

Annual Report

FEDERAL RESERVE BANK OF DALLAS

1963

To the Member Banks in the
Eleventh Federal Reserve District:

The Statement of Condition and the earnings and expenses of the Federal Reserve Bank of Dallas for the year 1963, with comparative figures for 1962, are shown herein. Lists of the directors and officers of the Bank and its branches as of January 1, 1964, are also included.

A review of economic and financial developments in the Nation and the District during 1963 is being presented in the January 1964 Annual Report Issue of the *Business Review* of this Bank.

Additional copies of these publications may be obtained upon request to the Research Department, Federal Reserve Bank of Dallas, 400 South Akard Street (mailing address: Station K, Dallas, Texas 75222).

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Watrous H. Irons', written in a cursive style.

WATROUS H. IRONS
President

Statement of Condition

	Dec. 31, 1963	Dec. 31, 1962
ASSETS		
Gold certificate account	\$ 515,499,705	\$ 540,732,347
Redemption fund for Federal Reserve notes	44,628,041	39,527,686
Total gold certificate reserves	560,127,746	580,260,033
Federal Reserve notes of other Banks	22,625,000	19,473,000
Other cash	8,253,420	9,532,888
Discounts and advances	1,824,000	56,000
U. S. Government securities		
Bills	158,567,000	99,256,000
Certificates	270,566,000	535,780,000
Notes	678,845,000	435,604,000
Bonds	177,873,000	168,138,000
Total U. S. Government securities	1,285,851,000	1,238,778,000
Total loans and securities	1,287,675,000	1,238,834,000
Cash items in process of collection	307,096,327	309,128,280
Bank premises	11,895,354	12,579,815
Other assets	18,104,531	15,897,075
TOTAL ASSETS	2,215,777,378	2,185,705,091
LIABILITIES		
Federal Reserve notes in actual circulation	978,952,290	910,744,385
Deposits		
Member bank — reserve accounts	844,299,422	960,203,849
U. S. Treasurer — general account	50,523,088	34,752,085
Foreign	9,120,000	14,560,000
Other	4,255,040	4,009,754
Total deposits	908,197,550	1,013,525,688
Deferred availability cash items	240,310,825	178,701,992
Other liabilities	3,162,013	2,537,026
TOTAL LIABILITIES	2,130,622,678	2,105,509,091
CAPITAL ACCOUNTS		
Capital paid in	28,384,900	26,732,000
Surplus	56,769,800	53,464,000
TOTAL CAPITAL ACCOUNTS	85,154,700	80,196,000
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	\$2,215,777,378	\$2,185,705,091

Earnings and Expenses

	1963	1962
CURRENT EARNINGS		
Discounts and advances	\$ 585,957	\$ 269,378
U. S. Government securities	45,650,694	42,036,531
Foreign currencies	116,460	196,133
All other	22,852	18,072
TOTAL CURRENT EARNINGS	46,375,963	42,520,114
CURRENT EXPENSES		
Current operating expenses	9,373,164	8,933,333
Assessment for expenses of Board of Governors	434,400	374,700
Federal Reserve currency		
Original cost, including shipping charges	205,736	142,635
Cost of redemption, including shipping charges	36,805	33,146
Total	10,050,105	9,483,814
Less reimbursement for certain fiscal agency and other expenses	841,654	936,767
NET EXPENSES	9,208,451	8,547,047
PROFIT AND LOSS		
Current net earnings	37,167,513	33,973,067
Additions to current net earnings		
Profit on sales of U. S. Government securities (net)	11,845	80,701
All other	24,089	129,938
Total additions	35,934	210,639
Deductions from current net earnings	24,808	82,713
Net additions	11,126	127,926
Net earnings before payments to U. S. Treasury	37,178,639	34,100,993
Dividends paid	1,668,435	1,573,112
Paid U. S. Treasury (interest on F. R. notes)	32,204,404	28,872,781
Transferred to surplus	3,305,800	3,655,100
Surplus, January 1	53,464,000	49,808,900
Surplus, December 31	<u>56,769,800</u>	<u>53,464,000</u>

Directors

FEDERAL RESERVE BANK OF DALLAS

ROBERT O. ANDERSON (*Chairman and Federal Reserve Agent*), Owner, Lincoln County Livestock Company,
Roswell, New Mexico
CARL J. THOMSEN (*Deputy Chairman*), Senior Vice President, Texas Instruments, Inc., Dallas, Texas
D. A. HULCY, Chairman of the Board, Lone Star Gas Company, Dallas, Texas
MAX LEVINE, President, Foley's, Houston, Texas
J. EDD McLAUGHLIN, President, Security State Bank & Trust Company, Ralls, Texas
J. B. PERRY, JR., President and General Manager, Perry Brothers, Inc., Lufkin, Texas
RALPH A. PORTER, Executive Vice President, The State National Bank of Denison, Denison, Texas
ROY RIDDEL, President, First National Bank at Lubbock, Lubbock, Texas
H. B. ZACHRY, President, H. B. Zachry Company, San Antonio, Texas

EL PASO BRANCH

ROGER B. CORBETT, President, New Mexico State University, University Park, New Mexico
ROBERT W. HEYER, President, Southern Arizona Bank & Trust Company, Tucson, Arizona
DYSART E. HOLCOMB, Director of Research, El Paso Natural Gas Products Company, El Paso, Texas
JOSEPH F. IRVIN, President, Southwest National Bank of El Paso, El Paso, Texas
C. ROBERT McNALLY, JR., Rancher, Roswell, New Mexico
CHARLES B. PERRY, Chairman of the Board, First State Bank, Odessa, Texas
DICK ROGERS, President, First National Bank in Alpine, Alpine, Texas

HOUSTON BRANCH

DONALD B. CAMPBELL, Works Manager, Sabine River Works, E. I. du Pont de Nemours & Company, Orange, Texas
J. A. ELKINS, JR., Chairman of the Board, First City National Bank of Houston, Houston, Texas
M. M. GALLOWAY, President, First Capitol Bank, West Columbia, Texas
JOHN E. GRAY, President, First Security National Bank of Beaumont, Beaumont, Texas
EDGAR H. HUDGINS, Ranching — Partner in Hudgins Division of J. D. Hudgins, Hungerford, Texas
J. W. McLEAN, President, Texas National Bank of Houston, Houston, Texas
LOVETT C. PETERS, Vice President — Transportation and Supplies, Continental Oil Company, Houston, Texas

SAN ANTONIO BRANCH

G. C. HAGELSTEIN, President and General Manager, Union Stock Yards San Antonio, San Antonio, Texas
HAROLD D. HERNDON, Independent Oil Operator, San Antonio, Texas
MAX A. MANDEL, President, The Laredo National Bank, Laredo, Texas
FORREST M. SMITH, President, National Bank of Commerce of San Antonio, San Antonio, Texas
JOHN R. STOCKTON, Professor of Business Statistics and Director of Bureau of Business Research,
The University of Texas, Austin, Texas
DWIGHT D. TAYLOR, President, Pan American State Bank, Brownsville, Texas
J. R. THORNTON, Chairman of the Board and President, State Bank and Trust Company, San Marcos, Texas

FEDERAL ADVISORY COUNCIL MEMBER

JAMES W. ASTON, President, Republic National Bank of Dallas, Dallas, Texas

Officers

FEDERAL RESERVE BANK OF DALLAS

WATROUS H. IRONS, *President*

P. E. COLDWELL, *First Vice President*

ROY E. BOHNE, *Vice President*

JAMES L. CAUTHEN, *Vice President*

J. L. COOK, *Vice President*

RALPH T. GREEN, *Vice President*

T. A. HARDIN, *Vice President*

CARL H. MOORE, *Vice President*

G. R. MURFF, *Vice President and
Secretary of the Board*

JAMES A. PARKER, *Vice President*

T. W. PLANT, *Vice President and Cashier*

W. M. PRITCHETT, *Vice President*

THOMAS R. SULLIVAN, *Vice President*

ARTHUR H. LANG, *General Auditor*

GEORGE F. RUDY, *General Counsel*

ROBERT H. BOYKIN, *Assistant Counsel and
Assistant Secretary of the Board*

J. Z. ROWE, *Director of Research*

JAMES O. RUSSELL, *Chief Examiner*

LEON W. COWAN, *Assistant Vice President*

E. H. BERG, *Assistant Cashier*

FREDRIC W. REED, *Assistant Cashier*

TONY J. SALVAGGIO, *Assistant Cashier*

E. A. THAXTON, JR., *Assistant Cashier*

E. W. VORLOP, JR., *Assistant Cashier*

EL PASO BRANCH

ROY E. BOHNE, *Vice President in Charge*

T. C. ARNOLD, *Cashier*

FORREST E. COLEMAN, *Assistant Cashier*

HOUSTON BRANCH

J. L. COOK, *Vice President in Charge*

B. J. TROY, *Cashier*

W. C. HARTUNG, *Assistant Cashier*

RASCO R. STORY, *Assistant Cashier*

SAN ANTONIO BRANCH

CARL H. MOORE, *Vice President in Charge*

A. E. MUNDT, *Cashier*

ALVIN E. RUSSELL, *Assistant Cashier*

FREDERICK J. SCHMID, *Assistant Cashier*



business review

ARTICLES IN 1963

<i>january</i> (Annual Report Issue)	Nineteen Hundred and Sixty-two Economic Conditions Financial Developments District Developments
<i>february</i>	The President's Tax Proposals and the Federal Budget Time and Savings Deposit Growth During 1962 The Crude Oil Import Program District Highlights
<i>march</i>	Negotiable Time Certificates of Deposit Balance-of-Payments Accounting Member Bank Earnings and Expenses in 1962 District Highlights
<i>april</i>	Contract Drilling in the Southwest District Highlights
<i>may</i>	Cattle Numbers — Still Going Up? Construction — Drive Carefully! District Highlights
<i>june</i>	U. S. Balance of Payments in Transition Eleventh District Trust Department Operations in 1962 District Highlights
<i>july</i>	Currency Flows: Why and How They Occur Eleventh District Banking Developments District Highlights
<i>august</i>	The Nation's Economy — Growth Through Midyear District Highlights
<i>september</i>	Employment in the Southwest — Still Growing District Highlights
<i>october</i>	The Coin Situation: Review and Appraisal District Highlights
<i>november</i>	Southwestern Farm Real Estate Developments District Highlights
<i>december</i>	Recent Petroleum Developments Southwestern Agricultural Situation District Highlights