

# 1956 OPERATIONS

## OF THE FEDERAL RESERVE BANK OF ST. LOUIS

**O**PERATIONS of the Federal Reserve Bank of St. Louis during 1956 continued in heavy volume. Check handling exceeded the annual record set in 1955, and items processed in other major operations were close to or exceeded the prior year's level. It is interesting to note that the dollar volume of items of all kinds processed in 1956 exceeded \$190 billion as compared with just under \$180 billion in 1955. Considerable progress was made during the year in modernizing the Bank's facilities. Especially notable was the progress in construction of the new Louisville Branch building.

### *Volume of Operations*

The volume of large-scale operations for the past year and 1955 is shown by the table and charts on pages 26 and 27. The most sizable percentage change shown in major volume figures in the table occurred in withheld tax receipts processed. A factor in this increase was the handling of tax receipts from agricultural employers due to a change in Treasury regulations for 1956 which required that monthly deposits be made through the banking system. The 8 per cent decline in "Other Government Issues" reflected a large reduction in the number of Treasury cash and exchange offerings in comparison with other recent years. Twenty banks were qualified for new Treasury Tax and Loan Accounts.

### *Discount Activity*

The aggregate amount of advances, including renewals, to member banks in 1956 under the discount provisions of the Federal Reserve Act was within 3 per cent of the amount in 1955. The number of banks served, however, was larger. On a daily average basis, the volume of loans outstanding was \$22.3 million as against \$22.5 million during 1955. Two applications were received for loans under Regulation V.

### *Other Activities*

Relations with member banks during the year were maintained by many personal contacts in addition to the usual financial transactions. Over 1,000 visits were made on banks in the Eighth District and 36 area reports on business, agricultural and financial conditions were prepared. A number of conferences, likewise dealing with economic conditions, were co-sponsored with bankers associations in Arkansas, Mississippi, Missouri and Tennessee. Over 2,500 persons, largely students, were conducted on tours of St. Louis or branch offices. More than twice that many viewed films explaining the central banking function.

## COMBINED VOLUME OF OPERATIONS

AT THE ST. LOUIS BANK AND THE LOUISVILLE, MEMPHIS  
AND LITTLE ROCK BRANCHES IN 1956 AND 1955\*

Number of Pieces Handled	1956	1955
Checks (Total)	197,703,000	188,160,000
City Checks	28,347,000	26,367,000
Country Checks	110,593,000	103,747,000
Checks on this Bank	187,000	194,000
Government Checks	42,992,000	41,769,000
Postal Money Orders	15,584,000	16,083,000
Currency	204,558,000	202,686,000
Coin	355,360,000	363,955,000
Transfer of Funds	133,000	132,000
Non-cash Collections	489,000	499,000
U. S. Government Interest		
Coupons	626,000	629,000
Discounts and Advances	1,211*	1,450*
<i>Safekeeping of Securities:</i>		
Securities Received and Released	148,000	162,000
Coupons Detached	317,000	311,000
<i>Fiscal Agency Operations:</i>		
U. S. Savings Bonds Issued, Exchanged, and Redeemed	7,012,000	7,227,000
Other Government Issues	246,000	268,000
Withheld Tax Depository Receipts Processed	736,000	588,000
Treasury Tax and Loan Account Transactions	152,000	157,000

### Dollar Volume

Checks Handled (Total)	\$67,331,135,000	\$62,711,565,000
City Checks	39,468,688,000	36,912,579,000
Country Checks	17,191,936,000	15,742,548,000
Checks on this Bank	3,228,281,000	2,907,168,000
Government Checks	7,171,032,000	6,877,984,000
Postal Money Orders	271,198,000	271,286,000
Currency	1,187,789,000	1,158,495,000
Coin	32,227,000	32,681,000
Transfer of Funds	41,409,687,000	39,090,607,000
Non-cash Collections	346,052,000	346,842,000
U. S. Government Interest		
Coupons	70,376,000	67,926,000
Discounts and Advances	4,640,220,000	4,754,020,000
<i>Safekeeping of Securities:</i>		
Coupons Detached	34,278,000	33,757,000
<i>Fiscal Agency Operations:</i>		
U. S. Savings Bonds Issued, Exchanged and Redeemed	757,675,000	852,570,000
Other Government Issues	7,933,886,000	8,041,503,000

x Figures rounded to the nearest thousand  
\* Exact number

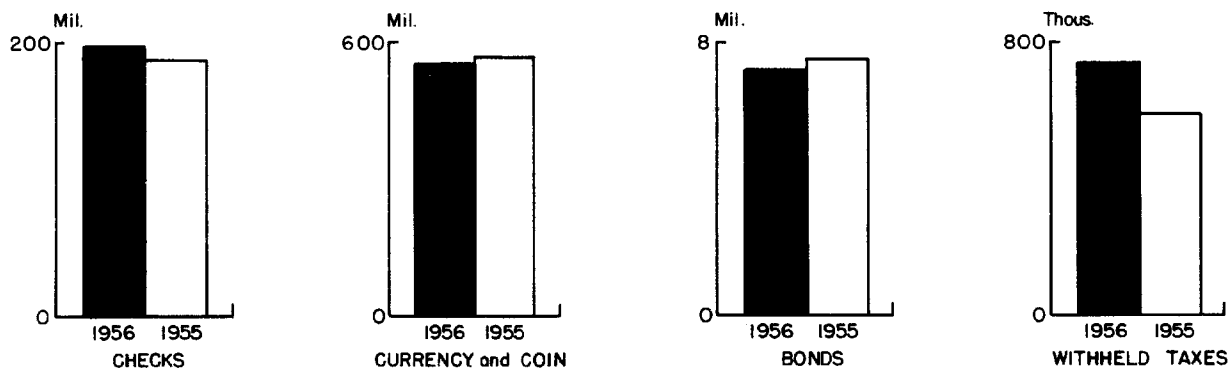
Two new banks were admitted to the Federal Reserve System in the Eighth Federal Reserve District during the year: the Bank of Arkansas, Little Rock, Arkansas, and the Bank of Crossett, Crossett, Arkansas. At year's end, there were 492 member banks in the district.

In addition to progress in construction of the new branch building in Louisville, extensive alteration and modernization of the Little Rock Branch quarters were completed during the year. At year-end plans were in preparation for some interior alterations in the Memphis Branch building. In the St. Louis office, remodeling of the Money Department was completed along with other improvements.

Customary internal audits of the Bank, including the branches, were complemented by the annual examination in May by the Chief Federal Reserve Exam-

Total current earnings of the Federal Reserve Bank of St. Louis increased from 1955 to 1956 by over \$7 million as shown by the table on page 27. After deducting expenses, current net earnings came to approximately \$17.5 million. Payments of statutory dividends to member banks in the Eighth District amounted to \$650,000. This Bank paid \$15 million to the Treasury as interest on Federal Reserve notes and added \$1.7 million to surplus.

## Volume of Large-Scale Operations at the Federal



Earnings and Expenses Statement

(Thousands of Dollars)	1956	1955	Change
Total current earnings.....	\$24,402	\$17,020	\$ +7,382
Net expenses.....	6,931	6,073	+ 858
Current net earnings.....	17,471	10,947	+6,524
Net additions (+) or deductions (—).....	— 3	— 25	+ 22
Net earnings before payments to United States Treasury.....	17,468	10,922	+6,546
Paid to United States Treasury (Interest on Federal Reserve Notes)...	15,136	9,275	+5,861
Dividends paid.....	650	617	+ 33
Transferred to surplus.....	1,682	1,030	+ 652

Personnel Changes

Total employment at the St. Louis, Little Rock, Louisville and Memphis offices of the Bank was 1,145 at the end of 1956 compared with 1,155 at the end of 1955. Slight net reductions in personnel occurred at St. Louis and Louisville and slight increases at Little Rock and Memphis.

The following designations and appointments include those made in January 1957 as well as those made in December 1956:

The Board of Governors of the Federal Reserve System appointed Mr. Pierre B. McBride, Louisville, Kentucky, a Class C Director of the Federal Reserve Bank of St. Louis for a three-year term beginning January 1, 1957, and designated him Chairman of the Board and Federal Reserve Agent for the year 1957. He succeeded Mr. M. Moss Alexander of St. Louis, whose term expired at the end of the year. Mr. McBride is President of Porcelain Metals Corporation, Louisville, Kentucky. He had been a Director of the Louisville Branch since January 1951.

Mr. Joseph H. Moore, Charleston, Missouri, was designated by the Board of Governors as Deputy Chairman of the Fed-

eral Reserve Bank of St. Louis for the year 1957. Mr. Moore, a Class C Director since March 1950, is engaged in farming in Southeast Missouri, where he has been active in agricultural affairs.

The Board of Governors also appointed Mr. J. H. Longwell, Director, Division of Agricultural Sciences, University of Missouri, Columbia, Missouri, as a Class C Director, effective January 1, 1957, to fill a vacancy caused by the resignation of Mr. Caffey Robertson. Mr. Longwell's appointment is for the unexpired portion of a term ending December 31, 1958.

Elected by member banks as Directors were:

Mr. Kenton R. Cravens, President, Mercantile Trust Company, St. Louis, Missouri, elected by member banks in Group 1 as a Class A Director for a three-year term beginning January 1, 1957. He succeeded Mr. William A. McDonnell of St. Louis whose term expired at the end of the year.

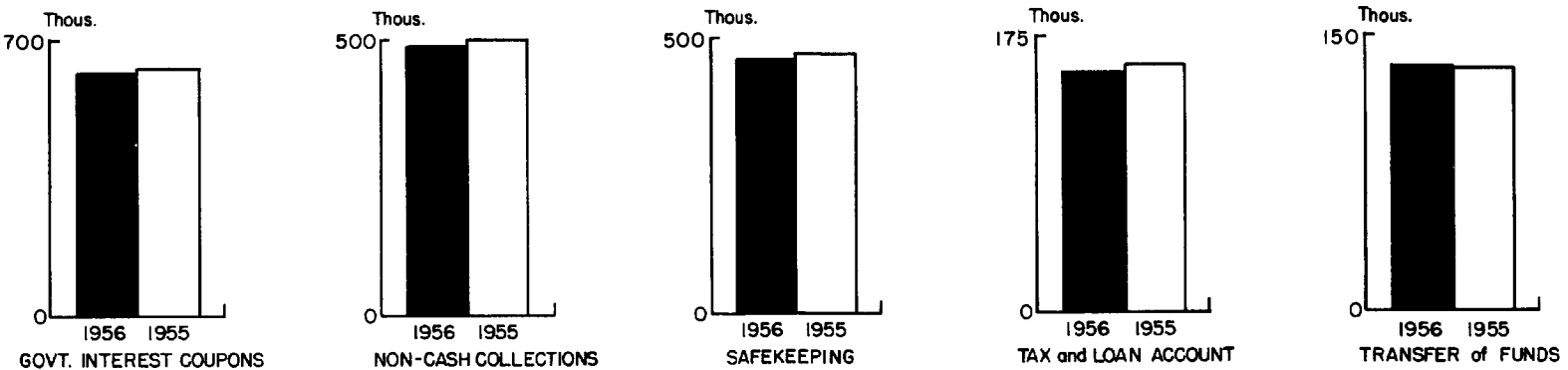
Mr. Harold O. McCutchan, Executive Vice President, Mead Johnson & Company, Evansville, Indiana, elected by member banks in Group 3 as a Class B Director for a three-year term beginning January 1, 1957. He succeeded Mr. Louis Ruthenburg of Evansville whose term expired at the end of the year.

Appointments by the Board of Governors to the Boards of Directors of the branches were:

Mr. T. Winfred Bell, President, Bush-Caldwell Company and the Arkansas Electric Company, Little Rock Arkansas, reappointed as a member of the Little Rock Branch Board for a three-year term beginning January 1, 1957.

Mr. David F. Cocks, Vice President and Treasurer, Standard Oil Company (Kentucky), Louisville, Kentucky, reappointed as a member of the Louisville Branch Board for a three-year term beginning January 1, 1957.

Reserve Bank of St. Louis and Branches—1956 and 1955



# DIRECTORS AND OFFICERS OF THE FEDERAL RESERVE BANK OF ST. LOUIS

February 1, 1957

## *Directors*

Pierre B. McBride, *Chairman*  
Joseph H. Moore, *Deputy Chairman*  
S. J. Beauchamp, Jr.                      J. E. Etherton  
Phil E. Chappell                              J. H. Longwell  
Kenton R. Cravens                      Harold O. McCutchan  
Leo J. Wieck

## *Officers*

Pierre B. McBride, *Chairman of the Board*  
Delos C. Johns, *President*  
Frederick L. Deming, *First Vice President*  
Howard H. Weigel, *Vice President and Secretary*  
Joseph C. Wotawa, *Vice President*  
Dale M. Lewis, *Vice President*  
William J. Abbott, Jr., *Vice President*  
George E. Kroner, *Vice President*  
Earl R. Billen, *Assistant Vice President*  
John J. Christ, *Assistant Vice President*  
Willis L. Johns, *Assistant Vice President*  
Stephen Koptis, *Assistant Vice President*  
Woodrow W. Gilmore, *Assistant Vice President*  
John J. Hofer, *Assistant Vice President*  
Marvin L. Bennett, *Assistant Vice President*  
Guy S. Freutel, *Assistant Vice President*  
W. E. Walker, *Assistant Vice President*  
Paul Salzman, *Assistant Vice President*  
Orville O. Wyrick, *Chief Examiner*  
Gerald T. Dunne, *Counsel and Assistant Secretary*  
George W. Hirshman, *General Auditor*

## LITTLE ROCK BRANCH

A. Howard Stebbins, Jr., <i>Chairman</i>	Shuford R. Nichols	Fred Burton, <i>Vice President and Manager</i>
Donald Barger	H. C. McKinney, Jr.	Sherley C. Davis, <i>Cashier</i>
T. Winfred Bell	J. V. Satterfield, Jr.	Clifford Wood, <i>Assistant Cashier</i>
E. C. Benton		W. J. Bryan, <i>Assistant Cashier</i>

## LOUISVILLE BRANCH

David F. Cocks, <i>Chairman</i>	M. C. Minor	Victor M. Longstreet, <i>Vice President and Manager</i>
Philip Davidson	J. D. Monin, Jr.	Donald L. Henry, <i>Cashier</i>
Magnus J. Kreisle	Merle E. Robertson	L. K. Arthur, <i>Assistant Cashier</i>
W. Scott McIntosh		

## MEMPHIS BRANCH

A. E. Hohenberg, <i>Chairman</i>	William B. Pollard	Darryl R. Francis, <i>Vice President and Manager</i>
Henry Banks	John D. Williams	Wilbur H. Isbell, <i>Cashier</i>
J. H. Harris	John K. Wilson	H. C. Anderson, <i>Assistant Cashier</i>
John A. McCall		Benjamin B. Monaghan, <i>Assistant Cashier</i>

Mr. Philip Davidson, President of the University of Louisville, Louisville, Kentucky, appointed as a member of the Louisville Branch Board for the unexpired portion of a term ending December 31, 1957.

Mr. John D. Williams, Chancellor, The University of Mississippi, University, Mississippi, reappointed as a member of the Memphis Branch Board for a three-year term beginning January 1, 1957.

Appointments by the Board of Directors of the Federal Reserve Bank of St. Louis to the Boards of Directors of the branches were:

Mr. Donald Barger, President, Peoples Exchange Bank, Russellville, Arkansas, reappointed as a member of the Little Rock Branch Board for a three-year term beginning January 1, 1957.

Mr. Merle E. Robertson, Chairman of Board and President, Liberty National Bank and Trust Company of Louisville, Louisville, Kentucky, appointed as a member of the Louisville Branch Board for a three-year term beginning January 1, 1957.

Mr. John K. Wilson, President, The First National Bank of West Point, West Point, Mississippi, reappointed as a member of the Memphis Branch Board for a three-year term beginning January 1, 1957.

The Board of Directors of the Federal Reserve Bank of St. Louis also reappointed Mr. Lee P. Miller as a member of the Federal Advisory Council to represent the Eighth Federal Reserve District for the year 1957. Mr. Miller is President of the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky.

The following official appointments and changes were made by the Board of Directors during 1956: George E. Kroner, Vice President; Orville O. Wyrick, Chief Examiner; Effective January 1, 1957, Sherley C. Davis, Donald L. Henry, and Wilbur H. Isbell were promoted to the position of Cashier at their respective Branches, Little Rock, Louisville, and Memphis, and Benjamin B. Monaghan was appointed Assistant Cashier of the Memphis Branch. The official title of Assistant Manager at the branches was discontinued on January 1, 1957.

William E. Peterson retired as Vice President in charge of the Bank's Examination Department on June 1, 1956. C. E. Martin retired as an Assistant Manager of the Memphis Branch effective August 1, 1956. Lee S. Moore, an Assistant Cashier of the Louisville Branch, died January 5, 1957.

