

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, December 14, 1953. The Board met in the Board Room at 9:30 a.m.

PRESENT: Mr. Martin, Chairman
Mr. Szymczak
Mr. Evans
Mr. Vardaman
Mr. Mills
Mr. Robertson

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Kenyon, Assistant Secretary
Mr. Thurston, Assistant to the Board
Mr. Riefler, Assistant to the Chairman
Mr. Thomas, Economic Adviser to the Board
Mr. Vest, General Counsel
Mr. Young, Director, Division of Research and Statistics

There was a further informal discussion of developments in the Government securities market and matters relating to the operation of the System Open Market Account following which Messrs. Thurston, Riefler, Thomas, Vest, and Young withdrew from the meeting and Messrs. Leonard, Director, Division of Bank Operations, and Allen, Director, Division of Personnel Administration, entered the room.

In accordance with the understanding at the meeting on December 8, 1953, further consideration was given to salaries proposed for Federal Reserve Bank officers, including the presidents and first vice presidents, effective January 1, 1954.

At the conclusion of the discussion, during which it was brought out that all of the salaries proposed

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for officers below the rank of president and first vice president were within the framework of the salary administration plan approved by the Board earlier this year, unanimous approval was given to letters in the following form, with the understanding that when the chairmen and the presidents of the respective Federal Reserve Banks were invited to meet with the Board for discussion of Reserve Bank operations, officers' salaries would be among the matters taken up with them:

Letter to Mr. Hodgkinson, Chairman of the Federal Reserve Bank of Boston

The Board of Governors approves the payment of salaries to Mr. J. A. Erickson as President of the Federal Reserve Bank of Boston at the rate of \$30,000 per annum and to Mr. A. C. Neal as First Vice President at the rate of \$22,000 per annum, both for the period January 1, 1954 through December 31, 1954, if fixed by your Board of Directors at such rates. These rates are those reported in your letter of October 26, 1953.

The Board of Governors also approves the payment of salaries to the following officers at the rates indicated, for the period January 1, 1954 through December 31, 1954, in accordance with the list accompanying your letter of October 26, 1953, if fixed by your Board of Directors at such rates:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Group A</u>		
Robert B. Harvey	Vice President and Cashier	\$18,000
Carl B. Pitman	Vice President	18,000
Earle O. Latham	Vice President	17,000
Oscar A. Schlaikjer	Vice President and General Counsel	18,000
Roy F. Van Amringe	Vice President	15,000
<u>Group B</u>		
D. Harry Angney	Assistant Vice President	11,500
Ansgar R. Berge	Secretary, Assistant Counsel and Assistant Federal Reserve Agent	12,500
Elliot S. Boardman	Assistant Vice President	11,500
George H. Ellis	Director of Research	10,000

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Group C</u>		
Frank C. Gilbody	Assistant Vice President	\$10,500
Edward W. O'Neil	Assistant Vice President	10,000
Dana D. Sawyer	Assistant Vice President	11,500
David L. Strong	General Auditor	10,500
Parker B. Willis	Financial Economist	9,500
Louis A. Zehner	Assistant Vice President	10,500
<u>Group D</u>		
William R. King	Assistant Cashier	9,500
John E. Lowe	Assistant Cashier	8,500
James D. MacDonald	Chief Examiner	9,500
John J. Rock	Assistant Cashier	9,000

Letter to Mr. Crane, Chairman of the Federal Reserve Bank of New York

The Board of Governors approves the payment of salaries to Mr. Allan Sproul as President of the Federal Reserve Bank of New York at the rate of \$60,000 per annum and to Mr. W. F. Treiber as First Vice President at the rate of \$30,000 per annum, both for the period January 1, 1954, through December 31, 1954, these being the rates reported in your letter of November 13, 1953, as having been fixed by the Executive Committee of your Board of Directors.

The Board of Governors also approves the payment of salaries to the following officers at the rates indicated for the period January 1, 1954, through December 31, 1954, (with the exception of Messrs. Knoke and Boyd) which, according to your letter of November 13, 1953, are the rates fixed by the Executive Committee of your Board of Directors.

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Bilby, Harold A.	Vice President	\$20,000
Kimball, Herbert H.	Vice President	22,000
Knoke, L. Werner	Vice President	27,500
Phelan, Arthur	Vice President	24,000
Roelse, Harold V.	Vice President	22,000
Rouse, Robert G.	Vice President	28,000
Tiebout, Todd G.	Vice President & General Counsel	23,000
Willis, Valentine	Vice President	24,000
Wiltse, Reginald B.	Vice President	19,000
Wurts, John H.	Vice President	20,000
Clarke, John J.	Assistant General Counsel	17,000
Cameron, Donald J.	Assistant Vice President	14,000
Crosse, Howard D.	Assistant Vice President	16,000

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Davis, Felix T.	Assistant Vice President	\$17,500
Davis, Norman P.	Assistant Vice President	16,500
Fitchen, Paul R.	Assistant Vice President	15,000
Harris, Marcus A.	Assistant Vice President	17,500
Miller, Silas A.	Assistant Vice President	18,000
Roosa, Robert V.	Assistant Vice President	15,000
Sanford, Horace L.	Assistant Vice President	18,500
Bowman, Curtis R.	General Auditor	16,500
Bloomfield, Arthur I.	Senior Economist	11,750
Boyd, Harry M.	Manager, Cash Custody Department	10,000
Coombs, Charles A.	Manager, Research Department	13,000
Cowan, Harding	Assistant Counsel	12,500
Garvy, George	Senior Economist	11,750
Gordon, Clifton R.	Assistant Counsel	12,500
Guy, Edward G.	Assistant Counsel	12,000
Heinl, William A.	Manager, Savings Bond Department	12,000
Lang, Peter P.	Manager, Foreign Department	14,500
MacInnes, Angus A., Jr.	Manager, Check Department	13,000
Marple, William E.	Manager, Credit Department & Discount Department	12,500
Marsh, Spencer S., Jr.	Manager, Securities Department	13,000
McLaughlin, Michael J.	Manager, Government Check Department	10,500
Muether, Herbert A.	Manager, Building Operating Department	13,000
Niles, Donald C.	Manager, Planning Department	12,000
Noa, Arthur H.	Manager, Service Department	11,500
O'Keefe, Gregory, Jr.	Assistant Counsel & Assistant Secretary	10,000
Palmer, William F.	Manager, Accounting Department	12,000
Peterson, Franklin E.	Manager, Cash Department	12,000
Quackenbush, Lawrence E.	Manager, Bank Examinations Department	12,000
Rushmore, Walter S.	Manager, Security Custody De- partment	11,000
Scheffer, Ralph W.	Manager, Government Bond De- partment	13,000
Small, Kenneth E.	Manager, Personnel Department	11,000
Smedley, Frederick L.	Manager, Personnel Department	11,500
Smith, George C.	Manager, Collection Department	10,500
Waage, Thomas O.	Manager, Public Information De- partment	12,500
Walton, A. Chester	Manager, Bank Relations Depart- ment	10,500

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Wendell, Roy E.	Manager, Safekeeping Department	\$12,500
Willis, Arthur H.	Secretary	12,000
<u>Buffalo Branch</u>		
Smith, Insley B.	Vice President	20,000
Wessel, Harold M.	Assistant Vice President	13,500
Doll, George J.	Cashier	11,500
Greene, Gerald H.	Assistant Cashier	9,500
Myers, M. Monroe	Assistant Cashier	9,200

It is understood that Messrs. L. Warner Knoke and Harry M. Boyd will reach retirement age during 1954, and accordingly, the payment of their salaries is approved only until the dates of retirement.

As requested in your letter of November 13, 1953, the Board of Governors also approves the following minimums and maximums for the three lowest officer salary groups at the Federal Reserve Bank of New York:

	<u>Minimum</u>	<u>Maximum</u>
	<u>Annual</u>	<u>Annual</u>
	<u>Salary</u>	<u>Salary</u>
Group D	\$12,000	\$17,000
Group E	10,500	14,500
Group F	9,000	13,000

Letter to Mr. Meinel, Chairman of the Federal Reserve Bank of Philadelphia

The Board of Governors approves the payment of salaries to Mr. Alfred H. Williams as President of the Federal Reserve Bank of Philadelphia at the rate of \$30,000 per annum and to Mr. W. J. Davis as First Vice President at the rate of \$22,000 per annum, both for the period January 1, 1954 through December 31, 1954, these being the rates reported in your letter of November 12, 1953, as having been fixed by your Board of Directors.

The Board of Governors also approves the payment of salaries to the following named officers at the rates indicated for the period January 1, 1954 through December 31, 1954, which according to your letter of November 12, 1953, are the rates which were fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Karl R. Bopp	Vice President	\$18,500
Robert N. Hilkert	Vice President	18,000
E. C. Hill	Vice President	17,000
William G. McCreedy	Vice President & Secretary	16,000
P. M. Poorman	Vice President	17,000
Richard G. Wilgus	Cashier & Assistant Secretary	14,000
J. V. Vergari	Counsel & Assistant Secretary	15,000

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Joseph R. Campbell	Assistant Vice President	\$10,500
W. M. Catanach	Assistant Vice President	12,000
Norman G. Dash	Assistant Vice President	11,000
G. J. Lavin	Assistant Vice President	12,000
E. A. Aff	Assistant Cashier	8,500
R. E. Haas	Assistant Cashier	8,500
Roy Hetherington	Assistant Cashier	10,000
H. J. Nelson	Assistant Cashier	9,000
Harry W. Roeder	Assistant Cashier	8,000
Z. G. Fenner	Chief Examiner	10,500
Evan B. Alderfer	Industrial Economist	12,000
Clay J. Anderson	Financial Economist	12,000
Fred A. Murray	Director of Plant	10,000
Hugh Barrie	Machine Methods Officer	10,000
Murdoch K. Goodwin	Assistant Counsel	10,000
H. B. Haffner	General Auditor	10,000

Letter to Mr. Fulton, President of the Federal Reserve Bank of Cleveland

The Board of Governors approves the payment of salaries to you as President of the Federal Reserve Bank of Cleveland at the rate of \$25,000 per annum and to Mr. D. S. Thompson as First Vice President at the rate of \$18,000 per annum, both for the period January 1, 1954 through December 31, 1954, these being the rates reported in your letter of November 20, 1953, as having been fixed by your Board of Directors.

The Board of Governors also approves the payment of salaries to the following officers at the rates indicated, for the period January 1, 1954 through December 31, 1954, (with the exception of Mr. Ross), which, according to your letters of November 12 and 20, 1953, are the rates fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
	<u>MAIN OFFICE</u>	
R. R. Clouse	Vice President	\$16,000
A. H. Laning	Vice President and Cashier	17,750
Martin Morrison	Vice President	17,500
H. E. J. Smith	Vice President	14,500
P. C. Stetzelberger	Vice President	17,500
L. M. Hostetler	Director of Research	14,000
P. B. Didham	Assistant Vice President	12,000
G. H. Emde	Assistant Vice President	12,750
J. R. Lowe	Assistant Vice President	12,250
J. M. Miller	Assistant Vice President	12,000

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
C. J. Bolthouse	Assistant Cashier	\$10,500
C. E. Crawford	Assistant Cashier	9,250
E. V. Denton	Assistant Cashier	8,500
E. F. Fricke	Assistant Cashier	8,500
G. R. Ross	Assistant Cashier	10,500
H. M. Boyd	Chief Examiner	12,000
C. F. Ehninger	General Auditor	14,500
H. B. Flinkers	Assistant Secretary	8,700
<u>CINCINNATI BRANCH</u>		
R. G. Johnson	Vice President	15,500
P. J. Geers	Cashier	13,000
G. W. Hurst	Assistant Cashier	9,000
C. Harrell	Assistant Cashier	11,000
John Bierman	Assistant Cashier	8,500
<u>PITTSBURGH BRANCH</u>		
J. W. Kossin	Vice President	20,000
A. G. Foster	Cashier	14,500
W. H. Nolte	Assistant Cashier	10,300
J. R. Price	Assistant Cashier	10,500
Jno. A. Schmidt	Assistant Cashier	11,000
R. J. Steinbrink	Assistant Cashier	11,000

It is understood that Mr. Ross will reach retirement age during 1954 and the payment of his salary is accordingly approved only until the date of retirement.

Letter to Mr. McCormick, Chairman of the Federal Reserve Bank of Richmond

The Board of Governors approves the payment of salaries to Mr. Hugh Leach as President of the Federal Reserve Bank of Richmond at the rate of \$30,000 per annum and to Mr. E. A. Wayne as First Vice President at the rate of \$22,000 per annum, both for the period January 1, 1954, through December 31, 1954, these being the rates reported in your letter of November 12, 1953, as having been fixed by your Board of Directors.

The Board of Governors also approves the payment of salaries to the following named officers at the rates indicated, for the period January 1, 1954, through December 31, 1954, which according to your letter of November 12, 1953, are the rates which were fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
N. L. Armistead	Vice President	\$16,000
Aubrey N. Heflin	Vice President and General Counsel	15,000

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Upton S. Martin	Vice President	\$13,600
R. W. Mercer	Vice President and Cashier	15,000
C. B. Strathy	Vice President and Secretary	15,000
K. Brantley Watson	Vice President	15,000
Chas. W. Williams	Vice President	14,000
J. Dewey Daane	Assistant Vice President	11,500
John L. Nosker	Assistant Vice President	10,600
J. M. Nowlan	Assistant Vice President	11,500
Thomas I. Storrs	Assistant Vice President	11,500
Jas. W. Dodd, Jr.	Assistant Vice President	10,500
H. E. Ford	Assistant Cashier	8,700
Robert G. Howard	Assistant Cashier	9,600
W. B. Wakeham	Assistant Cashier	8,800
Edw. Waller, Jr.	Assistant Cashier	9,000
G. Harold Snead	Chief Examiner	10,000
R. S. Brock, Jr.	General Auditor	12,500
<u>Baltimore Branch</u>		
D. F. Hagner	Vice President	16,000
A. A. Stewart, Jr.	Cashier	11,500
B. F. Armstrong	Assistant Cashier	8,300
A. C. Wienert	Assistant Cashier	8,800
E. Riggs Jones, Jr.	Assistant Cashier	7,500
<u>Charlotte Branch</u>		
R. L. Cherry	Vice President	16,000
S. A. Ligon	Cashier	12,000
R. L. Honeycutt	Assistant Cashier	8,500
E. C. Mondy	Assistant Cashier	8,200

Letter to Mr. Neely, Chairman of the Federal Reserve Bank of Atlanta

The Board of Governors approves the payment of salaries to Mr. Malcolm Bryan as President of the Federal Reserve Bank of Atlanta at the rate of \$30,000 per annum and to Mr. Lewis M. Clark as First Vice President at the rate of \$22,000 per annum, both for the period January 1, 1954, through December 31, 1954, these being the rates reported in your letter of November 13, 1953, as having been fixed by your Board of Directors.

The Board of Governors also approves the payment of salaries to the following officers at the rates indicated, for the period January 1, 1954, through December 31, 1954, (with the exception of Messrs. Harrison and Camp) which, according to your letter of November 13, 1953, are the rates fixed by your Board of Directors:

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Harold T. Patterson	Vice President and General Counsel	\$17,000
John L. Liles, Jr.	Vice President - Birmingham	14,000
T. A. Lanford	Vice President - Jacksonville	15,000
R. E. Moody, Jr.	Vice President - Nashville	13,000
Earle L. Rauber	Vice President	13,000
J. E. Denmark	Vice President	13,000
S. P. Schuessler	Vice President	14,000
V. K. Bowman	Vice President	15,500
M. L. Shaw	Assistant Manager - New Orleans	14,000
H. C. Frazer	Assistant Manager - Birmingham	12,000
T. C. Clark	Assistant Manager - Jacksonville	10,500
E. R. Harrison	Assistant Manager - Nashville	11,500
L. B. Raisty	Vice President	12,500
E. C. Rainey	Assistant Manager - Birmingham	10,500
R. M. Stephenson	Assistant Vice President	10,000
Charles T. Taylor	Assistant Vice President	10,000
J. E. McCorvey	Assistant Vice President	10,000
C. R. Camp	Assistant Vice President	11,000
Fred I. Breck	Assistant Cashier	9,000
DeWitt Adams	General Auditor	9,500
Dowdell Brown, Jr.	Assistant Counsel	9,000
J. H. Bowden	Assistant Vice President	10,000
J. W. Snyder	Cashier - Jacksonville	9,500
L. W. Starr	Cashier - Nashville	9,500
W. H. Sewell	Cashier - New Orleans	10,000
F. H. Martin	Assistant Vice President	9,500
I. H. Martin	Assistant Vice President	9,000
R. E. Milling	Assistant Vice President	9,000
H. J. Urquhart	Cashier - Birmingham	8,500
Melvin McIlwain	Assistant Cashier - Birmingham	7,500
C. Mason Ford	Assistant Cashier - Jacksonville	9,000
Stuart H. Magee	Assistant Cashier - Nashville	7,500
L. Y. Chapman	Assistant Cashier - New Orleans	8,500

It is understood that Mr. E. R. Harrison and Mr. C. R. Camp will reach retirement age during 1954 and the payment of their salaries is accordingly approved only until the date of retirement.

Letter to Mr. Dawes, Vice President and Secretary of the Federal Reserve Bank of Chicago

The Board of Governors approves the payment of salaries to Mr. C. S. Young as President of the Federal Reserve Bank of

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Chicago at the rate of \$40,000 per annum and to Mr. E. C. Harris as First Vice President at the rate of \$27,500 per annum, both for the period January 1, 1954 through December 31, 1954, these being the rates reported in your letter of October 27, 1953, as having been fixed by your Board of Directors.

The Board of Governors also approves the payment of salaries to the following named officers at the rates indicated for the period January 1, 1954 through December 31, 1954, which, according to your letter of October 27, 1953, are the rates which were fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Dawes, N. B.	Vice President & Secretary	\$20,000
Diercks, W. R.	Vice President	19,500
Hopkins, W. A.	Vice President	15,500
Meyer, L. G.	Vice President	15,000
Mitchell, G. W.	Vice President	16,500
Olson, A. L.	Vice President	20,000
Sihler, A. T.	Vice President	21,500
Turner, W. W.	Vice President	18,500
Jones, L. H.	Cashier	13,500
Baughman, E. T.	Assistant Vice President	12,000
Carroll, P. C.	Assistant Vice President	12,500
Laibly, C. T.	Assistant Vice President	12,500
Lies, M. A.	Assistant Vice President	14,000
Lindsten, F. A.	Assistant Vice President	13,500
Newman, H. J.	Assistant Vice President	12,000
Petersen, I. J.	Assistant Vice President	12,000
Smyth, B. L.	Assistant Vice President	11,500
Wilson, H. Fred	Assistant Vice President	12,000
Endres, J. J.	General Auditor	17,000
Gustavson, A. M.	Assistant General Auditor	11,000
Hodge, P. C.	General Counsel	16,500
Barton, O. C.	Asst. General Counsel and Assistant Secretary	10,500
Van Zante, C. P.	Chief Examiner	12,500
Bristow, E. D.	Assistant Cashier	9,500
Davis, L. A.	Assistant Cashier	8,500
Grimm, F. H.	Assistant Cashier	8,500
Heath, E. A.	Assistant Cashier and Assistant Secretary	11,000
Schultz, H. S.	Assistant Cashier	7,700
Shirey, E. F.	Assistant Cashier	9,500
Tucker, G. T.	Assistant Cashier	9,500

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Helmer, H. J.	Assistant Chief Examiner	\$10,500
Scanlon, C. J.	Assistant Chief Examiner	10,500
<u>DETROIT BRANCH</u>		
Swaney, R. A.	Vice President	14,000
Bloomfield, R. W.	Assistant Vice President	12,000
Diehl, H. L.	Cashier	11,500
Srp, J. J., Jr.	Assistant Cashier	9,000
Wiegandt, A. J.	Assistant Cashier	10,500
Lamphere, G. W.	Assistant General Counsel	10,500

Letter to Mr. Johns, President of the Federal Reserve Bank of St. Louis

The Board of Governors approves the payment of salaries to you as President of the Federal Reserve Bank of St. Louis at the rate of \$30,000 per annum and to Mr. Frederick L. Deming as First Vice President at the rate of \$22,000 per annum, both for the period January 1, 1954, through December 31, 1954, these being the rates reported in your letter of November 13, 1953, as having been fixed by your Board of Directors.

The Board of Governors also approves the payment of salaries to the following officers at the rates indicated for the period January 1, 1954, through December 31, 1954, (with the exception of Messrs. Stewart and Schacht) which, according to your letter of November 13, 1953, are the rates fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Group 4</u>		
William E. Peterson	Vice President	\$18,000
Howard H. Weigel	Vice President	15,000
Joseph C. Wotawa	Vice President	15,000
Dale M. Lewis	Vice President	15,000
Clarence M. Stewart	Vice President	15,000
Charles A. Schacht	Vice President	13,500
Darryl R. Francis	Vice President	15,000
William J. Abbott, Jr.	Director of Research	12,200
<u>Group 3</u>		
Victor M. Longstreet	Assistant Vice President	13,500
George E. Kroner	Chief Examiner	12,000
John J. Christ	Assistant Vice President	10,200
Earl R. Billen	Assistant Vice President	10,000
Willis L. Johns	Assistant Vice President	9,800
Stephen Koptis	Assistant Vice President	9,000
George W. Hirshman	General Auditor	9,000

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Group 2</u>		
G. O. Hollocher	Assistant Vice President	\$ 9,100
W. W. Gilmore	Assistant Vice President	8,500
Fred Burton	Assistant Manager-Louisville	11,500
Marvin L. Bennett	Assistant Manager-Little Rock	9,000
C. E. Martin	Assistant Manager-Memphis	8,500
<u>Group 1</u>		
Clifford Wood	Assistant Manager-Little Rock	7,000
W. J. Bryan	Assistant Manager-Little Rock	6,700
L. K. Arthur	Assistant Manager-Louisville	7,000
L. S. Moore	Assistant Manager-Louisville	6,700
S. K. Belcher	Assistant Manager-Memphis	7,000
H. C. Anderson	Assistant Manager-Memphis	6,700

It is understood that Mr. Clarence M. Stewart and Mr. Charles A. Schacht will reach retirement age during 1954 and the payment of their salaries is accordingly approved only until the date of retirement.

Letter to Mr. Powell, President of the Federal Reserve Bank of Minneapolis

The Board of Governors approves the payment of salaries to you as President of the Federal Reserve Bank of Minneapolis at the rate of \$26,500 per annum and to Mr. A. W. Mills as First Vice President at the rate of \$19,000 per annum, both for the period January 1, 1954, through December 31, 1954, these being the rates reported in your letter of September 15, 1953, as having been fixed by your Board of Directors.

The Board of Governors also approves the payment of salaries to the following officers at the rates indicated for the period January 1, 1954, through December 31, 1954, (with the exception of Mr. Core) which, according to your letter of September 15, 1953, are the rates fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Group A</u>		
H. G. McConnell	Vice President	\$17,000
O. R. Preston	Vice President	16,500
Sigurd Ueland	Vice President and Counsel	14,000
J. M. Peterson	Vice President and Director of Research	14,000
<u>Group B</u>		
H. C. Core	Vice President	12,000
E. B. Larson	Vice President	13,000
M. H. Strothman, Jr.	Vice President	12,500
C. W. Groth	Vice President	12,000
A. W. Johnson	Assistant Vice President	10,000
K. K. Fossum	Auditor	9,000

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Group C</u>		
F. L. Parsons	Associate Director of Research	\$11,000
C. A. Van Nice	Assistant Vice President	9,500
A. R. Larson	Assistant Vice President	9,500
O. W. Ohnstad	Assistant Vice President	9,000
C. Ries	Assistant Vice President	9,000
M. E. Lysen	Operating Research Officer	10,000
<u>Group D</u>		
H. A. Berglund	Assistant Cashier	8,000
G. M. Rockwell	Assistant Cashier	8,000
J. J. Gillette	Assistant Cashier	8,000
M. B. Holmgren	Assistant Cashier	8,000
M. O. Sather	Assistant Cashier	7,500

It is understood that Mr. H. C. Core will reach retirement age during 1954, and, accordingly, the payment of his salary is approved only until the date of his retirement.

Letter to Mr. Hall, Chairman of the Federal Reserve Bank of Kansas City

Your letter of November 4 advised the Board of Governors of the action taken by your Board of Directors with respect to fixing the salaries of the President and First Vice President for the calendar year 1954. The Board has reviewed this matter again, particularly in the light of considerations outlined in the thoughtful resolution adopted by your Directors as well as the considerations which should guide the Board and which were discussed when salary procedures were being formulated during the past year. On the basis of that review, the Board cannot escape the conclusion that the considerations which prompted its earlier action approving these salaries at their present levels, including the special character of the Federal Reserve Banks and the relationship of salaries of Federal Reserve Bank officers to other salaries, must continue to apply. Consequently, while the Board has weighed the action of your directors very carefully, it believes that the salaries of the President and First Vice President of your Bank should not be increased further at this time. Accordingly, the Board approves the payment of salaries to Mr. Leedy as President at the rate of \$30,000 per annum, and to Mr. Koppang as First Vice President at the rate of \$22,000, both for the period of January 1, 1954 through December 31, 1954, provided those rates are fixed by the Board of Directors of your Bank.

The Board of Governors also approves the payment of salaries to the following officers at the rates indicated for the period

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January 1, 1954 through December 31, 1954, which, according to your letter of November 14, 1953, are the rates fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>HEAD OFFICE</u>		
D. W. Woolley	Vice President	\$18,000
E. D. Vanderhoof	Vice President	12,000
Clarence W. Tow	Vice President	15,000
John T. Boysen	Cashier	10,400
E. U. Sherman	Assistant Vice President	10,000
F. H. Larson	Assistant Vice President	9,800
C. A. Cravens	Assistant Cashier	9,000
J. S. Handford	Assistant Cashier	9,000
J. T. White	Assistant Cashier	8,500
Joseph R. Euans	Assistant Cashier	8,500
C. L. Bollinger	General Auditor	10,000
L. F. Mills	Chief Examiner	10,200
<u>DENVER BRANCH</u>		
G. A. Gregory	Vice President	15,000
H. L. Stempel	Cashier	9,800
Hubert G. Duck	Assistant Cashier	8,400
Howard W. Pritz	Assistant Cashier	8,000
<u>OKLAHOMA CITY BRANCH</u>		
R. L. Mathes	Vice President	15,000
F. W. Alexander	Cashier	9,800
F. R. Fritz	Assistant Cashier	8,400
Fred C. Schmocker	Assistant Cashier	8,300
<u>OMAHA BRANCH</u>		
P. A. Debus	Cashier	9,800
U. S. Berry	Assistant Cashier	8,500
William P. Doran	Assistant Cashier	8,300

Letter to Mr. Parten, Chairman of the Federal Reserve Bank of Dallas

The Board today has advised Mr. Gentry of its approval of the payment of salaries to the officers below the level of First Vice President at the Federal Reserve Bank of Dallas in accordance with the rates fixed by your Board of Directors and submitted to us in Mr. Gentry's letter of November 13, 1953.

Mr. Gentry's letter also states that the Bank has received no information on its recommendation that the salary of the First Vice President be at the rate of \$21,000 per annum and that accordingly the Board of Directors of your Bank took no action on the salary of the First Vice President for the year 1954.

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In view of the circumstances it is the opinion of the Board that Mr. Gentry's salary should be continued at the present rate for the time being. Accordingly, the Board approves the payment of salary to Mr. W. D. Gentry as First Vice President of the Federal Reserve Bank of Dallas at the rate of \$18,000 per annum for the period January 1, 1954 through December 31, 1954, provided that this rate is fixed by your Board of Directors.

Letter to Mr. Gentry, First Vice President of the Federal Reserve Bank of Dallas

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Dallas at the rates indicated for the period January 1, 1954, through December 31, 1954, which, according to your letter of November 13, 1953, are the rates fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
E. B. Austin	Vice President	\$15,500
L. G. Pondrom	Vice President	15,000
W. H. Irons	Vice President	16,000
G. R. Murff	General Auditor	14,000
Harry A. Shuford	Vice President and General Counsel	13,000
J. L. Cook	Vice President and Cashier	12,000
Morgan H. Rice	Assistant Vice President and Secretary of the Board	11,700
Howard Carrithers	Assistant Cashier	9,600
N. B. Harwell	Chief Examiner	9,000
W. D. Waller	Assistant Cashier	8,900
T. W. Plant	Assistant Cashier	8,900
H. W. Kilman	Assistant Cashier	8,900
E. H. Berg	Assistant Cashier	8,400
George F. Rudy	Assistant Counsel	6,800
<u>Houston Branch</u>		
W. H. Holloway	Vice President	13,500
H. K. Davis	Cashier	9,300
B. J. Troy	Assistant Cashier	8,000
<u>San Antonio Branch</u>		
W. E. Eagle	Vice President	12,500
A. E. Mundt	Cashier	8,400
F. C. Magee	Assistant Cashier	7,200

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>El Paso Branch</u>		
C. M. Rowland	Vice President	\$10,700
A. E. Russell	Cashier	8,100
T. C. Arnold	Assistant Cashier	6,900

Letter to Mr. Wilbur, Chairman of the Federal Reserve Bank of San Francisco

The Board of Governors approves the payment of salaries to Mr. C. E. Earhart as President of the Federal Reserve Bank of San Francisco at the rate of \$30,000 per annum and to Mr. H. N. Mangels as First Vice President at the rate of \$22,000 per annum, both for the period January 1, 1954 through December 31, 1954, these being the rates reported in your letter of October 27, 1953, as having been fixed by your Board of Directors.

The Board of Governors also approves the payment of salaries to the following named officers at the rates indicated for the period January 1, 1954 through December 31, 1954, which, according to your letter of October 27, 1953, are the rates which were fixed by your Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>HEAD OFFICE</u>		
Millard, E. R.	Vice President	\$17,000
Slade, H. F.	Vice President	17,000
Symms, Ronald T.	Vice President and Cashier	13,000
Wheeler, O. P.	Vice President	15,000
Morrill, R. H.	Assistant Vice President	10,500
Swan, E. J.	Assistant Vice President	12,000
Barbonchielli, J. L.	Assistant Cashier	9,000
Barrett, T. W.	Assistant Cashier	9,000
Hemmings, H. E.	Assistant Cashier	9,000
Milliken, R. C.	Assistant Cashier	9,000
Price, A. H.	Assistant Cashier	8,000
Armstrong, H.	General Auditor	11,500
Galvin, E. H.	Chief Examiner	10,500
O'Kane, J. A.	General Counsel	14,000
<u>LOS ANGELES BRANCH</u>		
Volberg, W. F.	Vice President	19,000
Watkins, C. H.	Assistant Manager	12,500
Davies, M. J.	Assistant Manager	7,500
Parker, G. D.	Assistant Manager	8,500
Robinson, J. R.	Assistant Manager	8,500
Thomas, W. J.	Assistant Manager	8,000

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>PORTLAND BRANCH</u>		
Randall, J. A.	Vice President	\$14,000
Bent, D. E.	Assistant Manager	10,000
Mercer, C. H.	Assistant Manager	8,000
Merritt, A. B.	Assistant Manager	8,500
<u>SALT LAKE CITY BRANCH</u>		
Partner, W. L.	Vice President	15,000
Barglebaugh, E. R.	Assistant Manager	10,500
Price, A. L.	Assistant Manager	8,000
Simmons, T. M.	Assistant Manager	7,500
<u>SEATTLE BRANCH</u>		
Leisner, J. M.	Vice President	16,000
Everson, R. E.	Assistant Manager	11,500
Sandstrom, W. R.	Assistant Manager	8,500
Simms, D. E.	Assistant Manager	9,000

Governor Robertson discussed a request received by the Federal Deposit Insurance Corporation from Representative Patman, of Texas, for a report showing positions in insured commercial banks paying an annual salary of \$25,000 or more. He said the Corporation replied to the effect that such information was confidential and went only so far as to supply data on average salaries taken from its annual report for 1952. Governor Robertson said that when Congressman Patman received the letter he asked Mr. Ensley, Staff Director of the Joint Committee on the Economic Report, to call the Board of Governors and the Comptroller of the Currency and ask for the information. Following discussion of the matter, Governor Robertson said, he suggested at a meeting of the Standing Interagency Committee of the Federal and State bank supervisory agencies on Friday, December 11, 1953, that consideration be given by the Federal bank supervisory agencies to the desirability of making a study of trends in bank

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salaries over the last ten or fifteen years, with the thought that if such a study was felt to be desirable a joint committee might be set up to undertake it. Governor Robertson added that the representatives of the other Federal supervisory agencies agreed to discuss the matter with their principals, that Mr. Ensley was notified that the suggestion had been made, and that it was understood Representative Patman would find information of this character acceptable for his purposes and intended to write each representative on the Interagency Committee urging that the study be made.

It was Governor Robertson's suggestion that if the other agencies did not agree to join in making the study, it be made by the Board, since he felt that the information would be of value.

Following a discussion of the matter, during which no objection was raised with respect to the study, it was understood that Governor Robertson would keep the Board advised of further developments.

Governor Robertson said that, if agreeable to the members of the Board, he would not report personally on the meeting of the Interagency Committee last Friday but would have the minutes of the meeting circulated. It was understood that the suggested procedure would be satisfactory.

At this point Messrs. Farrell, Chief, Reserve Bank Budget and Expense Section, and Massey, Technical Assistant, Division of Bank Operations, entered the room.

Pursuant to the understanding at the meeting on December 9, 1953, there was a further discussion of the proposed Federal Reserve Bank

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budgets for 1954.

At Governor Evans' request, Mr. Leonard then read a draft of letter to the Presidents of the Federal Reserve Banks which requested, for reasons stated, that the Reserve Banks review their 1954 budgets and submit revised budgets by March 1, 1954. Following a discussion of the draft, during which several suggestions were made for revisions in the language, it was understood that the letter would be redrafted in the light of the comments made at this meeting for consideration at another meeting of the Board.

Messrs. Allen, Farrell, and Massey then withdrew from the meeting.

Prior to this meeting there had been sent to the members of the Board copies of a draft of letter to Mr. Leedy, President of the Federal Reserve Bank of Kansas City, reading as follows:

The Board authorizes the preparation of detailed plans and specifications for the proposed addition to, and remodeling of, the Omaha Branch building, on the basis of the preliminary plans with the alternative plan for the first floor, forwarded with your letter of November 6, 1953.

The plans call for a five-story addition, as compared with the three-story addition originally considered, and the estimated cost of "building proper" for the project is approximately \$697,000 as compared with approximately \$498,000 estimated a year ago. Of the \$20 million authorization granted last year, approximately \$550,000 had been tentatively earmarked for the Omaha program and \$1,800,000 for the building programs of the three Branches in the Tenth District. Any excess of "building proper" costs for the Omaha program over \$550,000 may well have to be taken out of the amounts tentatively earmarked for the Denver and Oklahoma City programs.

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The architect has presented alternative plans of vault construction. The present vault at Omaha is of much heavier construction than most branch vaults, and than branch vaults built in recent years. Protective steel linings are not considered necessary in well-constructed vaults with adequate electrical protection, and it is believed that the modified plan as proposed by your architect with 32-inch walls and steel beam protective reinforcement should afford adequate protection without steel linings.

In commenting on the matter, Governor Evans brought out that on the basis of information received from the Federal Reserve Bank of Kansas City earlier this year, approximately \$1,800,000 of the current authorization for "building proper" costs of branch buildings had been tentatively earmarked for the building projects of the three branches of the Kansas City Bank. In view of the increased "building proper" cost now proposed for the Omaha Branch program, he recommended that, as stated in the draft of letter, the Federal Reserve Bank be informed that any excess over the original estimate might have to be taken out of the amounts tentatively earmarked for the Denver and Oklahoma City branches.

Following a discussion, the letter to President Leedy was approved unanimously in the form set forth above.

There was a brief discussion of appointments remaining to be made to the boards of directors of Federal Reserve Banks and branches for terms beginning January 1, 1954, and it was suggested that a statement regarding the appointments made by the Board be prepared for release on Friday, December 18.

This suggestion was approved unanimously.

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The meeting then adjourned. During the day the following additional actions were taken by the Board with all of the members present:

Minutes of actions taken by the Board of Governors of the Federal Reserve System on December 11, 1953, were approved unanimously.

Letter to the Organizers of American Bank, Fort Lauderdale, Florida, stating that, subject to conditions of membership numbered 1 and 2 contained in the Board's Regulation H, and the following special condition, the Board approves the bank's application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Atlanta, effective if and when the bank is authorized to commence business by the appropriate State authorities:

3. At the time of admission to membership, such bank shall have paid-in capital stock of \$350,000, surplus of \$100,000, and other capital funds of not less than \$50,000.

The letter also contained the following paragraph:

Acceptance of the conditions of membership contained in this letter should be evidenced by a resolution adopted by the board of directors after the bank's Certificate of Authorization to transact a general banking business has been issued. The board of directors should also adopt, at the same time, a resolution ratifying the action which has been taken in the bank's behalf in making application for membership in the Federal Reserve System. A certified copy of each resolution, together with advice of compliance with the condition to be complied with prior to admission to membership, should be transmitted to the Federal Reserve Bank. Arrangements will thereupon be made to accept payment for an appropriate amount of Federal Reserve Bank stock, to accept the deposit of the required reserve balance, and to issue the appropriate amount of Federal Reserve Bank stock to the bank.

Approved unanimously, for
transmittal through the Federal

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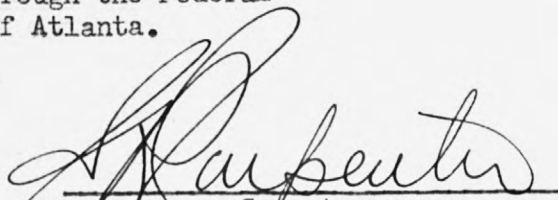
Reserve Bank of Atlanta, together with a letter to Mr. Bryan, President of the Reserve Bank, containing the following paragraph:

Before issuing stock in the Federal Reserve Bank of Atlanta to the new State institution, you are requested to satisfy yourself that its capital stock of \$350,000 and surplus of \$100,000 have been paid in, that a Certificate of Authorization to transact a general banking business has been issued, and not less than \$50,000 of other capital funds provided as set forth in the plan submitted. At such time your Counsel should review all steps taken in the organization of the bank, and certified copies of all organization papers not previously submitted and resolutions adopted by the board of directors should be forwarded to the Board, together with a copy of Counsel's opinion. A Certificate of Counsel on Form 83E should also be furnished in order to complete the bank's application for membership.

Letter to the Board of Directors, Deposit Guaranty Bank & Trust Company, Jackson, Mississippi, reading as follows:

Pursuant to your request submitted through the Federal Reserve Bank of Atlanta, the Board of Governors hereby gives its written consent under the provisions of Section 18(c) of the Federal Deposit Insurance Act to the merger of the Deposit Guaranty Bank & Trust Company, Jackson, Mississippi, and the Commercial Bank & Trust Company, Jackson, Mississippi, and the establishment by the former of three branches in existing offices of the Commercial Bank & Trust Company located at 229-33 East Capitol Street, 3023 North State Street and the Standard Life Building, Roach and Pearl Streets, Jackson, Mississippi, provided the transaction is effected substantially in accordance with the plan submitted and within six months from the date of this letter.

Approved unanimously, for
transmittal through the Federal
Reserve Bank of Atlanta.


Secretary