

A meeting of the Executive Committee of the Federal Reserve Board was held in Washington on Wednesday, January 25, 1933, at 11:35 a. m.

PRESENT: The Chairman of the Board
Mr. Hamlin, Chairman of the Executive Committee
Mr. Miller
Mr. James

Mr. Morrill, Secretary
Mr. McClelland, Assistant Secretary
Mr. Harrison, Assistant to the Governor.

The Committee considered and acted upon the following matters:

Letter dated January 19, 1933, from the Secretary of the Federal Reserve Bank of New York, and telegram dated January 19, 1933, from the Chairman of the Federal Reserve Bank of San Francisco, both advising that, at meetings of the boards of directors on that date, no changes were made in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Memorandum dated January 24, 1933, from Mr. Paulger, Chief of the Division of Examinations, recommending the appointment of Mr. Clifford E. Cagle and his designation as a Federal reserve examiner with salary at the rate of \$6,000 per annum, effective upon his taking the oath of office.

Mr. Cagle was appointed an examiner for all purposes of the Federal Reserve Act, as amended, and of all other acts of Congress pertaining to examinations made by, for, or under the direction of the Federal Reserve Board, and was designated as a Federal Reserve Examiner, with salary at the rate of \$6,000 per annum, all effective February 1, 1933, on which date he will take the oath of office.

Letters to the Governor of the Federal Reserve Bank of New York and the Chairman of the Federal Reserve Bank of Richmond, approved by four members of the Board on January 21, referring to their letters of January 13, 1933, with regard to the salaries fixed by their boards of directors for the officers of the respective banks during the current year, and ad-

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vising of action taken by the directors favoring the establishment at the banks of a pension plan covering the officers and employees. The Board's letters referred to the request made by the Governors' Conference at its meeting in November that the Federal Reserve Board advise which of several plans for providing retirement benefits for officers and employees of the Federal Reserve System, set forth in a memorandum of the pension committee dated February 11, 1932, the Board would approve and support, and stated that as the suggested plans are now being given careful consideration by the Board it is felt that definite arrangements for the adoption of any particular retirement plan by any Federal reserve bank should be held in abeyance until the Board has communicated its conclusions in the matter to the Chairman of the Governors' Conference, which it expects to do at an early date.

Approved.

Telegram to the Federal Reserve Agent at Kansas City, approved by three members of the Board on January 21, 1933, advising that, in accordance with the request contained in the agent's telegram of January 21, the Board approves the designation of Mr. J. L. McCarthy, an employee of the auditing department of the bank, to assist in a credit investigation of a member bank which was to be undertaken beginning January 23, 1933.

Approved.

Letter to the Chairman of the Federal Reserve Bank of Dallas, approved by four members of the Board on January 23, advising that in accordance with the recommendation contained in his letter of January 10, 1933, the Board has approved a salary at the rate of \$250 per month for Mr. C. B. Mendel, formerly Cashier of the Houston branch, who has been

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appointed to the appraised position of special representative in the insolvent banks department of the bank.

Approved.

Telegram to the Federal Reserve Agent at Dallas, approved by four members of the Board on January 20, 1933, advising that the Federal Reserve Board has approved the bonds executed by Messrs. G. M. Allen, D. S. Lawhon and C. P. Gowland, as acting assistant Federal reserve agents at the El Paso, Houston and San Antonio branches, respectively, inclosed in the agent's letter of January 17, 1933, and that, accordingly, these appointees may now enter upon their duties as acting assistant Federal reserve agents at the branches, subject to the conditions stated in the Board's telegram of January 4 and letter of January 11, 1933.

Approved.

Letter to the Chairman of the Federal Reserve Bank of San Francisco, approved by five members of the Board on January 20, advising that in accordance with the request contained in his letter of January 5, 1933, the Board has approved the fees and allowances fixed by the board of directors of the Federal Reserve Bank of San Francisco for the directors of the bank and its branches during the current year.

Approved.

Reply, approved by five members of the Board on January 20, to a letter dated January 5, 1933, from the Chairman of the Federal Reserve Bank of San Francisco, advising that the board of directors has selected Mr. Henry M. Robinson as a member of the Federal Advisory Council, representing the Twelfth Federal Reserve District, for the year 1933, and has fixed his

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compensation and allowance at \$750 for each meeting of the Council attended by him. The reply stated that the Board approves the compensation and allowance fixed for Mr. Robinson.

Approved.

Reply, approved by four members of the Board on January 21, 1933, to a letter dated December 29, 1932, from the Governor of the Federal Reserve Bank of Richmond requesting authority for the payment by the bank of a bill covering a fee in the amount of \$1,500 and expenses of \$42, submitted by Mr. Wilson H. Lee, New Bern, North Carolina, for services rendered by him in connection with the case of Lucas v. Federal Reserve Bank of Richmond. The reply stated that the Board will interpose no objection to the payment of the fee and reimbursement of expenses to Mr. Lee, with the understanding, however, that the fee will be approved by the board of directors of the Richmond bank before it is paid and will be considered as covering any extra services which Mr. Lee may have rendered in other litigation because of the pendency of the Lucas case, and that his fees in such other litigation will be no greater than they would have been if the Lucas case or other litigation of unusual importance had not been pending at the time such services were rendered.

Approved.

Letter to the Acting Comptroller of the Currency advising that, in accordance with the recommendation contained in his letter of January 20, 1933, the Federal Reserve Board has approved a salary at the rate of \$3,000 per annum for National Bank Examiner Paul T. Betz, assigned to the Seventh Federal Reserve District.

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Approved.

Telegraphic reply, approved by five members of the Board on January 24, 1933, to a telegram of that date from the Governor of the Federal Reserve Bank of Boston, requesting authority for an advance, in accordance with the provisions of section 10(b) of the Federal Reserve Act, to the Quincy Trust Company, Quincy, Massachusetts, in the amount of \$50,000, with interest at the rate of 5% per annum, payable on demand, and on the security of stocks with an appraised value of \$58,800 and commercial paper with an appraised value of \$110,000; Governor Young stating that the advance is desired to meet withdrawals usually experienced by the bank during the months of January and February. The reply stated that the Board authorizes the advance subject to the terms and conditions recommended, and that in the event the advance is not repaid nor demand for payment made within thirty days from January 24, 1933, the matter should again be brought to the Board's attention with a statement of the circumstances which, in the opinion of the Federal Reserve Bank of Boston, justify the bank in further continuing the advance without demand for payment.

Approved.

Telegraphic reply, approved by five members of the Board on January 20, 1933, to a telegram of that date from Deputy Governor Rounds of the Federal Reserve Bank of New York, requesting authority for an advance in accordance with the provisions of section 10(b) of the Federal Reserve Act to the Sunrise National Bank and Trust Company, Baldwin, New York, in the amount of \$12,000, for a period of 90 days, with interest at the rate of 5% per annum, and on the security of miscellaneous collateral notes and un-

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secured ineligible notes with a margin of at least 25%; Deputy Governor Rounds stating that the advance is desired by the bank to meet a continued withdrawal of deposits. The reply stated that the Board authorizes the advance subject to the terms and conditions recommended.

Approved.

Telegraphic replies, approved by five members of the Board on January 20, 1933, to telegrams of that date from Deputy Governor Rounds of the Federal Reserve Bank of New York, requesting authority for a renewal in the reduced amount of \$57,000 now outstanding, for a period of 90 days, from January 23, 1933, with interest at the rate of 5% per annum, of the advance made by the New York bank, in accordance with the provisions of section 10(b) of the Federal Reserve Act, to the Pelham National Bank, Pelham, New York, under authority of the Board's telegram of October 22, 1932, and to make a further advance to the national bank in accordance with the provisions of section 10(b), in the amount of \$25,000, for a period of 90 days from January 20, 1933, with interest at the rate of 5% per annum, and on the security of miscellaneous customers' collateral notes and domestic bonds with a margin of at least 25%; Deputy Governor Rounds stating that the bank desires the renewal and additional advance to meet further withdrawals of deposits resulting from the closing of the First National Bank in Mamaroneck. The replies stated that the Board authorizes the renewal and additional advance subject to the terms and conditions recommended.

Approved.

Telegraphic reply, approved by five members of the Board on January 23, 1933, to a telegram of that date from Deputy Governor Rounds of the Fed-

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eral Reserve Bank of New York, requesting authority for a further advance, in accordance with the provisions of section 10(b) of the Federal Reserve Act, to the Pelham National Bank, Pelham, New York, in the amount of \$35,000, for a period of ninety days, with interest at a rate of 5% per annum, and on the security of miscellaneous collateral notes and domestic bonds with a margin of at least 25%; Deputy Governor Rounds stating that the bank continues to suffer withdrawals as a result of the closing of the First National Bank in Mamaroneck, New York. The reply stated that the Board authorizes the advance subject to the terms and conditions recommended.

Approved.

Telegraphic reply, approved by five members of the Board on January 23, 1933, to a telegram of that date from Deputy Governor Rounds of the Federal Reserve Bank of New York, requesting authority for an additional advance, in accordance with the provisions of section 10(b) of the Federal Reserve Act, to the Peoples Bank and Trust Company, Passaic, New Jersey, in the amount of \$100,000, for a period of thirty days, with interest at the rate of 5% per annum, and on the security of miscellaneous stocks and bonds and unsecured notes with a margin of at least 25%; Deputy Governor Rounds stating that the bank has been subject to further withdrawals of deposits and desires the advance to meet such withdrawals. The reply stated that the Board authorizes the advance subject to the terms and conditions recommended.

Approved.

Telegraphic reply, approved by four members of the Board on January 24, to a telegram dated January 23, 1933, from Deputy Governor Rounds of the Federal Reserve Bank of New York, requesting authority to purchase from

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the Hewlitt-Woodmere National Bank, Woodmere, New York, a tax note of the Union Free School District No. 14, Town of Hempstead, New York, in the amount of \$25,000. The reply stated that the Board authorizes the purchase with the understanding that the note meets all requirements of Regulation E, except that the amount offered exceeds 25% of the total outstanding warrants of the municipality.

Approved.

Telegraphic reply, approved by three members of the Board on January 24, 1933, to a telegram of that date from Deputy Governor Rounds of the Federal Reserve Bank of New York, requesting authority to purchase from the Bank of Depew, New York, a warrant of the Union Free School District No. 7, Town of Cheektowaga, New York, in the amount of \$5,000. The reply stated that the Board authorizes the purchase with the understanding that the warrant meets all requirements of Regulation E, except that the population of the issuing municipality is less than 10,000 and the warrant offered represents the entire amount of such obligations outstanding.

Approved.

Reply to a letter dated January 20, 1933, from Deputy Governor Rounds of the Federal Reserve Bank of New York, with regard to the \$120,000 of warrants of the Borough of Cliffside Park, New Jersey, purchased by the New York bank from the Cliffside Park National Bank under authority contained in the Board's telegram of June 29, 1932, and stating that it has been discovered recently that the net funded indebtedness of the municipality exceeds 10% of the total valuation of taxable property; that the failure of the national bank to supply complete information at the time the warrants

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were purchased was apparently an oversight; and had the additional information been furnished the same recommendation that the Board authorize the purchase would undoubtedly have been made by the New York bank. The reply stated that, in view of all the facts, the Board will interpose no objection to the New York bank continuing to hold the warrants in question, with the understanding that they meet all requirements of Regulation E, except that the amount held exceeds 25% of the total outstanding warrants of the Borough of Cliffside Park and that the net funded indebtedness of the borough exceeds 10% of the total valuation of its taxable property.

Approved.

Reply to a letter dated January 13, 1933, from the Acting Comptroller of the Currency recommending approval of the application of the Black River National Bank, Lowville, New York, for permission to reduce its capital stock from \$100,000 to \$50,000, and immediately thereafter to increase the capital stock to \$100,000 by the sale of new shares. The reply stated that the Board approves the proposed reduction under the plan submitted subject to certain conditions set forth in the reply.

Approved.

Letter to the Federal Reserve Agent at Chicago, approved by four members of the Board on January 21, 1933, advising that the Board has considered the application filed by the National Manufacturers Bank, Neenah, Wisconsin, for permission to exercise additional fiduciary powers, and, in accordance with the agent's recommendation which is concurred in by the Acting Comptroller of the Currency, has deferred action on the application until another examination of the bank has been made. The letter requested

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that upon receipt of the report of the next examination the agent transmit to the Board an analysis thereof, together with his recommendation.

Approved.

Reply, approved by four members of the Board on January 23, 1933, to a letter dated January 5, 1933, from the Federal Reserve Agent at Cleveland, reporting that the National Bank of Union City, Pennsylvania, has been continuously deficient in its required reserves for six months. The reply stated that, in view of all the circumstances, the Board will take no action in the matter at this time other than to forward a copy of the agent's letter and inclosure to the Acting Comptroller of the Currency for the information of his office.

Approved.

Letter to the Federal Reserve Agent at Chicago, approved by four members of the Board on January 24, replying to Assistant Federal Reserve Agent Young's letter of January 14, 1933, reporting that the National Bank of Covington, Indiana, has been continuously deficient in its required reserves for six months. The reply stated that, in view of the facts submitted, the Board will take no action in the matter at this time other than to forward a copy of Mr. Young's letter to the Acting Comptroller of the Currency for the information of his office.

Approved.

Letter to the Federal Reserve Agent at Chicago, replying to Assistant Federal Reserve Agent Young's letter of January 14, 1933, advising that the Greensburg National Bank, Greensburg, Indiana, previously reported to the Board on May 22, 1931, because of deficiencies in reserves

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for six months or more, has been continuously deficient in its required reserves for another period of six months. The reply stated that, in view of all the information submitted, the Board is again presenting the matter to the office of the Comptroller of the Currency, calling attention to Mr. Young's statement regarding the past record of the institution and the method pursued by the active officers in operating the bank, and that it is being suggested to the Acting Comptroller of the Currency that he consider whether further steps can be taken to bring about a restoration of the bank's reserves to the required amount.

Approved.

Letter to the Federal Reserve Agent at Philadelphia referring to his letter of December 14, 1932, advising that pursuant to action taken on November 7, 1932, by the board of directors of the Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pennsylvania, the sum of \$491,000 was withdrawn from the surplus of that company for the purchase of all of the capital stock of the Main Line Trust Company of Ardmore, Pennsylvania, except directors qualifying shares, and that this stock is held by certain trustees for the stockholders of the Pennsylvania Company. The Board's letter stated that, while the technical form of this transaction is different, it is substantially the same in practical effect as the transaction for which the Federal Reserve Board specifically denied its permission in its letter of October 20, 1932, and that the Board therefore regards it as contrary to the conditions of membership forbidding the Pennsylvania Company to acquire an interest in any other bank or trust company except after applying for and receiving the permission of the Fed-

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eral Reserve Board; as contrary to the spirit and purpose if not the letter of the second paragraph of section 9 of the Federal Reserve Act; and as a violation of the understanding entered into with the Board during a conference with Mr. C. S. Newhall, Executive Vice President of the Pennsylvania Company, and confirmed in his letter of May 19, 1931, as well as a disregard of the views expressed in the Board's letter of October 20, 1932. The letter also reviewed the history of the Board's previous negotiations with the Pennsylvania Company regarding the ownership of bank stocks by that company, and stated that, in view of the circumstances outlined, it is obvious that the purchase of the stock of the Main Line Trust Company with funds of the Pennsylvania Company and the holding of such shares by trustees for the shareholders of the Pennsylvania Company was merely a device whereby an attempt was made to circumvent the provisions of section 9 of the Federal Reserve Act, the conditions of membership applicable to the Pennsylvania Company, the understanding of Mr. Newhall with the Federal Reserve Board, and the position taken by the Federal Reserve Board in its letter of October 20, 1932. The letter further stated that the Board feels it is incumbent upon the Pennsylvania Company to bring itself into compliance with its conditions of membership and its understanding with the Federal Reserve Board, and that the agent is requested to deliver a copy of the Board's letter to the Pennsylvania Company and obtain a reply stating what action the company has taken, or proposes to take, for that purpose.

Approved.

Reply, approved by four members of the Board on January 23, 1933, to letters dated December 12 and 14, 1932, from the Federal Reserve Agent

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at Dallas, with further regard to certain features of the condition of the Mercantile Bank and Trust Company of Texas, Dallas, Texas, as shown by the analysis of report of examination of the institution as of August 26, 1932. The reply stated that the Board will expect the member bank to dispose as soon as possible of the 7,093 shares of its stock held by the Mercantile Securities Corporation, a subsidiary of the bank, and also referred particularly to the acquisition of other bank stocks by the subsidiary corporation, and to the consideration which should be given to the question whether it is advisable for the bank to continue the payment of dividends.

Approved.

Letter to the Chairman of the Federal Reserve Bank of Chicago, referring to the report of examination of that bank made by the Board's examiners as of September 17, 1932, and calling attention to the reported waiver of substantial penalties for deficiencies in reserves, although it has been understood to be the policy of the bank to waive such penalties in the case of country banks when the penalties are in amounts less than \$1.00 and in the case of central reserve and reserve city banks when the deficiency did not exceed 10% of the required reserve and was not more than \$5,000. The letter stated that, while the Board interposes no objection to the waiving of such minor penalties it feels that larger penalties should not be waived in the future except in very unusual circumstances, and that each such case should be brought to the attention of the Board with a full statement of the reasons for the proposed waiver. The letter also referred to the recently reported irregularities in the transit department of the Detroit branch and to irregularities previously disclosed in the collection

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department, stated that the Board feels a very careful survey should be made of the whole situation at the branch, and requested advice as to what arrangements have been made or are contemplated to avoid the opportunity for a recurrence of such irregularities. The request was also made in the letter that the Board be advised as to what, if any, further effort has been made to trace certain irregularities which occurred at the head office; as to the reason for holding in the safekeeping division of the head office securities in the amount of \$32,465,150 for corporations and individuals and in the amount of \$15,000 for the Detroit and Cleveland Navigation Company at the Detroit branch; and as to the action taken as a result of the discussions between the examiners and officers of the bank of other matters referred to in the report. The chairman was also requested to bring the report of examination and his reply to the Board's letter to the attention of the board of directors of the bank.

Approved.

Letter to Assistant Federal Reserve Agent Fletcher at Cleveland advising that careful consideration has been given to the information submitted in connection with the Clayton Act application of Mr. John Omwake for permission to serve as a director of the Second National Bank of Cincinnati, Ohio, and of the Norwood-Hyde Park Bank and Trust Company of Norwood, Ohio, but as it is felt that the information is not sufficiently complete to enable the Board to reach a decision, the Assistant Federal Reserve Agent is requested to furnish certain additional information referred to in the letter.

Approved.

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Letter to the Federal Reserve Agent at Dallas, approved by four members of the Board on January 24, 1933, stating that in view of the lapse of time and the changes which have taken place in the situation since the transmission to the Board of the Clayton Act applications filed by Mr. J. Homer Jordan for permission to serve as an officer of the Continental-American Bank and Trust Company, as a director of the First National Bank, and as a director of the City Savings Bank and Trust Company, all of Shreveport, Louisiana, and of Mr. W. H. North for permission to serve as a director of the first two banks named, and in view of the apparent danger that the information submitted to the Board no longer may be accurately descriptive of the situation, the agent is requested to review the situation as it now exists and report it to the Board, together with his comments and recommendations.

Approved.

Telegraphic reply, approved by four members of the Board on January 23, 1933, to a telegram of that date from Deputy Governor Clerk of the Federal Reserve Bank of San Francisco, stating that due to an emergency arising out of bank failures a temporary currency depot has been established at Sacramento, California; the currency being carried at the Capital National Bank under the joint custody of two Federal reserve bank employees and the officers of the national bank, which arrangement is covered by the insurance policies now held by the bank. The reply stated that on the assumption that the custody arrangement is similar to that adopted at Boise and Twin Falls, Idaho, in 1932, the Board interposes no objection to the establishment of the depot, and requested advice by letter of the amount of currency

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maintained at the depot and the circumstances surrounding its establishment.

Approved.

Letter to the Federal Reserve Agent at Atlanta, approved by four members of the Board on January 20, 1933, transmitting a copy of a letter dated January 14, 1933, from Mr. Charles Kohlmeyer, Vice President of the Interstate Trust and Banking Company, New Orleans, Louisiana, with regard to the renewal of a note discounted by the Federal Reserve Bank of Atlanta for the Continental Turpentine and Rosin Corporation of Laurel, Mississippi, under the provisions of the third paragraph of section 13 of the Federal Reserve Act, as amended; Mr. Kohlmeyer advising that the managing director of the New Orleans branch has taken the position that the Federal reserve bank will not be able to renew the note without further authority from the Federal Reserve Board. The Board's letter stated that while the period of six months specified by the Board in granting authority to Federal reserve banks to discount paper for individuals, partnerships and corporations under the Act of July 21, 1932, will expire on January 31, 1933, and the Board has not yet taken action with respect to the extension thereof, this aspect of the matter does not prevent the Federal Reserve Bank of Atlanta from taking such action with respect to the renewal or extension of the time of payment of the unpaid balance of an outstanding advance as may be found necessary and appropriate to its liquidation in a proper manner in view of all the circumstances, even though the maturity of the renewal or extension may be some date beyond January 31, 1933, and that it is the view of the Board, therefore, that the matter is one primarily for the exercise of a sound judgment on the part of the Atlanta bank.

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Approved.

Letter to the Chairmen and Governors of all Federal reserve banks, approved by five members of the Board on January 23, 1933, stating that the authority granted by the Board to the Federal reserve banks in its circular of July 26, 1932 (X-7215a), to discount eligible notes, drafts and bills of exchange, for individuals, partnerships and corporations, subject to the provisions of the law, the Board's regulations, and that circular, will expire at the close of business on January 31, 1933; that the Board has decided to extend such authorization for an additional six months; and that section II of the Board's circular of July 26, 1932, on the subject of "Discounts for Individuals, Partnerships and Corporations" has been amended to read as follows:

"II. AUTHORIZATION BY THE FEDERAL RESERVE BOARD.

"The Federal Reserve Board, pursuant to the power conferred upon it by the amendment hereinbefore quoted, hereby authorizes all Federal reserve banks, for a period ending at the close of business on July 31, 1933, to discount eligible notes, drafts and bills of exchange for individuals, partnerships and corporations, subject to the provisions of the law, the Board's regulations, and this circular."

Approved, together with a statement for publication in the next issue of the Federal Reserve Bulletin, also approved by five members of the Board on January 23, with regard to the extension of the authority above referred to.

Telegraphic reply, approved by four members of the Board on January 24, to a telegram dated January 20, 1933, from the Federal Reserve Agent at Cleveland inquiring whether the Board desires him to continue weekly reports on applications for discounts for individuals, partnerships and corporations. The reply referred to the Board's telegram of January 9, advising that

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reports of applications of individuals, partnerships and corporations should cover each calendar month instead of each week, beginning with the current year, and stated that it will be satisfactory for the agent to discontinue his separate weekly reports with the understanding that he will advise the Board from time to time of any interesting developments with respect to credit conditions in his district.

Approved.

Letter to Assistant Secretary of the Treasury Douglas, approved by five members of the Board on January 19, 1933, transmitting, in accordance with the request contained in Assistant Secretary Douglas' letter of December 30, 1932, a proposed letter to the Chairman of the Committee on Banking and Currency of the Senate with regard to S. 5291, "a bill to create a Federal time-deposit insurance fund, to provide for the payment of time deposits in certain banks, and for other purposes." The proposed letter stated that the bill would provide a modified form of insurance or guaranty of time deposits and would appear to be subject to the same objections as are applicable to other proposals of this general character, and that after careful consideration of the matter the Treasury Department does not feel justified in recommending the passage of the bill.

Approved.

Reference was then made to the fact that as a result of the expiration yesterday of the term of Mr. Magee as a member of the Federal Reserve Board, and the vacancy already existing in the appointive membership and in the office of the Comptroller of the Currency, there are now only five members of the Board including the Secretary of the Treasury, and that

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illness of any one member would leave the Board with only four members, whereas the affirmative action of five members is required in connection with the performance of certain important functions of the Board including those provided in sections 10(a), 10(b) and 11(b) of the Federal Reserve Act.

After a discussion, the Secretary was requested to address a letter to Senator Glass advising that the situation referred to is of such importance that the Board feels the matter should be called specifically to his attention at once.

At this point Mr. Smead, Chief of the Division of Bank Operations, joined the meeting.

Memoranda dated January 18 and 24, 1933, from the Committee on Salaries and Expenditures, submitting the letters received from the various Federal reserve banks advising of the salaries fixed by the boards of directors, subject to the approval of the Federal Reserve Board, for the officers of the banks and branches for the current year, and memoranda dated January 16 and 24, 1933, from Mr. Smead, Chief of the Division of Bank Operations, with regard thereto; the Committee recommending, in view of conditions existing at this time and of the fact that no uniform salary policy has been adopted by the system for meeting the present conditions, that the officers' salaries fixed by the directors of the banks be approved by the Board with the understanding that they will be reviewed again before the end of the year if conditions appear to warrant such action. The memorandum of January 18 also stated that in the judgment of the Board's Committee, it is unwise, as a matter of policy, for the Federal Reserve System to make salary adjustments that unnecessarily reduce the buying power in the communities served by the respective reserve banks.

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A discussion ensued, during which the opinion was expressed that in the absence of any uniform System policy with regard to adjustments of salaries at Federal reserve banks and branches under existing conditions, the Federal Reserve Board should be guided by the recommendations of the boards of directors of the various banks, which represent their judgment as to the proper action in the respective banks under prevailing conditions, and that the Board should fix the salaries of the Federal reserve agents and the members of their official staffs for the year 1933 in harmony with the action taken by the directors for the officers of the respective Federal reserve banks.

The opinion was also expressed by some of the members present that it would be desirable at a later date to consider, in the light of changed conditions and from the standpoint of the system as a whole, the question of salaries of officers of the Federal reserve banks.

During the discussion Mr. Hamlin referred to a memorandum prepared by him and attached to the report of the Committee on Salaries and Expenditures dated January 18, in which he commented on the salary situation in the Federal reserve banks, and stated that he had indicated his approval of the committee memorandum on the understanding that it applies solely to salaries of officers of Federal reserve banks and does not apply to reductions in the salaries of employees.

Thereupon, the following actions were taken:

The salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Boston for the year 1933, submitted with the Chairman's letter of January 12, 1933, which represent a reduction of 5%

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from the salaries received by the various officers during 1932, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
R. A. Young	Governor	\$28,500
William W. Paddock	Deputy Governor	19,000
William Willett	Cashier	13,300
Krickel K. Carrick	Secretary	8,550
Ellis G. Hult	Assistant Cashier	7,125
Ernest M. Leavitt	Assistant Cashier	6,888
L. W. Sweetser	Assistant Cashier	6,650
Carl B. Pitman	Assistant Cashier	5,700
H. F. Currier	Auditor	6,175

The annual retainer fee at the rate of \$2,400 per annum for the year 1933, fixed by the board of directors for Mr. Phillips Ketchum, Counsel for the Boston bank, was also approved.

In view of the action taken by the board of directors with respect to salaries of officers of the bank, the salaries of Mr. F. H. Curtiss, Chairman of the board of directors of the Federal Reserve Bank of Boston and Federal Reserve Agent, and Mr. C. F. Gettemy, Assistant Federal Reserve Agent, were fixed at the rates of \$19,000 and \$7,125 per annum, respectively, for the year 1933, representing in each case a reduction of 5% from the salary received during 1932.

The basic salaries fixed by the board of directors for the officers of the Federal Reserve Bank of New York and the Buffalo branch for the year 1933, submitted in Governor Harrison's letter of January 13, 1933, subject to the reduction at the rate of 4% per annum in accordance with and during the period of the share-the-work plan heretofore adopted by the bank, were approved as follows:

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<u>Name</u>	<u>Title</u>	<u>Salary</u>
G. L. Harrison	Governor	\$50,000
W. R. Burgess	Deputy Governor	30,000
J. E. Crane	Deputy Governor	23,000
A. W. Gilbert	Deputy Governor	25,000
E. R. Kenzel	Deputy Governor	30,000
W. S. Logan	Deputy Governor and General Counsel	22,000
L. R. Rounds	Deputy Governor	30,000
L. F. Sailer	Deputy Governor	40,000
C. H. Coe	Asst. Deputy Governor	13,000
R. M. Gidney	Asst. Deputy Governor	18,000
J. W. Jones	Asst. Deputy Governor	14,000
L. W. Knoke	Asst. Deputy Governor	14,000
W. B. Matteson	Asst. Deputy Governor	14,000
J. M. Rice	Asst. Deputy Governor	11,000
A. Sproul	Asst. Deputy Governor and Secretary	15,000
D. H. Barrows	Manager	9,000
W. W. Burt	Manager	6,000
E. O. Douglas	Manager	6,000
E. C. French	Manager	10,000
R. F. McMurray	Manager	7,000
J. A. Mitchell	Manager	12,000
R. M. Morgan	Manager	7,000
A. Phelan	Manager	5,500
W. A. Scott*	Manager	8,500
I. W. Waters	Manager	9,000
E. L. Dodge	General Auditor	12,000
G. W. Ferguson	Asst. General Auditor	6,750
H. H. Kimball*	Assistant Counsel	6,000

* Basic salaries of Messrs. Scott and Kimball increased from the rates of \$7,000 and \$4,000 per annum to \$8,500 and \$6,000 per annum, respectively.

Buffalo Branch

R. M. O'Hara	Managing Director	12,000
R. B. Wiltse	Assistant Manager	8,400
H. W. Snow, Jr.	Cashier	7,000
C. L. Blakeslee	Assistant Cashier	5,500

In view of the action taken by the board of directors with respect to salaries of officers of the bank, the basic salaries of Mr. J. H. Case, Chairman of the board of directors of the Federal Reserve Bank of New York

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and Federal Reserve Agent, and members of his official staff for the year 1933, were fixed at the rates set out below, each subject to the reduction at the rate of 4% per annum in accordance with and during the period of the share-the-work plan adopted at the bank:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
J. H. Case	Chairman and Federal Reserve Agent	\$50,000
W. H. Dillistin	Asst. Federal Reserve Agent	15,000
H. S. Downs	Asst. Federal Reserve Agent	9,000
Carl Snyder	General Statistician	11,000

Action was deferred on the recommendation that the basic salary of Mr. H. V. Roelse, Manager of the Reports Department of the New York bank, be increased from the rate of \$8,000 to \$10,000 for the year 1933.

The basic salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Philadelphia, for the year 1933, submitted with the Chairman's letter of January 13, 1933, subject to reduction (at the rate of 1.5% per annum on the first \$2,000, 2.25% per annum on the next \$3,000, 2.6% per annum on the next \$5,000, and 3.25% per annum on amounts over \$10,000) in accordance with and during the period of the share-the-work plan heretofore adopted by the bank, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
Geo. W. Norris	Governor	\$30,000
Wm. H. Hutt	Deputy Governor	18,000
C. A. McIlhenny	Cashier and Secretary	12,000
W. J. Davis	Assistant Cashier	9,000
Jas. M. Toy	Assistant Cashier	8,000
R. M. Miller, Jr.	Assistant Cashier	7,500
S. R. Earl	Assistant Cashier	7,500
Wm. G. McCreedy	Comptroller	7,000

The annual retainer fee at the rate of \$2,500 per annum, for the year 1933, fixed by the board of directors for Messrs. Williams, Brittain

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and Sinclair, Counsel for the Philadelphia bank, was also approved.

In view of the action taken by the board of directors with respect to salaries of officers of the bank, the basic salaries of Mr. R. L. Austin, Chairman of the board of directors of the Federal Reserve Bank of Philadelphia and Federal Reserve Agent, and Messrs. A. E. Post and E. C. Hill, Assistant Federal Reserve Agents, were fixed at the rates of \$20,000, \$8,000 and \$8,000, per annum, respectively, for the year 1933, each subject to reduction, at the rates stated above, in accordance with and during the period of the share-the-work plan adopted by the bank.

The basic salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Cleveland and its branches, for the year 1933, submitted in the Chairman's letter of January 7, 1933, subject to reduction (at the rate of 2% per annum on the first \$1,000, 2 1/2% per annum on the next \$2,000, 3% per annum on the next \$3,000, 3 1/2% per annum on the next \$5,000, 4% per annum on the next \$10,000, and 4 1/2% per annum on all amounts over \$21,000) in accordance with and during the period of the share-the-work plan heretofore adopted by the bank, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
E. R. Fancher	Governor	\$30,000
M. J. Fleming	Deputy Governor	18,000
F. J. Zurlinden	Deputy Governor	18,000
H. F. Strater	Cashier-Secretary	13,000
C. W. Arnold	Assistant Cashier	7,800
C. L. Bickford	Assistant Cashier	7,500
D. B. Clouser	Assistant Cashier	7,500
W. F. Taylor	Assistant Cashier	7,800
George H. Wagner	Assistant Cashier	7,800
F. V. Grayson	Auditor	7,800

Cincinnati Branch

C. F. McCombs	Managing Director	9,000
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Cincinnati Branch (Cont'd)

<u>Name</u>	<u>Title</u>	<u>Salary</u>
B. J. Lazar	Cashier	\$7,800
Bruce Kennelly	Assistant Cashier	5,000
Henry Ott	Assistant Cashier	5,400

Pittsburgh Branch

J. C. Nevin	Managing Director	13,500
T. C. Griggs	Cashier	8,700
P. A. Brown	Assistant Cashier	6,500
F. E. Cobun	Assistant Cashier	5,500

The annual retainer fee at the rate of \$4,000 per annum for the year 1933, fixed by the board of directors for Squire, Sanders & Dempsey, Counsel for the Cleveland bank, was also approved.

In view of the action taken by the board of directors with respect to the salaries of the officers of the bank, the basic salaries of Mr. George DeCamp, Chairman of the board of directors of the Federal Reserve Bank of Cleveland and Federal Reserve Agent, and Messrs. W. H. Fletcher and J. B. Anderson, Assistant Federal Reserve Agents, were fixed at the rates of \$20,000, \$11,000 and \$6,500 per annum, respectively, for the year 1933, each subject to reduction, at the rates stated above, in accordance with and during the period of the share-the-work plan adopted at the bank.

The salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Richmond and its branches, for the year 1933, submitted with the Chairman's letter of January 13, 1933, which represent reductions of from 9% to 11% (9% per annum on salaries up to and including \$9,000, 10% per annum on salaries of from \$9,001 to \$14,000, inclusive, and 11% per annum on salaries over \$14,000) from salaries received by the various officers during 1932, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
George J. Seay	Governor	\$22,250
Charles A. Peple	Deputy Governor	15,575
R. H. Broaddus	Deputy Governor	12,600
J. S. Walden, Jr.	Controller	10,800
George H. Keesee	Cashier	8,190
John T. Garrett	Manager	7,280
Edward Waller, Jr.	Assistant Cashier	6,825
W. W. Dillard	Assistant Cashier	5,460
Albert S. Johnstone	Manager	5,460
Travis F. Epes	Auditor	4,100
M. G. Wallace	Counsel	6,370

Baltimore Branch

Hugh Leach	Managing Director	10,800
John R. Cupit	Cashier	4,550
John A. Johnston	Assistant Cashier	3,830
Frank W. Wrightson	Assistant Cashier	3,830

Charlotte Branch

W. T. Clements	Managing Director	6,825
R. L. Cherry	Cashier	3,650

In view of the action taken by the board of directors with respect to salaries of officers of the bank, the salaries of Mr. W. W. Hoxton, Chairman of the board of directors of the Federal Reserve Bank of Richmond and Federal Reserve Agent, and Mr. J. G. Fry, Assistant Federal Reserve Agent, were fixed at the rates of \$17,800, and \$8,190 per annum, for the year 1933, representing a reduction of 11% and 9%, respectively, from the salaries received during 1932.

The salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Atlanta and its branches for the year 1933, submitted with the Chairman's letter of January 9, 1933, which represent a reduction of 10% from the salaries received by the various officers during 1932, with a further adjustment in the case of the manager of the Jacksonville branch,

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were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
E. R. Black	Governor	\$22,500
W. S. Johns	Deputy Governor	10,800
H. F. Conniff	Deputy Governor	9,000
W. S. McLarin, Jr.	Assistant Deputy Governor	6,750
M. W. Bell	Cashier	8,100
R. A. Sims	Assistant Cashier	4,050
V. K. Bowman	Assistant Cashier	4,860
C. R. Camp	Assistant Cashier	4,050
P. L. T. Beavers	Assistant Cashier	4,320
S. P. Schuessler	Assistant Cashier	4,050
L. M. Clark	Assistant Cashier	3,870
E. P. Paris	General Auditor	5,850
J. Welsby Honour	Assistant Auditor	4,050
Robert S. Parker	General Counsel (retainer) (Allowance for stenographer)	3,150 1,350
<u>New Orleans Branch</u>		
Marcus Walker	Managing Director	13,500
James A. Walker	Assistant Manager	5,850
W. H. Black	Cashier	5,580
F. C. Vasterling	Assistant Cashier	3,548
Wm. E. Miller	Assistant Auditor	2,646
<u>Birmingham Branch</u>		
J. H. Frye	Managing Director	5,850
H. J. Urquhart	Cashier	3,780
T. W. Knowlton	Assistant Cashier	2,592
<u>Jacksonville Branch</u>		
Hugh Foster	Managing Director	5,850
Geo. S. Vardeman, Jr.	Cashier	4,050
Mary E. Mahon	Assistant Cashier	2,160
<u>Nashville Branch</u>		
Joel B. Fort, Jr.	Managing Director	5,850
E. R. Harrison	Cashier	4,050
Leo W. Starr	Assistant Cashier	2,520
<u>Havana Agency</u>		
H. C. Frazer	Manager	7,560
A. H. Alston	Assistant Manager	5,670

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Savannah Agency

<u>Name</u>	<u>Title</u>	<u>Salary</u>
J. H. Bowden	Manager	\$3,600
James A. Goethe	Assistant Manager	2,160

In view of the action taken by the board of directors with respect to salaries of officers of the bank, the salaries of Mr. Oscar Newton, Chairman of the board of directors of the Federal Reserve Bank of Atlanta and Federal Reserve Agent, and Mr. Ward Albertson, Assistant Federal Reserve Agent, were fixed at the rates of \$18,000 and \$8,100 per annum, respectively, for the year 1933, representing in each case a reduction of 10% from the salary received during 1932.

The salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Chicago and its Detroit branch for the year 1933, submitted with the Chairman's letter of January 6, 1933, which represent, with an exception in the case of Mr. W. W. Turner, whose salary was first increased from \$4,500 to \$5,000 per annum, a reduction of 5% per annum from the salaries received by the various officers during 1932, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
J. B. McDougal	Governor	\$33,250
C. R. McKay	Deputy Governor	20,900
J. H. Dillard	Deputy Governor	13,775
W. C. Bachman	Asst. Deputy Governor	8,550
E. A. Delaney	Asst. Deputy Governor	7,125
D. A. Jones	Asst. Deputy Governor	7,125
O. J. Netterstrom	Asst. Deputy Governor	8,550
F. Bateman	Manager Securities Department	5,700
J. C. Callahan	Manager Member Bank Accounts Department	6,175
R. E. Coulter	Manager Cash Custody Department	6,175

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<u>Name</u>	<u>Title</u>	<u>Salary</u>
A. W. Dazey	Manager Investment Department	\$6,650
I. Fischer	Manager Check Department	6,175
R. J. Hargreaves	Manager Personnel Department	6,650
F. A. Lindsten	Manager Disbursing Department	5,700
L. G. Meyer	Manager Service Department	6,175
A. L. Olson	Manager Loans and Assistant Secretary	5,510
L. G. Pavey	Manager Collection Department	5,937.50
F. L. Purrington	Manager Discount Department	5,937.50
J. G. Roberts	Manager Cash Department	6,412.50
W. W. Turner	Manager Loans	4,750
F. R. Burgess	General Auditor	8,550
W. A. Hopkins	Assistant Auditor	6,650
Carl Meyer	Counsel	9,500

Detroit Branch

W. R. Cation	Managing Director	13,300
H. J. Chalfont	Cashier	8,075
J. G. Baskin	Assistant Cashier	6,412.50
G. T. Jarvis	Assistant Cashier	5,462.50
F. L. Bowen	Assistant Auditor	4,275
I. Levin	Assistant Counsel	2,850

The action of the Board in approving the salary fixed for Mr. George T. Jarvis, Assistant Cashier at the Detroit branch, was taken with the understanding that Mr. Jarvis' resignation will be forthcoming on or before April 1, 1933.

It was noted from the Chairman's letter that because of the horizontal reduction of 5% in all salaries, the board of directors had rescinded their action of December 23, 1932, adopting a share-the-work plan at the Chicago bank.

In view of the action taken by the board of directors with respect to the salaries of the officers of the bank, the salaries of Mr. E. M. Stevens, Chairman of the board of directors of the Federal Reserve Bank of Chicago and Federal Reserve Agent, and the members of his official staff

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were fixed for the year 1933, at the rates set out below, representing in each case a reduction of 5% from the salary received during 1932:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
E. M. Stevens	Chairman and Federal Reserve Agent	\$33,250
C. S. Young	Asst. Federal Reserve Agent	8,550
G. A. Prugh	Asst. Federal Reserve Agent	5,700
H. G. Pett	Manager, Division Research and Statistics	6,650

The salaries fixed by the board of directors for the officers of the Federal Reserve Bank of St. Louis and its branches for the year 1933, submitted with the Chairman's letter of January 7, 1933, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
Wm. McC. Martin	Governor	\$25,000
O. M. Attebery	Deputy Governor	17,000
J. G. McConkey	Deputy Governor and Counsel	10,000
A. H. Hail	Controller	7,500
S. F. Gilmore	Controller	7,000
F. N. Hall	Controller	6,000
G. O. Hollocher	Controller	4,500
O. C. Phillips	Controller	4,500
E. J. Novy	Auditor	8,000
A. E. Debrecht	Assistant Auditor	3,900

Louisville Branch

John T. Moore	Managing Director	8,000
C. A. Schacht	Cashier	7,000
S. B. Jenks	Assistant Cashier	4,000
Lee A. Moore	Assistant Auditor	2,700

Memphis Branch

W. H. Glasgow	Managing Director	10,000
S. K. Belcher	Cashier	5,300
C. E. Martin	Assistant Cashier	4,800

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Little Rock Branch

<u>Name</u>	<u>Title</u>	<u>Salary</u>
A. F. Bailey	Managing Director	\$9,000
M. H. Long	Cashier	4,800
C. Wood	Assistant Cashier	3,900

In view of the action taken by the board of directors with respect to salaries of officers of the bank, the salaries of Mr. John S. Wood, Chairman of the board of directors of the Federal Reserve Bank of St. Louis and Federal Reserve Agent, and Mr. C. M. Stewart, Assistant Federal Reserve Agent, were fixed at the rates of \$20,000 and \$10,000 per annum, respectively, for the year 1933.

The salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Minneapolis and its Helena branch for the year 1933, submitted with the Secretary's letters of January 17 and 20, 1933, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
Wm. B. Geery	Governor	\$25,000
Harry Yaeger	Deputy Governor	13,000
Harry I. Ziemer	Deputy Governor and Cashier	8,500
Frank C. Dunlop	Controller	8,000
Leonard E. Rast	Assistant Cashier	5,000
Harold C. Core	Assistant Cashier	5,500
Arthur R. Larson	Assistant Cashier	5,300
Otis R. Preston	Assistant Cashier	4,000
Wm. E. Peterson	Assistant Cashier	4,000
Andreas Ueland	Counsel (retainer)	5,000
	Office Expense	4,000

Helena Branch

Robert E. Towle	Managing Director	7,000
Albert A. Hoerr	Cashier	4,000
Clinton J. Larson	Assistant Cashier	3,000
Taylor B. Weir	Counsel (retainer)	1,200

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In view of the action taken by the board of directors with respect to salaries of officers of the bank, the salaries of Mr. John R. Mitchell, Chairman of the board of directors of the Federal Reserve Bank of Minneapolis and Federal Reserve Agent, and Messrs. F. M. Bailey and C. L. Mosher, Assistant Federal Reserve Agents, were fixed at the rates of \$20,000, \$7,500 and \$7,000 per annum, respectively, for the year 1933.

The salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Kansas City and its branches for the year 1933, submitted with the Chairman's letter of January 11, 1933, which represent reductions of 4% on the first \$1,000 and an additional 11/12 of 1% for each additional \$1,000 or fraction thereof, from the salaries received by the various officers during 1932, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
Geo. H. Hamilton	Governor	\$21,252
C. A. Worthington	Deputy Governor	14,262
J. W. Helm	Deputy Governor and Cashier	10,914
John Phillips, Jr.	Assistant Cashier	6,528
G. E. Barley	Assistant Cashier	6,528
E. P. Tynor	Assistant Cashier	6,348
Geo. H. Pipkin	Assistant Cashier	5,622
M. W. E. Park	Assistant Cashier	5,622
N. R. Oberwortmann	Assistant Cashier and Examiner	4,710
S. A. Wardell	Auditor	7,422
H. G. Leedy	Counsel	8,838
<u>Denver Branch</u>		
J. E. Olson	Managing Director	9,186
S. A. Brown	Cashier	4,524
John A. Cronan	Assistant Cashier	4,062
<u>Omaha Branch</u>		
L. H. Earhart	Managing Director	9,186
G. A. Gregory	Cashier	5,622
Wm. Phillips	Assistant Cashier	4,524
O. P. Cordill	Assistant Cashier	4,062

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Oklahoma City Branch

<u>Name</u>	<u>Title</u>	<u>Salary</u>
C. E. Daniel	Managing Director	\$9,186
R. O. Wunderlich	Cashier	5,346
R. L. Mathes	Assistant Cashier	4,062

In approving the compensation fixed by the board of directors for Mr. Leedy, Counsel, it was understood that Mr. Leedy will continue to maintain his office in the Kansas City bank building and pay the regular rental rates for the space occupied.

In view of the action taken by the board of directors with respect to salaries of officers of the bank, the salaries of Mr. M. L. McClure, Chairman of the board of directors of the Federal Reserve Bank of Kansas City and Federal Reserve Agent, and Mr. A. M. McAdams, Assistant Federal Reserve Agent, were fixed at the rates of \$17,460 and \$9,186 per annum, respectively, for the year 1933, representing a reduction in each case at the rates set forth above from the salary received during 1932.

The basic salaries fixed by the board of directors for the officers of the Federal Reserve Bank of Dallas and its branches for the year 1933, submitted with the Chairman's letter of January 18, 1933, subject to the reduction at the rate of 5% per annum in accordance with and during the period of the share-the-work plan heretofore adopted by the bank, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
B. A. McKinney	Governor	\$30,000
R. R. Gilbert	Deputy Governor	15,000
R. B. Coleman	Deputy Governor	10,500
Fred Harris	Cashier	9,600
W. O. Ford	Asst. Deputy Governor	7,000

<u>Name</u>	<u>Title</u>	<u>Salary</u>
E. B. Austin	Assistant Cashier	\$6,000
L. G. Pondrom	Assistant Cashier	6,000
R. O. Webb	Assistant Cashier	5,500
W. P. Clarke	General Auditor	7,000
C. C. True	Assistant Auditor	4,500
Chas. C. Huff	Counsel (retainer)	1,200
Locke, Locke, Stroud and Randolph	Counsel (retainer)	9,000
<u>El Paso Branch</u>		
J. L. Hermann	Managing Director	6,000
Allen Sayles	Cashier	4,200
<u>Houston Branch</u>		
W. D. Gentry	Managing Director	8,000
H. R. DeMoss	Cashier	4,300
<u>San Antonio Branch</u>		
M. Crump	Managing Director	7,500
W. E. Eagle	Cashier	4,500

In view of the action of the board of directors with respect to salaries of officers of the bank, the basic salaries of Mr. C. C. Walsh, Chairman of the board of directors of the Federal Reserve Bank of Dallas and Federal Reserve Agent, and Messrs. C. C. Hall and W. J. Evans, Assistant Federal Reserve Agents, were fixed at the rates of \$20,000, \$9,000 and \$8,500 per annum, respectively, for the year 1933, each subject to the reduction at the rate of 5% per annum in accordance with and during the period of the share-the-work plan adopted at the bank.

The basic salaries fixed by the board of directors for the officers of the Federal Reserve Bank of San Francisco and its branches for the year 1933, submitted with the Chairman's letter of January 14, 1933, subject to reductions (at the rate of 4% per annum on salaries from \$3,000 to \$4,999,

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inclusive, at the rate of 5% per annum on salaries from \$5,000 to \$9,999, inclusive, and 6% per annum on salaries of \$10,000 per annum and over) in accordance with and during the period of the share-the-work plan heretofore adopted by the bank, were approved as follows:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
J. U. Calkins	Governor	\$30,000
Wm. A. Day	Deputy Governor	18,000
Ira Clerk	Deputy Governor	16,000
W. M. Hale	Cashier	11,000
C. E. Earhart	Assistant Cashier	7,200
C. D. Phillips	Assistant Cashier	6,300
H. N. Mangels	Assistant Cashier	6,300
E. C. Mailliard	Assistant Cashier	5,200
J. M. Osmer	Assistant Cashier	5,000
F. H. Holman	General Auditor	7,200
R. T. Hardy	Auditor	5,000
<u>Los Angeles Branch</u>		
W. N. Ambrose	Managing Director	10,000
M. McRitchie	Assistant Manager	5,300
Fred C. Bold	Assistant Cashier	5,000
L. C. Meyer	Assistant Cashier	4,500
<u>Portland Branch</u>		
R. B. West	Managing Director	7,200
S. A. MacEachron	Assistant Manager	5,000
J. P. Blanchard	Assistant Cashier	4,200
<u>Salt Lake City Branch</u>		
W. L. Partner	Managing Director	7,500
H. M. Craft	Assistant Manager	5,300
W. M. Smoot	Assistant Cashier	4,200
<u>Seattle Branch</u>		
C. R. Shaw	Managing Director	7,200
B. A. Russell	Assistant Manager	4,800
G. W. Relf	Assistant Cashier	3,900

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Spokane Branch

<u>Name</u>	<u>Title</u>	<u>Salary</u>
D. L. Davis	Managing Director	\$7,000
J. M. Leisner	Assistant Manager	5,000
A. J. Dumm	Assistant Cashier	4,500

The annual retainer fee at the rate of \$10,000 per annum fixed by the board of directors for Mr. A. C. Agnew, Counsel for the San Francisco bank, was also approved.

In view of the action of the board of directors with respect to salaries of officers of the bank, the basic salaries for the year 1933, of Mr. Isaac B. Newton, Chairman of the board of directors of the Federal Reserve Bank of San Francisco and Federal Reserve Agent, and Messrs. S. G. Sargent and O. P. Wheeler, Assistant Federal Reserve Agents, were fixed at the rates of \$24,000, \$14,000 and \$6,600 per annum, subject to reductions at the rate of 6%, 6% and 5% per annum, respectively, in accordance with and during the period of the share-the-work plan adopted at the bank.

Reference was then made to the action of the board of directors of the Federal Reserve Bank of Philadelphia, communicated in the Chairman's letter of January 4, 1933, in authorizing the payment to Mr. Howard A. Loeb, who has been selected as a member of the Federal Advisory Council representing the Third Federal Reserve District for the year 1933, of \$100 for each meeting of the Council attended by him in lieu of actual expenses; also to the action of the board of directors of the Federal Reserve Bank of St. Louis, communicated in the Chairman's letter of January 7, 1933, in authorizing an allowance of \$1,000 per annum in lieu of fees and actual expenses for Mr. Walter W. Smith who has been selected as a member of the Federal

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Advisory Council representing the Eighth Federal Reserve District for the current year. The Assistant Secretary stated that these allowances are the same as were approved by the boards of directors of the Philadelphia and St. Louis banks for 1932.

Allowances approved.

Reports of Standing Committee dated January 19, 21 and 24, 1933, recommending approval of the following changes in stock at Federal reserve banks:

<u>Application for ORIGINAL Stock:</u>	<u>Shares</u>	
<u>District No. 7.</u>		
Terminus National Bank, Chicago, Illinois.	60	60
<u>Applications for SURRENDER of Stock:</u>		
<u>District No. 2.</u>		
Citizens National Bank & Trust Co., Hornell, N.Y. (Insolvent)	165	165
<u>District No. 7.</u>		
First National Bank, Mazon, Illinois. (Insolvent)	45	
First National Bank, Russiaville, Ind. (Insolvent)	<u>30</u>	75
<u>District No. 8.</u>		
Union Trust Company, East St. Louis, Illinois. (Decrease in capital)	180	180
<u>District No. 10.</u>		
Citizens National Bank, Glenwood Springs, Colo. (Insolvent)	54	54
<u>District No. 11.</u>		
First National Bank, Whitney, Texas. (V.L.Suc. by First National Bank in Whitney, Texas.)	37	37
<u>District No. 12.</u>		
Buena State Bank, Buena, Washington. (Insolvent)	16	16
	<u>Total</u>	<u>527</u>

Approved.

Reports of Standing Committee dated January 19, 20 and 23, 1933, recommending approval of the following Clayton Act applications:

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Mr. Robert Winthrop Kean, for permission to serve at the same time as director and officer of the Livingston National Bank of Livingston, New Jersey, and as director of the National State Bank of Elizabeth, New Jersey.

Mr. Parry C. Wiggin, for permission to serve at the same time as director of the First National Bank in Reading, Reading, Massachusetts, and as director of the Merchants Trust Company, of Lawrence, Massachusetts.

Mr. George R. Beach, for permission to serve at the same time as director of the First National Bank and Trust Company of Montclair, New Jersey, and as director of the New Jersey Title Guarantee and Trust Company of Jersey City, New Jersey.

Approved.

Thereupon the meeting adjourned.

Olester Moriel
Secretary.

Approved:

Christman
Chairman, Executive Committee.