riding are also enjoyed across the landscape. In addition to the unique natural features of the Ozarks, the National Park Service preserves the heritage and lifeways of the Ozark culture, which was heavily shaped by the remote and rugged landscape. The park manages 249 historic structures that are scattered throughout the park and also preserves the history and remnants of prehistoric peoples who settled in the region during the past 12,000 years.

ELLIS ISLAND – NEW JERSEY

Coin Released: September 7, 2017

Description: From 1892 to 1954, Ellis Island was the largest and most active immigration station in the United States, where approximately 12 million immigrants were processed. On average, the inspection process took approximately 3-7 hours. For the vast majority of immigrants, Ellis Island truly was an "Island of Hope" – the first stop on their way to new opportunities and experiences in the United States. For the rest, it became the "Island of Tears" – a place where families were separated and individuals were denied entry into this country. Ellis Island was added to the Statue of Liberty National Monument in 1965 by Presidential Proclamation and is administered by the National Park Service. The main building re-opened in September 1990 as the Ellis Island Immigration Museum, at that time the largest restoration project in U.S. history. Most of the remaining unrestored buildings on Ellis Island were one of the first and largest public health hospitals in the United States. The facility was considered to be the most modern of its day. The 725-bed Ellis Island Hospital Complex, completed in 1909, consisted of a powerhouse, morgue, laboratory and housing for doctors and nurses. Covered corridors connected the main hospital building to infectious disease wards, kitchens, laundries and recreation facilities for patients and staff. Since a U.S. Supreme Court ruling in 1998, Ellis Island, all of which is federal property, belongs within the territorial jurisdiction of both New York and New Jersey depending upon where you are. The iconic main building, housing the immigration museum, is within the boundary of New York State. Since the island was expanded over many years to its current 27.5 acres, this expanded area, which includes the hospital complex, is now within the territory of New Jersey.

2017 AMERICAN EAGLE COIN PROGRAM

AMERICAN EAGLE PLATINUM PROOF COIN

Coin Released: July 6, 2017
Mintage Limits: 10,000
Description: In 2017, the U.S. Mint is proud to commemorate the 20th anniversary of its "most precious" of the precious metals coins by issuing them with their original 1997 designs. American Eagle Platinum coins are part of a complete precious metals portfolio available from the United States Mint. The American Eagle Platinum is the only platinum proof coin whose weight, content and .9995 purity are guaranteed by the United States Government. All American Eagles are legal tender coins, with their face value imprinted in U.S. dollars. Although their face value is largely symbolic, it provides proof of their authenticity as official U.S. coinage. The one-ounce platinum coin displays the highest face value ($100) ever to appear on a U.S. coin.

AMERICAN EAGLE GOLD PROOF COIN

Coin Released: March 2, 2017
Description: Produced from gold mined in the United States, American Eagles are imprinted with their gold content and legal tender "face" value. An American Eagle's value is based on the market price of its metal content. American Eagles use the durable 22-karat standard established for gold circulating coinage over 350 years ago. They contain their stated amount of pure gold, plus small amounts of alloy. This creates harder coins that resist scratching and marring, which can diminish resale value.

AMERICAN EAGLE SILVER PROOF COIN

Coin Released: March 23, 2017
Description: Since 1986, the United States has minted one-dollar silver coins called "Silver Eagles." Each contains a minimum of one troy ounce of 99.9% pure silver. Above all, as legal tender, they're the only silver proof coins whose weight and purity are guaranteed by the United States Government. They're also the only silver coins allowed in an IRA. Silver has historically been the most affordable precious metal. The design is based on Adolph A. Weinman's 1916 "Walking Liberty" half dollar, widely considered one of the most beautiful American coins ever minted. The obverse (heads) features Adolph A. Weinman's full–length figure of Liberty in full stride, enveloped in folds of the flag, with her right hand extended and branches of laurel and oak in her left. The reverse (tails) features a heraldic eagle with shield, an olive branch in the right talon and arrows in the left. Affordability. Credibility. Beauty.

AMERICAN BUFFALO COIN

AMERICAN BUFFALO 2017 ONE-OUNCE GOLD PROOF COIN

Coin Released: May 11, 2017

Description: The American Buffalo One Ounce Gold Proof Coin is the first 24–karat gold proof coin ever struck by the U.S. Mint and is the coin collector version of the official United States Mint American Buffalo Gold Bullion Coin. Containing one ounce of .9999 fine 24–karat gold, these lustrous coins are among the world's purest gold coins. Authorized by Congress in 2005 and first minted in June 2006, American Buffalo Gold Bullion Coins are among the world's purest gold coins in terms of the fineness of the metal they contain. Each coin contains its full, stated weight of pure gold. By law, the gold for United States Mint American Buffalo Gold Bullion Coins must be taken from newly mined sources in America. They are struck at the United States Mint at West Point, New York. While struck at West Point, American Buffalo Gold Bullion Coins do not have a mint mark.

2017 NATIVE AMERICAN $1 COIN

NATIVE AMERICAN 2017 $1 COIN

Coin Released: January 25, 2017

Description: Native American Dollar Coins honor and recognize the important contributions made by Indian tribes and individual Native Americans. These 2017 Native American Dollar Coins minted at the Philadelphia Mint and Denver Mint have circulating finishes but have never been placed into circulation. This year's reverse theme commemorates the contributions of Sequoyah, inventor of the Cherokee Syllabary. Sequoyah adapted writing to the Cherokee language by devising symbols for each syllable. His achievement is one of a handful of examples in world history regarding the development of an original writing system. After 12 years of work, Sequoyah unveiled the alphabet in a demonstration with his daughter Ah-yo-ka. News spread quickly and Cherokees flocked to learn the system. In 1821, the Cherokee Nation adopted it as its own. Within months, thousands of Cherokee became literate. The Cherokee Syllabary gave birth to Native American journalism. The first American Indian newspaper, the Cherokee Phoenix, included editorials which embodied the Cherokees' determination to retain their lands, news on activities of the Cherokee government, as well as relations with the federal and state governments. This written language helped create a dialogue between Cherokee Nation and the United States Government, and assisted in the preservation of interests, hopes and struggles of individuals during a unique time in our history.

COMMEMORATIVE COIN PROGRAMS

LIONS CLUBS INTERNATIONAL 2017 CENTENNIAL PROOF SILVER DOLLAR

Coin Released: January 18, 2017

Description: A century ago, Melvin Jones, a Chicago business leader and member of a businessmen's luncheon group, posed a simple question: "What if these men, who are successful because of their drive, intelligence, and ambition, were to put their talents to work improving their communities?" In 1917, Jones made this vision a reality when he founded Lions Clubs International, a service club organization with the guiding principle of "We Serve." The organization empowers its volunteers to serve their communities, meet humanitarian needs, encourage peace, and promote international understanding. Services include community, environmental, youth, health programs, and disaster relief work. On June 7, 2017, Lions Clubs International will celebrate 100 years of community service to men, women, and children worldwide. Since its founding, it has become one of the world's largest organizations of its kind. Its 1.4 million members in more than 46,000 clubs provide humanitarian services in more than 200 countries. Sales prices of these commemorative coins include surcharges of $10 for each $1coin, which is authorized to be paid to the Lions Clubs International Foundation to further its programs for the blind and visually impaired in the United States and abroad, invest in adaptive technologies for the disabled and invest in youth and those affected by a major disaster.

BOYS TOWN 2017 CENTENNIAL PROOF SILVER DOLLAR

Coins Released: March 9, 2017

Description: A young parish priest named Father Edward Flanagan had a theory: Every child could be a productive citizen if given love, a home, an education and a trade. Armed with his belief, and $90 he had borrowed, he rented a boarding house where boys of all races and religions were welcomed. Father Flanagan's Home for Boys, or "Boys Town" as it became known, has grown exponentially since its founding in 1917. Today it is one of the largest nonprofit organizations in the country, dedicated to serving at-risk children and families of all backgrounds and religions. Through its Boys Town National Hotline, Boys Town National Research Hospital, and other community services, the organization provides treatment for the behavioral, emotional, and physical problems of children and families in 11 regions across the country. Boys Town programs impact the lives of more than two million children and families each year. December 12, 2017, will mark the 100th anniversary of Boys Town, Nebraska.

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