

**FEDERAL RESERVE BANK  
OF NEW YORK**

[ Circular No. **10,000**  
February 7, 1986 ]

**SEVENTY-FIRST ANNUAL STATEMENT**

*To All Member Banks, and Other Depository Institutions,  
in the Second Federal Reserve District:*

On the following pages are a statement of condition of the Federal Reserve Bank of New York at the close of the year 1985 and a statement of earnings and expenses for that year. For comparison purposes, the corresponding figures for 1984 are also shown. In addition, current listings of the directors and officers of this Bank and its Buffalo Branch are set forth.

E. GERALD CORRIGAN,  
*President.*

## Statement of Condition

ASSETS	<i>Dec. 31, 1985</i>	<i>Dec. 31, 1984</i>
Gold certificate account . . . . .	\$ 3,276,825,394	\$ 3,356,584,828
Special Drawing Rights certificate account . . . . .	1,354,000,000	1,335,000,000
Coin . . . . .	<u>16,102,893</u>	<u>17,788,603</u>
Total . . . . .	<u>\$ 4,646,928,287</u>	<u>\$ 4,709,373,431</u>
Advances . . . . .	\$ 2,060,475,000	\$ 78,150,000
U.S. Government securities:		
Bought outright* . . . . .	59,304,687,096	53,453,237,996
Held under repurchase agreements . . . . .	3,528,905,000	1,626,895,000
Federal agency obligations:		
Bought outright . . . . .	2,744,267,910	2,816,403,197
Held under repurchase agreements . . . . .	<u>1,693,395,000</u>	<u>387,840,000</u>
Total loans and securities . . . . .	<u>\$69,331,730,006</u>	<u>\$58,362,526,193</u>
Other assets:		
Cash items in process of collection . . . . .	\$ 1,338,272,704	\$ 725,094,536
Bank premises . . . . .	30,546,080	25,584,445
All other† . . . . .	<u>3,233,873,931</u>	<u>1,990,276,344</u>
Total other assets . . . . .	<u>\$ 4,602,692,715</u>	<u>\$ 2,740,955,325</u>
Interdistrict settlement account . . . . .	(\$ 3,210,013,157)	(\$ 2,007,767,455)
TOTAL ASSETS . . . . .	<u>\$75,371,337,851</u>	<u>\$63,805,087,494</u>

\* Includes securities loaned (fully secured) — \$1,419,795,000 as of December 31, 1985, and \$1,092,275,000 as of December 31, 1984.

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

## Statement of Condition *(Continued)*

LIABILITIES	<i>Dec. 31, 1985</i>	<i>Dec. 31, 1984</i>
Federal Reserve notes (net) . . . . .	<u>\$53,847,800,939</u>	<u>\$51,096,394,262</u>
Reserves and other deposits:		
Depository institutions . . . . .	\$ 8,153,348,889	\$ 4,392,132,027
U.S. Treasury — general account . . . . .	9,350,978,604	5,316,146,626
Foreign — official accounts . . . . .	366,626,943	139,851,548
Other . . . . .	<u>495,725,063</u>	<u>479,787,646</u>
Total deposits . . . . .	<u>\$18,366,679,499</u>	<u>\$10,327,917,847</u>
Other liabilities:		
Deferred availability cash items . . . . .	\$ 1,484,943,003	\$ 687,840,471
All other* . . . . .	<u>793,033,010</u>	<u>899,915,314</u>
Total other liabilities . . . . .	<u>\$ 2,277,976,013</u>	<u>\$ 1,587,755,785</u>
TOTAL LIABILITIES . . . . .	<u>\$74,492,456,451</u>	<u>\$63,012,067,894</u>
CAPITAL ACCOUNTS		
Capital paid in . . . . .	\$ 439,440,700	\$ 396,509,800
Surplus . . . . .	<u>439,440,700</u>	<u>396,509,800</u>
TOTAL CAPITAL ACCOUNTS . . . . .	<u>\$ 878,881,400</u>	<u>\$ 793,019,600</u>
 TOTAL LIABILITIES AND CAPITAL ACCOUNTS . . . . .	 <u>\$75,371,337,851</u>	 <u>\$63,805,087,494</u>

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

## Statement of Earnings and Expenses

	1985	1984
Total current earnings .....	\$5,851,363,158	\$5,795,629,347
Net expenses .....	<u>208,566,877</u>	<u>211,272,339</u>
Current net earnings .....	<u>\$5,642,796,281</u>	<u>\$5,584,357,008</u>
Additions to current net earnings:		
Profit on sales of U.S. Government securities and Federal agency obligations (net) .....	\$ 33,056,598	\$ 16,151,134
Profit on foreign exchange (net) .....	295,250,560	—0—
All other .....	<u>22,049</u>	<u>30,694</u>
Total additions .....	<u>\$ 328,329,207</u>	<u>\$ 16,181,828</u>
Deductions from current net earnings:		
Loss on foreign exchange (net) .....	\$ —0—	\$ 110,974,967
All other .....	<u>1,160,787</u>	<u>1,563,926</u>
Total deductions .....	<u>\$ 1,160,787</u>	<u>\$ 112,538,893</u>
Net additions (deductions) .....	<u>\$ 327,168,420</u>	<u>(\$ 96,357,065)</u>
Assessments by Board of Governors:		
Board expenditures .....	\$ 19,025,200	\$ 20,162,400
Cost of Federal Reserve currency .....	<u>52,739,089</u>	<u>51,203,994</u>
Total assessments .....	<u>\$ 71,764,289</u>	<u>\$ 71,366,394</u>
Net earnings available for distribution .....	<u>\$5,898,200,412</u>	<u>\$5,416,633,549</u>
DISTRIBUTION OF NET EARNINGS		
Dividends paid .....	\$ 25,607,747	\$ 22,886,593
Transferred to surplus .....	42,930,900	39,073,250
Payments to U.S. Treasury (interest on Federal Reserve notes) .....	<u>5,829,661,765</u>	<u>5,354,673,706</u>
Net earnings distributed .....	<u>\$5,898,200,412</u>	<u>\$5,416,633,549</u>
SURPLUS ACCOUNT		
Surplus — beginning of year .....	\$ 396,509,800	\$ 357,436,550
Transferred from net earnings .....	<u>42,930,900</u>	<u>39,073,250</u>
Surplus — end of year .....	<u>\$ 439,440,700</u>	<u>\$ 396,509,800</u>

# Federal Reserve Bank of New York

## DIRECTORS

JOHN BRADEMAS (C-1988\*),  
President, New York University,  
New York, N.Y.  
*Chairman and Federal Reserve Agent*

CLIFTON R. WHARTON, JR. (C-1986),  
Chancellor,  
State University of New York System,  
Albany, N.Y.  
*Deputy Chairman*

VIRGINIA A. DWYER (C-1987),  
Senior Vice President-Finance,  
American Telephone and Telegraph Company,  
New York, N.Y.

JOHN R. OPEL (B-1986),  
Chairman of the Board,  
International Business Machines Corporation,  
Armonk, N.Y.  
(Elected by Group 2 banks)

RICHARD L. GELB (B-1988),  
Chairman of the Board,  
Bristol-Myers Company,  
New York, N.Y.  
(Elected by Group 1 banks)

LEWIS T. PRESTON (A-1988),  
Chairman of the Board,  
Morgan Guaranty Trust Company of New York,  
New York, N.Y.  
(Elected by Group 1 banks)

ROBERT W. MOYER (A-1987),  
President and Chief Executive Officer,  
Wilber National Bank,  
Oneonta, N.Y.  
(Elected by Group 3 banks)

T. JOSEPH SEMROD (A-1986),  
Chairman of the Board,  
United Jersey Bank,  
Hackensack, N.J.  
(Elected by Group 2 banks)

JOHN F. WELCH, JR. (B-1987),  
Chairman of the Board,  
General Electric Company,  
Fairfield, Conn.  
(Elected by Group 3 banks)

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

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## MEMBER OF FEDERAL ADVISORY COUNCIL

JOHN F. MCGILLICUDDY,  
Chairman of the Board,  
Manufacturers Hanover Trust Company,  
New York, N.Y.

# Federal Reserve Bank of New York

## OFFICERS

E. GERALD CORRIGAN, *President*

THOMAS M. TIMLEN, *First Vice President*

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PETER FOUSEK, *Executive Vice President and  
Director of Research*

JAMES H. OLTMAN, *Executive Vice President and General  
Counsel*  
PETER D. STERNLIGHT, *Executive Vice President*

SUZANNE CUTLER, *Senior Vice President*  
RICHARD G. DAVIS, *Senior Economic Adviser*  
CHESTER B. FELDBERG, *Senior Vice President*  
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ISRAEL SENDROVIC, *Senior Vice President*  
STEPHEN G. THIEKE, *Senior Vice President*

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DON N. RINGSMUTH, *Associate General Counsel*  
WILLIAM L. RUTLEDGE, *Vice President*  
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Function (Utica Office)*  
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Function (Cranford Office)*  
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PATRICIA Y. JUNG, *Assistant Vice President*  
LEON KOROBOW, *Assistant Vice President*  
PATRICIA H. KUWAYAMA, *Assistant Vice President*

RONALD E. LONG, *Assistant Vice President*  
JOAN E. LOVETT, *Assistant Vice President*  
GEORGE LUKOWICZ, *Assistant Vice President*  
SUSAN F. MOORE, *Assistant Vice President*  
ROBERT V. MURRAY, *Assistant Vice President*  
ROBERT A. O'SULLIVAN, *Chief Financial Examiner*  
EDWARD J. OZOG, *Assistant Vice President*  
BENEDICT RAFANELLO, *Assistant Vice President*  
ANTHONY N. SAGLIANO, *Regional Manager, Check Processing  
Function (Jericho Office)*  
MINDY R. SILVERMAN, *Assistant General Counsel*  
JOHN F. SOBALA, *Assistant Vice President*  
CARL W. TURNIPSEED, *Assistant Vice President*  
BARBARA L. WALTER, *Adviser*  
JOHN WENNINGER, *Assistant Director of Research*  
BETSY BUTTRILL WHITE, *Adviser*  
HENRY F. WIENER, *Assistant Vice President*  
JANET L. WYNN, *Assistant Vice President*

DONALD R. ANDERSON, *Manager, Accounting Department*  
GEORGE R. ARRINGTON, *Manager, Foreign Relations  
Department*  
JAMES P. BARRY, *Assistant Chief Examiner*  
THOMAS C. BAXTER, JR., *Assistant Counsel*  
PAUL B. BENNETT, *Research Officer and Senior Economist*  
NANCY BERCOVICI, *Manager, Statistics Department*  
DONALD L. BITTKER, *Assistant Counsel*  
GEORGE H. BOSSY, *Manager, Foreign Relations Department*  
MARGARET E. BRUSH, *Manager, Public Information  
Department*  
JOHN M. CASAZZA, *Assistant Chief Examiner*  
BRUCE A. CASSELLA, *Bank Services Officer*  
JOHN S. CASSIDY, *Assistant Counsel*  
ARTHUR L. CASTRO, *Examining Officer*  
PAULINE E. CHEN, *Manager, Government Bond Department*

H. JOHN COSTALOS, *Assistant Product Manager (Securities  
Services)*  
VIERA A. CROUT, *Manager, Common Systems Department*  
CHRISTINE M. CUMMING, *Research Officer and Senior  
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MARTIN P. CUSICK, *Manager, Currency Services Department*  
ROBERT W. DABBS, *Manager, Statistics Department*  
EDNA E. EHRLICH, *Research Officer and Senior Economist\**  
EUGENE P. EMOND, *Manager, Supervision Support Department*  
A. STEVEN ENGLANDER, *Research Officer and Senior  
Economist*  
STEVEN J. GAROFALO, *Manager, Check Adjustment and Check  
Processing Departments*  
JAMES H. GAVER, *Manager, General Purpose Computer  
Department*  
MICHELE S. GODFREY, *Bank Services Officer*

\* On leave of absence.

PETER M. GORDON, *Manager, Telecommunications Operations Department*  
 KENNETH J. GUENTNER, *Manager, Securities Department*  
 GARY HABERMAN, *Manager, Dealer Surveillance Staff*  
 GERALD HAYDEN, *Manager, Data Reporting Support Department*  
 JOHN C. HEIDELBERGER, *Manager (Evening Officer), Data Processing Function*  
 ANDREW HEIKAUS, *Manager, Funds Transfer Department*  
 PETER S. HOLMES, *Foreign Exchange Trading Officer*  
 ANDREW T. HOOK, *Senior International Economist*  
 JEFFREY F. INGBER, *Secretary and Assistant Counsel*  
 IRA KAHNER, *Manager, Data Systems Department*  
 WILLIAM J. KELLY, *Manager, Protection Department*  
 EVELYN E. KENDER, *Manager, Personnel Department*  
 ANGUS J. KENNEDY, *Manager, Safekeeping Department*  
 THOMAS J. LAWLER, *Manager, Operations Support Staff, Cash Processing Function*  
 KENNETH M. LEFLER, *Manager, Analytical Computer Department*  
 FRANKLIN T. LOVE, *Manager, Credit and Discount Department*  
 A. JOHN MAHER, *Assistant Chief Examiner*  
 NIRMAL V. MANERIKAR, *Manager, Management Information Department*  
 CHRISTOPHER J. MCCURDY, *Senior International Economist*  
 PAUL L. MCEVILY, *Manager, Check Services Department*  
 THOMAS P. MCQUEENEY, *Assistant Chief Examiner*  
 JOSEPH C. MEEHAN, *Manager, Building Services Department*  
 HARRY Z. MELZER, *Manager, Data Systems Department*  
 ANN-MARIE MEULENDYKE, *Manager, Securities Department*  
 GERALD P. MINEHAN, *Assistant Chief Examiner*  
 DONALD R. MOORE, *Equal Employment Opportunity Officer*  
 JOYCE E. MOTYLEWSKI, *Assistant Counsel*

MONIKA K. NOVIK, *Manager, Data Systems Department*  
 KATHLEEN A. O'NEIL, *Manager, Credit and Discount Department*  
 THEODORE N. OPPENHEIMER, *Assistant Secretary*  
 RICHARD P. PASSADIN, *Security Officer*  
 JEROME P. PERLONGO, *Manager (Night Officer), Administrative Services Group*  
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 CHARLES A. PIGOTT, *Research Officer and Senior Economist*  
 JOSEPH R. PRANCL, JR., *Manager, Accounting Department*  
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 DAVID L. ROBERTS, *Research Officer and Assistant Secretary*  
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 DONALD E. SCHMID, *Manager, Bank Analysis Department*  
 ROBERT C. SCRIVANI, *Manager, Personnel Department*  
 FREDERICK P. SHIELDS, *Manager, Securities Transfer Department*  
 JASON M. STERN, *Manager, Administrative Support Services Department*  
 JOHN J. STRICK, *Manager, Savings Bond Department*  
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 RALEIGH M. TOZER, *Assistant Counsel*  
 RUTH ANN TYLER, *Manager, Food and Office Services Department*  
 DONALD T. VANGEL, *Manager, Domestic Banking Applications Department*  
 LILLIE S. WEBB, *Manager, Currency Verification Department*  
 WEBSTER B. WHITE, *Assistant Counsel*  
 WALTER W. ZUNIC, *Examining Officer*

JOHN E. FLANAGAN, *General Auditor*  
 ROBERT J. AMBROSE, *Assistant General Auditor*  
 EDWARD J. CHURNEY, *Manager, Auditing Department*  
 LORETTA G. ANSBRO, *Audit Officer*  
 H. ALLAN VIRGINIA, *Manager, Audit Analysis Department*

## Buffalo Branch of Federal Reserve Bank of New York

### DIRECTORS

MARY ANN LAMBERTSEN, *Chairman*  
 Vice President-Human Resources,  
 Fisher-Price Division of The Quaker Oats Company,  
 East Aurora, N.Y.

MATTHEW AUGUSTINE,  
 President and Chief Executive Officer,  
 Eltrex Industries, Inc.,  
 Rochester, N.Y.

ROSS B. KENZIE,  
 Chairman of the Board,  
 Goldome FSB,  
 Buffalo, N.Y.

R. CARLOS CARBALLADA,  
 President and Chief Executive Officer,  
 Central Trust Company,  
 Rochester, N.Y.

DONALD I. WICKHAM,  
 President,  
 Tri-Way Farms, Inc.,  
 Stanley, N.Y.

HERBERT FORT,  
 President,  
 The Bath National Bank,  
 Bath, N.Y.

JOSEPH YANTOMASI,  
 UAW Consultant,  
 United Auto Workers,  
 Region No. 9,  
 Buffalo, N.Y.

### OFFICERS

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

ROBERT J. McDONNELL, *Operations Officer*

DAVID P. SCHWARZMUELLER, *Operations Officer*