

President's Perspective



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I am usually identified with the glamorous side of central banking—the work I do with my Federal Open Market Committee colleagues in determining monetary policy. As Dallas Fed president, I am also CEO of a 1,300-employee business that helps keep the payments system humming and our district's banks healthy.

That side of what we do may not be as visible to the public, but it is just as vital to our region's prosperity.

We process a lot of checks here at the Dallas Fed. Last year, we handled 940 million paper checks worth over \$1 trillion. As we move from paper into the digital age, we also process increasing volumes of electronic checks—over 700,000 a day and growing.

We handle cash for the banking system. A total of 6.1 billion banknotes, worth \$106 billion, passed through the Dallas Fed's vaults last year on the way to or from banks all over the Southwest. Our machines sort 90,000 banknotes an hour, plucking out \$517 million worth of worn currency each month for shredding. The average dollar bill lasts 18 months before it is sent to what I call "money heaven."

We supervise and regulate banks. The Dallas Fed's staff monitors 38 state member banks, 450 bank holding companies, and 29 agencies and representative offices of foreign banking organizations in our district. Our professionals are some of the most experienced in the nation, having earned their stripes handling the 1980s Texas banking debacle.

We also run an overnight credit service that allows banks in our district to borrow from us to meet their reserve requirements.

We earn fees from the banking services we provide. Those fees, plus returns earned from assets on our \$40.6 billion balance sheet, allow us to operate these business lines and perform economic research and other functions profitably. In fact, after covering expenses and paying a dividend to shareholders, the Dallas Fed handed \$1.3 billion over to the U.S. Treasury last year, reducing the government deficit.

I am truly honored to be part of an organization with dedicated and talented people who serve the Eleventh District and work to maintain its economic security. Their commitment and achievements are worth celebrating.

A handwritten signature in gold ink that reads "Richard W. Fisher". The signature is written in a cursive, flowing style.

Richard W. Fisher
President and CEO
Federal Reserve Bank of Dallas