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FEDERAL RESERVE BANK  
OF ATLANTA

# FEDERAL RESERVE BANK OF ATLANTA

## SIXTY-FIRST ANNUAL REPORT

# 1975

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SIXTY-FIRST ANNUAL REPORT

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FEDERAL RESERVE BANK  
OF ATLANTA

MONTHLY STATEMENT

1975

January 2, 1976

TO ALL BANKS IN THE SIXTH  
FEDERAL RESERVE DISTRICT:

Presented in this report are a comparative statement of condition of this bank as of December 31, 1974 and 1975, a comparative statement of earnings and expenses for 1974 and 1975, and a comparative statement of operations for those years.

Also presented are highlights of 1975 operations and current lists of our directors and officers.

  
Monroe Kimbrel  
President

# 1975 OPERATIONS HIGHLIGHTS

## MIAMI OFFICE GIVEN BRANCH STATUS

Improved services to South Florida banks were heralded in April by the announcement that the Board of Governors had approved full Branch status for the Miami Office effective July 1, 1975. The phasing in of services formerly handled by the Jacksonville Branch began in June and continued through October 1. The Miami Branch now offers a wide range of services in the areas of reserve accounting, funds transfer, and Fiscal Agency services related to Government securities and Federal tax receipt processing.

## COMMUNICATIONS NETWORK ENHANCED

The Sixth District's Communications Network, begun in 1973, connects District member banks and the six District offices with each other through terminals and leased telephone lines controlled by a computer switch located in Atlanta. In turn, the Sixth District network connects to commercial banks and other Federal Reserve offices across the nation through the Federal Reserve System's switching facilities in Culpeper, Virginia. The Sixth District network is utilized for wire transfer of funds, security transfers, administrative messages, return item advices, and currency and coin requests.

Banks are now permitted to utilize this network to transmit various types of securities-related information. This service decreases the time between a decision to make a securities transaction and its execution by the Reserve Bank, which, in turn, improves the member bank's ability to manage its reserve position.

The District's communications network was expanded during 1975. The network, which includes 95 terminals, is now serving 58 District commercial banks as well as the six Federal Reserve offices. In addition to the five banks that came on-line with mini-computer terminals, fifteen banks with relatively less volume were added to the network through a program using the lower speed and less costly TWX terminals. The number of messages handled in December 1975 was up 18% from December 1974.

## COMPUTER CONVERSIONS

Major computer conversions were completed in 1975 and others were approved for 1976. The District adopted an automation philosophy which includes similar equipment installations in each District office, standardized software systems, and shared computer hardware resources between check processing and data processing. A District status report by office follows.

**Atlanta:** Successfully completed conversions from second-generation check processing equipment and third-generation data processing equipment to a triple-processor, third-generation computer system now used for both check processing and data processing.

**Birmingham and Nashville:** Received approval to replace second-generation check processing and data processing equipment with a single-processor, third-generation system in each office. Conversions will be completed by mid-1976.

**Jacksonville:** Received approval to upgrade the existing shared third-generation, dual-processor system to a faster dual-processor configuration, also of the third-generation. Conversion will be completed by mid-1976.

**Miami:** Improved performance on the existing shared dual processor system.

**New Orleans:** Successfully completed conversions from a second-generation check processing operation and a second-generation data processing operation to a dual-processor, third-generation system.

These computer conversions are improving computer performance, operational efficiency, and service to member banks.

## REGIONAL CHECK PROCESSING

In December 1975, the Birmingham Branch expanded its Regional Check Processing Center (RCPC) to cover its entire zone. RCPC objectives include earlier presentment of checks for faster collection, reduction of float, expeditious handling of dishonored checks, and curtailment of check kiting fraud. With the exception of the Florida Panhandle area of the Jacksonville Zone, the District now offers District-wide RCPC services. RCPC expansion into the Panhandle is now being considered.

## RESERVE REQUIREMENTS EASED FOR BANKS CONVERTING TO MEMBERSHIP

During the latter part of the year, the Board of Governors of the Federal Reserve System announced a policy which will provide transitional relief from reserve requirements when a non-member bank joins the Federal Reserve System. The policy also provides relief when a member or nonmember bank merges into a member bank.

The transitional relief is in the form of a waiver, by the Reserve Bank, of penalties for deficiencies in reserve requirements on a graduated basis over a 24-month period. A member bank covered by this policy would not have to satisfy all of its new reserve requirement until two years after becoming a member.

## DATA ON SCM'S FURNISHED TO BANKS

In January 1975, a program was instituted by the Department of Supervision and Regulation for computerized pricing of state, county, and municipal securities of State member banks. A copy of the information compiled, including current market price, report of pledged securities, and maturity distribution is furnished each bank as a service of the Federal Reserve Bank.

## OFFICERS as of January 1, 1976

Monroe Kimbrel, President  
Kyle K. Fossum, First Vice President  
Arthur H. Kantner, Senior Vice President

Robert P. Forrestal, Senior Vice President  
and General Counsel

B. H. Hargett, Senior Vice President

Brown R. Rawlings, Senior Vice President

Harry C. Schiering, General Auditor

Harry Brandt, Vice President and Director  
of Research

W. Ronnie Caldwell, Vice President

Frank Craven, Vice President

William N. Cox, III, Vice President  
and Associate Director of Research

Charles D. East, Vice President

Delmar Harrison, Vice President

Robert E. Heck, Vice President

William G. Pfaff, Vice President

Pierre M. Viguerie, Vice President

Martha Bethea, Assistant Vice President

Byron L. Bohannon, Assistant General Auditor

John Branscomb, Assistant Vice President

George Budd, Assistant Vice President

David A. Callison, Assistant Vice President

John T. Cleckley, Assistant Vice President

Richard A. Dill, Assistant Vice President

David E. Herrington, Assistant Vice President

George Hibbert, Assistant General Counsel

Eric B. Hingst, Assistant Vice President  
(also Secretary, Board of Directors)

B. E. Howard, Assistant Vice President

Kenneth J. Kearney, Assistant Vice President

Zane R. Kelley, Examining Officer

John R. Kerr, Assistant Vice President

B. Frank King, Research Officer

Wilbur W. Lawrence, Assistant Vice President

John E. Leimone, Research Officer

Ely S. Matteri, Assistant Vice President

George W. Moseley, Assistant Vice President

Ronald Robinson, Assistant Vice President

Clifford M. Saxon, Assistant Vice President

Robert Sexton, Assistant Vice President

Jack R. Sicard, Assistant Vice President

H. Terry Smith, Assistant Vice President

Gene D. Sullivan, Research Officer

Benjamin C. Wade, III, Assistant Vice President

John M. Wallace, Assistant Vice President

### BIRMINGHAM BRANCH

Hiram J. Honea, Vice President

William A. Waller, Jr., Assistant Vice President

Robert G. Dole, Assistant Vice President

Fred Hoer, Assistant Vice President

John D. Swanson, Assistant Vice President

### JACKSONVILLE BRANCH

E. C. Rainey, Senior Vice President

Vestus L. Crow, Vice President

Alan D. Davis, Assistant Vice President

Richard L. Berry, Assistant Vice President

S. J. Stacklin, Jr., Assistant Vice President

Cecil L. Williams, Assistant Vice President

### MIAMI BRANCH

W. M. Davis, Vice President

Robert E. Lee, Assistant Vice President

Robert J. Slack, Assistant Vice President

Patrick K. Barron, Assistant Vice President

Jessie T. Watson, Assistant Vice President

### NASHVILLE BRANCH

Jeffrey J. Wells, Vice President

W. Ralph Thurman, Assistant Vice President

James D. Hawkins, Assistant Vice President

William W. Dykes, Assistant Vice President

A. D. Sands, Assistant Vice President

### NEW ORLEANS BRANCH

Jack Guynn, Vice President

R. M. Junca, Assistant Vice President

H. C. DeBlonde, Assistant Vice President

H. H. Bourgaux, Assistant Vice President

E. Channing Workman, Assistant Vice President



## Federal Reserve Bank of Atlanta

### DIRECTORS

**H. G. Pattillo**, (*Chairman*), Chairman, Pattillo Construction Company, Inc.,  
Decatur, Georgia

**Clifford M. Kirtland, Jr.**, (*Deputy Chairman*), President, Cox Broadcasting Corporation,  
Atlanta, Georgia

**Fred Adams, Jr.**, President, Cal-Maine Foods, Inc., Jackson, Mississippi

**Ulysses V. Goodwyn**, Executive Vice President, Southern Natural Resources, Inc.,  
Birmingham, Alabama

**Robert D. Hornbeck**, Manager—Tennessee Operations, Aluminum Company of America,  
Alcoa, Tennessee

**George W. Jenkins**, Chairman, Publix Super Markets, Inc., Lakeland, Florida

**Jack P. Keith**, President, First National Bank, West Point, Georgia

**John T. Oliver, Jr.**, President, First National Bank, Jasper, Alabama

**Sam I. Yarnell**, Chairman, American National Bank & Trust Company,  
Chattanooga, Tennessee

### FEDERAL ADVISORY COUNCIL MEMBER

**Lawrence A. Merrigan**  
President  
The Bank of New Orleans and Trust Company  
New Orleans, Louisiana

### Birmingham Branch

### DIRECTORS

**Harold B. Blach, Jr.**, (*Chairman*), President, J. Blach & Sons, Inc., Birmingham, Alabama

**John Maples, Jr.**, Executive Vice President, Union Bank & Trust Company,  
Montgomery, Alabama

**William H. Martin, III**, Executive Vice President, Martin Industries, Sheffield, Alabama

**Frank P. Samford, Jr.**, Chairman, Liberty National Life Insurance Company,  
Birmingham, Alabama

**Clarence L. Turnipseed**, President, First National Bank, Brewton, Alabama

**D. C. Wadsworth, Jr.**, President, American National Bank of Gadsden, Gadsden, Alabama

**Robert H. Woodrow, Jr.**, Chairman of the Board and Chief Executive Officer, First National  
Bank of Birmingham, Birmingham, Alabama

## **Jacksonville Branch**

### **DIRECTORS**

**Egbert R. Beall, (*Chairman*)**, President, Beall's Department Stores, Bradenton, Florida

**John T. Cannon, III**, President, Barnett Bank of Cocoa, N.A., Cocoa, Florida

**Richard A. Cooper**, Chairman, First National Bank of New Port Richey,  
New Port Richey, Florida

**Chauncey W. Lever**, Chairman, Florida First National Bank, Jacksonville, Florida

**James E. Lyons**, President, Lyons Industrial Corporation, Winter Haven, Florida

**Gert H. W. Schmidt**, President, TeLeVision 12 of Jacksonville, Jacksonville, Florida

**MacDonell Tyre**, Chairman, Sun First National Bank of Orlando, Orlando, Florida

## **Miami Branch**

### **DIRECTORS**

**Castle W. Jordan, (*Chairman*)**, President, Aegis Corporation, Coral Gables, Florida

**Harry Hood Bassett**, Chairman of the Board, Southeast First National Bank of Miami,  
Miami, Florida

**Alvaro Luis Carta**, President, Gulf + Western Americas Corporation, Vero Beach, Florida

**Jean McArthur Davis**, President, McArthur Dairy, Inc., Miami, Florida

**Thomas F. Fleming, Jr.**, Chairman of the Board, First Bank and Trust Company,  
Boca Raton, Florida

**Michael J. Franco**, Chairman of the Board, City National Bank of Miami, Miami, Florida

**David G. Robinson**, President, Edison Community College, Fort Myers, Florida

## **Nashville Branch**

### **DIRECTORS**

**James W. Long, (*Chairman*)**, Farmer, Springfield, Tennessee

**John W. Andersen**, President and Chief Executive Officer, First National Bank of Sullivan  
County, Kingsport, Tennessee

**John C. Bolinger, Jr.**, Management Consultant, Knoxville, Tennessee

**T. Scott Fillebrown, Jr.**, Vice Chairman, First American National Bank, Nashville, Tennessee

**W. M. Johnson**, President, First National Bank, Sparta, Tennessee

**Fred R. Lawson**, President, Blount National Bank, Maryville, Tennessee

**James R. Lawson**, Fisk University, Nashville, Tennessee

## **New Orleans Branch**

### **DIRECTORS**

**Edwin J. Caplan, (*Chairman*)**, President, Caplan's Men's Shops, Inc., Alexandria, Louisiana

**George C. Cortright, Jr.**, Planter, Rolling Fork, Mississippi

**Hettie Dawes Eaves**, Executive Vice President, Avondale Shipyards, Inc., New Orleans, Louisiana

**R. B. Lampton**, President, First National Bank, Jackson, Mississippi

**Charles W. McCoy**, Chairman of the Board and President, Louisiana National Bank of  
Baton Rouge, Baton Rouge, Louisiana

**Martin C. Miler**, Chairman of the Board and President, The Hibernia National Bank,  
New Orleans, Louisiana

**Wilmore W. Whitmore**, President and Chief Executive Officer, First National Bank of  
Houma, Houma, Louisiana

# STATEMENT OF CONDITION

## ASSETS

	December 31, 1974	December 31, 1975
Gold Certificates . . . . .	\$ 343,215,192	\$ 611,241,099
Special Drawing Rights Certificate Account . . . . .	22,000,000	28,000,000
Federal Reserve Notes of Other Banks . . . . .	192,222,612	235,051,852
Other Cash . . . . .	34,513,230	43,063,522
Subtotal . . . . .	<u>591,951,034</u>	<u>917,356,473</u>
Discounts and Advances . . . . .	19,140,000	37,450,000
U.S. Government Securities . . . . .	4,573,563,000	4,527,645,000
Federal Agency Obligations . . . . .	268,629,000	317,031,000
Total Loans and Securities . . . . .	<u>4,861,332,000</u>	<u>4,882,126,000</u>
Other Assets:		
Cash Items in Process of Collection . . . . .	1,389,265,963	920,911,043
Bank Premises and Capital Equipment (Net) . . . . .	14,385,110	14,384,279
All Other . . . . .	73,078,155	100,112,384
Total Other Assets . . . . .	<u>1,476,729,228</u>	<u>1,035,407,706</u>
TOTAL ASSETS . . . . .	<u>\$6,930,012,262</u>	<u>\$6,834,890,179</u>

## LIABILITIES

Federal Reserve Notes . . . . .	\$3,984,485,687	\$4,049,153,260
Deposits:		
Member Bank Reserve Accounts . . . . .	1,726,951,031	1,577,729,587
Due to Other F.R. Banks — Collected Funds . . . . .	—0—	—0—
U.S. Treasurer — General Account . . . . .	97,281,479	360,754,736
Foreign . . . . .	21,170,000	19,957,600
Other . . . . .	47,668,508	39,459,723
Total Deposits . . . . .	<u>1,893,071,018</u>	<u>1,997,901,646</u>
Other Liabilities:		
Deferred Availability Cash Items . . . . .	849,824,509	496,956,533
All Other . . . . .	65,649,348	61,967,522
Due to Other FR Banks — Settlement Account . . . . .	—0—	85,369,818
Total Other Liabilities . . . . .	<u>915,473,857</u>	<u>644,293,873</u>
TOTAL LIABILITIES . . . . .	<u>\$6,793,030,562</u>	<u>\$6,691,348,779</u>

## CAPITAL ACCOUNTS

Capital Paid In . . . . .	\$ 68,490,850	\$ 71,770,700
Surplus . . . . .	68,490,850	71,770,700
Total Capital Accounts . . . . .	<u>136,981,700</u>	<u>143,541,400</u>
TOTAL LIABILITIES		
CAPITAL ACCOUNTS . . . . .	<u>\$6,930,012,262</u>	<u>\$6,834,890,179</u>

## EARNINGS AND EXPENSES

	1974	1975
Total Current Earnings .....	\$344,032,931	\$323,483,217
Net Expenses. ....	50,879,939	54,689,311
Current Net Earnings. ....	\$293,152,992	\$268,793,906
Additions to Current Net Earnings:		
Profit on Sales of U. S. Government Securities (Net) .....	—0—	2,022,793
All Other. ....	159,633	218,183
Total Additions. ....	159,633	2,240,976
Deductions from Current Net Earnings:		
Loss on Foreign Exchange Transactions (Net). ....	2,262,100	18,376,608
All Other. ....	2,921,343	32,457
Total Deductions. ....	5,183,443	18,409,065
Net Additions (+) Deductions (—)	—5,023,810	—16,168,089
Net Earnings Before Payment to U. S. Treasury	<u>\$288,129,182</u>	<u>\$252,625,817</u>

## DISTRIBUTION OF NET EARNINGS

Dividends Paid. ....	\$ 3,968,021	\$ 4,243,371
Payments to U.S. Treasury (Interest on F.R. Notes) . . . .	277,674,711	245,102,596
Transferred to Surplus Account		
Net Additions (+) Deductions (—). ....	+6,486,450	+3,279,850
Total Earnings Distributed .....	<u>\$288,129,182</u>	<u>\$252,625,817</u>

## SURPLUS ACCOUNTS

Surplus January 1 .....	\$ 62,004,400	\$68,490,850
Transferred to Surplus — As Above. ....	6,486,450	3,279,850
Surplus December 31 .....	<u>\$ 68,490,850</u>	<u>\$71,770,700</u>

# STATEMENT OF OPERATIONS

	Dollars		Items	
	1974	1975	1974	1975
Loans to Member banks .....	14.9 billion	1.9 billion	3,239	675
Currency and coin — receipts .....	6.6 billion	7.7 billion	N/A	N/A
Currency and coin — payments.....	5.8 billion	6.5 billion	N/A	N/A
Currency processed .....	6.3 billion	7.3 billion	613.3 million	581.9 million
Coin processed.....	234.3 million	245.7 million	1.9 billion	1.9 billion
Check clearing operations ...	528.3 billion	548.9 billion	1.5 billion	1.6 billion
Noncash collections.....	365 million	348 million	586 thousand	426 thousand
Wire transfers of funds .....	1.7 trillion	1.7 trillion	1.3 million	1.6 million
Wire transfer of securities ....	38.7 billion	61.0 billion	72 thousand	81 thousand
U. S. Savings Bonds issued, exchanged, redeemed .....	1.6 billion	1.2 billion	19.5 million	18.7 million
Other Government securities issued, exchanged, redeemed .....	60.8 billion	65.8 billion	438 thousand	373 thousand
Securities held in safekeeping in book-entry form .....	7.7 billion	12.2 billion	93 thousand	123 thousand
in conventional form .....	2.9 billion	2.6 billion	36 thousand	30 thousand

# BANKING STATISTICS

	1974	1975
Member banks at year end .....	646	658
Nonmember banks at year end .....	1,308	1,348
Nonpar banks at year end .....	41	37



