

Minutes for December 10, 1958

To: Members of the Board

From: Office of the Secretary

Attached is a copy of the minutes of the Board of Governors of the Federal Reserve System on the above date.

It is not proposed to include a statement with respect to any of the entries in this set of minutes in the record of policy actions required to be maintained pursuant to section 10 of the Federal Reserve Act.

Should you have any question with regard to the minutes, it will be appreciated if you will advise the Secretary's Office. Otherwise, if you were present at the meeting, please initial in column A below to indicate that you approve the minutes. If you were not present, please initial in column B below to indicate that you have seen the minutes.

	A	B
Chm. Martin	x <u>WM</u>	_____
Gov. Szymczak	x <u>MS</u>	_____
Gov. Mills	x _____	_____
Gov. Robertson	x <u>R</u>	_____
Gov. Balderston	_____	x <u>CCB</u>
Gov. Shepardson	x <u>CS</u>	_____

Minutes of the Board of Governors of the Federal Reserve System
on Wednesday, December 10, 1958. The Board met in the Board Room at
10:00 a.m.

PRESENT: Mr. Martin, Chairman
Mr. Szymczak
Mr. Mills
Mr. Robertson
Mr. Shepardson

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Thurston, Assistant to the Board
Mr. Young, Director, Division of Research
and Statistics
Mr. Johnson, Director, Division of Personnel
Administration
Mr. Molony, Special Assistant to the Board
Mr. Farrell, Associate Director, Division of
Bank Operations
Mr. Noyes, Adviser, Division of Research and
Statistics
Mr. Kiley, Chief, Reserve Bank Operations Section,
Division of Bank Operations

Director appointment. Governor Robertson reported that in
accordance with the Board's request he had been in touch with the
Federal Reserve Bank of Dallas with regard to the appointment of a
director at the El Paso Branch for the three-year term beginning
January 1, 1959, and that the preference, among possible appointees
mentioned, was for Mr. Dysart E. Holcomb, Director of Research, El Paso
Natural Gas Company, El Paso, Texas.

Accordingly, it was agreed unanimously to request Chairman
Smith to ascertain and advise whether Mr. Holcomb would accept the
appointment if tendered, with the understanding that if he would
accept, the appointment would be made.

Secretary's Note: Mr. Holcomb having indicated
that he would accept the appointment if tendered,
the appointment wire was sent on December 11, 1958.

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Reserve Bank budgets (Items 1, 2, and 3). There had been distributed to the Board under date of November 21, 1958, copies of a memorandum from the Division of Bank Operations summarizing the significant features of the 1959 budgets of the Federal Reserve Banks. Submitted with the memorandum were analyses, prepared by the appropriate offices of the Board, concerning the budgets for those functions for which the scope of activities and the size of the budget are largely determined by policy decisions. Details of the budget proposals of each Reserve Bank and branch, supported by tabular data in considerable detail, also had been prepared by the Division of Bank Operations and, while not distributed, were available upon request.

The memorandum reported that the total budgets, at \$168.3 million, reflected an increase of \$9.2 million, or 5.8 per cent, over 1958 estimated expenses. Total operating expenses accounted for \$8.5 million of the increase, with the remainder attributable to the Board's assessment and the cost of Federal Reserve currency. Budgeted net operating expenses showed an increase of \$7.8 million over estimated net operating expenses for 1958.

The Chairman turned first to Governor Szymczak, who along with Governors Balderston and Mills served on the committee designated by the Board at the meeting on August 6, 1958, to give preliminary consideration to the 1959 budgets of the Federal Reserve Banks.

In commenting on the budgets and the analysis thereof, Governor Szymczak referred to the fact that the Kansas City head office employee

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relations budget continued to show a per capita cost well in excess of similar budgets for the other Reserve Bank head offices, and he said it had been suggested that perhaps something ought to be said to the Kansas City Bank on that point, particularly since the same matter had been discussed informally with President Leedy last year. He also pointed out that the Cleveland Reserve Bank had submitted a budget showing larger increases for employee salaries than heretofore, which could indicate that this budget did not present an altogether realistic picture.

The Chairman then called upon Governor Mills who said it seemed essential to highlight the trend in the growth of Federal Reserve Bank expenses, which had risen approximately 50 per cent over a period of eight years. He said Mr. Farrell had obtained figures showing that the increase in average salary at the Reserve Banks had been roughly 26 per cent from 1952 to 1957, while the average salary at member banks appeared to have increased by around 21 per cent over the same period. Thus, the Reserve Banks apparently had increased their average salary somewhat out of line with the commercial banks, which have been held forth to the Congress on different occasions as the area of employment against which the Reserve Banks have to draw competitively. The reason for the higher rate of salary increase at the Reserve Banks presumably was that the salary level decided on at the Reserve Banks in the light of community salary surveys was not necessarily the level paid at commercial banks but rather a level geared to the better employers

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within the community. This, Governor Mills said, was a subject that at some time might deserve review and new analysis to determine whether the Reserve Banks, which are essentially public agencies, should be expanding the cost of their operations in the most important area, namely, salaries, at a rate faster than their most important competitive segment of the community, namely, the commercial banks. By the same token, there was the possibility that the Reserve Bank practices constituted an impulse to the wage-cost-price spiral that the System had declared itself consistently as deserving its efforts to subdue.

Governor Mills continued by saying, with respect to other classes of expenditures by the Reserve Banks, that there were still certain sensitive spots appearing to require attention. He could not fail to be impressed, he said, by the fact that the budgets for employee relations called for expenditures in the area of \$4,000, \$5,000, or upward for employee parties given outside of the Reserve Banks, for those were expenditures of the kind that could be singled out for attack by critics of the Federal Reserve System. He also mentioned the scale of gifts, including gifts provided at Bank expense to retiring personnel. Another area where the Board might want to have more information was that relating to retirement contributions, for there might be a question whether the Reserve Bank budgets should be determined and decided upon until there had been a complete analysis

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of the position to be taken in respect to the question of integration of Social Security and Retirement System benefits, in the light of the Social Security Act Amendments of 1958. It was Governor Mills' understanding that the Reserve Bank Presidents would probably recommend against further integration at this time, and he did not know whether such a decision would relieve or add to the burden of Reserve Bank expenditures. With reference to Governor Szymczak's comment about the Kansas City head office budget for employee relations, he expressed the view that there were other areas through the whole scheme of Federal Reserve Bank operations that could likewise open the System to a charge of extravagance in the use of public funds.

Governor Mills also noted that the Division of Personnel Administration had called attention to the fact that current reports gave an incomplete and therefore misleading picture of System expenditures for management development and had recommended that the Board consider the desirability of taking steps through the Presidents' Conference to eliminate the management development function as a separate expense category prior to the submission of the 1960 budgets.

Following additional comments by Messrs. Farrell and Johnson concerning the defects in the current procedure for reporting management development costs, Governor Robertson said that although he shared many of the doubts Governor Mills had mentioned, he did not know what to do about the problem as far as the 1959 budgets were concerned. The only

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specific suggestion appeared to be to raise with the Kansas City Bank the question of the employee relations budget.

Governor Shepardson indicated that his views were similar to those expressed by Governor Robertson. At this stage he did not know whether much could be done about the 1959 budgets, but he was concerned about the magnitude of the increases year after year. Referring to information set forth in the summary prepared by the Division of Bank Operations, he drew attention to the extent to which the average Reserve Bank salary had risen during the period since 1952, stating that it was his impression that this was a faster rate of increase than had taken place generally. While Mr. Farrell had shown him this morning certain figures indicating that the upward trend at the Reserve Banks was not too far out of line with other segments of the community, the statistics revealed an increase in expenditures averaging a little better than 5 per cent per year since 1952, and this seemed to him to be a high rate.

After Mr. Farrell had cited statistics regarding rates of salary increase in various industries, Governor Shepardson said that he had raised with Mr. Farrell another question that there had not yet been an opportunity to explore; namely, the relationship of wage increases to productivity. There ensued a discussion of this point in general terms, during which Mr. Farrell observed that the rate of productivity at the Reserve Banks had a close relationship to the rate of personnel turnover and that the past year's experience had been relatively favorable from the standpoint of turnover.

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Governor Robertson then inquired whether there were any specific expense items in the 1959 budgets of such a nature as to suggest the advisability of a request for reduction, and Governor Szymczak replied that he knew of no such items except the previously mentioned employee relations budget at Kansas City. Governor Szymczak went on to say that on the whole he felt that progress had been made over the years with respect to Reserve Bank budgets and expenditures, and that he thought the discussions this fall with the respective Presidents were helpful because they took place before the budgets had been formally prepared.

The Chairman then called upon Mr. Farrell for any views he might have with regard to the best approach to consideration of the Reserve Bank budgets, and the latter suggested, as a matter for future consideration, that there might be some advantages if the Reserve Banks changed their expense accounting and budget year to conform to the fiscal year of the Federal Government. One reason for this suggestion was that the Board might find it somewhat more convenient to consider the Reserve Bank budgets in the spring of the year, and another reason grew out of the custom of conducting community wage surveys around the month of September so that the industries concerned could make adjustments effective at the first of the calendar year. For the Reserve Banks, this meant that it was necessary to prepare and submit their budgets before the community wage surveys could be analyzed.

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In additional comments, Mr. Farrell suggested a paragraph that might be included in the letter to the Kansas City Reserve Bank regarding its 1959 budget for employee relations. He also referred to his memorandum of December 5, 1958, which had been distributed to the Board, discussing a proposed adjustment in the employee salary structure for the Detroit Branch of the Federal Reserve Bank of Chicago and suggesting a paragraph for inclusion in the letter to the Chicago Reserve Bank concerning its 1959 budget. In this connection, he noted that President Allen had informed the management of the Detroit Branch that everything possible should be done to operate within the 1959 budget as submitted, even if the proposed adjustment in salary structure were approved by the Board. With respect to the recommendation of the Division of Personnel Administration regarding the reporting of costs of management development, Mr. Farrell said he concurred in the view that this was a matter to which attention should be given before the 1960 budgets were submitted. As to the budget of the Cleveland Bank, referred to earlier by Governor Szymczak, he said that over the years this Bank had had quite a good budget experience record. Consequently, while he had called attention to the matter because of the possibility that there might be some water in the 1959 budget, he would be inclined to accept the budget in view of the Bank's favorable record.

All in all, Mr. Farrell said, the Division of Bank Operations did not think that the budgets reflected anything particularly unusual.

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While, like the Board, the Division was concerned about the continuing upward pressure of expenses, particularly in the area of salaries, he did not see any escape. If the Board were to take the position that it was going to look with considerable question on any further salary structure increases, the Reserve Banks would protest that they were being placed in an unfavorable position in relation to the community market and the practice of misclassification of positions might arise.

Mr. Johnson commented that this fall most of the Reserve Banks had indicated that they were going to hold off on requests for salary structure adjustments, even though salaries were creeping closer to the average of the community market. In past years, he said, the Banks probably would have come in with requests under such circumstances.

Following further discussion of average salaries and the salary structures, Chairman Martin commented that the 1959 budgets appeared to have been fully analyzed and that he saw no alternative except to go ahead and accept them, with comments of the kind indicated at this meeting in the letters to the Kansas City and Chicago Reserve Banks.

Governor Robertson said that he thought it would be appropriate and in keeping with the times to include in the letter to each Reserve Bank a statement to the effect that in accepting the budget the Board felt it incumbent upon the Bank to conserve funds, stay below the budget levels if possible, and avoid any expenditures that were not necessary. The matter, he suggested, might be put in terms of recognizing that the Reserve Banks, in preparing their budgets, had

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endeavored to cut expenses and stating that the Board was fully in accord with the idea of saving wherever possible without impairing efficiency.

Thereupon, unanimous approval was given to letters to the respective Federal Reserve Banks accepting the 1959 budgets as submitted, with the understanding that special paragraphs, as agreed upon at this meeting, would be included in the letters to the Chicago and Kansas City Banks and that each letter would include a paragraph such as suggested by Governor Robertson. A copy of the letter sent to the Federal Reserve Bank of Boston pursuant to this action is attached as Item No. 1. The letters to the other Reserve Banks were similar except for those to the Chicago and Kansas City Banks, copies of which are attached as Items 2 and 3, respectively.

Governor Shepardson commented on the quality of the budget summary prepared by the Board's staff, following which Governor Robertson suggested the possibility of maintaining at the Board's offices a clearing house of information on System personnel with a view to the most efficient utilization of manpower. This suggestion was discussed briefly and was regarded as worthy of exploration, although certain difficulties involved in such an operation were pointed out. It was noted that the reports of examination of the Federal Reserve Banks might serve as a starting point in building up a reservoir of personnel information, and the discussion concluded with the understanding that appropriate members of the staff would give further thought to the implementation of Governor Robertson's suggestion.

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Governor Mills then suggested making a review of the trend in the relationship between System earnings and System payments to the Treasury over the period of the past several years.

Mr. Farrell commented that one factor bearing upon this relationship would be depreciation charges against new Federal Reserve buildings. He said there had been considerable staff discussion regarding the necessity for following the current accounting procedures in this respect and indicated that further consideration would be given to the question.

Messrs. Thurston, Young, Molony, and Noyes then withdrew from the meeting.

Reserve Bank officers' salaries (Items 4 through 27). In a memorandum dated November 28, 1958, which had been distributed to the Board, the Division of Personnel Administration discussed salaries for individual officers (other than the President and First Vice President) which had been fixed for the forthcoming year by the boards of directors of the respective Reserve Banks, subject to the approval of the Board of Governors. The memorandum recommended that the salaries proposed by each Reserve Bank be approved as submitted.

With regard to the salaries of Presidents and First Vice Presidents, a second memorandum from the Division of Personnel Administration, also dated November 28, 1958, indicated that as of that date recommendations had not been received from all of the Reserve Banks. However, the Federal Reserve Banks of Philadelphia and San Francisco

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had recommended increases of \$5,000 for President Bopp and President Mangels, respectively, while the St. Louis Bank had recommended an increase of \$5,000 for First Vice President Freutel and the Philadelphia Bank had recommended an increase of \$2,500 for First Vice President Hilkert. The increases proposed for Messrs. Bopp, Hilkert, and Freutel would bring their salaries to the levels generally in effect for similar positions at all of the Reserve Banks except New York and Chicago.

As the members present at the time of the committee designated by the Board on August 6, 1958, to give preliminary consideration to the Reserve Bank budgets, Governors Szymczak and Mills had submitted a memorandum under date of December 5, 1958, recommending that the increases proposed for Messrs. Bopp, Hilkert, and Freutel be approved. Salaries recommended by the respective Banks for officers below the rank of President and First Vice President also were recommended for approval. However, the memorandum called attention to the fact that the annual salary of \$35,000 proposed by the New York Bank for Mr. Rouse, Vice President and Manager of the System Open Market Account, would be at the same level as the salary of First Vice President Treiber. While the salary proposed for Mr. Rouse would be the maximum of the Bank's Salary Group A, it was suggested that raising Mr. Rouse's salary to the level of that of the First Vice President could be a source of pressure to increase the latter's salary and

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possibly result in a subsequent move to increase the range of Group A in the salary structure for officers at the New York Bank.

In their memorandum, Governors Szymczak and Mills also noted that the Cleveland and Kansas City Banks were recommending increases for 71 and 59 per cent, respectively, of their officer staffs, that the salaries of officers at those Banks were creeping up in the group ranges to a closer relationship to the midpoints than at the other Reserve Banks, and that the Board might wish to draw attention to this matter in letters to those Banks with respect to the approval of officer salaries. On the other hand, it was pointed out that the Atlanta Bank had recommended increases for only nine of its 36 officers, possibly reflecting the fact that effective January 1, 1958, the Bank had increased the salaries of 33 of the 34 officers then on its staff. In a final comment, Governors Szymczak and Mills suggested that in reviewing salary requests for Presidents and First Vice Presidents the Board keep in mind that further upward movement would tend to result in requests for revisions in the officer salary structures at the respective Banks, with a resultant further creeping up of officer salaries generally.

After Governor Szymczak had reviewed the recommendations of the committee, Chairman Martin indicated that he had discussed informally with the Chairmen of several Reserve Banks the desire of those Banks to

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increase the salary of the President, and in one instance the First Vice President, beyond the current levels and said that, in accordance with previous informal discussion by the Board of the subject of the existing levels throughout the System, he had taken the position that such adjustments should not be made at this time. The Chairman's comments did not refer to the cases of Messrs. Bopp, Hilkert, and Freutel.

The Board's discussion reflected agreement with this position. Consequently, with respect to the salaries of the Presidents and First Vice Presidents, agreement was expressed with the recommendations contained in the memorandum from Governors Szymczak and Mills and it was understood that letters would be sent to the Chairmen of the respective Federal Reserve Banks approving, for the year 1959, the payment of salaries to such officers at the rates existing as of the current date except in the cases of Messrs. Bopp, Hilkert, and Freutel, where the rates fixed by the respective Boards of Directors effective January 1, 1959, would be approved. Copies of the letters sent to the respective Chairmen pursuant to this action are attached hereto as Items 4 through 15, inclusive.

With respect to salaries proposed for officers below the rank of President and First Vice President, special consideration was given to the proposed salary of Vice President Rouse of the New York Bank in the light of the comment made in the memorandum from Governors Szymczak and Mills. The discussion included reference to the duties performed

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by Mr. Rouse as Manager of the System Open Market Account and the relationship of the Manager's position and functions to the organization of the System as a whole. For reasons brought out in this connection, including the relationship of Mr. Rouse's salary to that of the First Vice President, it was the conclusion of the Board to approve payment of salary to Mr. Rouse during the year 1959 at the current level of \$32,500, if such rate were fixed by the Board of Directors of the New York Reserve Bank.

There was unanimous agreement with the recommendation of Governors Szymczak and Mills that the salaries fixed by the respective Boards of Directors, effective January 1, 1959, for all other officers below the rank of President and First Vice President be approved, with the understanding that appropriate comment on the subject of increases in officer salaries would be made in the letters to the Cleveland and Kansas City Banks. Copies of the letters sent to the respective Reserve Banks pursuant to this action are attached hereto as Items 16 through 27, inclusive.

Salary structure for officers at New York (Item No. 28).

There had been distributed copies of a memorandum from the Division of Personnel Administration dated December 5, 1958, containing a favorable recommendation with respect to a request from the Federal Reserve Bank of New York for an increase of \$1,000 in the minimums and maximums of Salary Groups B, C, D, E and F under the plan for administration of salaries of officers other than the President and First Vice President.

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In comments based on the information contained in the memorandum, Mr. Johnson pointed out particularly that, on the basis of group midpoints, the salary structure for officers at New York had not moved upward to the same extent as the structures at most of the other Reserve Banks during the period since 1953, when the plan for administration of officer salaries was instituted. Responding to questions, he noted that, although the structural adjustment at New York would provide more headroom in the groups affected, the proposal was not designed as a means of effecting across-the-board salary increases at this time, for in only three cases did the salaries proposed for individual officers for 1959 go beyond the maximum of the existing range.

At the conclusion of the discussion, unanimous approval was given to the letter to the Federal Reserve Bank of New York of which a copy is attached as Item No. 28.

Attendance at annual meetings. Governor Shepardson stated that he had before him a memorandum dated December 3, 1958, from Mr. Young, Director of the Division of Research and Statistics, requesting authorization for nine members of the staff of that Division to attend at Board expense the annual meetings of the American Economic Association and allied social science associations to be held in Chicago, Illinois, from December 27 through 30, 1958,

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and for two additional members of the Division staff to attend at their own expense but on an official leave basis. Governor Shepardson indicated that most of those proposed to be sent at Board expense were participating in the program, that the plan appeared to be in line with what had been approved in past years, and that in the absence of objection he would grant the requested authorization on behalf of the Board. While no similar request had as yet been received from the Division of International Finance, he indicated that he also would be prepared to approve such a request from that Division if submitted in terms of modest staff attendance along lines authorized in the past.

The Board interposed no objection to handling of the matter by Governor Shepardson in the manner he had outlined.

Attendance by Mr. Sigel at meeting in Geneva. Governor Shepardson stated that in a memorandum dated December 4, 1958, the Bureau of the Budget had inquired whether Stanley J. Sigel, Chief, Flow of Funds and Savings Section in the Division of Research and Statistics, might be designated to represent the United States at a meeting of the Expert Group on Statistics of Changes in Financial Assets and Liabilities to be held in Geneva, Switzerland, from February 23 through 27, 1959, under the auspices of the Conference of European Statisticians. He said he concurred in the recommendation of the Director of the Division of Research and Statistics that the Board comply with the request, with the understanding that Mr. Sigel's travel expenses would be paid by the Board and that his total absence from the Board's offices would encompass a period of approximately two weeks.

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Thereupon, Mr. Sigel's attendance at the meeting in Geneva was authorized on the basis suggested by Governor Shepardson.

The meeting then recessed and reconvened in the Board Room at 2:15 p.m. with the same attendance. From the staff, Messrs. Sherman, Kenyon, Masters, and Solomon were present.

Request of Mrs. Hoffman. Governor Szymczak stated that in the temporary absence of Chairman Martin he had talked by telephone today with Mrs. Claire Giannini Hoffman, a director of Bank of America National Trust and Savings Association, San Francisco, California, who requested an opportunity to appear before the Board in private to present certain personal views with regard to the application of Firstamerica Corporation under the Bank Holding Company Act for approval of the acquisition of shares of the California Bank, Los Angeles, California. The Hearing Examiner's Report and Recommended Decision on this matter had been released on Friday, December 5.

At Governor Szymczak's request, Mr. Solomon reviewed procedures in a case coming before the Board under the Bank Holding Company Act where a public hearing is held, pointing out particularly that in this case, as in others involving a public hearing, all interested parties desiring to offer testimony were invited to submit requests to the Hearing Examiner. Accordingly, he noted, Mrs. Hoffman's request was not timely. At the present time, the parties entitled to take exceptions to the Hearing Examiner's Report and Recommended Decision were those who were parties to the hearing, as prescribed by the Board's

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Rules of Procedure which allow a period of 15 days within which to take any such exceptions. In the circumstances, it seemed clear that the Board was not required to accede to Mrs. Hoffman's request, especially since it was a request for a private hearing. Turning to the question whether the Board would be precluded from acceding, Mr. Solomon said there might be somewhat more uncertainty. While it might be argued that the hearing in the Firstamerica case was not one required by statute, nevertheless the Board's order for the hearing indicated that it would be conducted according to the Rules of Procedure and compliance with a request from an individual to be heard by the Board in private at this stage raised serious questions. On the other hand, the Board would not appear to be precluded from allowing Mrs. Hoffman to present a statement of her views, if in its discretion it desired to grant her permission, provided counsel for the applicant was advised of the request and given an opportunity to have representatives of the applicant present. In this connection, Mr. Solomon indicated that counsel for Firstamerica had been quite insistent in requesting that the case proceed expeditiously.

Following a discussion of Mrs. Hoffman's request in the light of procedures followed in a case under the Bank Holding Company Act where a public hearing is held as contrasted with a case where no such hearing is held and the Board issues a tentative decision with an invitation to comment thereon, it was the unanimous view that the

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Board would not be in a position to accede to a request from Mrs. Hoffman to be heard in private. At the same time, it was felt that her request should not be declined if she was willing to appear under conditions envisaging that counsel for the applicant would be notified and permitted to be present, a transcript of Mrs. Hoffman's statement would be made, and the applicant would have an opportunity to answer the statement if desired. It was also felt that a copy of the transcript of any such hearing should be furnished to the Hearing Examiner so that he might respond if he wished.

In this connection, Chairman Martin stated that when he was in New Delhi, India, this fall to attend the annual meetings of the International Monetary Fund and the International Bank for Reconstruction and Development, Mrs. Hoffman approached him on several occasions and endeavored to enter upon discussion of the Firstamerica application. The Chairman said that he resisted discussion of the matter on each such occasion. However, it was conceivable that erroneous interpretation on Mrs. Hoffman's part of some chance comment made in conversation might have led her to believe that she could have an opportunity to present a statement to the Board concerning the case.

As to timing, it was the view of the Board that any hearing afforded Mrs. Hoffman should not be a reason for delay in the proceedings and that any appearance on her part therefore should be made within the next few days.

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The suggestion then was made that the request and the Board's conclusion with respect to the conditions under which it would be willing to hear Mrs. Hoffman be relayed by Governor Szymczak to President Mangels of the Federal Reserve Bank of San Francisco, with the suggestion that the latter discuss the matter with Reserve Bank General Counsel O'Kane, who served as Associate Board Counsel in connection with the hearing on the Firstamerica application, and that Mr. Mangels or Mr. O'Kane then advise Mrs. Hoffman and ascertain whether she wished to appear before the Board under the conditions outlined.

There was unanimous agreement with this suggested procedure.

The meeting then adjourned.

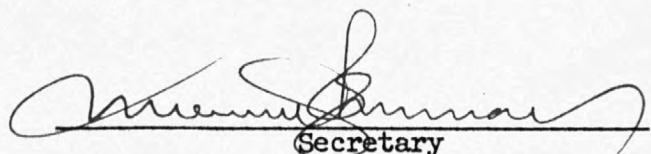
Secretary's Note: Governor Shepardson today approved on behalf of the Board the following items:

Memoranda from Mr. Kelleher, Director, Division of Administrative Services, dated December 8, 1958, recommending the following actions affecting persons in that Division:

Increase in the basic annual salary of Mary J. Fowler, Charwoman, from \$3,530 to \$3,625, effective December 14, 1958.

Acceptance of the resignation of Gertrude H. Price, Cafeteria Helper, effective December 19, 1958.

Letter to the Federal Reserve Bank of San Francisco (attached Item No. 29) approving the appointment of Martin S. Depper, Henry B. Jamison, Roy A. Karlsson, Joseph A. Stecher, and Raymond E. Talbot as examiners, effective January 1, 1959.


Secretary

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 1
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 15, 1958

Mr. Joseph A. Erickson, President,
Federal Reserve Bank of Boston,
Boston 6, Massachusetts.

Dear Mr. Erickson:

The Board of Governors has reviewed and accepts the 1959 budget of the Federal Reserve Bank of Boston which was submitted with your letter of October 7, 1958.

The Board noted with concern the continued increase in Federal Reserve expenses as indicated by the 1959 budgets. It is aware of the desire of the officers and directors of the various Banks to hold expenses at a level consistent with economical and efficient operations and is in accord with this objective. The Board assumes that, notwithstanding the budget figure that has been accepted, every effort will be made during the forthcoming year to effect economies that will not impair the efficient operation of your Bank.

Separate advice has been given with respect to the Board's action concerning the 1959 salaries proposed for the various officials of your Bank.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 2
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 15, 1958



Mr. Carl E. Allen, President,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Allen:

The Board of Governors has reviewed and accepts the 1959 budget of the Federal Reserve Bank of Chicago which was submitted with your letter of October 3, 1958.

In accepting the budget, the Board noted that the salary structure adjustments recommended for the Detroit Branch in Mr. Newman's letter of December 1, are expected to increase the cost of employees' salaries at the Detroit Branch during 1959 by a total of about \$32,500 above the amount provided in the Branch budget. It is assumed that any action which may follow the recommendation for adjustments in the Branch salary structure will be taken into account in the 1959 budget experience report for Detroit.

The Board noted with some concern the continued increase in Federal Reserve expenses as indicated by the 1959 budgets. It is aware of the desire of the officers and directors of the various Banks to hold expenses at a level consistent with economical and efficient operations and is in accord with this objective. The Board assumes that, notwithstanding the budget figure that has been accepted, every effort will be made during the forthcoming year to effect economies that will not impair the efficient operation of your Bank.

Separate advice has been given with respect to the Board's action concerning the 1959 salaries proposed for the various officials of your Bank.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 3
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 15, 1958

Mr. H. G. Leedy, President,
Federal Reserve Bank of Kansas City,
Kansas City 6, Missouri.

Dear Mr. Leedy:

The Board of Governors has reviewed and accepts the 1959 budget of the Federal Reserve Bank of Kansas City which was submitted with Mr. Boysen's letter of October 14, 1958.

In its letter of December 13, 1957 accepting the 1958 budget of the Federal Reserve Bank of Kansas City, the Board noted that the per capita cost at your Bank for "Employee relations" was the highest in the System and requested that a review be made for the purpose of bringing expenditures in this connection more in line with those of other Banks. The review of your 1959 budget indicates a continuation of a high per capita cost for these activities, and the Board would appreciate an opportunity to review this matter further with you.

The Board noted with concern the continued increase in Federal Reserve expenses as indicated by the 1959 budgets. It is aware of the desire of the officers and directors of the various Banks to hold expenses at a level consistent with economical and efficient operations and is in accord with this objective. The Board assumes that, notwithstanding the budget figure that has been accepted, every effort will be made during the forthcoming year to effect economies that will not impair the efficient operation of your Bank.

Separate advice has been given with respect to the Board's action concerning the 1959 salaries proposed for the various officials of your Bank.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.





BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 4
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. Robert C. Sprague, Chairman,
Federal Reserve Bank of Boston,
Boston 6, Massachusetts.

Dear Mr. Sprague:

The Board of Governors approves the payment of salary to Mr. Erickson as President of the Federal Reserve Bank of Boston, for the period January 1, 1959 through December 31, 1959, at the rate of \$35,000 per annum, if so fixed by the Board of Directors.

The Board of Governors approves the payment of salary to Mr. Latham as First Vice President of the Federal Reserve Bank of Boston, for the period January 1, 1959 through December 31, 1959, at the rate of \$25,000 per annum, which is the rate fixed by the Board of Directors as reported in Mr. Erickson's letter of November 7, 1958.

Sincerely yours,

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 5
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. John E. Bierwirth, Chairman,
Federal Reserve Bank of New York,
New York 45, New York.

Dear Mr. Bierwirth:

The Board of Governors approves the payment of salaries to Mr. Hayes as President and Mr. Treiber as First Vice President of the Federal Reserve Bank of New York, for the period January 1, 1959 through December 31, 1959, at the rates of \$60,000 and \$35,000 per annum, respectively, if so fixed by the Board of Directors.

Sincerely yours,

A handwritten signature in cursive script that reads "Wm. McC. Martin, Jr." with a flourish at the end.

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 6
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

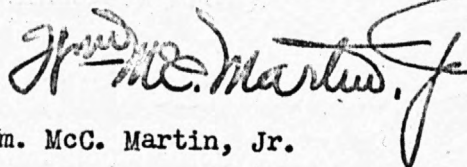
CONFIDENTIAL (FR)

Mr. Henderson Supplee, Jr., Chairman,
Federal Reserve Bank of Philadelphia,
Philadelphia 1, Pennsylvania.

Dear Mr. Supplee:

The Board of Governors approves the payment of salaries to Mr. Bopp as President and to Mr. Hilbert as First Vice President of the Federal Reserve Bank of Philadelphia, for the period January 1, 1959 through December 31, 1959, at the rates of \$35,000 and \$25,000 per annum, respectively, which are the rates fixed by the Board of Directors as reported in your letters of October 21, 1958.

Sincerely yours,



Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 7
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. Arthur B. Van Buskirk, Chairman,
Federal Reserve Bank of Cleveland,
Cleveland 1, Ohio.

Dear Mr. Van Buskirk:

The Board of Governors approves the payment of salaries to Mr. Fulton as President and to Mr. Thompson as First Vice President of the Federal Reserve Bank of Cleveland, for the period January 1, 1959 through December 31, 1959, at the rates of \$35,000 and \$25,000 per annum, respectively, which are the rates fixed by the Board of Directors as reported in Mr. Fulton's letter of November 13, 1958.

Sincerely yours,

A handwritten signature in cursive script that reads "Wm. McC. Martin, Jr.".

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 8
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. John B. Woodward, Jr., Chairman,
Federal Reserve Bank of Richmond,
Richmond 13, Virginia.

Dear Mr. Woodward:

The Board of Governors approves the payment of salary to Mr. Leach as President and to Mr. Wayne as First Vice President of the Federal Reserve Bank of Richmond for the period January 1, 1959 through December 31, 1959, at the rates of \$35,000 and \$27,000 per annum, respectively, which are the rates fixed by the Board of Directors as reported in your letter of November 13, 1958.

Sincerely yours,

A handwritten signature in cursive script, reading "Wm. McC. Martin, Jr.".

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 9
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. Walter M. Mitchell, Chairman,
Federal Reserve Bank of Atlanta,
Atlanta 3, Georgia.

Dear Mr. Mitchell:

The Board of Governors approves the payment of salaries to Mr. Bryan as President and Mr. Clark as First Vice President of the Federal Reserve Bank of Atlanta, for the period January 1, 1959 through December 31, 1959, at the rates of \$35,000 and \$25,000 per annum, respectively, if so fixed by the Board of Directors.

Sincerely yours,

A handwritten signature in cursive script that reads "Wm. McC. Martin, Jr.".

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 10
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. Bert R. Prall, Chairman,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Prall:

The Board of Governors approves the payment of salaries to Mr. Allen as President and Mr. Harris as First Vice President of the Federal Reserve Bank of Chicago, for the period January 1, 1959 through December 31, 1959, at the rates of \$50,000 and \$30,000 per annum, respectively, if so fixed by the Board of Directors.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Wm. McC. Martin, Jr.", written in dark ink.

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 11
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. Pierre B. McBride, Chairman,
Federal Reserve Bank of St. Louis,
St. Louis 2, Missouri.

Dear Mr. McBride:

The Board of Governors approves the payment of salaries to Mr. Johns as President and Mr. Freutel as First Vice President of the Federal Reserve Bank of St. Louis, for the period January 1, 1959 through December 31, 1959, at the rates of \$35,000 and \$25,000 per annum, respectively, as indicated in Mr. Johns' letter of October 13, 1958, if so fixed by the Board of Directors.

Sincerely yours,

A handwritten signature in cursive script, reading "Wm. McC. Martin, Jr.".

Wm. McC. Martin, Jr.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 12
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958



CONFIDENTIAL (FR)

Mr. Leslie N. Perrin, Chairman,
Federal Reserve Bank of Minneapolis,
Minneapolis 2, Minnesota.

Dear Mr. Perrin:

The Board of Governors approves the payment of salaries to Mr. Deming as President and to Mr. Mills as First Vice President of the Federal Reserve Bank of Minneapolis, for the period January 1, 1959 through December 31, 1959, at the rates of \$35,000 and \$25,000 per annum, respectively, which are the rates fixed by the Board of Directors as reported in Mr. Deming's letter of October 15, 1958.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Wm. McC. Martin, Jr.", written in dark ink.

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 13
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. Raymond W. Hall, Chairman,
Federal Reserve Bank of Kansas City,
Kansas City 6, Missouri.

Dear Mr. Hall:

The Board of Governors approves the payment of salaries to Mr. Leedy as President and Mr. Koppang as First Vice President of the Federal Reserve Bank of Kansas City, for the period January 1, 1959 through December 31, 1959, at the rates of \$35,000 and \$25,000 per annum, respectively, if so fixed by the Board of Directors.

Sincerely yours,

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 14
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

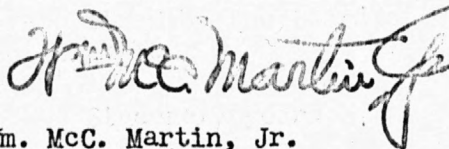
CONFIDENTIAL (FR)

Mr. Robert J. Smith, Chairman,
Federal Reserve Bank of Dallas,
Dallas 2, Texas.

Dear Mr. Smith:

The Board of Governors approves the payment of salaries to Mr. Irons as President and to Mr. Gentry as First Vice President of the Federal Reserve Bank of Dallas, for the period January 1, 1959 through December 31, 1959, at the rates of \$35,000 and \$25,000 per annum, respectively, if so fixed by the Board of Directors.

Sincerely yours,



Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 15
12/10/58

OFFICE OF THE CHAIRMAN

December 10, 1958

CONFIDENTIAL (FR)

Mr. A. H. Brawner, Chairman,
Federal Reserve Bank of San Francisco,
San Francisco 20, California.

Dear Mr. Brawner:

The Board of Governors has considered the salary proposal for Mr. Mangels as outlined in your letter of September 16, 1958, and believes that a salary should not be approved for an amount in excess of \$35,000 for the President at this time.

Accordingly, the Board of Governors approves the payment of salary to Mr. Mangels as President of the Federal Reserve Bank of San Francisco for the period January 1, 1959 through December 31, 1959, at the rate of \$35,000 per annum, if so fixed by the Board of Directors.

The Board of Governors approves the payment of salary to Mr. Swan as First Vice President for the same period at the rate of \$25,000 per annum, which is the rate fixed by the Board of Directors as reported in your letter of September 16.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Wm. McC. Martin, Jr.".

Wm. McC. Martin, Jr.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 16
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. J. A. Erickson, President,
Federal Reserve Bank of Boston,
Boston 6, Massachusetts.

Dear Mr. Erickson:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Boston for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of November 7, 1958:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
D. Harry Angney	Vice President	\$18,000
Ansgar R. Berge	Vice President	17,000
George H. Ellis	Vice President and Director of Research	17,000
Benjamin F. Groot	Vice President	16,000
John E. Lowe	Cashier	16,000
Dana D. Sawyer	Vice President	16,500
Oscar A. Schlaikjer	Vice President and General Counsel	21,000
Elliot S. Boardman	Assistant Vice President	13,500
Edward W. O'Neil	Assistant Vice President	14,000
David L. Strong	General Auditor	15,000
Charles E. Turner	Assistant Vice President	13,500
Wallace Dickson	Director of Public Information	14,500
Frank C. Gilbody	Assistant Vice President	14,000
William R. King	Assistant Vice President	12,000
Parker B. Willis	Economic Adviser	13,000
Louis A. Zehner	Assistant Vice President	13,500
Charles H. Brady	Assistant Cashier	10,000
Ripley M. Keating	Assistant Cashier	10,800
Loring C. Nye	Assistant Cashier	13,000
Jarvis M. Thayer	Assistant Cashier	11,500
Richard H. Radford	Assistant Cashier	10,500
Laurence H. Stone	Secretary and Assistant Counsel	11,000
Richard A. Walker	Assistant Cashier	9,000
G. Gordon Watts	Assistant Cashier	12,500

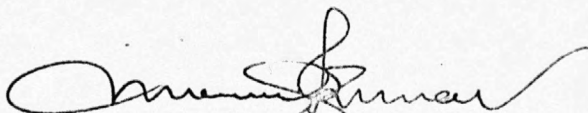
Mr. Erickson

- 2 -

It is noted that Messrs. Gilbody, Boardman, and O'Neil will reach retirement age during 1959 and, accordingly, payment of salary to them is approved only to the respective dates of their retirements.

Your Chairman will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE

FEDERAL RESERVE SYSTEM

WASHINGTON 25, D. C.

3635

Item No. 17
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. Alfred Hayes, President,
Federal Reserve Bank of New York,
New York 45, New York.

Dear Mr. Hayes:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of New York and its Buffalo Branch for the period January 1, 1959, through December 31, 1959, at the rates indicated which, with the exception of Vice President Rouse, are the rates fixed by your Board of Directors as reported in your letter of November 14, 1958. It will be noted that the salary of Mr. Rouse has been approved at the current rate of \$32,500 per annum, if so fixed by your Board.

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Harold A. Bilby	Vice President	\$28,000
John Exter	Vice President	28,000
Marcus A. Harris	Vice President	25,000
Herbert H. Kimball	Vice President	30,500
Harold V. Roelse	Vice President and Economic Adviser	30,000
Robert V. Roosa	Vice President	27,000
Robert G. Rouse	Vice President	32,500
Walter H. Rozell, Jr.	Vice President	21,500
Todd G. Tiebout	Vice President and General Counsel	29,500
Valentine Willis	Vice President	30,000
Reginald B. Wiltse	Vice President	25,000
John J. Clarke	Assistant General Counsel	22,500
Charles A. Coombs	Assistant Vice President	20,000
Howard D. Crosse	Assistant Vice President	21,000
Felix T. Davis	Assistant Vice President	21,250
Norman P. Davis	Assistant Vice President	20,000
George Garvy	Adviser	15,750
John J. Larkin	Assistant Vice President	19,000
Angus A. MacInnes, Jr.	Assistant Vice President	19,500
Spencer S. Marsh, Jr.	Assistant Vice President	17,500
Lawrence E. Quackenbush	Assistant Vice President	17,500
Horace L. Sanford	Assistant Vice President	22,000

Mr. Hayes

- 2 -

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Frederick L. Smedley	Assistant Vice President	\$16,000
Thomas O. Waage	Assistant Vice President	18,000
Donald J. Cameron	General Auditor	18,000
William H. Braun, Jr.	Assistant Counsel and Secretary	14,250
G. Morgan Browne	Manager	12,000
Harding Cowan	Assistant Counsel	18,000
Tilford C. Gaines	Manager	14,500
Clifton R. Gordon	Assistant Counsel	18,000
Edward G. Guy	Assistant Counsel	18,250
William A. Heintz	Manager	14,750
Alan R. Holmes	Manager	13,250
John P. Jensen	Manager	15,500
Peter P. Lang	Manager	18,000
Robert G. Link	Manager	13,250
Carl H. Madden	Manager and Assistant Secretary	13,000
William E. Marple	Manager	15,750
Herbert A. Muether	Manager	16,500
Donald C. Niles	Manager	16,000
Arthur H. Noa	Manager	14,500
Gregory O'Keefe, Jr.	Assistant Counsel	12,500
William F. Palmer	Manager	14,250
Franklin E. Peterson	Manager	14,750
Fred W. Piderit, Jr.	Manager	16,000
John F. Pierce	Chief Examiner	13,750
Everett B. Post	Manager	13,000
Charles R. Pricher	Manager	13,500
Thomas J. Roche	Foreign Exchange Officer	14,250
Walter S. Rushmore	Manager	14,000
Frank W. Schiff	Senior Economist	14,000
Kenneth E. Small	Manager	15,000
George C. Smith	Manager	16,000
Robert W. Stone	Manager	13,000
A. Chester Walton	Manager	13,750

Buffalo Branch

Insley B. Smith	Vice President	24,500
Harold M. Wessel	Assistant Vice President	17,000
George J. Doll	Cashier	14,000
Gerald H. Greene	Assistant Cashier	13,000
M. Monroe Myers	Assistant Cashier	11,750

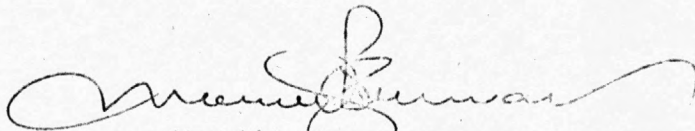
Mr. Hayes

- 3 -

It is noted that Messrs. Roelse and Willis will reach retirement age during 1959 and that Mr. Walton will be granted a special service retirement in advance of reaching age 65. Accordingly, payment of salary to them is approved only to the respective dates of their retirement.

Chairman Bierwirth will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 18
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958

CONFIDENTIAL (FR)

Mr. Robert N. Hilkert,
First Vice President,
Federal Reserve Bank
of Philadelphia,
Philadelphia 1, Pennsylvania.

Dear Mr. Hilkert:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Philadelphia for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of October 17, 1958:

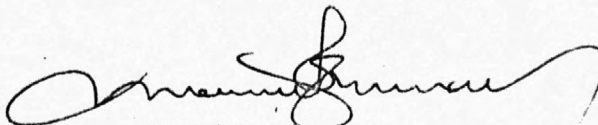
<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Joseph R. Campbell	Vice President	\$15,000
David P. Eastburn	Vice President	16,000
Philip M. Poorman	Vice President	18,000
James V. Vergari	Vice President and Cashier	20,000
Richard G. Wilgus	Vice President and Secretary	16,000
Evan B. Alderfer	Economic Adviser	14,000
Clay J. Anderson	Economic Adviser	14,000
Hugh Barrie	Assistant Vice President	14,000
Wallace M. Catanach	Vice President	15,000
Norman G. Dash	Assistant Vice President	14,000
Murdoch K. Goodwin	Vice President, General Counsel, and Assistant Secretary	15,000
George J. Lavin	Assistant Vice President and Assistant Secretary	14,000
Edward A. Aff	Assistant Vice President	12,000
John R. Bunting	Business Economist	11,500
Zell G. Fenner	Assistant Vice President	13,000
Herman B. Haffner	General Auditor	12,000
Roy Hetherington	Assistant Cashier	12,000
Fred A. Murray	Director of Plant	12,000
Harry W. Roeder	Assistant Vice President	14,000
Joseph M. Case	Chief Examiner	12,000
Ralph E. Haas	Assistant Cashier	11,000
William A. James, Jr.	Personnel Officer	10,000
Henry J. Nelson	Assistant Cashier	12,000
Russell P. Sudders	Assistant Cashier	10,000

Mr. Robert N. Hilkert

-2-

Your Chairman will be advised in a separate letter with respect to the salaries of the President and the First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 19
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. Wilbur D. Fulton, President,
Federal Reserve Bank of Cleveland,
Cleveland 1, Ohio.

Dear Mr. Fulton:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Cleveland and its Branches for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of November 13, 1958:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
D. L. Allen	Vice President	\$19,000
R. R. Clouse	Vice President and Secretary	18,500
G. H. Emde	Cashier	17,000
Clyde Harrell	Vice President	17,000
L. M. Hostetler	Vice President	19,000
Martin Morrison	Vice President	18,500
P. C. Stetzelberger	Vice President	19,250
C. F. Ehninger	General Auditor	18,500
John J. Balles	Assistant Vice President	16,000
P. B. Didham	Assistant Vice President	12,500
E. A. Fink	Assistant Vice President	14,000
J. M. Miller	Assistant Vice President	15,000
Fred O. Kiel	Senior Economist - Office Manager	11,500
George T. Quast	Chief Examiner	12,000
Paul Breidenbach	Counsel	12,500
C. J. Bolthouse	Assistant Cashier	12,500
C. E. Crawford	Assistant Cashier	10,500
E. V. Denton	Assistant Cashier	10,500
Anne J. Erste	Assistant Cashier	9,500
E. F. Fricke	Assistant Cashier	11,500
John J. Hoy	Assistant Cashier	11,000
John E. Orin	Assistant Cashier	11,000
H. B. Flinkers	Assistant Secretary	10,000
H. H. Renz	Assistant Chief Examiner	11,000

Mr. Fulton

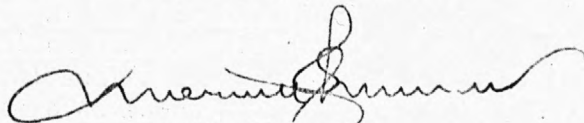
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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Cincinnati Branch</u>		
R. G. Johnson	Vice President	\$19,500
P. J. Geers	Cashier	15,000
John Biermann, Jr.	Assistant Cashier	11,000
G. W. Hurst	Assistant Cashier	11,000
W. H. MacDonald	Assistant Cashier	10,000
<u>Pittsburgh Branch</u>		
J. W. Kossin	Vice President	22,000
A. G. Foster	Cashier	14,500
Paul H. Dorn	Assistant Cashier	10,500
Charles E. Houpt	Assistant Cashier	11,000
J. A. Schmidt	Assistant Cashier	12,500
R. J. Steinbrink	Assistant Cashier	12,500

The Board notes that a very large percentage of the officer staff of the Bank has been recommended for increases effective January 1, 1959, and that the salaries of these officers are moving up steadily within the salary group ranges. Therefore, it is urged that consideration be given to greater selectivity when adjustments of official salaries are proposed in the future.

Chairman Van Buskirk will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 20
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. John B. Woodward, Jr., Chairman,
Federal Reserve Bank of Richmond,
Richmond 13, Virginia.

Dear Mr. Woodward:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Richmond and its Branches for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of November 13, 1958.

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
N. L. Armistead	Vice President	\$20,000
J. D. Daane	Vice President	17,000
A. N. Heflin	Vice President and General Counsel	20,000
U. S. Martin	Vice President	16,500
J. M. Nowlan	Vice President and Cashier	16,500
J. M. Slay	Vice President	17,000
T. I. Storrs	Vice President	17,500
C. B. Strathy	Vice President and Secretary	16,500
E. F. MacDonald	Assistant Vice President	14,500
J. L. Nosker	Assistant Vice President	15,500
G. H. Snead	General Auditor	12,500
C. W. Williams	Economic Adviser	14,000
J. G. Deitrick	Assistant Cashier	11,500
J. G. Dickerson, Jr.	Assistant Vice President	12,000
H. E. Ford	Assistant Vice President	11,000
J. C. Horigan	Chief Examiner	12,000
R. P. Lumpkin	Senior Economist	11,500
G. W. McKinney, Jr.	Assistant Vice President	12,500
V. E. Pregeant, III	Assistant General Counsel	12,000
C. B. Beavers	Assistant Cashier	10,500
E. E. Coleman	Assistant Cashier	10,500
R. R. Fentress	Assistant Cashier	10,000
J. E. Friend	Assistant Cashier	9,000
R. E. Sanders, Jr.	Assistant Cashier	9,500
W. E. Wakeham	Assistant Cashier	10,500
W. S. Farmer	Assistant Counsel	9,500

Mr. Woodward

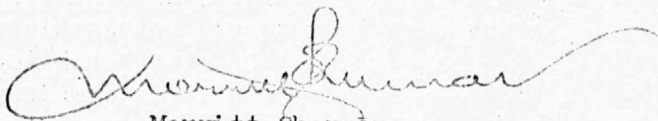
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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Baltimore Branch</u>		
D. F. Hagner	Vice President	\$17,500
A. A. Stewart, Jr.	Cashier	15,000
B. F. Armstrong	Assistant Cashier	10,000
E. R. Jones, Jr.	Assistant Cashier	10,000
A. C. Wienert	Assistant Cashier	11,000
<u>Charlotte Branch</u>		
R. L. Cherry	Vice President	18,000
S. A. Ligon	Cashier	14,500
R. L. Honeycutt	Assistant Cashier	10,500
E. C. Mondy	Assistant Cashier	10,500

It is noted that Mr. R. L. Honeycutt will reach retirement age during 1959 and, accordingly, payment of salary to him is approved only to the effective date of his retirement.

You will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 21
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. Malcolm Bryan, President,
Federal Reserve Bank of Atlanta,
Atlanta 3, Georgia.

Dear Mr. Bryan:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Atlanta and its Branches for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of September 15, 1958:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Harold T. Patterson	Vice President and General Counsel	\$21,000
John L. Liles, Jr.	Vice President and Cashier	17,500
Earle L. Rauber	Vice President and Director of Research	15,000
J. E. Denmark	Vice President	17,000
L. B. Raisty	Vice President	15,000
S. P. Schuessler	Vice President	16,000
J. E. McCorvey	Vice President	14,000
DeWitt Adams	General Auditor	12,600
Brown R. Rawlings	Assistant Vice President	12,000
Charles T. Taylor	Assistant Vice President	12,600
George W. Sheffer	Chief Examiner	12,000
Dowdell Brown, Jr.	Assistant Vice President	11,000
Edgar M. Vallette	Director of Personnel	10,000
Theodore Walter	Assistant Cashier	10,000
Thomas R. Atkinson	Economic Adviser to the President	11,600
Fred I. Breck	Assistant Cashier	10,600
C. Mason Ford	Assistant Cashier	10,600
James B. Forbes	Assistant General Auditor	9,600
F. H. Martin	Assistant Vice President	10,600
I. H. Martin	Assistant Vice President	10,000

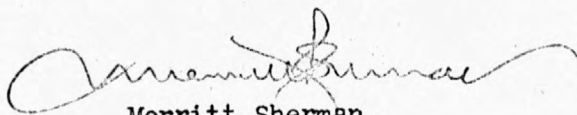
- 2 -

Mr. Bryan

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Birmingham Branch</u>		
H. C. Frazer	Vice President	\$16,000
E. C. Rainey	Assistant Vice President	13,000
William A. Waller, Jr.	Cashier	10,000
Melvin McIlwain	Assistant Cashier	9,000
<u>Jacksonville Branch</u>		
T. A. Lanford	Vice President	17,000
T. C. Clark	Assistant Vice President	12,000
J. W. Snyder	Cashier	11,000
Vestus Crow	Assistant Cashier	10,000
<u>Nashville Branch</u>		
R. E. Moody, Jr.	Vice President	16,000
W. H. Sewell	Assistant Vice President	12,000
L. W. Starr	Cashier	11,000
Stuart H. Magee	Assistant Cashier	9,000
<u>New Orleans Branch</u>		
Morgan L. Shaw	Vice President	17,500
R. M. Stephenson	Assistant Vice President	13,000
L. Y. Chapman	Cashier	11,000
R. M. Junca	Assistant Cashier	9,000

Your Chairman will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 22
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958

CONFIDENTIAL (FR)

Mr. Carl E. Allen, President,
Federal Reserve Bank of Chicago,
Chicago 90, Illinois.

Dear Mr. Allen:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Chicago and its Detroit Branch for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of October 31, 1958:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Baughman, E. T.	Vice President	\$17,000
Bierbauer, C. E.	Assistant Cashier	10,000
Davis, L. A.	Assistant Cashier	11,000
Dawes, N. B.	Vice President and Secretary	23,000
Dawson, L. A.	Assistant Cashier	11,250
Diercks, W. R.	Vice President	23,000
Dons, F. A.	Assistant General Auditor	14,000
Endres, J. J.	General Auditor	19,000
Fults, E. O.	Assistant Chief Examiner	12,500
Gallagher, W. C.	Assistant Counsel	10,700
Gohr, L. A.	Assistant Cashier	11,000
Grimm, F. H.	Assistant Cashier	10,500
Gustavson, A. M.	Vice President	16,000
Hansen, V. A.	Assistant Cashier	9,500
Heath, E. A.	Assistant Vice President and Assistant Secretary	13,500
Helmer, H. J.	Vice President	16,500
Hodge, P. C.	Vice President, General Counsel (and Secretary effective 2-1-59)	20,000
Holland, R. C.	Vice President	15,000
Ilme, W. O.	Assistant Cashier	10,000

Mr. Allen

- 2 -

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Jones, L. H.	Cashier	\$18,500
Laibly, C. T.	Vice President	17,500
Mitchell, G. W.	Vice President	21,500
Moffatt, R. A.	Assistant Cashier	10,000
Newman, H. J.	Vice President	16,000
Olson, A. L.	Vice President	23,000
Ross, L. M.	Assistant Chief Examiner	13,000
Scanlon, C. J.	Chief Examiner	17,000
Schultz, H. S.	Assistant Vice President	12,000
Smyth, B. L.	Assistant Vice President	16,000
Sorg, R. E.	Assistant Cashier	11,000
Srp, J. J.	Assistant Cashier	12,000
Tucker, G. T.	Assistant Cashier	13,000
VanZante, C. P.	Assistant Vice President	14,500
Wilson, H. F.	Assistant Vice President	15,000

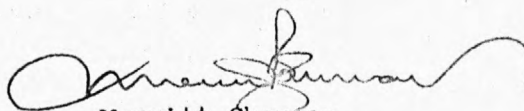
Detroit Branch

Bloomfield, R. W.	Assistant Vice President	14,500
Carey, P. F.	Assistant Cashier	10,000
Lamphere, G. W.	Assistant General Counsel	13,250
Rickel, W. G.	Assistant Cashier	10,000
Swaney, R. A.	Vice President	20,000
Wiegandt, A. J.	Assistant Cashier	13,000

It is noted that Messrs. Dawes, Olson, Diercks, and Wilson will reach retirement age during 1959 and, accordingly, payment of salary to them is approved only to the respective dates of their retirements.

Your Chairman will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 23
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. Delos C. Johns, President,
Federal Reserve Bank of St. Louis,
St. Louis 2, Missouri.

Dear Mr. Johns:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of St. Louis and its Branches, for the period January 1, 1959 through December 31, 1959 at the rates indicated in your letter of October 13, 1958, if so fixed by the Board of Directors:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Howard H. Weigel	Vice President and Secretary	\$17,500
Joseph C. Wotawa	Vice President	18,000
Dale M. Lewis	Vice President	17,500
George E. Kroner	Vice President	17,500
Homer Jones	Vice President	19,000
William J. Abbott	Adviser	17,500
Earl R. Billen	Assistant Vice President	14,500
Willis L. Johns	Assistant Vice President	14,000
Stephen Koptis	Assistant Vice President	15,000
Marvin L. Bennett	Assistant Vice President	14,000
W. W. Gilmore	Assistant Vice President	12,700
John J. Hofer	Assistant Vice President	11,500
Paul Salzman	Assistant Vice President	13,000
Janes M. Geiger	Assistant Vice President	12,000
W. E. Walker	Assistant Vice President	9,000
Gerald T. Dunne	Counsel and Assistant Secretary	11,000
Orville O. Wyrick	Chief Examiner	15,000
Wilbur H. Isbell	Assistant Chief Examiner	12,000
George W. Hirshman	General Auditor	15,000


Mr. Joins

- 2 -

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Little Rock Branch</u>		
Fred Burton	Vice President and Manager	\$17,000
Sherley C. Davis	Cashier	11,000
Clifford Wood	Assistant Cashier	8,500
William J. Bryan	Assistant Cashier	9,000
<u>Louisville Branch</u>		
Donald L. Henry	Vice President and Manager	17,500
John W. Menges	Cashier	11,000
Clarence J. Woertz	Assistant Cashier	9,000
Louis A. Nelson	Assistant Cashier	8,500
<u>Memphis Branch</u>		
Darryl R. Francis	Vice President and Manager	18,000
E. Francis De Vos	Cashier	11,500
H. C. Anderson	Assistant Cashier	9,000
Benjamin B. Monaghan	Assistant Cashier	9,000

Chairman McBride will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,


Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 24
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. Frederick L. Deming, President,
Federal Reserve Bank of Minneapolis,
Minneapolis 2, Minnesota.

Dear Mr. Deming:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Minneapolis and its Helena Branch for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of October 15, 1958:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
H. G. McConnell	Vice President	\$21,500
M. H. Strothman, Jr.	Vice President and Counsel	17,500
C. W. Groth	Vice President and Cashier	17,000
F. L. Parsons	Director of Research	15,500
Roger K. Grobel	Chief Examiner	13,500
A. J. McNulty	General Auditor	14,000
A. W. Johnson	Vice President	14,500
M. B. Holmgren	Vice President	14,000
C. A. Van Nice	Assistant Vice President	12,000
M. E. Lysen	Operating Research Officer	13,000
O. F. Litterer	Business Economist	12,000
C. Ries	Assistant Vice President	12,000
F. J. Cramer	Assistant Vice President	11,000
O. W. Ohnstad	Assistant Vice President	11,500
C. E. Bergquist	Assistant Cashier	10,000
John J. Gillette	Assistant Cashier	11,250
W. C. Bronner	Assistant Cashier	10,500
M. O. Sather	Assistant Cashier	9,500

Mr. Deming

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
	<u>Helena Branch</u>	
K. K. Fossum	Vice President	\$15,000
John L. Heath	Assistant Cashier	9,000
R. W. Worcester	Assistant Cashier	10,000

Your Chairman will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 25
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. Raymond W. Hall, Chairman,
Federal Reserve Bank of Kansas City,
Kansas City 6, Missouri.

Dear Mr. Hall:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Kansas City and its Branches for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of November 15, 1958:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
D. W. Woolley	Vice President	\$22,500
Clarence W. Tow	Vice President	20,000
John T. Boysen	Vice President and Cashier	17,000
George H. Clay	Vice President, General Counsel, and Secretary	22,000
J. S. Handford	Vice President	14,000
E. U. Sherman	Vice President	12,500
C. A. Cravens	Assistant Vice President	12,000
Joseph R. Euans	Assistant Vice President	12,000
F. H. Larson	Assistant Vice President	12,200
J. T. White	Assistant Vice President	11,000
C. L. Bollinger	General Auditor	14,000
L. F. Mills	Chief Examiner	14,100
Willard Edwards	Director of Personnel	11,000
D. R. Cawthorne	Financial Economist	14,400
Wilbur T. Billington	Industrial Economist	12,200
Raymond J. Doll	Agricultural Economist	14,200
J. C. Craig	Assistant Cashier	9,600
George C. Rankin	Assistant Cashier	11,600
John W. Snider	Assistant Cashier	10,000
R. E. Thomas	Assistant Cashier	10,000

Mr. Hall

- 2 -


<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Denver Branch</u>		
Cecil Puckett	Vice President	\$17,000
H. L. Stempel	Cashier	12,600
J. R. Zahourek	Assistant Cashier	9,500
H. F. Krebs	Assistant Cashier	8,750
<u>Oklahoma City Branch</u>		
R. L. Mathes	Vice President	18,000
F. W. Alexander	Cashier	12,600
F. R. Fritz	Assistant Cashier	11,000
E. P. Farley	Assistant Cashier	10,000
<u>Omaha Branch</u>		
P. A. Debus	Vice President	18,000
H. W. Pritz	Cashier	12,500
W. P. Doran	Assistant Cashier	11,000
W. L. Fleiss	Assistant Cashier	10,000

The Board notes that, with the increases recommended effective January 1, 1959, the salaries of your officers are moving up steadily within salary group ranges; and, as that is the case, it might be appropriate to use greater selectivity when adjustments of official salaries are proposed in the future.

It is noted that Messrs. Fritz and Bollinger will reach retirement age during 1959 and, accordingly, payment of salary to them is approved only to the respective dates of their retirements.

You will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,


Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 26
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. Watrous H. Irons, President,
Federal Reserve Bank of Dallas,
Dallas 2, Texas.

Dear Mr. Irons:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of Dallas and its Branches for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of November 13, 1958:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
L. G. Pondrom	Vice President	\$21,500
H. A. Shuford	Vice President and General Counsel	19,500
G. R. Murff	Vice President	16,500
M. H. Rice	Vice President and Secretary of the Board	16,000
A. H. Lang	General Auditor	15,000
Charls E. Walker	Vice President and Economic Adviser	14,500
Thomas W. Plant	Vice President and Cashier	14,000
Thomas A. Hardin	Vice President	12,100
Philip E. Coldwell	Director of Research	13,500
Carl H. Moore	Assistant Vice President	13,400
Moss E. Hulsey	Chief Examiner	12,000
James A. Parker	Director of Personnel	11,700
James L. Cauthen	Assistant Cashier	11,300
W. McC. Pritchett	Assistant Cashier	11,200
George F. Rudy	Assistant General Counsel and Assistant Secretary of the Board	11,200
Herman W. Kilman	Assistant Cashier	11,000
E. H. Berg	Assistant Cashier	10,500

Mr. Irons

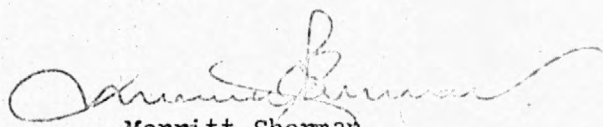
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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Houston Branch</u>		
J. Lee Cook	Vice President	\$17,500
B. J. Troy	Cashier	10,500
Thomas R. Sullivan	Assistant Cashier	10,100
W. C. Hartung	Assistant Cashier	9,000
<u>San Antonio Branch</u>		
W. E. Eagle	Vice President	15,500
A. E. Mundt	Cashier	10,600
Alvin E. Russell	Assistant Cashier	10,300
Frederick J. Schmid	Assistant Cashier	8,500
<u>El Paso Branch</u>		
Howard Carrithers	Vice President	13,000
Fredric W. Reed	Cashier	9,800
T. C. Arnold	Assistant Cashier	8,500

It is noted that Mr. Eagle will reach retirement age during 1959 and, accordingly, payment of salary to him is approved only to the effective date of his retirement.

Your Chairman will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON 25, D. C.

3656

Item No. 27
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 12, 1958



CONFIDENTIAL (FR)

Mr. H. N. Mangels, President,
Federal Reserve Bank of San Francisco,
San Francisco 20, California.

Dear Mr. Mangels:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of San Francisco and its Branches for the period January 1, 1959 through December 31, 1959, at the rates indicated, which are the rates fixed by your Board of Directors as reported in your letter of September 17, 1958, and amended by your letter of November 24:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
J. L. Barbonchielli	Vice President and Cashier	\$13,000
H. E. Hemmings	Vice President	14,000
A. B. Merritt	Vice President	14,000
E. R. Millard	Vice President	19,000
R. H. Morrill	Vice President	15,000
J. A. O'Kane	Vice President and General Counsel	17,000
O. P. Wheeler	Vice President	17,000
R. S. Einzig	Assistant Vice President	13,000
E. H. Galvin	Assistant Vice President	13,500
T. W. Barrett	Assistant Cashier	10,500
P. W. Cavan	Assistant Cashier	10,000
E. J. Martens	Assistant Cashier	9,500
R. Maurer, Jr.	Assistant Cashier	9,000
R. C. Milliken	Assistant Cashier	11,000
A. H. Price	Assistant Cashier	9,000
George D. Hartlin	General Auditor	11,000
G. W. Lynn	Senior Economist	12,000
H. S. Schwartz	Senior Economist	12,000
C. H. Whitworth	Administrative Assistant	9,000

Mr. Mangels

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Los Angeles Branch</u>		
W. F. Volberg	Vice President and Manager	\$21,000
C. H. Watkins	Assistant Manager	15,500
W. E. Carter	Assistant Manager	8,500
M. J. Davies	Assistant Manager	9,000
G. D. Parker	Assistant Manager	11,000
J. R. Robinson	Assistant Manager	11,000
V. E. Vigus	Assistant Manager	9,500
<u>Portland Branch</u>		
J. A. Randall	Vice President and Manager	17,000
D. M. Davenport	Assistant Manager	12,000
W. M. Brown	Assistant Manager	9,500
F. K. Grimm	Assistant Manager	9,000
<u>Salt Lake City Branch</u>		
E. R. Banglebaugh	Vice President and Manager	14,000
A. L. Price	Assistant Manager	12,000
A. G. Holman	Assistant Manager	9,000
T. M. Simmons	Assistant Manager	10,000
<u>Seattle Branch</u>		
J. M. Leisner	Vice President and Manager	18,500
R. E. Everson	Assistant Manager	13,000
W. R. Sandstrom	Assistant Manager	11,000
D. E. Simms	Assistant Manager	10,000
R. P. Glascock	Assistant Manager	10,000

Chairman Erawner will be advised in a separate letter with respect to the salaries of the President and First Vice President.

Very truly yours,



Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 28
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 10, 1958

Mr. Alfred Hayes, President,
Federal Reserve Bank of New York,
New York 45, New York.

Dear Mr. Hayes:

The Board of Governors approves, to be effective January 1, 1959, the new structure for officers' salaries of the Federal Reserve Bank of New York, as proposed in your letter of November 14, 1958, which includes changes in the minimums and maximums of the four lowest groups as follows:

<u>Group</u>	<u>Minimum</u>	<u>Maximum</u>
A	\$23,000	\$35,000
B	19,000	28,000
C	16,000	23,000
D	14,000	19,000
E	12,500	16,500
F	11,000	15,000

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 29
12/10/58

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 10, 1958

Mr. H. N. Mangels, President,
Federal Reserve Bank of San Francisco,
San Francisco 20, California.

Dear Mr. Mangels:

In accordance with the request contained in your letters of December 4, 1958, the Board approves the appointment of Martin S. Depper, Henry B. Jamison, Roy A. Karlsson, Joseph A. Stecher, and Raymond E. Talbot as examiners for the Federal Reserve Bank of San Francisco, effective January 1, 1959.

Very truly yours,

(Signed) Kenneth A. Kenyon

Kenneth A. Kenyon,
Assistant Secretary.