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.

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chin. Martin x [Signature]</td>
<td></td>
</tr>
<tr>
<td>Gov. Szymczak x</td>
<td></td>
</tr>
<tr>
<td>Gov. Mills x [Signature]</td>
<td></td>
</tr>
<tr>
<td>Gov. Robertson x [Signature]</td>
<td></td>
</tr>
<tr>
<td>Gov. Balderston x [Signature]</td>
<td></td>
</tr>
<tr>
<td>Gov. Shepardson x [Signature]</td>
<td></td>
</tr>
</tbody>
</table>
Minutes of the Board of Governors of the Federal Reserve System

on Tuesday, February 17, 1959. The Board met in the Special Library at
10:00 a.m.

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

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Young, Director, Division of Research and
Statistics
Mr. Hackley, General Counsel
Mr. Shay, Legislative Counsel

Meeting with Federal Advisory Council. This meeting was called
for the purpose of considering certain questions of procedure in
connection with the meeting of the Board and the Federal Advisory
Council to be held at 10:30 a.m.

On February 5, 1959, the Board had tentatively decided to
raise informally with the Council the question whether the procedure
for preparing the agenda for Board-Council meetings might be improved.
With this in mind, Mr. Sherman had distributed to the Board under
yesterday's date a memorandum to which was attached a statement with
respect to meetings of the Council and the Board made by Chairman
Eccles on behalf of the Board at the joint meeting on November 6,
1946, along with a pertinent excerpt from the Council's response
dated December 3, 1946. These attachments reflected the considerations
that resulted in the procedures currently followed, and a review of
them had led Chairman Martin to feel that it would be desirable for the Board to consider further the advisability of raising the subject of agenda procedure at this time.

Following comments on this matter by Chairman Martin, unanimous agreement was expressed with his suggestion that the subject not be raised with the Council today.

Further discussion concerned the two topics that had been placed on the agenda for today's joint meeting at the request of the Federal Advisory Council; namely, the desirability of including in proposed legislation on reserve requirements a provision eliminating the central reserve city classification and the suggested change in check collection time schedules of the Federal Reserve Banks to increase the maximum deferment from two days to three days.

At the conclusion of the discussion, it was agreed that comments on the two topics would be made along the lines set forth in the minutes of the meeting of the Board and the Council.

The meeting then adjourned.

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

Memoranda from appropriate individuals concerned recommending increases in the basic annual salaries of the following persons on the Board's staff, effective February 22, 1959:
<table>
<thead>
<tr>
<th>Name and title</th>
<th>Division</th>
<th>Basic annual salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>E. Betz Poeppel, Chief, Records Section</td>
<td>Office of the Secretary</td>
<td>$8,470  $8,710</td>
</tr>
<tr>
<td>Alice Earlene Barnard, Library Assistant</td>
<td>Research and Statistics</td>
<td>3,945  4,040</td>
</tr>
<tr>
<td>Caroline H. Cagle, Economist</td>
<td></td>
<td>8,810  9,050</td>
</tr>
<tr>
<td>Catherine B. Davian, Secretary</td>
<td></td>
<td>5,090  5,240</td>
</tr>
<tr>
<td>Verna L. Hodge, Librarian</td>
<td></td>
<td>5,090  5,240</td>
</tr>
<tr>
<td>Marie Butler Leven, Chief, Economic Editing Unit</td>
<td></td>
<td>10,130  10,370</td>
</tr>
<tr>
<td>Anne T. Roberson, Secretary</td>
<td>International Finance</td>
<td>4,340  4,490</td>
</tr>
<tr>
<td>Seymour Golodner, Analyst</td>
<td>Bank Operations</td>
<td>5,580  5,730</td>
</tr>
<tr>
<td>Thelma C. Millican, Statistical Clerk</td>
<td></td>
<td>5,240  5,390</td>
</tr>
<tr>
<td>Peggy Ann Long, Secretary</td>
<td>Examinations</td>
<td>4,790  4,940</td>
</tr>
<tr>
<td>Elmer W. Lyster, Federal Reserve Examiner</td>
<td></td>
<td>7,750  7,990</td>
</tr>
<tr>
<td>Nathan B. Hughes, Jr., Personnel Technician</td>
<td>Personnel Administration</td>
<td>6,135  6,285</td>
</tr>
<tr>
<td>Claiborne Johnson, Operator, Offset Press</td>
<td>Administrative Services</td>
<td>5,949  6,240</td>
</tr>
<tr>
<td>Charles A. Noell, Guard</td>
<td></td>
<td>3,730  3,825</td>
</tr>
<tr>
<td>Lyla E. Szillat, Operator, Tabulating Equipment</td>
<td></td>
<td>4,230  4,325</td>
</tr>
</tbody>
</table>

Letter to the Presidents of all Federal Reserve Banks (attached Item No. 1) transmitting forms for use by State member banks in submitting reports as of the next call date.
2/17/59

Telegram to the Federal Reserve Bank of San Francisco (attached Item No. 2) approving the appointment of Winston M. Smith as assistant examiner.

[Signature]

Secretary
(This letter was approved with the understanding that it would be dated and sent when the forms were printed.)

Dear Sir:

The indicated number of copies of the following forms are being forwarded to your Bank under separate cover for use of State member banks and their affiliates in submitting reports as of the next call date. A copy of each form is attached.

Number of copies

Form F.R. 105 (Call No. 151), Report of condition of State member banks.

Form F.R. 105e (Revised November 1955), Publisher's copy of report of condition of State member banks.

Form F.R. 105e-1 (Revised November 1955), Publisher's copy of report of condition of State member banks.

Form F.R. 105e-2 (Revised November 1955), Publisher's copy supplement.

Form F.R. 220 (Revised March 1952), Report of affiliate or holding company affiliate.

Form F.R. 220a (Revised March 1952), Publisher's copy of report of affiliate or holding company affiliate.

All of the forms are the same as those used on December 31, 1958.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman, Secretary.
February 17, 1959

SWAN - SAN FRANCISCO


(Signed) Kenneth A. Kenyon

KENYON