THE OPERATIONS OF A RESERVE BANK involve an almost unbelievable number of items and astronomical dollar totals. It is not unusual for one bank to process several million checks, coins, pieces of currency, bonds and other financial claims in a single day with an aggregate value in billions of dollars. These activities contribute substantially to the efficient functioning of the economy, but they are meshed so smoothly into the banking structure as to attract little public attention.

During the year 1957 many activities of the Federal Reserve Bank of St. Louis continued to expand from the record levels reached in the previous year. The need for a few operations, however, moderated. The accompanying table presents a rough idea of the size and scope of operations during the year.

Three activities of the bank are notable for their consistently large volume; they are check collection, currency and coin handling and fiscal agency operations. Processing of checks and other transit items continued to be the biggest single function of the bank in terms of number of employees. Both the number and dollar volume of checks processed, however, decreased from the peak reached in 1956, with the decline centering in Government checks and postal money orders. The number of individual and business checks coming through the bank continued to grow. The drop in Government checks processed was due to a change in procedures by the Treasury Department, which discontinued its paying operations at the Federal Reserve banks. Postal money orders continued to decline in use, a trend that has been going on for several years.

When measured in terms of number of individual items handled, the Money Department was the largest in the bank. The department handled 569 million pieces of currency and coin during the year, aggregating $1,230 million. These were gains of 2 per cent and 1 per cent, respectively, from the previous year. The Fiscal Agency Department handled (issued, exchanged and redeemed) somewhat more Savings Bonds during 1957 than in 1956, but the total dollar volume of the bonds handled declined. The number and volume of other Government issues processed in 1957 were much greater than in 1956.

During 1957 the bank transferred about $41 billion of funds. Although this was 2 per cent less than the peak amount in the year before, somewhat more service was provided in terms of number of transactions, 136,000 as against a previous high of 133,000 in 1956. The activity in non-cash collections, which consists of handling such items as drafts, promissory notes, stocks, bonds and coupons, was higher in 1957 than during the previous year. The amounts of securities received, released and held by the Safekeeping Department of the bank were also greater during 1957. In addition the department clipped more coupons in 1957 than in 1956, but for a somewhat smaller dollar value. During the year 1957, securities were held for 95 per cent of the member banks and 47 per cent of the nonmember banks in the Eighth District. All securities held for nonmember banks were Savings Bonds or issues pledged as collateral to Treasury Tax and Loan Accounts and to secure deposits of public money.

During 1957 the discount rate of the bank was changed twice. It was raised from 3 per cent to a level of 3½ per cent in August, and it was reduced to 3 per cent again in November. The volume and number of loans to member banks were somewhat
less in 1957 than during 1956, but about 8 per cent more member banks were accommodated.

Many other tasks, which cannot be readily measured by statistics, were performed by the Federal Reserve Bank of St. Louis during 1957. Much effort went into gathering, processing and interpreting data on the economy to assist officers and directors of this bank (and others of the Federal Reserve System) in carrying out their responsibility to adjust the supply, cost and availability of money and credit to the needs of the economy.

During the past year the Audit Department made periodic checks in all operating departments to verify the accuracy of the records and compliance with laws and regulations. The Accounting Department not only recorded all internal expenses and income, but also kept track of transactions with other Reserve Banks and those between this bank and district member banks. The Examination Department, under established policy, made examinations of state member banks in the district.

Further, operations of the bank ran more smoothly because of the efficient work of others such as personnel in the Planning, Machine Tabulation, Field Service and Purchasing Departments, the legal counsel, librarians, cafeteria workers, guards, maintenance men, porters, cleaning force, telephone operators and garage men.

During the year 1957, assets and liabilities of the Federal Reserve Bank of St. Louis showed only moderate net changes. Following is a brief comparative statement of condition of the bank:

![Combined Volume of Operations](image)

<table>
<thead>
<tr>
<th>Number of Pieces Handled</th>
<th>1957</th>
<th>1956</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checks (Total)</td>
<td>185,984,000</td>
<td>197,516,000</td>
</tr>
<tr>
<td>City Checks</td>
<td>30,185,000</td>
<td>28,347,000</td>
</tr>
<tr>
<td>Country Checks</td>
<td>114,625,000</td>
<td>110,599,000</td>
</tr>
<tr>
<td>Government Checks</td>
<td>26,791,000</td>
<td>42,992,000</td>
</tr>
<tr>
<td>Postal Money Orders</td>
<td>14,383,000</td>
<td>15,584,000</td>
</tr>
<tr>
<td>Currency</td>
<td>205,884,000</td>
<td>204,558,000</td>
</tr>
<tr>
<td>Coin</td>
<td>362,840,000</td>
<td>355,380,000</td>
</tr>
<tr>
<td>Transfer of Funds</td>
<td>136,000</td>
<td>133,000</td>
</tr>
<tr>
<td>Non-cash Collections</td>
<td>500,000</td>
<td>489,000</td>
</tr>
<tr>
<td>U. S. Government Interest Coupons</td>
<td>689,000</td>
<td>626,000</td>
</tr>
<tr>
<td>Discounts and Advances</td>
<td>1,181</td>
<td>1,211</td>
</tr>
<tr>
<td>Safekeeping of Securities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Securities Received and Released</td>
<td>170,000</td>
<td>148,000</td>
</tr>
<tr>
<td>Coupons Detached</td>
<td>318,000</td>
<td>317,000</td>
</tr>
<tr>
<td>Fiscal Agency Operations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. S. Savings Bonds Issued, Exchanged and Redeemed</td>
<td>7,042,000</td>
<td>7,012,000</td>
</tr>
<tr>
<td>Other Government Issues</td>
<td>354,000</td>
<td>246,000</td>
</tr>
<tr>
<td>Withheld Tax Depository Receipts Processed</td>
<td>755,000</td>
<td>736,000</td>
</tr>
<tr>
<td>Treasury Tax and Loan Account Transactions</td>
<td>158,000</td>
<td>152,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dollar Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checks Handled (Total)</td>
</tr>
<tr>
<td>City Checks</td>
</tr>
<tr>
<td>Country Checks</td>
</tr>
<tr>
<td>Government Checks</td>
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<tr>
<td>Postal Money Orders</td>
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</tr>
<tr>
<td>Other Government Issues</td>
</tr>
</tbody>
</table>

Figures are rounded to nearest thousand except for number of discounts and advances.

Employment at the bank and branches totaled 1,114 at the end of 1957 compared with 1,145 at the end of 1956. Reductions in personnel occurred at St. Louis and Memphis, partially offset by slight increases at Little Rock and Louisville.
DIRECTORS AND OFFICERS OF THE FEDERAL RESERVE BANK OF ST. LOUIS

February 5, 1958

Directors

Pierre B. McBride, Chairman
J. H. Longwell, Deputy Chairman
S. J. Beauchamp, Jr. J. E. Etherton
H. Lee Cooper Harold O. McCutchan
Kenton R. Cravens Leo J. Wieck
Jesse D. Wooten

Officers

Pierre B. McBride, Chairman of the Board
Delos C. Johns, President
Guy S. Freutel, First Vice President
Howard H. Weigel, Vice President and Secretary
Joseph C. Wotawa, Vice President
Dale M. Lewis, Vice President
William J. Abbott, Vice President
George E. Kroner, Vice President
Earl R. Billen, 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
W. E. Walker, Assistant Vice President
Paul Salzman, Assistant Vice President
Janes M. Geiger, Assistant Vice President
Orville O. Wyrick, Chief Examiner
Wilbur H. Isbell, Assistant Chief Examiner
Gerald T. Dunne, Counsel and Assistant Secretary
George W. Hirshman, General Auditor

LITTLE ROCK BRANCH

T. Winfred Bell, Chairman
Robert H. Alexander
Donald Barger
J. W. Bellamy, Jr.

E. C. Benton
J. V. Satterfield, Jr.
Waldo E. Tiller

Fred Burton, Vice President and Manager
Sherley C. Davis, Cashier
Clifford Wood, Assistant Cashier
W. J. Bryan, Assistant Cashier

LOUISVILLE BRANCH

David F. Cocks, Chairman
Philip Davidson
Magnus J. Kreisle
W. Scott McIntosh

J. D. Monin, Jr.
Merle E. Robertson
John G. Russell

Donald L. Henry, Vice President and Manager
John W. Menges, Cashier
L. K. Arthur, Assistant Cashier
Clarence J. Woertz, Assistant Cashier

MEMPHIS BRANCH

Frank Lee Wesson, Chairman
John E. Brown
J. H. Harris
S. L. Kopald, Jr.

Simpson Russell
John D. Williams
John K. Wilson

Darryl R. Francis, Vice President and Manager
E. Francis DeVos, Cashier
H. G. Anderson, Assistant Cashier
Benjamin B. Monaghan, Assistant Cashier
The following designations and appointments were made during 1957:

The Board of Governors of the Federal Reserve System redesignated Mr. Pierre B. McBride, Louisville, Kentucky, as Chairman of the Board of the Federal Reserve Bank of St. Louis and Federal Reserve Agent at the bank for the year 1958. Mr. McBride is President of Porcelain Metals Corporation, Louisville, Kentucky. He was appointed a Class C Director of the bank in January 1957 and designated Chairman and Federal Reserve Agent for that year. During the six years immediately preceding his appointment to the St. Louis Board, Mr. McBride served as a director of the Louisville Branch of the Federal Reserve Bank of St. Louis.

Mr. J. H. Longwell, Columbia, Missouri, was appointed by the Board of Governors as Deputy Chairman of the Board of Directors of the Federal Reserve Bank of St. Louis for the year 1958. Mr. Longwell, a Class C Director of the bank since January 1957, is Director of Division of Agricultural Sciences at the University of Missouri.

The Board of Governors also appointed Mr. Jesse D. Wooten, of Memphis, Tennessee, a Class C Director of the bank for a three-year term beginning January 1, 1958. Mr. Wooten is Executive Vice President of the Mid-South Chemical Corporation in Memphis. As a director of the bank he succeeds Mr. Joseph H. Moore, Charleston, Missouri, whose term expired at the end of 1957.

During the year two directors were elected by the member banks in the Eighth Federal Reserve District:

Mr. H. Lee Cooper, President, Ohio Valley National Bank of Henderson, Henderson, Kentucky, was elected by member banks in Group 2 as a Class A Director of the Federal Reserve Bank of St. Louis for a three-year term beginning January 1, 1958. He succeeded Mr. Phil E. Chappell, of Hopkinsville, Kentucky, whose term expired at the end of last year. Mr. Cooper began his banking career in 1929 in Smith Mills, Kentucky. He is a former director of the Louisville Branch of the Federal Reserve Bank of St. Louis, having served during the years 1946 through 1951.

Mr. Leo J. Wieck, Vice President and Treasurer, The May Department Stores Co., St. Louis, Missouri, was re-elected by member banks in Group 1 as a Class B Director of this bank, for a three-year term beginning January 1, 1958. Mr. Wieck has been a director since March 1954.

The Board of Governors of the Federal Reserve System made the following appointments to the Boards of Directors of the branches:

Mr. Robert H. Alexander, Farmer, Scott, Arkansas, was appointed a member of the Little Rock Branch Board for a three-year term beginning January 1, 1958.

Mr. Waldo E. Tiller, President, Tiller Tie and Lumber Company, Little Rock, Arkansas, was appointed a member of the Little Rock Branch Board effective January 1, 1958, for the unexpired portion of a term ending December 31, 1958.

Mr. Philip Davidson, President, University of Louisville, Louisville, Kentucky, was reappointed as a member of the Louisville Branch Board for a three-year term beginning January 1, 1958.

Mr. Frank Lee Wesson, President, Wesson Farms, Inc., Victoria, Arkansas, and President, Missco, Inc., Osceola and Blytheville, Arkansas, was appointed a member of the Memphis Branch Board on October 3, 1957, for the unexpired portion of a term ending December 31, 1958.

Mr. S. L. Kopald, Jr., Executive Vice President, Humko Division, National Dairy Products Corporation, Memphis, Tennessee, was appointed a member of the Memphis Branch Board for the unexpired portion of a term ending December 31, 1960.

The Board of Directors of the Federal Reserve Bank of St. Louis made the following appointments to the Boards of Directors of the branches:

Mr. E. C. Benton, President, Fordyce Bank and Trust Company, Fordyce, Arkansas, was reappointed as a member of the Little Rock Branch Board for a three-year term beginning January 1, 1958.

Mr. J. W. Bellamy, Jr., President, National Bank of Commerce of Pine Bluff, Pine Bluff, Arkansas, was appointed a member of the Little Rock Branch Board for a three-year term beginning January 1, 1958.

Mr. W. Scott McIntosh, President, State Bank of Hardinsburg, Hardinsburg, Indiana, was reappointed as a member of the Louisville Branch Board for a three-year term beginning January 1, 1958.

Mr. John G. Russell, President, The Peoples First National Bank and Trust Company of Paducah,
Paducah, Kentucky, was appointed a member of the Louisville Branch Board for a three-year term beginning January 1, 1958.

Mr. John E. Brown, President, Union Planters National Bank of Memphis, Memphis, Tennessee, was appointed a member of the Memphis Branch Board on September 12, 1957, for the unexpired portion of a term ending December 31, 1957. Mr. Brown was reappointed as a member of the Memphis Branch Board for a three-year term beginning January 1, 1958.

Mr. Simpson Russell, President, The National Bank of Commerce of Jackson, Jackson, Tennessee, was appointed a member of the Memphis Branch Board for a three-year term beginning January 1, 1958.

The Board of Directors of the Federal Reserve Bank of St. Louis also appointed Mr. William A. McDonnell, Chairman of the Board, First National Bank in St. Louis, St. Louis, Missouri, a member of the Federal Advisory Council to represent the Eighth Federal Reserve District for the year 1958. Mr. McDonnell served as a director of the Federal Reserve Bank of St. Louis from 1951 through 1956, and as a director of the Little Rock Branch for the year 1944.

The following official appointments were made at the Federal Reserve Bank of St. Louis and branches during 1957: Guy S. Freutel was promoted to First Vice President, effective April 1; Donald L. Henry was appointed Vice President of the bank and Manager of the Louisville Branch, effective March 1; John W. Menges was appointed Cashier and Clarence J. Woertz was appointed Assistant Cashier of the Louisville Branch, effective March 1; James M. Geiger was appointed Assistant Vice President of the bank, effective June 16, and Wilbur H. Isbell was appointed Assistant Chief Examiner, effective September 1; E. Francis DeVos was appointed Cashier of the Memphis Branch, effective September 1.

Frederick L. Deming resigned as First Vice President of the bank, effective March 31, 1957, to accept the position of President of the Federal Reserve Bank of Minneapolis. Victor M. Longstreet resigned as Vice President of the bank and Manager of the Louisville Branch, effective February 28, 1957. John J. Christ retired as Assistant Vice President of the bank, effective January 1, 1958.