The original documents are located in Box C44, folder "Presidential Handwriting, 7/12/1976" of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

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THE WHITE HOUSE

WASHINGTON

July.12, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

L. WILLIAM SEIDMAN

FROM:

SUBJECT:

JAMES E. CONNOR \mathcal{GEF}

Federal Seasonal Assistance Loans to New York City

The President reviewed your memorandum of July 8 on the above subject and made the following notation:

"Excellent - Can I get copies to keep in briefcase?"

We have returned a copy of the chart to the President for his personal use.

cc: Dick Cheney

THE WHITE HOUSE

WASHINGTON

July 8, 1976

MEMORANDUM FOR THE PRESIDENT

L. WILLIAM SEIDMAN **fus** FROM:

Federal Seasonal Assistance Loans to SUBJECT: New York City

In response to your request Treasury has prepared the attached charts showing disbursements and repayments (principal and interest) both for Fiscal Year 1976 and for Fiscal Year 1977 for Federal seasonal assistance loans to New York City.

I suspect that there are many taxpayers who do not realize that the Federal Government earned approximately \$27 million in interest payments from New York during the period December 1975 through June 1976.

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Attachment

NEW YORK CITY BORROWINGS/REPAYMENTS FY 76



NEW YORK CITY BORROWINGS/REPAYMENTS FY 77



Interest payments and total payments are estimates.

<u>1</u>/ -

New York City Borrowing

Fiscal Year 1976

1. Borrowing

December	\$370,000,000		
January	\$140,000,000		
February	\$430,000,000		
March	\$320,000,000		
TOTAL	\$1.26 Billion		

2. Repayments

2.2

		Interest	Total
April	\$270,000,000	\$ 5,120,723.29	\$275,120,723.29
May	240,000,000	6,105,336.99	246,105,336.99
June	750,000,000	15,897,901.38	765,897,901.38
TOTAL	\$1,260,000,000	\$27,123,961.66	\$1,287,123,961.66

New York City Borrowing

Fiscal Year 1977

l. Borrowing

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July 1976	\$850,000,000
August 1976	\$225,000,000
October 1976	\$125,000,000
November 1976	\$175,000,000
December 1976	\$475,000,000
January 1977	\$150,000,000
March 1977	\$175,000,000
TOTAL	\$2.175 Billion

2. Repayments

Principal	Interest	Total
April 1977 \$650,000,000	\$37,000,000 (est.)	\$687,000,000 (est.)
May 1977 450,000,000	26,000,000 (est.)	476,000,000 (est.)
June 1977 <u>1,075,000,000</u>	_38,000,000 (est.)	<u>1,113,000,000 (est.)</u>
TOTAL \$2,175,000,000	\$101,000,000 (est.)	2,276,000,000 (est.)

July 5, 1976

MEMORANDUM TO:

ROGER PORTER

FROM:

JIM CONNOR

SUBJECT:

New York City Aid

The President has noted the attached article from the Wall Street Journal, and in connection with it requested the following:

Have a chart prepared (month by month from beginning showing disbursements and repayments (principal and interest)

Would you please have the appropriate chart prepared by Treasury through the EPB for transmittal to the President. Thank you.

encl.

Conn THE WHITE HOUSE WASHINGTON Dick Ching) will you have a chart preparel (month by month from beginning showing distansements & represents (prmepal & interest)

varas New York City wins New Federal Loan Job With Warnings to Continue Economizing

By a WALL STREET JOURNAL Staff Reporter

liam Simon approved a new \$500 million fed-

eral loan for New York City, enabling it to

meet \$627 million in payroll and other obli-

Treasury officials emphasized that they

won't relax pressure on the city to live

within its means and to make progress in

The eleventh-hour agreement of the city's

solving its longer-range financial problems.

labor unions to accept a \$24 million cut in

fringe benefits paved the way for the new

federal money. Mr. Simon, who must certify

that there's a reasonable prospect for repay-

ment before the government advances loans

to the city, had threatened to terminate the

loan program if the city emerged from its

labor negotiations with a net increase in

York may borrow up to \$2.3 billion in any

one year. The city had borrowed \$1.26 billion

under the program in the fiscal year that

ended Wednesday, repaying the last \$100

million of that amount on the last day of the

loan, Mr. Simon praised the economy mea-

sures the city already has taken, including

the labor agreement. But he emphasized

that "we will be carefully monitoring New

York City's compliance" with its financial

plan "and our action on future loan requests

will be directly influenced by what steps are

Treasury Secretary in charge of the New

York loans, said the city is expected to re-

quest another \$350 million federal loans on

\$500 million approved yesterday.

Robert Gerard, the Deputy Assistant

The city has until April 15 to repay the

Mr. Simon said that "without solid and

consistent progress" by the city in solving

its deeper financial problems, "the loan pro-

gram will not be continued." Specifically,

the Treasury Secretary said, New York

-Take "forthright action to phase out

In announcing his approval of the new

Under the federal loan programs, New

At the same time, Mr. Simon and other

gations falling due this week.

compensation costs.

year.

taken."

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ff Reporter on's Defense rd Oil Co. of act for mar-

ved two Air illion for lashoming and

30.8 million for jet fuel. ways was ce contract astern test

Co., a divi-Inc., was by the Defabrics. Army conig sets. Hollister. got a \$5.8 ssile fuel. rded a \$5.4 contract for

million Dejet fuel. a \$4 million monitoring July 15.

s Inc., Norn Air Force products. received a for maintege facilities ida. tion Co. react for over-

ort division rce contract facilities at in Ohio.

rent control" to stop the erosion of the city's real estate tax base. WASHINGTON - Treasury Secretary Wil-

-Restructure its employe pension arrangements, which have been criticized as being too generous.

-Establish "an acceptable accounting and financial control system."

-Speed up planning to create a more favorable environment for business.

-Reappraise its tax structure.

The loan approval and the tough talk about future requests are consistent with the carrot-and-stick approach the Treasury has taken with New York so far. At each crucial point, the Treasury has come through with the money the city needs to keep going. But Treasury officials insist they are serious about the threats and confident that New York officials are taking the threats seriously. They cite the labor pact as evidence that the threats have "stiffened the city's backbone," as one Treasury official put it.

"New York City has made considerable progress toward the objective of fiscal and financial reform," Mr. Simon said in a "The revised financial statement. plan. . . the agreements in principle with all of the major labor unions. . . and other factors have justified the finding that there is a reasonable prospect of repayment for a \$500 million loan to be repaid April 15, 1977."

Mr. Gerard said "we've received numerous personal assurances" from New York officials that the city will have made additional progress by the time it applies for another \$350 million in federal loans later this month.

Reynolds & Reynolds Co. Stock

DAYTON, Ohio-Reynolds & Reynolds Co. said its directors authorized the repurchase of up to 50,000 of the company's Class A common shares from time to time on the open market.

The company, which makes business forms and offers data-processing services, said the reacquired shares would be used only in connection with the exercise of options under its qualified stock-option plan. The company said it had about 4.7 million common shares outstanding as of March 31.

Marathon Oil Doubles Production of Crude From Big Texas Field

Ry a WALL STREET JOURNAL Staff Reporter FINDLAY, Ohio-Marathon Oil Co. said it doubled crude oil production from the big Yates field in Pecos County, Texas, to 100,-000 barrels a day.

The move, which had been expected, followed the previously reported approval by the Texas Railroad Commission to boost production and unitize the field. Unitization allows the operation of an entire oil field as a single unit regardless of the field's size or number of owners. Marathon, which is the operator of the field, has a 49.4% working interest in it. It estimated that it will realize an additional 20,000 barrels a day as its share of the increased production.

At a news conference in Houston, Robert E. McMillen, Marathon senior vice president, said unitization of the field could boost its ultimate output about 200 million barrels. The field was discovered in 1926 and has already produced about 600 million barrels; estimates of its ultimate production range as high as 1.4 billion barrels.

Besides Marathon, companies with interests in the field include Standard Oil Co. of California, Standard Oil Co. (Indiana), Gulf Oil Corp., Cities Service Co., Union Oil Co. of Calfornia, Shell Oil Co., Getty Oil Co., Exxon Corp., Phillips Petroleum Co., Standard Oil Co. (Ohio) and Continental Oil Co.

Marathon also said that a previously announced explosion some months ago on an oil-drilling platform in Cook Inlet, Alaska, will reduce the company's North American oil production by about 4,000 barrels a day. Marathon earlier had estimated that the reduction would be about 2,700 barrels a day. Marathon said its North American production this year should average about 184,000 barrels daily.

Business Failures Rose in Week NEW YORK-Business failures in the week ended June/24 rose to 220 from 151 the previous week and from 205 in the year-ear-

lier week, according to Dun & Bradstreet Inc., Year-to-date failures fell to 5,304 from 6,423 in the 1975 period.



Wild Turkey Lore:

In 1776 Benjamin Franklin pr that the Wild Turkey be adopted symbol of our country.

The eagle was chosen instead.

The Wild Turkey later went of become the symbol of our count finest Bourbon.

> WILD TURKEY/101 PROOF/8 YEAR Austin Nichols Distilling Co. Lawrencebi