

# FEDERAL RESERVE BANK OF CLEVELAND

## THIRTY-FIRST ANNUAL STATEMENT

Cleveland 1, Ohio, January 3, 1946

To the Stockholders of the  
Federal Reserve Bank of Cleveland:

There is presented herewith a condensed comparative statement of condition of the Federal Reserve Bank of Cleveland, including its Cincinnati and Pittsburgh branches, at the close of business December 31, 1945, and December 30, 1944, together with a comparison of earnings and expenses for the years 1945 and 1944.



President

Assets	Dec. 31, 1945	Dec. 30, 1944
Gold certificates	1,142,122.54	1,142,122.54
Federal Reserve Notes	1,142,122.54	1,142,122.54
Total Cash	2,284,245.08	2,284,245.08
U.S. Government securities	1,142,122.54	1,142,122.54
Other assets	1,142,122.54	1,142,122.54
<b>Total Assets</b>	<b>5,592,612.70</b>	<b>5,592,612.70</b>
Liabilities		
Capital	1,142,122.54	1,142,122.54
Reserves	1,142,122.54	1,142,122.54
Other liabilities	3,308,367.62	3,308,367.62
<b>Total Liabilities</b>	<b>5,592,612.70</b>	<b>5,592,612.70</b>

**COMPARATIVE STATEMENT OF CONDITION**

<b>ASSETS</b>	Dec. 31, 1945	Dec. 30, 1944
Gold certificates.....	\$1,070,132,424	\$1,314,818,776
Redemption fund—Federal Reserve Notes.....	78,030,810	57,693,943
TOTAL GOLD CERTIFICATE RESERVES.....	1,148,163,234	1,372,512,719
Other cash.....	15,767,652	19,184,405*
TOTAL CASH.....	1,163,930,886	1,391,697,124
Discounts and advances.....	4,539,000	—0—
Industrial loans.....	—0—	307,801
U. S. Government securities:		
Bills.....	1,129,195,000	1,258,178,000
Certificates.....	802,373,000	284,067,000
Notes.....	203,332,000	91,164,000
Bonds.....	90,833,000	72,283,000
TOTAL U. S. GOVERNMENT SECURITIES.....	2,225,733,000	1,705,692,000
TOTAL LOANS AND SECURITIES.....	2,230,272,000	1,705,999,801
Federal Reserve Notes of other banks.....	10,569,500	6,072,000
Checks and other cash items in process of collection.....	217,034,000	272,592,961
Bank premises.....	3,988,843	4,101,319
Other assets.....	6,359,156	4,054,030
TOTAL ASSETS.....	\$3,632,154,385	\$3,384,517,235
<b>LIABILITIES</b>		
Federal Reserve Notes.....	\$2,096,342,060	\$1,893,593,235
Deposits:		
Member bank—reserve account.....	1,156,889,039	1,128,014,214
U. S. Treasurer—General account.....	84,772,939	46,016,951
Foreign.....	71,374,651	102,885,220
Other deposits.....	9,671,650	7,662,145
TOTAL DEPOSITS.....	1,322,708,279	1,284,578,530
Deferred availability items.....	157,950,062	160,572,700
Other liabilities.....	789,359	826,888
TOTAL LIABILITIES.....	3,577,789,760	3,339,571,353
<b>CAPITAL ACCOUNTS</b>		
Capital paid in.....	17,654,050	16,338,400
Surplus (Section 7).....	33,745,117	19,071,302
Surplus (Section 13b).....	1,007,126	1,007,126
Other capital accounts.....	1,958,332	8,529,054
TOTAL LIABILITIES AND CAPITAL ACCOUNTS.....	\$3,632,154,385	\$3,384,517,235
Commitments to make industrial loans.....	\$ 300,000	\$50,000

\*(This amount was a part of total cash reserves on December 30, 1944.)

**COMPARISON OF EARNINGS AND EXPENSES**  
For the years 1945 and 1944

	1945	1944
Current earnings .....	\$13,289,223	\$ 9,643,754
Current expenses .....	4,436,638	4,594,526
<b>CURRENT NET EARNINGS .....</b>	<b>\$ 8,852,585</b>	<b>\$ 5,049,228</b>
<b>ADDITIONS TO CURRENT NET EARNINGS:</b>		
Profits on sales of U. S. Government Securities.....	\$ 336,234	\$ 335,184
All other .....	69,852	1,432
<b>TOTAL ADDITIONS .....</b>	<b>\$ 406,086</b>	<b>\$ 336,616</b>
<b>DEDUCTIONS FROM CURRENT NET EARNINGS.....</b>	<b>123,056</b>	<b>\$ 407,998</b>
Net deductions.....	—0—	71,382
Net additions .....	283,030	—0—
<b>NET EARNINGS.....</b>	<b>\$ 9,135,615</b>	<b>\$ 4,977,846</b>
<b>DISTRIBUTION OF NET EARNINGS</b>		
Paid United States Treasurer (Section 13b).....	\$ 7,177	—0—
Dividends .....	1,025,112	\$ 967,056
Reserves for Contingencies.....	—0—	965,184
Surplus (Section 7).....	8,103,326	3,045,606
	<b>\$ 9,135,615</b>	<b>\$ 4,977,846</b>

**RECONCILEMENT OF SURPLUS ACCOUNT (Section 7)**

**SURPLUS ACCOUNT (Section 7):**

Balance January 1, 1945.....	\$19,071,302
Net Earnings in 1945.....	8,103,326
<b>Transferred from Reserves for Contingencies:</b>	
Previously charged to Current Net Earnings.....	922,976
Previously charged to Surplus.....	5,647,513
<b>BALANCE DECEMBER 31, 1945.....</b>	<b>\$33,745,117</b>

**NUMBER OF MEMBER BANKS IN OPERATION IN FOURTH DISTRICT, DECEMBER 31, 1945**

	State	National	Total
Kentucky .....	7	50	57
Ohio—Cincinnati territory .....	27	90	117
Ohio—Cleveland territory.....	157	150	307
Pennsylvania.....	36	191	227
West Virginia.....	5	8	13
	<b>232</b>	<b>489</b>	<b>721</b>

## FEDERAL RESERVE BANK OF CLEVELAND

### DIRECTORS

GEO. C. BRAINARD ( <i>Chairman</i> ) <i>President and General Manager</i> Addressograph-Multigraph Corporation Cleveland, Ohio	REYNOLD E. KLAGES ( <i>Deputy Chairman</i> ) <i>President, Columbus Auto Parts Company</i> Columbus, Ohio
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A. Z. BAKER, *President and General Manager*  
 The Cleveland Union Stock Yards Company  
 Cleveland, Ohio

F. F. BROOKS, *President*  
 First National Bank at Pittsburgh  
 Pittsburgh, Pennsylvania

BEN R. CONNER, *President*  
 The First National Bank of Ada  
 Ada, Ohio

GEORGE D. CRABBS, *Industrialist*  
 Cincinnati, Ohio

H. B. McDOWELL, *President*  
 The McDowell National Bank of Sharon  
 Sharon, Pennsylvania

THOMAS E. MILLSOP, *President*  
 Weirton Steel Company  
 Weirton, West Virginia

ROSS PIER WRIGHT, *Secretary-Treasurer*  
 Reed Manufacturing Company  
 Erie, Pennsylvania

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JOHN W. KOSSIN . . . . .	Vice President
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W. D. FULTON . . . . .	Assistant Vice President
MARTIN MORRISON . . . . .	Assistant Vice President

H. E. J. SMITH . . . . .	Assistant Vice President
J. B. ANDERSON . . . . .	Assistant Cashier
C. J. BOLTHOUSE . . . . .	Assistant Cashier
G. H. EMDE . . . . .	Assistant Cashier
W. L. FINDEISEN . . . . .	Assistant Cashier
PAUL C. STETZELBERGER . . . . .	Assistant Cashier
WILBUR T. BLAIR, JR. . . . .	Assistant Secretary
C. F. EHNINGER . . . . .	Auditor

### MEMBER, FEDERAL ADVISORY COUNCIL

J. H. McCoy, *President*, The City National Bank & Trust Company of Columbus, Columbus, Ohio

### COUNSEL

Squire, Sanders & Dempsey  
 Cleveland, Ohio

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 The American Steel and Wire Company of New Jersey,  
 Cleveland, Ohio

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 The National Screw and Manufacturing Company  
 Cleveland, Ohio

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 The American Fork & Hoe Company  
 Cleveland, Ohio

HERMAN R. NEFF, *President*  
 The George S. Rider Company  
 Cleveland, Ohio

DAN C. SWANDER, *Chairman of the Board*  
 The Columbian Vise and Mfg. Company  
 Cleveland, Ohio

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 University of Cincinnati  
 Cincinnati, Ohio

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 The Winters National Bank and Trust Company of Dayton  
 Dayton, Ohio

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 Ashland Oil & Refining Company  
 Ashland, Kentucky

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 The Cincinnati Milling Machine Company  
 Cincinnati, Ohio

WALDO E. PIERSON, *President*  
 The First National Bank of Cincinnati  
 Cincinnati, Ohio

SPEARS TURLEY, *Vice President and Trust Officer*  
 State Bank and Trust Company of Richmond, Kentucky  
 Richmond, Kentucky

S. HEADLEY SHOUSE  
*Tobacco and livestock raiser*  
 Lexington, Kentucky

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SALMON BROWN . . . . .	Assistant Cashier
PHIL J. GEERS . . . . .	Assistant Cashier
RICHARD G. JOHNSON . . . . .	Assistant Cashier

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*President*, Pennsylvania Rubber Company  
 Jeannette, Pennsylvania

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 Union National Bank of Pittsburgh  
 Pittsburgh, Pennsylvania

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 Security Trust Company  
 Wheeling, West Virginia

A. H. BURCHFIELD, JR., *Vice President*  
 Joseph Horne Co.  
 Pittsburgh, Pennsylvania

ARCHIE J. MCFARLAND, *President*  
 Wheeling Steel Corporation  
 Wheeling, West Virginia

T. C. SWARTS, *Executive Vice President*  
 Woodlawn Trust Company  
 Aliquippa, Pennsylvania

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ARTHUR G. FOSTER . . . . .	Cashier
CLYDE HARRELL . . . . .	Assistant Vice President
HUNTER NOLTE . . . . .	Assistant Cashier
JOHN A. SCHMIDT . . . . .	Assistant Cashier
ROY J. STEINBRINK . . . . .	Assistant Cashier