

FEDERAL RESERVE BANK  
OF NEW YORK

[Circular No. 8737]  
January 18, 1980

SIXTY-FIFTH ANNUAL STATEMENT

To the Member Banks  
of the Second Federal Reserve District:

Herewith is a statement of condition of the Federal Reserve Bank of New York at the close of the year 1979, and of earnings and expenses for that year. For comparison purposes, the corresponding figures for 1978 are also shown. In addition, printed on the following pages are current listings of the directors and officers of this Bank and its Buffalo Branch.

The regular annual report of the Bank, containing a review of economic and financial developments and of Bank operations in 1979, is now being prepared. When it is issued, a copy will be sent to each member bank in the District.

THOMAS M. TIMLEN,  
*First Vice President.*

## Statement of Condition

ASSETS	<i>Dec. 31, 1979</i>	<i>Dec. 31, 1978</i>
Gold certificate account .....	\$ 2,841,319,270	\$ 3,205,935,246
Special Drawing Rights certificate account .....	459,000,000	330,000,000
Coin .....	21,001,713	20,732,835
Total .....	<u>\$ 3,321,320,983</u>	<u>\$ 3,556,668,081</u>
Advances .....	\$ 510,710,000	\$ 310,780,000
Acceptances held under repurchase agreements	703,548,343	587,128,600
U.S. Government securities:		
Bought outright* .....	28,663,956,833	26,632,041,344
Held under repurchase agreements .....	1,167,670,000	1,083,900,000
Federal agency obligations:		
Bought outright .....	2,025,020,242	1,920,695,909
Held under repurchase agreements .....	493,905,000	133,000,000
Total loans and securities .....	<u>\$33,564,810,418</u>	<u>\$30,667,545,853</u>
Other assets:		
Cash items in process of collection .....	\$ 2,089,516,473	\$ 1,359,756,205
Bank premises .....	14,180,116	9,965,152
All other† .....	1,219,953,542	1,039,906,461
Total other assets .....	<u>\$ 3,323,650,131</u>	<u>\$ 2,409,627,818</u>
Interdistrict settlement account .....	<u>\$ 1,266,062,898</u>	<u>\$ 854,493,329</u>
TOTAL ASSETS .....	<u>\$41,475,844,430</u>	<u>\$37,488,335,081</u>

\* Includes securities loaned—\$363,690,000 as of December 31, 1979, and \$257,930,000 as of December 31, 1978.

† Includes assets denominated in foreign currencies revalued monthly at market rates.

## Statement of Condition (Continued)

LIABILITIES	<i>Dec. 31, 1979</i>	<i>Dec. 31, 1978</i>
Federal Reserve notes (net) -----	<u>\$29,934,647,497</u>	<u>\$26,335,259,348</u>
Deposits:		
Reserve accounts* -----	\$ 7,320,492,985	\$ 7,155,683,959
U.S. Treasury—general account -----	1,252,497,929	1,032,980,458
Foreign—official accounts -----	207,256,087	217,335,351
Other* -----	719,065,164	543,462,138
Total deposits -----	<u>\$ 9,499,312,165</u>	<u>\$ 8,949,461,906</u>
Other liabilities:		
Deferred availability cash items -----	\$ 711,320,060	\$ 919,995,734
All other† -----	750,795,208	723,933,593
Total other liabilities -----	<u>\$ 1,462,115,268</u>	<u>\$ 1,643,929,327</u>
TOTAL LIABILITIES -----	<u>\$40,896,074,930</u>	<u>\$36,928,650,581</u>
CAPITAL ACCOUNTS		
Capital paid in -----	\$ 289,884,750	\$ 279,842,250
Surplus -----	289,884,750	279,842,250
TOTAL CAPITAL ACCOUNTS -----	<u>\$ 579,769,500</u>	<u>\$ 559,684,500</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS -----	<u>\$41,475,844,430</u>	<u>\$37,488,335,081</u>

\* The amount shown for December 31, 1978 has been restated to reflect the balances maintained by Edge Act Corporations, which, prior to October 25, 1979 were included in "Other" under "Deposits." In addition, the amount shown for "Reserve Accounts" for December 31, 1979 includes the balances maintained by the U.S. branches and agencies of foreign banks in connection with the Marginal Reserve Requirement Program announced on October 6, 1979.

† Includes exchange translation account balances reflecting the monthly revaluation of outstanding foreign exchange commitments.

## Statement of Earnings and Expenses

	1979	1978
Total current earnings .....	\$2,592,891,866	\$ 2,108,679,754
Net expenses .....	144,046,463	135,546,130
Current net earnings .....	<u>\$2,448,845,403</u>	<u>\$ 1,973,133,624</u>
Additions to current net earnings .....	<u>\$ 1,474,474</u>	<u>\$ 361,442</u>
Deductions from current net earnings:		
Loss on foreign exchange (net) .....	\$ 2,934,428	\$ 130,971,648
Loss on sales of U.S. Government securities and Federal agency obligations (net) .....	37,616,259	31,579,498
All other .....	257,491	582,453
Total deductions .....	<u>\$ 40,808,178</u>	<u>\$ 163,133,599</u>
Net deductions .....	<u>\$ 39,333,704</u>	<u>\$ 162,772,157</u>
Assessment for the Board of Governors .....	<u>\$ 13,075,100</u>	<u>\$ 13,851,000</u>
Net earnings available for distribution .....	<u>\$2,396,436,599</u>	<u>\$ 1,796,510,467</u>
<b>DISTRIBUTION OF NET EARNINGS</b>		
Dividends paid .....	\$ 17,101,407	\$ 16,518,453
Transferred to surplus .....	10,042,500	13,133,300
Payments to U.S. Treasury (interest on Federal Reserve notes) .....	<u>2,369,292,692</u>	<u>1,766,858,714</u>
Net earnings distributed .....	<u>\$2,396,436,599</u>	<u>\$1,796,510,467</u>
<b>SURPLUS ACCOUNT</b>		
Surplus—beginning of year .....	\$ 279,842,250	\$ 266,708,950
Transferred from net earnings .....	10,042,500	13,133,300
Surplus—end of year .....	<u>\$ 289,884,750</u>	<u>\$ 279,842,250</u>

# Federal Reserve Bank of New York

## DIRECTORS

ROBERT H. KNIGHT (C-1980\*),  
Partner, Shearman & Sterling, Attorneys,  
New York, N.Y.  
*Chairman, and Federal Reserve Agent*

BORIS YAVITZ (C-1982),  
Dean, Graduate School of Business,  
Columbia University,  
New York, N.Y.  
*Deputy Chairman*

RAYMOND W. BAUER (A-1980),  
Chairman and President,  
United Counties Trust Company,  
Elizabeth, N. J.  
(Elected by Group 2 banks)

WILLIAM S. SNEATH (B-1980),  
Chairman of the Board,  
Union Carbide Corporation,  
New York, N. Y.  
(Elected by Group 2 banks)

GERTRUDE G. MICHELSON (C-1981),  
Senior Vice President,  
Macy's New York,  
New York, N. Y.

GORDON T. WALLIS (A-1982),  
Chairman of the Board,  
Irving Trust Company,  
New York, N.Y.  
(Elected by Group 1 banks)

JAMES WHELDEN (A-1981),  
President, Ballston Spa National Bank,  
Ballston Spa, N. Y.  
(Elected by Group 3 banks)

\* The letter indicates the class of directors; term expires December 31 of the year indicated.

## MEMBER OF FEDERAL ADVISORY COUNCIL

DONALD C. PLATTEN,  
Chairman of the Board, Chemical Bank,  
New York, N. Y.

# Federal Reserve Bank of New York

## OFFICERS

(Vacancy), *President*

THOMAS M. TIMLEN, *First Vice President*

E. GERALD CORRIGAN, *Senior Vice President\**  
PETER FOUSEK, *Senior Vice President and  
Director of Research*  
RONALD B. GRAY, *Senior Vice President*  
PAUL B. HENDERSON, JR., *Senior Vice President*  
ALAN R. HOLMES, *Senior Policy Adviser*

JAMES O. ASTON, *Vice President*  
PETER BAKSTANSKY, *Vice President*  
WILLIAM H. BRAUN, JR., *Vice President*  
SUZANNE CUTLER, *Vice President*  
RICHARD G. DAVIS, *Senior Economic Adviser*  
CHESTER B. FELDBERG, *Vice President*  
HENRY S. FUJASKI, *Vice President*  
MARGARET L. GREENE, *Vice President*  
WHITNEY R. IRWIN, *Vice President*  
PAUL MEEK, *Monetary Adviser*

JORGE A. BRATHWAITE, *Assistant Vice President*  
LOUIS J. BRENDEN, *Assistant Vice President*  
RALPH A. CANN III, *Assistant Vice President*  
JOHN CHOWANSKY, *Assistant Vice President*  
MARY R. CLARKIN, *Senior Trading Officer*  
DENIS L. CONWAY, *Assistant Vice President*  
HOWARD F. CRUMB, *Adviser*  
PETER J. FULLEN, *Assistant Vice President*  
ROBERTA J. GREEN, *Assistant Vice President*  
MICHAEL J. HAMBURGER, *Adviser\**  
JOHN HOPKINS HEIRES, *Adviser*  
RICHARD H. HOENIG, *Assistant Vice President*

ROBERT M. ABPLANALP, *Manager, Management  
Information Department*  
CAROL R. AGINS, *Manager, Common Systems Department*  
HOWARD L. ALEXANDER, *Foreign Exchange Officer*  
MARCELLE V. ARAK, *Research Officer and Senior Economist*  
CAROL W. BARRETT, *Manager, Savings Bond Department*  
LEONARD I. BENNETTS, *Manager, Jericho Office*  
JEROME BERGMAN, *Manager, Foreign Department*  
DONALD L. BITTKER, *Assistant Counsel*  
GEORGE H. BOSSY, *Manager, Foreign Department*  
JOSEPH P. BOTTA, *Operations Analysis Officer*  
THOMAS J. CAMPBELL, *Accounting Officer*  
JOHN M. CASAZZA, *Assistant Chief Examiner*  
TERRENCE J. CHECKI, *Secretary*  
STEPHEN V. O. CLARKE, *Research Officer and  
Senior Economist*  
H. JOHN COSTALOS, *Operations Analysis Officer*  
ROBERT N. DAVENPORT, JR., *Assistant Counsel*  
FRED A. DENESEVICH, *Manager, Cranford Office*  
EDWARD H. DENHOFF, *Operations Officer, Utica Office*  
JANE L. DETRA, *Bank Relations Officer*  
JOSEPH F. DONNELLY, *Manager, Cash Services Department*  
MATTHEW C. DREXLER, *Manager, Building  
Operating Department*  
EDNA E. EHRLICH, *International Adviser*  
JOHN M. EIGHMY, *Manager, Check Adjustment and  
Return Items Department*

\* On leave of absence.

JAMES H. OLTMAN, *General Counsel*  
SCOTT E. PARDEE, *Senior Vice President*  
THOMAS C. SLOANE, *Senior Vice President and  
Senior Adviser*  
PETER D. STERNLIGHT, *Senior Vice President*

ERNEST T. PATRIKIS, *Deputy General Counsel*  
EDWIN R. POWERS, *Vice President*  
A. MARSHALL PUCKETT, *Vice President*  
GERI M. RIEGGER, *Vice President*  
IRWIN D. SANDBERG, *Vice President*  
FREDERICK C. SCHADRACK, *Vice President*  
ROBERT C. THOMAN, *Vice President*  
RICHARD VOLLKOMMER, *Vice President*  
HERBERT W. WHITEMAN, JR., *Vice President*  
H. DAVID WILLEY, *Vice President*

EDWARD F. KIPFSTUHL, *Chief Examiner*  
LEON KOROBOW, *Assistant Vice President*  
ROGER M. KUBARYCH, *Assistant Vice President*  
CHARLES M. LUCAS, *Assistant Vice President*  
CATHY E. MINEHAN, *Assistant Vice President*  
JOSEPH M. O'CONNELL, *Assistant Vice President*  
BENEDICT RAFANELLO, *Assistant Vice President*  
DON N. RINGSMUTH, *Assistant General Counsel*  
GEORGE W. RYAN, *Assistant Vice President*  
ISRAEL SENDROVIC, *Assistant Vice President*  
JOHN F. SOBALA, *Assistant Vice President*  
STEPHEN G. THIEKE, *Assistant Vice President*

EUGENE P. EMOND, *Manager, Credit and  
Discount Department*  
ROBERT T. FALCONER, *Manager, Domestic Research Department*  
STUART M. FEDER, *Manager, Research Support  
Department*  
LAWRENCE D. FRUCHTMAN, *Assistant Counsel*  
KENNETH D. GARBADÉ, *Research Officer and Senior Economist†*  
RICHARD J. GELSON, *Manager, Statistics Department*  
GARY HABERMAN, *Manager, Credit and Discount Department*  
GERALD HAYDEN, *Manager, Security and Control Staff*  
OLEG HOFFMAN, *Manager, Computer Operations Department*  
LEON R. HOLMES, *Manager, Government Bond Department*  
JOHN C. HOUHOU LIS, *Operations Analysis Officer*  
EVERETT H. JOHNSON, *Manager, Telecommunications  
Department*  
GEORGE R. JUNCKER, *Manager, Consumer Affairs and  
Bank Regulations Department*  
ANGUS J. KENNEDY, *Manager, Safekeeping Department*  
JOHN A. KLUEPFEL, *Manager, Personnel Department*  
PATRICIA H. KUWAYAMA, *Research Officer and  
Senior Economist*  
MICHAEL J. LANGTON, *Manager, Personnel Department*  
FRED J. LEVIN, *Manager, Securities Department*  
CLIFFORD N. LIPSCOMB, *Manager, Personnel Department*  
RONALD E. LONG, *Manager, Service Department*  
FRANKLIN T. LOVE, *Equal Opportunity Officer*  
JOAN E. LOVETT, *Securities Trading Officer*

† Resigned effective February 1, 1980.

GEORGE LUKOWICZ, *Operations Analysis Officer*  
 FRANK W. LUNDBLAD, JR., *Manager, Protection Department*  
 A. JOHN MAHER, *Assistant Chief Examiner*  
 THOMAS P. MCQUEENEY, *Assistant Chief Examiner*  
 ROBERT J. MISCHLER, *Manager, Resource Planning Staff*  
 DONALD R. MOORE, *Manager, Check Processing Department*  
 RICHARD W. NELSON, *Manager, Banking Studies Department*  
 THOMAS E. NEVIUS, *Operations Analysis Officer*  
 THEODORE N. OPPENHEIMER, *Assistant Secretary*  
 EDWARD J. OZOG, *Manager, Securities Department*  
 RICHARD P. PASSADIN, *Manager, User Operations Department*  
 JEROME P. PERLONGO, *Data Processing Officer*  
 FRANCIS J. REISCHACH, *Manager, Foreign Department*  
 FRANCIS H. ROHRBACH, *Manager, Savings Bond Department*  
 WILLIAM L. RUTLEDGE, *Manager, Domestic Banking Applications Department*

BRADLEY K. SABEL, *Assistant Counsel and Assistant Secretary*  
 ANTHONY N. SAGLIANO, *Manager, Records Management and Postal Services Department*  
 RALPH C. SCHINDLER, *Data Processing Officer\**  
 DONALD E. SCHMID, *Manager, Bank Analysis Department*  
 JACK M. SCHWARTZ, *Manager, Systems Development Function*  
 DAVID S. SLACKMAN, *Manager, Currency Processing Department*  
 ROBERT D. SLEEPER, *Manager, Foreign Department*  
 JOHN J. STRICK, *Manager, Accounting Department*  
 WALKER F. TODD, *Assistant Counsel*  
 CARL W. TURNIPSEED, *Electronic Payments Officer*  
 RUTH ANN TYLER, *Manager, Check Processing Department*  
 BARBARA L. WALTER, *Manager, Foreign Banking Applications Department*  
 HENRY F. WIENER, *Manager, Funds Transfer Department*  
 SUSAN C. YOUNG, *Manager, Research and Statistical Systems Department*

JOHN E. FLANAGAN, *General Auditor*  
 FRANK C. EISEMAN, *Assistant General Auditor*  
 WILLIAM M. SCHULTZ, *Assistant General Auditor*

ROBERT J. AMBROSE, *Manager, Audit Analysis Department*

DONALD R. ANDERSON, *Manager, Auditing Department*

\* Retires effective February 1, 1980.

## Buffalo Branch of Federal Reserve Bank of New York

### DIRECTORS

FREDERICK D. BERKELEY, *Chairman*  
 Chairman of the Board and President,  
 Graham Manufacturing Co., Inc.,  
 Batavia, N. Y.

JOHN ROLLINS BURWELL,  
 President,  
 Rollins Container Corp.,  
 Rochester, N. Y.

WILLIAM S. GAVITT,  
 President, The Lyons National Bank,  
 Lyons, N. Y.

M. JANE DICKMAN,  
 Partner, Touche Ross & Co.,  
 Buffalo, N. Y.

ARTHUR M. RICHARDSON,  
 President, Security Trust Company,  
 Rochester, N. Y.

ROBERT J. DONOUGH,  
 President,  
 Liberty National Bank and Trust Company,  
 Buffalo, N. Y.

GEORGE L. WESSEL,  
 President,  
 Buffalo AFL-CIO Council,  
 Buffalo, N. Y.

### OFFICERS

JOHN T. KEANE, *Vice President and Branch Manager*  
 PETER D. LUCE, *Assistant Vice President and Cashier*

HARRY A. CURTH, JR., *Operations Officer*

ROBERT J. McDONNELL, *Operations Officer*

GARY S. WEINTRAUB, *Operations Officer*