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A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, June 5, 1946, at 10:30 a. m.

PRESENT: Mr. Eccles, Chairman
Mr. Szymczak
Mr. Draper
Mr. Evans
Mr. Vardaman

Mr. Carpenter, Secretary
Mr. Morrill, Special Adviser
Mr. Thurston, Assistant to the Chairman

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

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on June 4, 1946, were approved unanimously.

Memorandum dated June 3, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, submitting the resignation of Miss Elisabeth E. Hinrichs, a Research Assistant in that Division, and recommending that the resignation be accepted, effective at the close of business June 5, 1946, and that a proper lump sum payment be made to her for any annual leave remaining to her credit at that time.

The resignation was accepted as recommended.

Memorandum dated May 31, 1946, from Mr. Nelson, Assistant Director of the Division of Administrative Services, recommending

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that, for the reasons stated therein, the hours of duty of Mrs. Kathrine Boyd, Charwoman in that Division, be reduced from eight to seven hours per working day and that her basic annual salary be reduced proportionately from \$1,440 to \$1,260 per annum, effective June 2, 1946.

Approved unanimously.

Memorandum dated June 3, 1946, from Mr. Bethea, Director of the Division of Administrative Services, recommending, for the reasons stated therein, that (1) effective June 30, 1946, the Board reduce the rate of contribution by its employees for group insurance to \$5.98 per year per employee or \$.23 each bi-weekly pay period, i. e., a reduction in the biweekly rate from \$.27 to \$.23, and (2) in view of the gradual increase in the average age of the Board's employees since the group insurance plan was established and the possibility of unfavorable experience in future years, the Division of Administrative Services review the matter at the close of each policy year with the understanding that if and when such a review discloses that the average annual net premium cost borne by the Board from the date the plan was established reaches \$100, the matter will be submitted to the Board for further consideration.

Approved unanimously.

Letter to Mr. Wayne, Vice President of the Federal Reserve Bank of Richmond, reading as follows:

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"Reference is made to your letter of June 1, 1946, submitting a certified copy of a resolution adopted by the board of directors of the Tryon Bank & Trust Company, Tryon, North Carolina, signifying its intention to withdraw from membership in the Federal Reserve System and the bank's request for waiver of six months' notice usually required.

"The Board of Governors waives the usual requirement of six months' notice, as requested. Accordingly, upon surrender of the Federal Reserve Bank stock issued to the Tryon Bank & Trust Company, the Federal Reserve Bank is authorized to cancel such stock and make appropriate refund thereon.

"Please advise the Board of Governors when cancellation is effected and refund is made. The Certificate of Membership issued to the bank should also be obtained, if possible, and forwarded to the Board. State banking authorities should be advised promptly when the bank's withdrawal from membership has been effected and given the reasons therefor, if desired."

Approved unanimously.

Letter to Mr. Neely, Federal Reserve Agent at the Federal Reserve Bank of Atlanta, reading as follows:

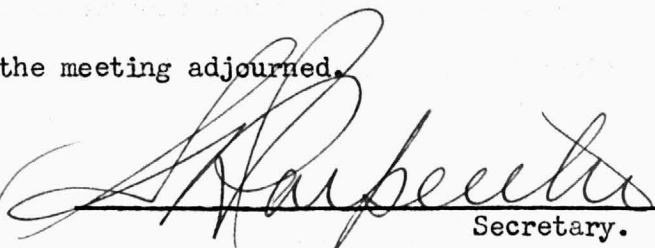
"In accordance with the request contained in Mr. Rainey's letter of May 29, 1946, the Board of Governors approves the payment of salary to Mr. J. V. Westerhaus as Federal Reserve Agent's Representative at the New Orleans Branch at the rate of \$3,000 per annum, effective February 1, 1946."

Approved unanimously.

Thereupon the meeting adjourned.

Approved:


Chairman.


Secretary.