A consolidated statement of the income and expense of the 11 Federal Home Loan Banks for the year 1947 is set forth in exhibit 2 of this report. It will be observed that the 1947 net income of the Banks approximated $4,600,000. This represented an increase of nearly $600,000, or 14.4 percent over 1946. Such gain was due primarily to an increased income from advances. Interest from securities, while $304,632 greater than for 1946, represented only 32.7 percent of operating income as compared to 41.2 percent for 1946. Profits from security sales declined $235,755 from the 1946 total of $598,030.

Although the Banks' dividend declarations for the first half of 1947 with one exception were at the same rates as those declared on December 31, 1946, declarations were higher in the case of five Banks for the second half of the year. The rates for the year ranged from 1 to 2 percent and resulted in aggregate dividend payments of $1,328,367 to members and $1,612,890 to the Government. This latter amount represented a return of 1.31 percent on the Government's investment in the Banks, which had been reduced by $979,000 since last year. Irrespective of this reduction, the 1947 dividend declarations on Government stock subscriptions were $115,113 greater than the amounts declared in 1946. During 1947 the Banks increased their reserves by $975,959 and their undivided profits by $651,902 to totals of $15,598,709 and $8,524,750, respectively, as of December 31, 1947.

Bank Examinations and Audits.—Under the provisions of the Federal Home Loan Bank Act, as amended, each Federal Home Loan Bank must be examined at least twice annually. Accordingly, 22 examinations, including detailed audits, were conducted as of effective dates in the calendar year 1947 and appropriate reports thereon submitted to the Board and the Banks concerned. No loss of principal or interest on advances made by the Banks was reported.

FEDERAL SAVINGS AND LOAN ASSOCIATIONS

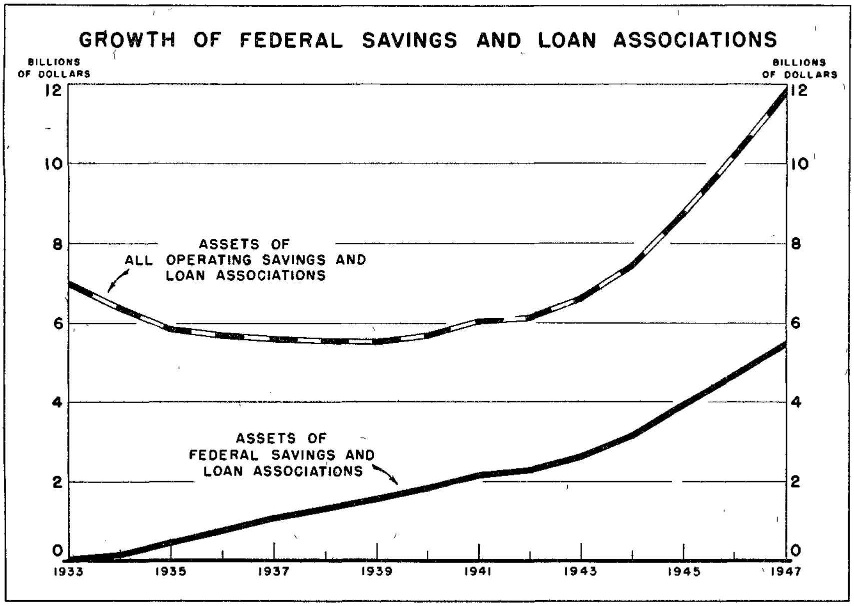
The establishment of Federal savings and loan associations was authorized under section 5 of the Home Owners' Loan Act of 1933. At that time many communities in the country were without adequate local facilities for the investment of savings and were without adequate local sources of home mortgage credit. Accordingly, provision was made for the organization of new Federal savings and loan associations in communities where there was a clear need for their services and where they could be established without injury to existing local institutions of a similar type. Provision also was made for the conversion of existing savings and loan associations from State to Federal charter.

The enabling legislation vested in the Home Loan Bank Board responsibility for the organization, chartering and regulation of Federal savings and loan associations. Although subject to Board supervision, Federal savings and loan associations are privately owned and operated mutual institutions. Under the law, every Federal association must be a member of the Federal Home Loan Bank System and have its accounts insured by the Federal Savings and Loan Insurance Corporation.

Pursuant to the congressional mandate, the Board has endeavored to incorporate into the charter for Federal savings and loan associations the soundest and most advanced operating principles and practices known for savings institutions specializing in the financing of home properties. The charter requires that the bulk of loans made by a Federal association be secured by first mortgages on home properties not exceeding $20,000 in amount. For the most part, these loans must be made on a monthly, direct-reduction basis and, in addition, the charter sets forth a number of further limitations and safeguards with respect to the lending operations of Federal associations. An amendment to section 5 (c) of the Home Owners' Loan Act approved August 6, 1947, authorizes Federal savings and loan associations also to make unsecured loans for the alteration, repair, or improvement of home properties. The savings plans offered to the public by these Federal associations are designed both to afford the fullest possible measure of protection and to stimulate regular systematic saving.

Number and Assets of Federal Savings and Loan Associations.—As of December 31, 1947, a total of 1,478 Federal savings and loan associations were in operation. Of these, 638 represented associations originally organized under Federal charter, the remaining 840 associations having converted from State to Federal charter. The combined resources of Federal savings and loan associations at the end of 1947 amounted to approximately $5,459,640,000, reflecting an increase in total assets of 16.9 percent during the year. The resources of Federal savings and loan associations now account for nearly one-half of the total assets of all institutions of the savings and loan type in the country. During the past year the average size of Federal savings and loan associations increased from $3,175,000 to $3,694,000 or by 16.3 percent.

During 1947 four new Federal savings and loan associations were organized and seven State-chartered savings and loan associations converted to Federal charter. In this period, three Federal associations consolidated with other institutions and one Federal association completed voluntary liquidation. The effect of these changes was a net increase of seven in the number of Federal savings and loan associations during 1947. Two Federal associations received authorization from the Board in 1947 to establish new branch offices. As of



December 31, 1947, 43 Federal associations were operating a total of 53 branch offices.

Mortgage Loans.—At the close of 1947 Federal savings and loan associations held first mortgage loans aggregating $4,225,963,000. This figure reflects an increase of 25.8 percent in their combined mortgage portfolios during 1947. Federal associations made new mortgage loans in 1947 aggregating $1,818,510,000 which was just slightly higher than the total amount of their loans in 1946. Of the amount loaned by Federal savings and loan associations in 1947, $488,502,000 or 26.9 percent was for the financing of new construction. This was an increase of 33.4 percent over the amount loaned for such purposes in 1946. A summary of new mortgage loans made by all Federal savings and loan associations during 1947 is shown in the following table:

New mortgage loans by all Federal savings and loan associations

[Dollar amounts in thousands]

Purpose	1947		1946		Percent change in 1947
	Amount	Percent of total	Amount	Percent of total	
Construction	$488,502	26.9	$366,294	20.2	+33.4
Purchase	966,932	53.2	1,154,776	63.8	−16.3
Refinancing	153,779	8.4	138,668	7.7	+10.9
Reconditioning	49,349	2.7	32,544	1.8	+51.6
Other	159,948	8.8	118,092	6.5	+35.4
Total	1,818,510	100.0	1,810,374	100.0	+0.4

Cash and Government Obligations.—The combined total of cash and United States Government obligations held by all Federal savings and loan associations at the end of 1947 amounted to $1,073,248,000, or 19.7 percent of their total assets. During the year liquid assets of this character declined by $105,509,000, or 9 percent.

Savings.—During 1947 savings of the public invested in Federal savings and loan associations increased by $632,956,000, or 15.9 percent. This increase brought total private savings in these associations to $4,608,769,000 as of December 31, 1947. It is estimated that at the end of the year some 3,280,500 individuals held savings accounts in Federal savings and loan associations.

Federal Home Loan Bank Advances.—Outstanding advances by the Federal Home Loan Banks to Federal savings and loan associations increased during 1947 by $82,199,000 to the year-end figure of $272,778,000. This was an increase of 43.1 percent in the volume of such advances outstanding. As of December 31, 1947, Federal associations had borrowings from sources other than the Federal Home Loan Banks of $35,457,000, a decline of 32.6 percent in such borrowings having taken place during the year.

Reserves.—Combined reserves and undivided profits of Federal savings and loan associations at the end of 1947 aggregated $329,783,000, reflecting an increase of $53,469,000, or 19.4 percent, during the year. At the close of 1947, such reserve accounts were equivalent to approximately 6 percent of total assets as against 5.9 percent at the end of 1946.

Treasury and HOLC Investments.—In order to assist in the establishment of Federal savings and loan associations and to make additional funds available for the financing of homes in the early recovery period following the last depression, the United States Treasury was authorized to invest up to $100,000,000 in the shares of Federal savings and loan associations. Of this sum, however, only $50,000,000 was actually appropriated. A total of $49,300,000 was so invested by the Treasury, of which all but $555,400 had been retired by December 31, 1947.

The HOLC was authorized to invest a total of $300,000,000 in Federal savings and loan associations, institutions insured by the Federal Savings and Loan Insurance Corporation, and other members of the Federal Home Loan Bank System. The cumulative amount invested by the HOLC in Federal savings and loan associations was $178,400,700, of which only $5,162,550 remained outstanding as of December 31, 1947.

Examination

All Federal savings and loan associations and State-chartered institutions insured by the Federal Savings and Loan Insurance Corporation are subject to annual supervisory examination by the Board. Such examinations are conducted by the Examining Division, which also makes eligibility examinations of associations applying for membership in the Bank System, insurance of accounts, or conversion from State to Federal charter. Under certain conditions, the Division examines uninsured members of the Federal Home Loan Bank System and, in addition, it analyzes the annual reports of member institutions, reports of audits of insured institutions made by independent auditors and data submitted by associations in support of various types of applications.

For the protection of the investing public and the Federal Savings and Loan Insurance Corporation, as well as for the guidance of association executives for whom periodic examinations have proved to be a valuable management tool, it is of the utmost importance that insured institutions, both Federal and State-chartered, be examined at least annually by well-trained and thoroughly competent examiners.

The Examining Division is entirely self-sustaining and neither requires nor receives appropriations from the United States Treasury to defray its expenses. All costs incident to the operations of the Division are paid by the associations examined.

The work of the Examining Division is directed by the Chief Examiner, who has a small staff in Washington to perform necessary administrative functions. Under the Chief Examiner there is in each Federal Home Loan Bank District a District Examiner who supervises a staff of field examiners assigned to that District.

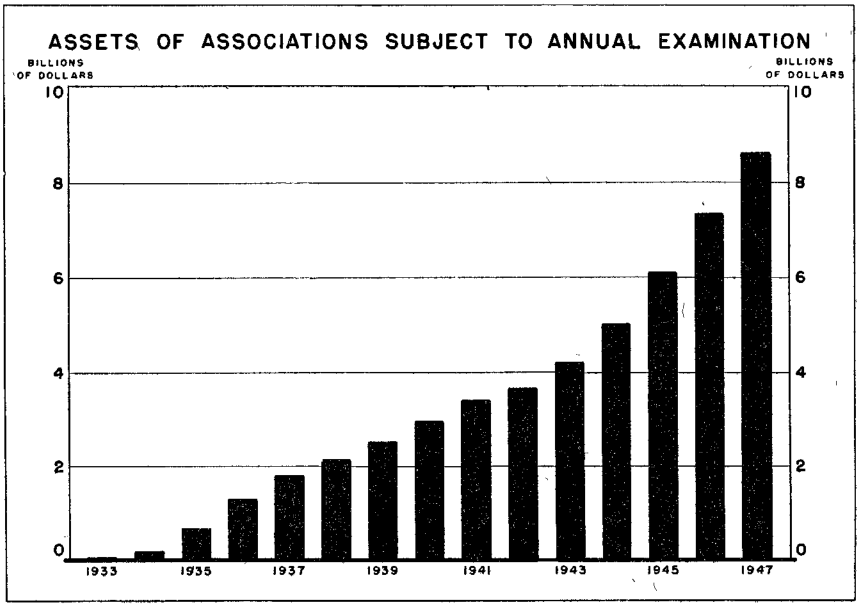
Types of Examination.—Supervisory examinations are for the purpose of determining whether an institution is being operated soundly and is complying with the statutes and regulations. Such determinations are of direct concern not only to the responsible supervisory authorities but to management as well, and the examination report is designed with this in mind. The schedules and accompanying comments are so presented as to point up any major weakness from a supervisory standpoint but at the same time to facilitate constructive analysis and study of all aspects of the association's operations by its directors and officers. In addition to its supervisory examination, every insured institution is required to have either an annual independent audit or an audit combined with the examination made by the Board's Examining Division. The purpose of an audit is to test the accuracy and integrity of the accounts.

Eligibility examinations have somewhat broader objectives, including determination of whether the institution has reasonable prospects for future success. These examinations are made in connection with applications of savings and loan associations for membership in the Federal Home Loan Bank System, applications for insurance by the

Federal Savings and Loan Insurance Corporation of the association's share accounts or deposits, and applications for conversion from State to Federal charter.

Increased Work Load of Division.—In the calendar year 1947 the Examining Division made 1,932 supervisory examinations, 83 percent of which included audits. In addition, there were 43 eligibility examinations, 13 examinations and audits of uninsured member institutions, and 12 examinations of liquidating corporations.

There has been a tremendous growth in the work load of the Examining Division year after year. As of June 30, 1941, there were



2,313 insured institutions with total assets of $3,159,000,000 subject to annual examination. By December 31, 1947, the number of such insured associations had increased to 2,536 and their aggregate assets to $8,547,000,000. During this period of 6½ years, the average assets per association increased from $1,366,000 to $3,370,000.

The work load, however, cannot be measured by the growth in total assets alone, or by the size of the associations to be examined. One of the most important considerations is the extent of an association's lending activity, since upon this depends the volume of loans to be reviewed by the examiners. Growth in lending activity in recent years has been even more pronounced than growth in the size of institutions. New mortgage lending by insured associations in the calendar year 1941 totaled $883,000,000. In 1947 it was $2,865,000,000. Thus the volume of new loans in 1947 was well over three times that in 1941.

Status of Examinations.—In the face of this growth in work load, there has been a marked reduction in the size of the examining staff resulting from budgetary limitations. The number of overdue examinations consequently has been increasing despite every effort to streamline procedures. The increase during 1947 in the number of associations not examined in the preceding twelve months is shown below:

Date	Number of overdue examinations	Percent of number of insured associations	Number of field examiners
Dec. 31, 1946	395	15.8	170
June 30, 1947	478	18.9	151
Dec. 31, 1947	561	22.2	129

It is of unquestionable importance that the work be kept more nearly current. At the end of the year, 3 associations had not been examined in 24 months; 7 had not been examined in 23 months; and 19 in 22 months. Generally, those examinations which are the furthest past due are next in order; but here again the budget situation has interfered with sound operations. Because of cuts in travel allotments, examiners for periods of 2 or 3 months at a time have been unable to make examinations which require considerable travel.

Need for Corrective Legislation.—Legislation to provide that the expenses of making examinations shall be considered as being of a nonadministrative character would remedy these operating difficulties and correct the serious situation now existing because of the large number of examinations long past due. Proposed legislation to this end has been introduced and is now pending before the Congress.

Simplification of Procedures.—Since its establishment in 1934, the Examining Division constantly has striven to simplify its procedures and hold examination costs to the lowest levels consistent with the maintenance of reasonable standards. Changing conditions from time to time have necessitated the inclusion of additional information in examination reports but at the same time required schedules and procedures have been revised at frequent intervals to delete such information as could safely be eliminated and to facilitate short cuts whenever possible. Several reductions in examining procedures and in methods of preparing examination reports were made in 1947.

There is much that associations themselves can do and are doing to facilitate the work of the examiners, and in recent years decided headway has been made in this respect. The attitude of management toward examinations for the most part has been highly cooperative and much progress has been made in standardizing accounting systems, strengthening internal controls, and in improving operating methods generally.

The Board consistently has favored the dual system of banking, and every effort has been made by the Examining Division to reduce and eliminate duplication of examining procedures in the case of State-chartered associations which are examined also by State supervisory authorities. The Board has agreed that examination by State examiners will be accepted in lieu of examinations by the Board's examiners when the State supervisory department agrees to meet the standards required and when a State association does not present special problems as determined by an analysis of the previous examination report. It has been found, however, that usually the most satisfactory program is to make joint examinations in which the Federal examiner accepts the work of the State examiner and the State examiner accepts that done by the Federal examiner, thus avoiding duplication. When the basis of charges for examinations is on a per diem or approximate cost plan, the joint examination does not mean additional cost to the association examined, for it is then immaterial whether an examination is made by one Federal examiner and one State department examiner or whether the examination is made by two examiners from either department.

Supervision

The supervisory responsibilities of the Home Loan Bank Board arise chiefly from section 5 of the Home Owners' Loan Act of 1933, as amended, which provides for the chartering and regulation of Federal savings and loan associations, and from title IV of the National Housing Act, which provides for insurance of accounts of Federal associations and of State-chartered savings and loan institutions by the Federal Savings and Loan Insurance Corporation. These statutes vest in the Board an underlying obligation to protect the public interest through assuring the maintenance by such institutions of facilities for the safe investment of savings and the sound and economical financing of homes.

Essential Elements of the Supervisory Problem.—Savings and loan associations, while affected with the public interest, are at the same time privately owned institutions, operating under the direction and management of local directors and officers chosen by them. Within the framework of applicable statutes and regulations, primary responsibility for the adoption and maintenance of sound policies and practices by these institutions rests with their directors. Taking these factors into account, and in order to assure maximum fairness and objectivity, the Board has adhered to the following principles: (1) That supervision must rely for its major achievements upon a high order of mutual respect and collaboration between management and the supervising authority; (2) that supervision should be decentralized into the climate of local practices, conditions and circumstances, which, with rare exception, are material factors in the formulation of sound supervisory conclusions; and (3) that the conduct of supervision should be separated as completely as practicable from the myriad details and influences of examination or routine fact finding.

These principles have been reflected in the administrative organization of the Board. All activities relating to examination are the responsibility of the Chief Examiner. The Board's supervisory functions, on the other hand, are discharged through a separate official, the Chief Supervisor, who, in turn, deals through the Presidents of the Federal Home Loan Banks in their capacity as supervisory agents in their respective Districts.

The decentralization of supervision greatly facilitates and strengthens working relationships between the Board's supervisory authorities and the managements of individual institutions. As supervisory agents of the Board, the Federal Home Loan Bank presidents are in close touch both with the managers of institutions in their Districts and with State supervisory authorities. The advantages of these close personal contacts are apparent not only in the detailed daily conduct of supervision. They are of equal benefit to the Board and its supervisory officers in promoting a practical, coordinated, and consistent Nationwide discharge of supervisory responsibilities under the law.

Current Operating Conditions.—Since the termination of hostilities and the release of materials and labor, savings and loan associations have provided funds for home construction and financing in unprecedented volume. During the year 1947 the assets of Federal and other insured associations increased from $7,319,000,000 to $8,547,000,000; in this period they made real estate loans of $2,865,000,000, resulting in a net increase of $1,348,000,000 in their loan portfolios. In making this volume of loans, management has had to contend with the increased risks of construction financing under prevailing conditions and with the heavier overhead costs entailed in processing such loans, at a time when average rates of return on loan portfolios have declined to the lowest levels on record. The inflow of savings, although continuing at a high rate, has not kept pace with the increase in loans and there has been a noticeable firming of the competitive rate paid for savings.

The immediacy of the effects of these competitive and economic forces varies from one institution to another, of course, just as individual institutions vary in their means to deal with and adjust to them. They nonetheless constitute a very real and developing challenge to all management, and they place upon supervision correspondingly heavier responsibilities with respect to the facilities and vigilance which it maintains.

Receiverships and Conservatorships.—No associations were found to require financial assistance by the Federal Savings and Loan Insurance Corporation, and no conservatorships were established during 1947. The conservatorship of the Long Beach Federal Savings and Loan Association, Long Beach, Calif., established May 20, 1946, was terminated January 24, 1948.

Supreme Court Decision.—The constitutionality of section 5 (d) of the Home Owners' Loan Act of 1933, as amended, pertaining to the Board's supervisory authority with respect to Federal savings and loan associations, was upheld in an opinion rendered by the United States Supreme Court on June 23, 1947.

Amendments to Regulations.—Within the last year, the rules and regulations and authorized bylaws for Federal savings and loan associations have been amended or expanded: (1) To simplify the making of loans insured by the Federal Housing Administration by reducing from two to one the number of appraisals required, in addition to that made by the Federal Housing Administration; (2) to implement the Home Owners' Loan Act of 1933, as amended by Public Law 372, 80th Congress, pertaining to the making by Federal associations of uninsured and unsecured loans up to $1,500 for property alteration, repair, or improvement; (3) to provide for short-term savings accounts, without the necessity under certain conditions of dividend credits, in order to meet a practical need for a means of encouraging systematic accumulation of savings within a period of 12 months for specific purposes; and (4) to establish in the regulations the principle that commissions should not be paid to officers and directors for the sale of association shares.

Legislation

In the first session of the 80th Congress, some 37 individual bills were introduced directly affecting the Home Loan Bank Board and the agencies operating under its direction. A considerable number of these bills related to the Federal Home Loan Bank System and Federal savings and loan associations but only two were enacted into law, one authorizing the Banks to accept 25-year mortgage collateral and the other authorizing Federal associations to invest in unsecured property improvement loans.

Twenty-five Year Mortgage Collateral.—Public Law 311, approved August 1, 1947, amended subsection (b) of section 10 of the Federal Home Loan Bank Act so as to permit the Federal Home Loan Banks to accept as collateral for advances thereunder home mortgages having up to 25 years to run to maturity. Prior to this legislation the maximum permissible unexpired period for such mortgages had been

20 years, a limitation which, among other things, precluded acceptance by the Banks of new 25-year mortgages made under the G. I. Bill.

Unsecured Loans by Federals.—Public Law 372, approved August 6, 1947, made it possible for Federal savings and loan associations to invest their funds in unsecured loans up to $1,500 for property alteration, repair or improvement. Such loans may be made under title I of the National Housing Act or under the provisions of the Servicemen's Readjustment Act. The total amount of such unsecured loans made by any Federal association is limited to 15 percent of its assets.

Legislative Coordinating Committee.—Under the sponsorship of the Federal Savings and Loan Advisory Council, there was established in the latter part of 1947 a legislative coordinating committee for the purpose of considering and agreeing upon desirable legislation to be presented to the Congress. The committee is composed of two representatives each from the Federal Savings and Loan Advisory Council, the Federal Home Loan Bank Presidents, the United States Savings and Loan League and the National Savings and Loan League. An initial meeting of the committee was held on December 29–30, 1947, and a second meeting on February 4–5, 1948. These meetings culminated in substantial agreement on a number of important pending matters and it is believed that the committee's work will do much to reconcile divergent views within the savings and loan industry and will prove helpful to the Congress in its consideration of specific legislative proposals.

Bank Presidents' Conferences

To afford opportunity for the discussion of problems of mutual concern, it has been customary to hold semiannual conferences of the Presidents of the several Federal Home Loan Banks. These meetings have proved of value not only as a means of facilitating the exchange of views between the Presidents on developments of common interest within each Bank District but as a means of fostering agreement between the Presidents and the Board on fundamental objectives and prompting maximum consistency and coordination in the Nation-wide administration of the Federal Home Loan Bank System. Two such conferences were held in 1947, one in New York City on May 12–13 and one in Washington on October 9–10.

Federal Savings and Loan Advisory Council

The Federal Savings and Loan Advisory Council was established by the Federal Home Loan Bank Act of 1932 which provided that the Council should convene in Washington at least twice each year and should consist of one member elected annually by the directors of each Federal Home Loan Bank and six members appointed annually by the Board. The act authorizes the Council to confer with the

Board on general business conditions as well as on specific matters relating to the operations of the Federal Home Loan Banks and the Federal Savings and Loan Insurance Corporation and to make recommendations to the Board with respect to such matters.

During 1947 two meetings of the Federal Savings and Loan Advisory Council were held, the first on May 15–16 and the second on November 13–14. A list of the members of the Council as of December 31, 1947, will be found in exhibit 3.

Bank System Personnel and Administrative Expense

Federal Home Loan Bank Personnel.—The management of each Federal Home Loan Bank is vested in a board of 12 directors, 4 of such directors being appointed by the Home Loan Bank Board to represent the public interest, each for terms of 4 years. Eight directors are elected by the members of the respective Banks for terms of 2 years, two of such directors being elected by the membership-at-large and two each by members of class groups, representing the large, medium and small sized members.

The 1947 election of directors for the Federal Home Loan Banks resulted in the reelection of 25 directors whose terms expired December 31, 1947 and the election of 18 new directors. The directors of each Federal Home Loan Bank as of December 31, 1947, together with their affiliations, are shown in exhibit 4.

Changes in staff of the Federal Home Loan Banks during the calendar year 1947 were comparatively few. As of December 31, the Banks' officers totaled 44, a net decrease of 1 from the beginning of the year. Employees of the Banks, excluding officers, increased from 107 on January 1 to 114 on December 31. On January 16, 1947 Mr. Gerrit Vander Ende became president of the Federal Home Loan Bank of San Francisco, succeeding Mr. Frank H. Johnson, retired. A list of the officers of each Federal Home Loan Bank as of the close of the year is shown in exhibit 5.

Washington Personnel.—During 1947 total personnel of the Federal Home Loan Bank System in Washington declined from 81 to 73. Of the 73 employees at the close of the year, 25 were on duty in the Office of Chief Supervisor and 6 were on duty in the Examining Division; these 31 employees were engaged in activities relating principally to Federal savings and loan associations and other institutions insured by the Federal Savings and Loan Insurance Corporation rather than in activities directly related to the operation of the Bank System proper.

In addition to its 6 employees in Washington, the Examining Division as of December 31, 1947, had a total of 170 employees in the field, reflecting a reduction of 48 in the number of such employees during the year. The serious consequences of this decline in examining personnel are discussed in some detail in the section of this report dealing with examinations.

Administrative Expense.—None of the income of the Federal Home Loan Bank System is derived from appropriations out of the general funds of the United States Treasury. Although limited by annual congressional "authorizations," the System's administrative expenditures are defrayed entirely from semiannual assessments upon the Federal Home Loan Banks, charges for reimbursable services performed in behalf of the Federal Savings and Loan Insurance Corporation and the Home Owners' Loan Corporation and per diem charges collected from institutions examined.

Administrative expenses of the Federal Home Loan Bank System, applicable to the calendar year 1947, aggregated $1,556,771.47. Examining fees in the sum of $1,075,328.06 were collected from institutions in whose behalf examination expenses were incurred. In addition, $492,000 was collected from the 11 Federal Home Loan Banks, $59,414.21 from the Federal Savings and Loan Insurance Corporation and the H. O. L. C., and $220.43 from other sources.

Publications

Federal Home Loan Bank Review.—Authorized expenditures for the fiscal year 1948 were insufficient to provide for continued publication of the Federal Home Loan Bank Review and, in consequence, its publication was suspended in June 1947. Continuously for nearly 13 years, beginning in October 1934, the Review had been issued each month as the official medium of the Bank Board and its operating units. Its contents, in addition to various important statistical series, included advice of Board rulings, changes in regulations, and a wide range of information on current facts, problems and prospective developments in lending, savings, bank administration, and residential construction. Suspension of publication has deprived member institutions of the Bank System and others interested in savings and home finance of a valuable source of facts assembled for their special benefit. It also has deprived the Board of a convenient and comparatively inexpensive channel of technical and administrative service to bank executives and supervisory authorities.

Urgent appeals for resumption of publication of the Review began when notices of suspension were first issued, and have continued ever since. Requests for its publication have been made from time to time during the year by the Federal Savings and Loan Advisory Council, by numerous local, State, and national trade organizations, and by many individuals and groups representing members of the Bank System. In response to these requests the Board, in preparing its figures for submission to the Appropriations Committees of the House and Senate for fiscal 1949, included specific estimates of costs for restoring the Review and providing for its publication for 1 year beginning July 1, 1948.

Other Publications.—Supplementing the statistical material contained in its annual reports to Congress, the Board also has published each year consolidated annual financial reports on the condition and operations of Federal savings and loan associations and of all members of the Federal Home Loan Bank System. These reports not only have been useful in enabling individual institutions to compare their own condition and operations with those of similar institutions, locally and nationally, but have proved especially valuable to both Federal and State supervisory authorities.

In addition to the current issues of these reports released by the Board in 1947, a number of regular and special operating studies also were prepared during the year and distributed to members of the Bank System and others. Included in such studies were regular monthly summaries of savings and mortgage lending activity as well as special analyses of the outstanding home mortgage debt, foreclosures, reserves, and liquidity. For the benefit of member institutions in their respective Districts, the Federal Home Loan Banks in 1947 continued the practice of preparing and distributing periodic surveys of local operating experience, such as the volume of new loans made, savings investments and withdrawals, prevailing mortgage interest rates and current trends in liquidity, earnings, dividends, and reserve allocations.

The Period Ahead

Operations of the Federal Home Loan Bank System in 1947 confirm its usefulness and value in times of a high level of business activity. In fact, throughout its 15-year history the Bank System had developed and grown strong under conditions of general business expansion and it has yet to face a major test under conditions of widespread economic contraction. This consideration finds recognition in much of the current thinking and advance planning of those responsible for the System's guidance.

Unquestionably, a great deal has been done since 1932 to fortify the country's savings institutions against the dangers inherent in an economic recession. The improvements made are both internal and external in nature. There is ample evidence that the directors and managers of these institutions have profited well by their experiences in the last depression, that they are alive to the risks involved in operating in the present inflated economy, and that they are determined to protect their institutions in every way possible against contingencies of the future.

In the past 15 years, home mortgage lending practices throughout the country have been standardized on sound and progressive lines. Regular amortization of principal has come to be accepted as an essential element in home mortgage finance. The second mortgage evil, although not wholly eliminated, has been greatly minimized by virtue of the higher ratio loans made possible through application of the amortization principle. Appraisal techniques have been made less haphazard. More attention is being given to the borrower's credit standing and his prospective ability to carry a loan safely. Servicing methods have been vastly improved.

Paralleling improvements in lending practices, equally important progress has been made in the relationships between savings institutions and their savings investors. Whereas before the depression savings plans offered to the public by many institutions were cumbersome, obscure and occasionally even misleading, numerous measures have since been adopted in the interest of greater simplicity, clarity, and forthrightness in this important aspect of operations. As against a former inclination to keep savings account holders at arm's length and furnish them a minimum of information concerning the affairs of the institution, the prevailing tendency of management now is to keep savings customers fully informed on current conditions and problems and thereby create a solid foundation of public understanding, confidence, and good will.

Not only has there been a material strengthening in the first-line defenses of savings institutions by way of improved financial policies and operating practices, but important secondary supports have been provided through such agencies as the Federal Home Loan Bank System and the Federal Savings and Loan Insurance Corporation which operate to maintain public confidence, assure an adequate supply of funds for home financing and other requirements and minimize the likelihood of a recurrence of the panic conditions which characterized former periods of economic and financial strain. Taken as a whole, the savings and home-financing structure of the Nation today is marked by a degree of coordination and integration never before approached.

These factors, although in no sense warranting complacency, certainly augur well for the ability of the Federal Home Loan Bank System and its member institutions to weather such difficulties as may be encountered in the period ahead. At the same time, in the very progress made thus far there lies a continuing challenge to preserve and further that progress through the achievement of such additional improvements and adjustments as changing conditions may make possible or require.

Exhibit 1

FEDERAL HOME LOAN BANKS

Consolidated statement of condition as of Dec. 31, 1947

	Dec. 31, 1947	Increase or decrease ( ) since— Dec. 31, 1946	June 30, 1947
ASSETS			
Cash:			
On hand including imprest funds	$68,523.34	$15,937.64	$39,229.42
On deposit with:			
U. S. Treasurer	14,513,434.80	(3,325,355.49)	6,237,673.25
Commercial banks	22,122,221.94	6,799,197.30	9,738,627.73
In transit	269.59	269.59	269.59
Total cash	36,704,449.67	3,490,049.04	16,015,799.99
Investments:			
U. S. Treasury bills	8,285,621.87	6,536,441.98	(2,307,598.20)
Other U. S. Treasury obligations	130,841,869.86	(12,500,545.08)	(16,411,012.29)
Total investments	139,127,491.73	(5,964,103.10)	(18,718,610.49)
Advances outstanding to members:			
Short term—1 year or less	218,345,789.03	34,015,971.33	74,358,378.72
Others—1 to 10 years	217,226,396.77	108,101,447.73	72,124,908.55
Total	435,572,185.80	142,117,419.06	146,483,287.27
Accrued interest receivable:			
Investments	626,446.16	(8,396.50)	(28,388.82)
Advances to members	445,812.85	184,497.21	148,228.17
Total accrued interest receivable	1,072,259.01	176,100.71	119,839.35
Deferred charges:			
Discount on consolidated obligations	34,027.77	(116,666.64)	(58,333.32)
Prepaid consolidated obligation expense	94,236.12	(56,458.29)	1,875.03
Prepaid surety bond premiums	5,138.17	(2,712.71)	(89.99)
Other prepaid expenses	1,762.17	1,471.48	336.49
Total deferred charges	135,164.23	(174,366.16)	(56,211.79)
Other assets:			
United States savings bonds redeemed	62,415.31	(14,232.48)	(10,030.19)
Accounts receivable	15,364.57	(4,422.19)	(118.57)
Furniture and equipment	11.00	0	0
Total other assets	77,790.88	(18,654.67)	(10,148.76)
Total assets	612,689,341.32	139,626,444.88	143,833,955.57
LIABILITIES AND CAPITAL			
Liabilities:			
Deposits:			
Members—Time	65,957,472.94	17,591,772.53	(52,667.76)
Members—Demand	21,877,598.63	(4,247.16)	2,335,264.62
Treasurer of United States—Section 14 of FHLB Act	10,500,000.00	10,500,000.00	10,500,000.00
Government instrumentalities—Demand	163,192.22	163,192.22	(4,159.83)
Applicants	128,575.00	77,200.00	(37,125.00)
Total deposits	98,626,838.79	28,327,917.59	12,741,312.03
Accrued interest payable:			
Deposits of members—Time	43,540.71	14,513.75	(5,096.49)
Consolidated obligations	716,531.27	337,189.55	351,947.91
Total accrued interest payable	760,071.98	351,703.30	346,851.42
Dividends payable:			
Government-owned stock	909,353.00	106,897.75	395,447.75
Member-owned stock	807,024.37	245,909.85	377,302.37
Total dividends payable	1,716,377.37	352,807.60	772,750.12
Accounts payable	12,819.51	(4,320.10)	(802.39)
Consolidated obligations:[1]			
1¼ percent Series A-1948 bonds due Apr. 15, 1948	140,000,000.00	0	0
1¼ percent Series A-1948 notes due Sept. 15, 1948	85,000,000.00	85,000,000.00	85,000,000.00
1⅜ percent Series B-1948 notes due Feb. 16, 1948	36,700,000.00	36,700,000.00	36,700,000.00
1.10 percent Series A-1947 notes due Feb. 17, 1947	0	(29,000,000.00)	0
Total consolidated obligations	261,700,000.00	92,700,000.00	121,700,000.00
Total liabilities	362,816,107.65	121,728,108.39	135,560,111.18

[1] Consolidated Federal Home Loan Bank obligations issued by the Home Loan Bank Board and now outstanding are the joint and several obligations of all Federal Home Loan Banks.

HOME LOAN BANK BOARD

Consolidated statement of condition as of Dec. 31, 1947—Continued

	Dec. 31, 1947	Increase or decrease ( ) since— Dec. 31, 1946	June 30, 1947
LIABILITIES AND CAPITAL—continued			
Capital:			
Capital stock (par):			
Members (fully paid)	$103, 072, 300 00	$17, 260, 800 00	$7, 472, 500 00
Members (partially paid)	11, 100. 00	(22, 000. 00)	11, 100. 00
Total	103, 083, 400. 00	17, 238, 800 00	7, 483, 600 00
Less: Unpaid subscriptions	5, 825. 00	(10, 675 00)	5, 825 00
Total paid in by members	103, 077, 575. 00	17, 249, 475. 00	4, 477, 775. 00
United States Government subscriptions (fully paid)	122, 672, 200 00	(979, 000 00)	0
Total paid in on capital stock	225, 749, 775. 00	16, 270, 475 00	7, 477, 775. 00
Surplus—Earned:			
Legal reserve	11, 307, 096. 58	938, 808. 88	555, 866 80
Reserve for contingencies	4, 291, 612. 33	37, 150. 56	41, 938 61
Total surplus reserves	15, 598, 708. 91	975, 959 44	597, 805 41
Undivided profits	8, 524, 749. 76	651, 902. 05	198, 263. 98
Total earned surplus	24, 123, 458. 67	1, 627, 861 49	796, 069. 39
Total capital	249, 873, 233. 67	17, 898, 336. 49	8, 273, 844. 39
Total liabilities and capital	612, 689, 341. 32	139, 626, 444. 88	143, 833, 955. 57

Exhibit 2

FEDERAL HOME LOAN BANK

Consolidated statement of profit and loss for year ended Dec. 31, 1947

	Dec. 31, 1947	Increase or decrease ( ) compared with year ended Dec. 31, 1946
Earned operating income:		
Interest on advances	$5, 794, 042. 84	$2, 150, 292. 37
Interest on securities	2, 876, 335. 46	304, 632. 12
Miscellaneous operating	3, 108. 96	1, 862. 17
Total earned operating income	8, 673, 487. 26	2, 456, 786. 66
Operating expenses:		
Compensation, travel, and other expenses (detail below)	1, 028, 128. 22	78, 316. 72
Interest on consolidated obligations	2, 256, 877. 64	1, 268, 865. 38
Consolidated obligation expense—concessions	141, 458. 29	63, 673. 54
Office of fiscal agent	32, 882. 72	5, 391. 20
Interest on members' deposits	489, 096. 87	206, 321. 62
Interest on deposits—Treasurer of United States	152. 85	152. 85
Assessment for expenses of HLB Board	503, 000. 00	28, 000. 00
Total operating charges	4, 451, 596. 59	1, 650, 721. 31
Net operating income	4, 221, 890. 67	806, 065. 35
Nonoperating income:		
Profit—Sales of securities	362, 275. 27	(235, 755. 46)
HLB Board assessment refund	11, 000. 00	11, 000. 00
Miscellaneous	2, 811. 37	235. 61
Total nonoperating income	376, 086. 64	(224, 519. 85)
Nonoperating charges:		
Loss—Sales of securities	16, 871. 04	8, 407. 29
Furniture and equipment purchased	12, 061. 77	(1, 542. 46)
Total nonoperating charges	28, 932. 81	6, 864. 83
Net income	4, 569, 044. 50	574, 680. 67

Consolidated statement of profit and loss for year ended Dec. 31, 1947—Continued

DETAIL OF COMPENSATION, TRAVEL, AND OTHER EXPENSES

	Dec. 31, 1947	Increase or decrease ( ) compared with year ended Dec. 31, 1946
Compensation:		
Directors' fees	$41,007.50	($462.50)
Officers' salaries	346,670.00	21,692.17
Counsel's compensation	36,400.00	(975.00)
Other salaries	264,436.27	30,981.48
Total compensation	688,513.77	51,236.15
Travel expense:		
Directors	41,914.01	6,730.25
Officers	23,724.38	3,446.59
Counsel and others	7,879.99	3,722.59
Maintenance and operation costs of automobile	3,665.32	910.84
Total travel expense	77,183.70	14,810.27
Other expenses:		
Retirement fund contribution	41,885.77	5,127.22
Telephone and telegraph	21,886.69	9.04
Postage and expressage	18,768.49	1,090.90
Stationery, printing, and other office supplies	19,809.51	(2,701.27)
Rent of banking quarters—Net	79,550.73	4,668.88
Maintenance of banking quarters and equipment	13,401.01	(1,956.40)
Services of HLB Board's Examining Division	5,822.95	(1,675.79)
Safekeeping and protection services	2,662.96	(911.69)
Insurance and surety bond premiums	14,411.04	1,353.39
Reports and other publications	7,019.23	(348.54)
Stockholders' annual meeting expense	13,008.16	4,601.13
Dues and subscriptions	9,818.02	1,013.83
Public relations expense	11,092.27	1,844.73
Miscellaneous operating expenses	3,293.92	154.87
Total other expenses	262,430.75	12,270.30
Total compensation, travel, and other expenses	1,028,128.22	78,316.72

Exhibit 3

FEDERAL SAVINGS AND LOAN ADVISORY COUNCIL

DECEMBER 31, 1947

MEMBERS

Appointed by the Board:

James Bruce, New York, N. Y.

Ernest T. Trigg, Philadelphia, Pa.

Henry G. Zander, Jr., Henry G. Zander & Co., Chicago, Ill.

Robert E. Lee Hill, secretary, Missouri Bankers Association, Columbia, Mo.

Harrington Wimberly, Altus, Oklahoma

Ben A. Perham, president, Perham Fruit Co., Yakima, Wash.

Elected by the Banks:

District No. 1—Milton A. Barrett, treasurer, Fidelity Co-operative Bank, Fitchburg, Mass.

District No. 2—Henry N. Stam, president, Totowa Savings & Loan Association, Paterson, N. J.

District No. 3—James J. O'Malley, president, First Federal Savings & Loan Association of Wilkes-Barre, Wilkes-Barre, Pa.

District No. 4—Frank Muller, Jr., executive vice president, Liberty Federal Savings & Loan Association, Baltimore, Md.

District No. 5—W. Megrue Brock, president, The Gem City Building & Loan Association, Dayton, Ohio.

District No. 6—Fermor S. Cannon, president, Railroadmen's Federal Savings & Loan Association of Indianapolis, Indianapolis, Ind.
District No. 7—A. H. Koepke, president, Welfare Building & Loan Association, Milwaukee, Wis.
District No. 8—G. V. Kenton, vice president and secretary, Farm & Home Savings & Loan Association of Missouri, Nevada, Mo.
District No. 9—Louis D. Ross, president, St. Tammany Homestead Association, Covington, La.
District No. 10—Ray H. Babbitt, president, Home Building & Loan Association of Lawton, Lawton, Okla.
District No. 11—Guy E. Jaques, president, Portland Federal Savings & Loan Association, Portland, Oreg.

OFFICERS

James J. O'Malley, Chairman.
Henry G. Zander, Jr., Vice Chairman.
Frank Muller, Jr., Secretary.
Harry Caulsen, Assistant Secretary.

Exhibit 4

DIRECTORS OF THE FEDERAL HOME LOAN BANKS

DECEMBER 31, 1947

DISTRICT NO. 1—BOSTON

	Term expires Dec. 31
Public interest	
William J. Pape, editor and publisher, Waterbury Republican and American, Waterbury, Conn	1947
J. Bertram Watson, executive vice president, First Federal Savings & Loan Association, Providence, R. I	1949
Frederick J. Dillon,[1] judge, Probate Court for Suffolk County, Boston, Mass	1950
At-large	
Frederick T. Backstrom, executive vice president, First Federal Savings & Loan Association, New Haven, Conn	1947
George J. Holden, executive vice president, Burlington Federal Savings & Loan Association, Burlington, Vt	1948
Class A	
Edward H. Weeks,[2] president, Old Colony Co-operative Bank, Providence, R. I	1947
Raymond P. Harold, president, Worcester Federal Savings & Loan Association, Worcester, Mass	1948
Class B	
William J. D. Ratcliff, treasurer, Peabody Co-operative Bank, Peabody, Mass	1947
Milton A. Barrett, treasurer, Fidelity Co-operative Bank, Fitchburg, Mass	1948
Class C	
Sumner W. Johnson, director, Homestead Savings & Loan Association, Portland, Maine	1947
E. Harrison Merrill, secretary-treasurer, Laconia Federal Savings & Loan Association, Laconia, N. H	1948

[1] Chairman.
[2] Vice Chairman.

DISTRICT NO. 2—NEW YORK

	Term expires Dec. 31
Public interest	
Francis V. D. Lloyd,[2] member of firm, Morrison, Lloyd & Griggs, Hackensack, N. J.	1947
Eustace Seligman, member of firm, law firm of Sullivan & Cromwell, New York, N. Y.	1948
George MacDonald,[1] director, Cities Service Oil Co., New York, N. Y.	1949
James Bruce, vice president, National Dairy Products Corp., New York, N. Y.	1950
At-large	
E. H. Schoonmaker, executive secretary, Tenafly Mutual Savings & Loan Association, Tenafly, N. J.	1947
Walter J. Babcock, executive vice president, Triumph Federal Savings & Loan Association, East Orange, N. J.	1948
Class A	
Willis J. Almekinder, president, First Federal Savings & Loan Association of Rochester, Rochester, N. Y.	1947
Cadman H. Frederick, president, Suffolk County Federal Savings & Loan Association, Babylon, N. Y.	1948
Class B	
Joseph Holzka, executive vice president, Northfield Savings & Loan Association, Staten Island, N. Y.	1947
John W. Cadman, president, Homestead Savings & Loan Association, Buffalo, N. Y.	1948
Class C	
Henry N. Stam, president, Totowa Savings & Loan Association, Paterson, N. J.	1947
Joseph A. O'Brien, director, Medford Lakes Savings & Loan Association, Medford Lakes, N. J.	1948

DISTRICT NO. 3—PITTSBURGH

Public interest	
Arthur B. Koontz, attorney, Charleston, W. Va.	1947
Walter B. Gibbons, attorney, Philadelphia, Pa.	1948
Ernest T. Trigg,[1] Philadelphia, Pa.	1949
Dr. Charles S. Tippetts,[2] headmaster, The Mercersburg Academy, Mercersburg, Pa.	1950
At-Large	
James J. O'Malley, president, First Federal Savings & Loan Association of Wilkes-Barre, Wilkes-Barre, Pa.	1947
Alexander Salvatori, executive vice president, Peoples Federal Savings & Loan Association, Wheeling, W. Va.	1948
Class A	
Norman E. Clark, executive vice president, First Federal Savings & Loan Association, New Castle, Pa.	1947
C. Elwood Knapp, executive vice president, Friendship Federal Savings & Loan Association of Pittsburgh, Pittsburgh, Pa.	1948
Class B	
N. F. Braun, secretary-manager, Eureka Federal Savings & Loan Association, Pittsburgh, Pa.	1947
William Reinhardt, conveyancer and director, The Provident Building & Loan Association of Philadelphia, Philadelphia, Pa.	1948

[1] Chairman.
[2] Vice Chairman.

HOME LOAN BANK BOARD

	Term expires Dec. 31
Class C	
Francis E. McGill, director, Manayunk Savings & Loan Association, Philadelphia, Pa	1947
Charles Warner, director, First Federal Savings & Loan Association of New Castle County, Wilmington, Del	1948

DISTRICT NO. 4—WINSTON-SALEM

Public interest	
Raymond D. Knight, attorney, Knight & Knight, Jacksonville, Fla	1947
James Grayson Luttrell, vice president, McCormick & Co., Baltimore, Md	1948
W. Waverly Taylor, president, Waverly Taylor, Inc., Washington, D. C	1949
Horace S. Haworth,[1] attorney, Roberson, Haworth & Reese, High Point, N. C	1950
At-large	
Marion M. Hewell, president, Fidelity Federal Savings & Loan Association, Greenville, S. C	1947
Frank Muller, Jr., executive vice president, Liberty Federal Savings & Loan Association, Baltimore, Md	1948
Class A	
Wallace O. DuVall, vice president-secretary, Atlanta Federal Savings & Loan Association, Atlanta, Ga	1947
Edward C. Baltz,[2] president, Perpetual Building Association of the District of Columbia, Washington, D. C	1948
Class B	
Peyton R. Keller, vice president-secretary, First Federal Savings & Loan Association of Roanoke, Roanoke, Va	1947
D. R. Fonville, president-treasurer, First Federal Savings & Loan Association of Burlington, Burlington, N. C	1948
Class C	
George E. Rutledge, president, First Federal Savings & Loan Association of Bessemer, Bessemer, Ala	1947
H. L. Sudduth, secretary, First Federal Savings & Loan Association of Panama City, Panama City, Fla	1948

DISTRICT NO. 5—CINCINNATI

Public Interest	
Howard L. Bevis,[1] president, Ohio State University, Columbus, Ohio	1947
At-Large	
W. Megrue Brock,[2] president, The Gem City Building & Loan Association, Dayton, Ohio	1947
W. B. Furgerson, president, Portland Federal Savings & Loan Association, Louisville, Ky	1948
Class A	
A. E. Albright, president, Akron Savings & Loan Co., Akron, Ohio	1947
Allen C. Knowles, president, South Side Federal Savings & Loan Association, Cleveland, Ohio	1948

[1] Chairman.
[2] Vice chairman.

	Term expires Dec. 31
Class B	
John C. Mindermann, secretary, General Building Association, Covington, Ky	1947
Charles J. Haase, president, Home Federal Savings & Loan Association of Memphis, Memphis, Tenn	1948
Class C	
Herman F. Cellarius, president, The San Marco Building & Loan Association, Cincinnati, Ohio	1947
R. A. Stevens, president, Dyer County Federal Savings & Loan Association of Dyersburg, Dyersburg, Tenn	1948

DISTRICT NO. 6—INDIANAPOLIS

Public interest	
Charles T. Fisher, Jr., president, National Bank of Detroit, Detroit, Mich	1947
Carleton B. McCulloch, vice president, The State Life Insurance Co., Indianapolis, Ind	1948
S. Rudolph Light, chairman of the board, American National Bank, Kalamazoo, Mich	1949
Dr. Herman B. Wells,[1] president, Indiana University, Bloomington, Ind	1950
At large	
Myron H. Gray, president, Muncie Federal Savings & Loan Association, Muncie, Ind	1947
Fermor S. Cannon,[2] president, Railroadmen's Federal Savings & Loan Association of Indianapolis, Indianapolis, Ind	1948
Class A	
Thomas C. Mason, president-manager, Grand Rapids Mutual Federal Savings & Loan Association, Grand Rapids, Mich	1947
Joseph G. Standart, president, Surety Savings & Loan Association, Detroit, Mich	1948
Class B	
Edward W. Springer, secretary, Atkins Savings & Loan Association, Indianapolis, Ind	1947
Grant H. Longenecker, first vice president, Peoples Federal Savings & Loan Association, Detroit, Mich	1948
Class C	
Earl C. Bucher, president, People's Savings & Loan Association, Huntington, Ind	1947
Amos N. Adams, secretary-treasurer, Auburn Federal Savings & Loan Association, Auburn, Ind	1948

DISTRICT NO. 7—CHICAGO

Public interest	
Charles E. Broughton,[1] editor, The Sheboygan Press, Sheboygan, Wis	1947
Henry G. Zander, Jr.,[2] partner, Henry G. Zander & Co., Chicago, Ill	1948
Clarence W. Reuling, general agent, Massachusetts Mutual Life Insurance Co., Peoria, Ill	1949
Philip Kinzer, vice president, Carnation Co., Milwaukee, Wis	1950

[1] Chairman.
[2] Vice chairman.

HOME LOAN BANK BOARD

	Term expires Dec. 31
At-large	
Arthur G. Erdmann, president, Bell Savings & Loan Association, Chicago, Ill	1947
Edward J. Czekala, president, National Savings & Loan Association, Chicago, Ill	1948
Class A	
A. H. Koepke, president-general manager, Welfare Building & Loan Association, Milwaukee, Wis	1947
Robert N. Brown, secretary, Commercial Travelers' Loan & Homestead Association, Peoria, Ill	1948
Class B	
Ray W. Schmitt, secretary-manager, Sherman Savings & Loan Association, Milwaukee, Wis	1947
Rilen McConachie, president, First Federal Savings & Loan Association of Sparta, Sparta, Ill	1948
Class C	
Robert L. Hirschinger, secretary, Baraboo Federal Savings & Loan Association, Baraboo, Wis	1947
Earl S. Larson, president, First Federal Savings & Loan Association of Moline, Moline, Ill	1948

DISTRICT NO. 8—DES MOINES

Public interest	
Robert E. Lee Hill,[1] secretary, Missouri Bankers Association, Columbia, Mo	1947
John D. Adams, general secretary, Des Moines Chamber of Commerce, Des Moines, Iowa	1948
James C. Otis, attorney, Otis, Faricy & Burger, St. Paul, Minn	1950
At-large	
J. W. Davis, secretary, Home Savings Association, Sioux Falls, S. Dak	1947
J. B. Bridston, executive secretary, First Federal Savings & Loan Association of Grand Forks, Grand Forks, N. Dak	1948
Class A	
Elmer E. Miller, president-secretary, Des Moines Building-Loan & Savings Association, Des Moines, Iowa	1947
Sylvester A. Koster, secretary, Lafayette Federal Savings & Loan Association of St. Louis, St. Louis, Mo	1948
Class B	
J. C. McKercher, president, Peoples Federal Savings & Loan Association, Minneapolis, Minn	1947
E. Raymond Hughes, attorney-director, Mankato Savings & Building Association, Mankato, Minn	1948
Class C	
Lloyd Rime, vice president-secretary, Ottumwa Federal Savings & Loan Association, Ottumwa, Iowa	1947
N. D. Jackson, executive vice president, Independence Savings & Loan Association, Independence, Mo	1948

[1] Chairman.

DISTRICT NO. 9—LITTLE ROCK

	Term expires Dec 31
Public interest	
T. J. Butler, president and general manager, Elgin-Butler Brick Co., Austin, Tex	1947
Gordon H. Campbell, general agent, Aetna Life Insurance Co., Little Rock, Ark	1948
B. H. Wooten,[1] vice president, Republic National Bank of Dallas, Dallas, Tex	1949
At-large	
Wilbur P. Gulley,[2] president, Pulaski Federal Savings & Loan Association, Little Rock, Ark	1947
O. W. Boswell, president, First Federal Savings & Loan Association of Paris, Paris, Tex	1948
Class A	
M. George de Lucas, president, Jackson Homestead Association, New Orleans, La	1947
J. J. Miranne, secretary-treasurer, Security Building & Loan Association, New Orleans, La	1948
Class B	
C. W. Gill,[3] president, Abilene Savings & Loan Association, Abilene, Tex	1947
R. H. McCune, vice president, Roswell Building & Loan Association, Roswell, N. Mex	1948
Class C	
Louis D. Ross, president, St. Tamany Homestead Association, Covington, La	1947
Robert T. Love, secretary-treasurer, Delta Federal Savings & Loan Association, Greenville, Miss	1948

DISTRICT No. 10—TOPEKA

Public interest	
Harrington Wimberly, publisher, Altus-Times Democrat, Altus, Okla	1947
Paul F. Good, attorney-at-law, Monsky, Grodinsky, Good & Cohen, Omaha, Nebr	1948
William M. Jardine,[1] president, Municipal University of Wichita, Wichita, Kans	1949
At-large	
Henry A. Bubb,[2] president, Capitol Federal Savings & Loan Association, Topeka, Kans	1947
E. L. Hevelone, president, The State Savings & Loan Association, Beatrice, Nebr	1948
Class A	
L. S. Barnes, president, Ponca City Savings & Loan Association, Ponca City, Okla	1947
S. W. Humphreys, president, The Homes Savings & Loan Association, Ottawa, Kans	1948

[1] Chairman.
[2] Vice Chairman.
[3] Appointed by the FHLBA on January 13, 1947, to serve unexpired portion of term expiring on December 1, 1947.

	Term expires Dec. 31
Class B	
Gordon Harper, president, Victor Building & Loan Association, Muskogee, Okla	1947
Arthur W. Hiner, Jr., secretary-treasurer, Capitol Federal Savings & Loan Association, Denver, Colo	1948
Class C	
H. A. Hart, secretary-treasurer, First Federal Savings & Loan Association of Dodge City, Dodge City, Kans	1947
A. G. Hartronft, secretary-treasurer, The Lyons Savings & Loan Association, Lyons, Kans	1948

DISTRICT NO. 11—SAN FRANCISCO

Public Interest	
L. H. Hoffman, president, Hoffman Construction Co., Portland, Oreg	1947
C. W. Leaphart, dean of law school, Montana State University, Missoula, Mont	1948
Ben A. Perham,[1] president and general manager, Perham Fruit Co., Yakima, Wash	1949
Wm. A. Davis,[2] president, First Federal Savings & Loan Association, Oakland, Calif	1950
At Large	
R. J. Fremou, secretary-manager, Western Montana Building & Loan Association, Missoula, Mont	1947
Guy E. Jaques, president, Portland Federal Savings & Loan Association, Portland, Oreg	1948
Class A	
Fred J. Bradshaw, president, American Savings & Loan Association, Salt Lake City, Utah	1947
Roy E. Hegg, president, San Diego Federal Savings & Loan Association, San Diego, Calif	1948
Class B	
L. C. Wetzel, secretary-manager, First Federal Savings & Loan Association, Walla Walla, Wash	1947
Douglas H. Driggs, president, Western Savings & Loan Association, Phoenix, Ariz	1948
Class C	
I. W. Dinsmore, executive vice president, Rawlins Federal Savings & Loan Association, Rawlins, Wyo	1947
M. L. Carrier, president, Centralia Federal Savings & Loan Association, Centralia, Wash	1948

[1] Chairman.
[2] Vice Chairman.

Exhibit 5

OFFICERS OF THE FEDERAL HOME LOAN BANKS

December 31, 1947

DISTRICT NO. 1—BOSTON

W. H. Neaves	President
H. N. Faulkner	Vice President and Assistant Treasurer
L. E. Donovan	Secretary-Treasurer
Beatrice E. Holland	Assistant Secretary

DISTRICT NO. 2—NEW YORK

Nugent Fallon	President
R. G. Clarkson	Senior Vice President
Denton C. Lyon	Vice President and Secretary
H. B. Diffenderfer	Vice President and Treasurer
Joseph F. X. O'Sullivan	Assistant Secretary and Office Attorney

DISTRICT NO. 3—PITTSBURGH

Ralph H. Richards	President
G. R. Parker	Vice President and Secretary
Dale Park	Treasurer

DISTRICT NO. 4—WINSTON-SALEM

O. K. LaRoque	President and Secretary
J. W. Holt	Vice President and Treasurer

DISTRICT NO. 5—CINCINNATI

W. D. Shultz	President
W. E. Julius	Vice President and Treasurer
Joseph W. Whittaker	Vice President
E. T. Berry	Secretary

DISTRICT NO. 6—INDIANAPOLIS

Fred T. Greene	President and Secretary
Fermor S. Cannon	Vice President
G. E. Ohmart	Vice President and Treasurer
Sylvia F. Brown	Assistant Secretary
Caroline F. White	Assistant Treasurer

DISTRICT NO. 7—CHICAGO

A. R. Gardner	President
John P. Domeier	Vice President and Treasurer
Constance M. Wright	Secretary
Lauretta Quam	Assistant Treasurer

DISTRICT NO. 8—DES MOINES

R. J. Richardson	President and Secretary
W. H. Lohman	Vice President and Treasurer
J. M. Martin	Assistant Secretary
A. E. Mueller	Assistant Treasurer

DISTRICT NO. 9—LITTLE ROCK

H. D. Wallace	President and Secretary
J. Curran Conway	Vice President
W. F. Tarvin	Treasurer

HOME LOAN BANK BOARD

DISTRICT NO. 10—TOPEKA

C. A. Sterling	President and Secretary
R. H. Burton	Vice President and Treasurer

DISTRICT NO. 11—SAN FRANCISCO

Gerrit Vander Ende	President and Secretary
Irving Bogardus	Vice President and Treasurer
Guy E. Jaques	Vice President
George H. Melander	Assistant Treasurer
Kathleen McCliment	Assistant Secretary
Luella F. Nolan	Assistant Treasurer
Ethel E. Pearson	Assistant Secretary
Mrs. E. M. Jenness	Assistant Secretary

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Summary

Over 5,400,000 savers and investors were receiving the advantages of insurance through the Federal Savings and Loan Insurance Corporation on December 31, 1947. These individuals held total savings of $7,200,000,000 in the 2,536 Federal and State-chartered savings and loan associations which had qualified for insurance; each account holder was insured against loss on his savings up to $5,000. Total assets of the institutions aggregated $8,500,000,000.

Since the Corporation was organized, 62,600 savers in 35 associations have benefited directly from insurance. In seven liquidation cases the Corporation has disbursed a total of $6,696,000, of which all but $313,000 has been recovered. By means of a cash grant known in the insurance law as a "contribution," the Corporation has restored 28 impaired associations with assets of $56,977,000 to normal operation; ultimate loss in these cases is not expected to exceed $4,898,000.

Purpose and Legislative Background

The Federal Savings and Loan Insurance Corporation was born out of the chaotic days of the early 1930's, when the financial structure of the Nation was near collapse. Banks were more immediately affected by the troubled economic conditions than savings and loan associations and bank failures soon became widespread, whereas associations, because of the nature of their operation, did not face serious difficulties until a later period.

Drastic measures were called for and courageous steps were taken. As one of the means of restoring the banking structure to a sound basis, the Congress established the Federal Deposit Insurance Corporation in early 1933 for the purpose of insuring bank deposits. The salutary effect was almost immediately apparent, and it was soon obvious that confidence had been restored in the banking field. The success of deposit insurance led savings and loan leaders and other public-

FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Creation of Federal savings and loan associations was authorized by section 5 of the Home Owners' Loan Act of 1933. This section specified that in issuing charters, the Home Loan Bank Board (to which Congress assigned the responsibility for creation, examination, and supervision) must in each instance give "primary consideration to the best practices of local mutual thrift and home-financing institutions in the United States." Federal savings and loan associations are required to raise their own capital in the form of shares or share accounts, which represent private individual savings. No Federal association is permitted to accept deposits and no certificates of indebtedness may be issued except for such borrowed money as may be authorized by regulations of the Board.

The law provides that Federal savings and loan associations may be established either by issuing charters to newly formed groups or to existing State-chartered institutions which qualify by conversion. As of December 31, 1948, a total of 1,485 Federal savings and loan associations were in operation. Of these, 642 represented associations originally organized under Federal charter, the remaining 843 associations having converted from State to Federal charter. At the year end, Federal charters were outstanding in each of the 48 States as well as in the District of Columbia, Alaska, Hawaii, and Puerto Rico. The combined resources of all Federal associations at the end of 1948 amounted to approximately $6,162,000,000, reflecting an increase in total assets of 12.9 percent during the year. The resources of the Federals now account for nearly one-half (47 percent) of the total assets of all institutions of the savings and loan type in the country. During the past year the average size of Federal savings and loan associations increased from $3,694,000 to $4,150,000, or by 12.3 percent.

New Federal associations

During 1948 seven new Federal savings and loan associations were organized and five State-chartered savings and loan associations converted to Federal charter. Among the new Federal associations chartered in 1948 was the First Federal Savings and Loan Association of Puerto Rico, with headquarters in San Juan. Chartering of the Federal in Puerto Rico was the culmination of a prolonged effort of a group of citizens of the islands to provide for their people this form of cooperative organization for the promotion of thrift and home financing. Of the other Federal associations formed in 1948, one was created by the consolidation of two Federal associations. During the year, three Federal associations ceased to exist by reason of voluntary dissolution, one merged with another insured association, and one reincorporated as a State-chartered insured association. The effect of these changes was a net increase of seven in the number of Federal savings and loan associations during 1948. In addition, five Federal associations received authorization from the Board in 1948 to establish branch offices. As of December 31, 1948, 45 of the 1,485 Federal associations were operating a total of 58 branch offices.

The development and use of branch offices by savings institutions in the United States has never been as aggressive as has been their development and use by commercial banks. As of December 31, 1947, the latest year end for which figures are available, commercial banks, numbering 14,181—State and National—had 4,161 branches, including a few designated statistically as "additional offices." Of these commercial banks, the national banks alone, totaling 5,005, had 1,870 branches.

Savings institutions, on the other hand, had a far smaller number of branches. Figures are not available for State-chartered institutions of the savings and loan type, but mutual savings banks, totaling 533, had 171 branches, and Federal savings and loan associations, totaling at the same time 1,478, had 53 branches, including in their number branches which converted Federal associations operated prior to conversion under the authority of their State charters.

The foregoing figures make clear that on December 31, 1947, all types of commercial banks had approximately 40 branches for every 140 institutions, whereas Federal savings and loan associations had only 5 branches for every 140 associations. In other words, the commercial banks of the country, operating under State and national charters, have roughly 8 times as many branches proportionately as Federal savings and loan associations.

Board policy on branches

The problem of creating branches of Federal associations has been a live one in many quarters throughout 1948. The public recognizes that as a general policy the Board is reluctant to authorize the establishment of a branch by a Federal unless there is clear, substantial evidence of need and large prospective value—a need and value comparable to that required as evidence for the establishment of a new association. Several applications for authority to create branches, which were filed with the Board during the year, have not been acted upon, but are still under consideration.

Without formal expression of policy, the members of the Board have made clear in speeches and conferences their recognition of the point of view of State supervisory authorities whose influence for the most part, in the matter of creating additional branches, has been on the side of extreme caution and restraint. The atmosphere of cooperation and mutual respect which has characterized the relationships between the Board and State supervisory authorities on this subject and other kindred subjects of policy and administration has led to a liberal exchange of information which in itself has been a favorable factor in permitting full, free, and objective examination of varied points of view and prospective reactions. The Board is gratified that it has been able to work in close cooperation with State authorities. It desires both to continue and to improve this relationship. It does not, however, accept the thesis that its judgments or authority are bound by State laws or by the policies of State supervisory authorities with respect to the creation and approval of branch organizations. In its interpretation of Federal statutes, the Board has formed the opinion that to the extent that Congress empowered it to charter Federal associations, it likewise, under the law and for the same reasons and with the same general limitations, gave the Board authority to sanction and approve the creation of branches.

Flow of savings

In contrast to the postwar decline in the amount the American people have been able to save out of current income, the flow of individual savings into Federal savings and loan associations continued in record volume during 1948. During the year, savings of the public invested in Federals increased by $642,052,000, or 13.9 percent. This increase which, dollarwise, was the largest annual gain in the 15 year history of Federals, brought total private savings in these institutions to $5,250,821,000, as of December 31, 1948. The number of individuals holding savings accounts in Federals increased from 3,281,000 to 3,669,000 during the year.

Liquidity and reserves

Liquidity and reserves have been important subjects of policy and administration during 1948. Year-end reports reveal that cash and U. S. Government obligations held by all Federal associations amounted to $1,010,229,000, which is equivalent to 16.4 percent of their total assets. During the year liquid assets of this character declined $63,019,000, to a total 5.9 percent below the comparable figure for the preceding year end. General reserves and undivided profits accounts of Federal associations increased from $329,784,000 to $393,114,000. At the close of 1948, such reserve accounts were equivalent to approximately 6.4 percent of total assets, as compared with 6 percent at the end of 1947.

Mortgage loans

First mortgage loans, primarily on one- to four-family homes, normally represent from 75 percent to 85 percent of the total assets of Federal savings and loan associations. At the end of 1948, first mortgages constituted 80 percent of the total assets. Dollarwise, mortgage holdings of Federals increased from $4,225,963,000 to $4,937,758,000 during the year. This increase, which amounted to $711,795,000, or 16.8 percent, was somewhat less than the $868,381,000, or 25.9 percent, gain in mortgage portfolios registered in 1947. The smaller net increase in 1948 stemmed primarily from a decline in the volume of new mortgage loans made. During 1948, Federals made $1,719,537,000 of first mortgage loans, a volume 5.5 percent less than the 1947 record. Although the total volume of mortgage loans made by Federal associations declined during the reporting year, the volume of loans made to finance the construction of new homes continued to rise. The $551,354,000 of construction loans made during 1948 represented one-third of all loans made by Federals and was 12.9 percent greater than the aggregate amount of such loans made during 1947. A brief summary of new mortgage loans made by these institutions during 1947 and 1948, classified as to purpose of loan, is shown in the following table:

New mortgage loans made by all Federal savings and loan associations

Purpose	1948		1947		Percent change in 1948
	Amount	Percent of total	Amount	Percent of total	
Construction	$551,354	32 1	$488,502	26.9	+12 9
Purchase	768,040	44 7	966,932	53 2	−20 6
Refinancing	161,853	9.4	153,779	8.4	+5 3
Reconditioning	61,076	3 5	49,349	2 7	+23.8
Other	177,214	10 3	159,948	8.8	+10.8
Total	1,719,537	100.0	1,818,510	100.0	−5.5

FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Creation and Purposes

The Federal Savings and Loan System had its inception in the Home Owners' Loan Act of 1933, section 5 of which provided for the chartering of Federal savings and loan associations either by the granting of new charters to local organizing groups or by the conversion of existing institutions of the savings and loan type from State to Federal charter. The underlying purpose of this legislation was to provide for adequate thrift and home financing facilities by creating local institutions throughout the country that would operate on a uniform plan incorporating the best practices and operating principles of savings institutions specializing in the financing of homes.

Federal savings and loan associations are mutual institutions the capital of which is represented entirely by the savings accounts of members, who are the sole owners. All savings accounts participate equally in the earnings of the association, on a pro rata basis, earnings being paid semiannually at a rate determined by the directors on the basis of net profits. As contrasted with commercial banks, the funds of which are mainly derived from demand deposits and which make short-term loans principally for commercial purposes, the funds received by Federal savings and loan associations are primarily of a savings or investment nature. Such associations make their loans principally on a monthly, long-term, amortization basis on the security of homes owned by citizens of the community.

Federal associations are not permitted to accept deposits or to issue certificates of indebtedness except for such borrowed money as is authorized by regulations made by the Home Loan Bank Board. Their shares are nonassessable. All Federal savings and loan associations must be members of the Federal Home Loan Bank System and must qualify for insurance of their accounts by the Federal Savings and Loan Insurance Corporation. Also, they are examined regularly and supervised by the Board, and are subject to its regulations.

Granting of Charters and Branches

In accordance with the provisions of the act, applications for permission to organize new Federal associations are considered on the basis of all facts available with respect to the character and responsibility of the organization group, the need for such an institution in the community to be served, the prospects for its usefulness and success, and the question whether the association could be established without undue injury to properly conducted, existing local thrift and home financing institutions. In no case is an application approved without provision having been made for a public hearing thereon, which usually is dispensed with if no objection is recorded in response to locally published notice of such hearing. During the year 1949, 16 new Federal savings and loan associations were chartered.

In keeping with the Board's policy of strict impartiality as between State-chartered and federally chartered associations, the Board applies the same tests for conversion of an uninsured State association to Federal charter as if it were seeking insurance of accounts under State charter. In the case of insured associations it is the Board's policy to permit associations to convert either from State to Federal charter or from Federal to State charter, in accordance with the expressed vote of the association's mutual shareholders. The dual system under which the total assets of all savings and loan associations are about evenly divided between State and Federal associations is considered a healthy one. During 1949, 11 State-chartered savings and loan associations converted to Federal charter and one Federal association reincorporated as a State-chartered insured association.

When considering applications for branch offices by Federal associations, the Board applies the same tests as in the organization of new associations. Branch offices are not permitted unless there is conclusive evidence of a real need, and strong prospects that such need can be served by the proposed branch without undue injury to existing local institutions. Neither is a branch office approved without first providing for a public hearing, notice of which is published locally and also mailed to the appropriate State supervisory authorities and to the organized savings and loan group, if any, in the locality. Those who wish to protest the establishment of a branch may appear in person or submit their objections in writing. As of December 31, 1949, 64 Federal associations were operating 80 branch offices and no Federal association had more than 4 branches. During 1949 the Board authorized Federal associations to operate 23 additional branch offices.

Growth and Development to Date

As of December 31, 1949, a total of 1,508 Federal savings and loan associations were in operation, of which 852 were converted from State to Federal charter and 656 were originally organized under Federal charter. There are Federal associations in each of the 48 States as well as in the District of Columbia, Alaska, Hawaii, and Puerto Rico. Combined assets of all Federal associations at the end of 1949 amounted to $7,107,000,000, representing a 15 percent increase during 1949 and 81 percent from December 31, 1945, the 4 year postwar period. Resources of Federal associations now account for almost one-half (49 percent) of total resources of all savings and loan associations in the country. During the past year the average size of Federal associations increased from $4,150,000 to $4,713,000, or by 14 percent.

During 1949, 27 Federal charters were issued, of which 16 were for newly organized associations and 11 were for converted State associations. Four charters were canceled, one by reason of voluntary liquidation, one Federal reincorporated as a State-insured association, one consolidated with an insured State-chartered association, and the remaining association consolidated with another Federal. All these changes effected a net increase of 23 in number of Federal savings and loan associations during the year.

Savings Activity and Trends During Year

At the end of 1949, the total number of private investors in Federal associations was 4,260,000, an increase of 591,000, or 16 percent, during the year. The flow of savings into Federal associations continued at a record pace during 1949 and the net increase of $877,000,000, or 14 percent, represents the largest annual gain in the 16-year history of Federals. The aggregate of all savings accounts in Federal associations at December 31, 1949, was $6,132,000,000, representing an increase of 82 percent during the 4-year postwar period since December 31, 1945. Total savings invested during the year amounted to $2,382,000,000, while withdrawals aggregated $1,565,000,000, resulting in a withdrawal ratio of 66 percent. This compares favorably with the 1948 ratio of 70 percent.

Lending Activity and Trends During Year

First mortgage loans, secured primarily by one- to four-family homes, represented 80 percent of the total assets of Federal associations at the end of 1949. The total amount increased from $4,938,000,000 to $5,673,000,000, or 15 percent during the year, as compared with a 17-percent increase during 1948. The mortgage loan portfolio of Federals on December 31, 1949, consisted of FHA loans of $407,000,000, or 7 percent, GI loans of $1,369,000,000, or 24 percent, and conventional loans of $3,897,000,000, or 69 percent. Federals made $1,770,000,000 of mortgage loans during 1949, a volume 3 percent more than during 1948. A brief comparative summary of new loans made by Federal associations during 1948 and 1949, classified as to purpose of loan, is shown in the following table:

New mortgage loans made by all Federal Savings and Loan Associations

[Dollar amounts in thousands]

Purpose	1949		1948		Percent change in 1949
	Amount	Percent of total	Amount	Percent of total	
Construction	$573,166	32.4	$551,354	32.1	+4.0
Purchase	719,892	40.7	768,040	44.7	−6.3
Refinancing	189,737	10.7	161,853	9.4	+17.2
Reconditioning	77,517	4.4	61,076	3.5	+26.9
Other	210,087	11.8	177,214	10.3	+18.5
Total	1,770,399	100.0	1,719,537	100.0	+3.0

Liquidity and Reserves

Liquidity and reserves are becoming increasingly important as subjects of policy and administration. General reserves and undivided profits accounts of all Federal associations increased from $393,000,000 to $470,000,000 during 1949 and such reserve accounts equaled 6.6 percent of total assets at December 31, 1949, as compared with 6.4 percent at the end of 1948 and 6 percent at the end of 1947. In relation to savings accounts, the corresponding reserve ratios were 7.7 percent for 1949, 7.5 percent for 1948, and 7.1 percent for 1947. Cash and United States Government obligations of all Federal associations amounted to $1,176,000,000, or 19.2 percent of all savings accounts, and 16.5 percent of total assets at December 31, 1949. This represents an increase of $166,000,000, or 16 percent during the year. It is the Board's policy to encourage maintenance of strong liquidity and reserve positions, and Federal associations generally have established substantial ratios in these respects, as evidenced by the aforementioned percentages.

ORGANIZATION AND FUNCTION CHART OF THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Created by Title IV of the National Housing Act, 1934, for the purpose of insuring savings in all Federal savings and loan associations and in all State-chartered savings and loan, building and loan, and homestead associations and cooperative banks which apply and qualify. The insurance coverage for each account is limited to $5,000.

HOME LOAN BANK BOARD

The Board provides a number of staff services for itself and the subordinate Corporations. They include legal services by the Board's General Counsel; Personnel Department functions; Auditing; coordination of budget estimates and justifications, and such housekeeping services as procurement, files and records, mail and messenger services and the like.

GENERAL MANAGER

Under supervision and authority of the Home Loan Bank Board, plans, organizes and directs the operations of the Corporation.

UNDERWRITING DIVISION

Develops programs for insurance of accounts; passes upon all applications for insurance of accounts; coordinates underwriting activities with officials of Federal Home Loan Banks and State Supervisory authorities.

ASSISTANT GENERAL MANAGER

OPERATING ANALYSIS DIVISION

Provides analyses of financial and other operating information pertaining to the administrative and supervisory problems of the Corporation and the Federal Home Loan Bank System; compiles and analyzes statistical series in thrift, home mortgage, housing and real estate activities; provides economic background and other data bearing upon problem cases of the Corporation.

CHIEF

INSURANCE SETTLEMENT DIVISION

Supervises the payment and settlement of insurance to insured shareholders of institutions in receivership. In addition to this primary function the services of the division are used to pass upon amendments to Charter, bylaw and security forms and fidelity bond coverage for all insured associations.

ASSISTANT GENERAL MANAGER

REHABILITATION AND RECOVERIES DIVISION

Responsible for taking necessary steps as provided by law to prevent a default in an insured institution or restore an insured institution in default to normal operation. Supervises recoveries and conversion into cash of assets in institutions for which Corporation has been appointed receiver.

ASSISTANT GENERAL MANAGER

COMPTROLLER'S DIVISION

Plans, organizes and directs accounting and fiscal activities of the Corporation. Controls all accounting operations including receiverships and prepares financial statements, reports and analyses. Controls all operations pertaining to the receipt and disbursement of funds of the Corporation; maintains internal control of allotted budgetary funds.

COMPTROLLER