

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, April 8, 1940, at 11:30 a.m.

PRESENT: Mr. Ransom, Vice Chairman  
Mr. McKee  
Mr. Davis  
Mr. Draper

Mr. Morrill, Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

The minutes of the meetings of the Board of Governors of the Federal Reserve System held on April 5, 1940, (two meetings) were approved unanimously.

Letter to Mr. Ruml, Deputy Chairman of the Federal Reserve Bank of New York, reading as follows:

"As you and Mr. Stevens were advised informally at your meeting with the Board on Tuesday, April 2, and for the reasons given to you at that time, the Board has taken the actions set forth below on the salary recommendations contained in your letter of April 1, 1940.

"The Board approves salaries, effective from April 1, 1940 to March 31, 1941, for the following officers in the amounts stated, if fixed by your Board of Directors at such rates, subject in the case of the President and First Vice President to their reappointment with the approval of the Board of Governors upon the expiration of their present terms of office:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
"George L. Harrison	President	\$50,000
Allan Sproul	First Vice President	32,500
Leslie R. Rounds	Vice President	30,000
Walter S. Logan	Vice President and General Counsel	25,000

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"The salaries fixed by your Directors for other officers of your bank for the year April 1, 1940 to March 31, 1941 are approved by the Board as follows:

"Ray M. Gidney	Vice President	\$20,000
L. Werner Knoke	Vice President	20,000
Robert G. Rouse	Vice President	17,500
John H. Williams	Vice President	22,000
(During period of part time service to the bank, which involves Mr. Williams' spending 2 days a week at the bank, the salary paid him by the bank to be at the rate of one-third of his regular annual salary.)		
Wm. H. Dillistin	Asst. Vice President	15,000
J. Wilson Jones	Asst. Vice President	14,000
Herbert H. Kimball	Asst. Vice President	
	(Secretary of the Bank)	9,000
John W. McKeon	Asst. Vice President	12,000
Silas A. Miller	Asst. Vice President	9,000
Arthur Phelan	Asst. Vice President	10,000
James M. Rice	Asst. Vice President	15,000
Harold V. Roelse	Asst. Vice President	12,000
Valentine Willis	Asst. Vice President	12,000
Dudley H. Barrows	Manager	9,000
Wesley W. Burt	Manager	8,000
Donald J. Cameron	Manager	9,500
Felix T. Davis	Manager	7,200
Norman P. Davis	Manager	7,000
Edward O. Douglas	Manager	8,000
Edwin C. French	Manager	10,000
Marcus A. Harris	Manager	5,000
Myles C. McCahill	Manager	8,000
Robert F. McMurray	Manager	8,000
Horace L. Sanford	Manager	
	(Assistant Secretary of Bank)	7,500
William A. Scott	Manager	8,500
Wm. F. Sheehan	Manager (and Chief Examiner)	13,000
Insley B. Smith	Manager	6,000
Frederick Stocker	Manager	5,500
Chas. N. VanHouten	Manager	7,500
Todd G. Tiebout	Assistant Counsel	8,700
Wm. F. Treiber	Assistant Counsel	7,200
Rufus J. Trimble	Assistant Counsel	11,500
George W. Ferguson	General Auditor	10,000
Harold A. Bilby	Assistant General Auditor	6,000

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"Robert M. O'Hara	<u>Buffalo Branch</u>	
Reginald B. Wiltse	Managing Director	\$12,000
Halsey W. Snow	Assistant Manager	9,000
	Cashier	7,000"

Approved unanimously.

Letter to Mr. John G. Nichols, Chief, Division of Examination,  
Federal Deposit Insurance Corporation, reading as follows:

"This is in reply to your letter of April 4, 1940, advising that the Board of Directors of your Corporation has authorized the granting of a deficiency loan to facilitate the assumption of the established liabilities of 'The Southampton Bank', Southampton, New York, by, and the transfer of its acceptable assets to, The First National Bank of Southampton.

"As requested in your letter, the Board of Governors of the Federal Reserve System hereby grants written consent, in accordance with the provisions of subsection (k) (2) of section 12B of the Federal Reserve Act, for examiners for the Federal Deposit Insurance Corporation to make such examination of The Southampton Bank as may be required to consummate the proposed transaction."

Approved unanimously.

Letter to Mr. A. A. Berle, Jr., Assistant Secretary of State,  
reading as follows:

"The Board is pleased to acknowledge receipt of your letter of March 29 indicating the procedure by which a statement would be inserted in the permanent minutes of the Inter-American Financial and Economic Advisory Committee to the effect that any government which desires to do so is free to designate its central banking authority to appoint the director and represent the government in its relations with the Inter-American Bank. The procedure which you describe would seem to be entirely satisfactory, and the Board is gratified to learn that its suggestion has proved acceptable."

Approved unanimously.

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Letter dated April 6, 1940, to Mr. Nardin, Chairman of the Federal Reserve Bank of St. Louis, reading as follows:

"This refers to your letters of March 5 and March 28, 1940, with respect to whether Mr. George O. Boomer, recently appointed a director of your Louisville branch, may serve as a member of the Louisville Bridge Commission without violating the Board's resolution of 1915 forbidding officers and directors of Federal Reserve banks to hold political or public office. It is noted that you and your counsel are of the opinion that Mr. Boomer's service is not in violation of the Board's resolution.

"It is understood that the Louisville Bridge Commission, of which Mr. Boomer is a member, was created to operate the municipal bridge across the Ohio River at Louisville; that the Commission consists of two Democrats and two Republicans appointed by the mayor of the city, with the mayor acting as an ex officio member; and that, in general, it is the duty of the Commission to supervise the construction of bridges, including the making of necessary contracts, the employment of experts, inspectors, and attorneys, and the making of surveys and maps. It is noted from your letter of March 28, 1940, that, according to information received from your Louisville branch, Mr. Boomer is not at present chairman of the Louisville Bridge Commission and receives no substantial compensation as a member, although members of the Commission receive \$10 for attendance at each meeting. It is further noted that membership on the Commission is not regarded as political in character and that such membership is not considered politically desirable and carries with it no particular political influence.

"On the basis of the information stated above, and, in view of your opinion and that of your counsel, the Board offers no objection to Mr. Boomer's serving as a member of the Louisville Bridge Commission while serving as a director of the Louisville Branch of your bank."

Approved unanimously.

Thereupon the meeting adjourned.

Approved:

  
Vice Chairman

  
Secretary