

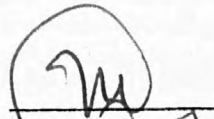
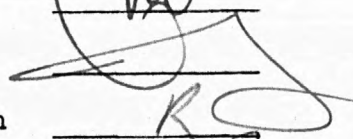
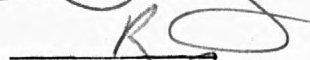
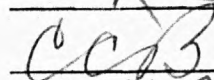
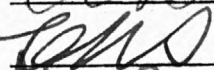
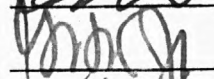
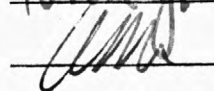
Minutes for August 1, 1962

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, please initial below. If you were present at the meeting, your initials will indicate approval of the minutes. If you were not present, your initials will indicate only that you have seen the minutes.

Chm. Martin	<u></u>
Gov. Mills	<u></u>
Gov. Robertson	<u></u>
Gov. Balderston	<u></u>
Gov. Shepardson	<u></u>
Gov. King	<u></u>
Gov. Mitchell	<u></u>

Minutes of the Board of Governors of the Federal Reserve System on Wednesday, August 1, 1962. The Board met in the Board Room at 10:00 a.m.

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

Mr. Kenyon, Assistant Secretary
 Mr. Fauver, Assistant to the Board
 Mr. Hackley, General Counsel
 Mr. Solomon, Director, Division of Examinations
 Mr. Spencer, General Assistant, Office of the Secretary
 Mr. McClintock, Supervisory Review Examiner, Division of Examinations

Circulated item. The following item, which had been circulated to the Board and a copy of which is attached to these minutes as Item No. 1, was approved unanimously:

Letter to Bank of Huntington, Huntington, New York, approving the establishment of a branch in Elwood, Town of Huntington.

Report on competitive factors (Meadville-Conneaut Lake, Pennsylvania). A draft of report to the Comptroller of the Currency on the competitive factors involved in the proposed merger of The Merchants National Bank and Trust Company of Meadville, Meadville, Pennsylvania, and First National Bank at Conneaut Lake, Conneaut Lake, Pennsylvania, had been distributed.

During discussion a change in the wording of the conclusion was agreed upon, after which the report was approved unanimously for

8/1/62

-2-

transmittal to the Comptroller. The conclusion in the report, as transmitted, read as follows:

The proposed merger of The Merchants National Bank and Trust Company of Meadville, Meadville, Pennsylvania, and First National Bank at Conneaut Lake, Conneaut Lake, Pennsylvania, would eliminate some competition.

Report on competitive factors (Richmond-Staunton, Virginia).

There had been distributed a draft of report to the Comptroller of the Currency on the competitive factors involved in the proposed merger of The Augusta National Bank of Staunton, Staunton, Virginia, into First and Merchants National Bank of Richmond, Richmond, Virginia.

In discussion, a change was suggested in the phrasing of the conclusion. The report was then approved unanimously for transmittal to the Comptroller in a form containing the following conclusion:

In view of the distance between the institutions and the nature of their activities, the proposed merger would not have an adverse effect on competition.

Fund and Bank meetings. Governor Mitchell raised the question whether arrangements could be made whereby the Federal Reserve Bank Presidents would receive invitations to attend the forthcoming annual meetings of the Boards of Governors of the International Monetary Fund and the International Bank for Reconstruction and Development.

Chairman Martin explained the problem involved in the size of the United States delegation but added that he thought the question raised by

8/1/62

-3-

Governor Mitchell could be resolved satisfactorily. He felt that arrangements could be made for the Presidents of the Reserve Banks, as well as the members of the Board, to receive letters of invitation to attend all open sessions of the Fund and Bank meetings and indicated that appropriate steps would be taken.

Director vacancy at Birmingham Branch. Attention was called to the vacancy on the Board of Directors of the Birmingham Branch of the Federal Reserve Bank of Atlanta caused by the resignation of Dr. Henry King Stanford, who became President of Miami University, Miami, Florida, on July 1, 1962.

Following a brief discussion, it was understood that Governor King would review available information regarding certain persons previously suggested for appointment to the Birmingham Board and that he might also submit additional names for consideration by the Board of Governors.

The meeting then adjourned.

Secretary's Notes: On July 31, 1962,
Governor Shepardson approved on behalf
of the Board the following items:

Letter to the Federal Reserve Bank of Dallas (attached Item No. 2)
approving the designation of 15 employees as special assistant examiners.

Memoranda from appropriate individuals concerned recommending the
following actions relating to the Board's staff:

8/1/62

-4-

Salary increases, effective August 5, 1962

<u>Name and title</u>	<u>Division</u>	<u>Basic annual salary</u>	
		<u>From</u>	<u>To</u>
	<u>Legal</u>		
Rufus S. Hill, Jr., Attorney		\$ 6,600	\$ 6,765
	<u>Research and Statistics</u>		
Elizabeth B. Sette, Chief, Economic Editing		10,635	10,895
	<u>International Finance</u>		
Joanne V. Cass, Secretary		4,830	4,995
Margaret R. Garber, Economist		8,080	8,340
	<u>Bank Operations</u>		
JoAnn L. Murray, Secretary		5,490	5,655
	<u>Administrative Services</u>		
Vincent R. Creamer, Laborer		3,500	3,605
Donald B. Fitzhugh, Data Processing Planner		7,820	8,080
Margaret E. Jenkins, Cafeteria Helper		3,185	3,290
James R. Jordan, Operator (Duplicating Devices)		4,514	4,724
Albert A. Portnoy, Supervisor-Inspector		4,510	4,675
Aubrey L. Simmons, Sergeant, Guard Force		4,460	4,565
William N. Taylor, Messenger		3,185	3,290
Herman L. Tobler, Sergeant, Guard Force		4,565	4,670

Outside activities

Lewis N. Dembitz, Associate Adviser, Division of Research and Statistics, to handle the investment of certain family funds.

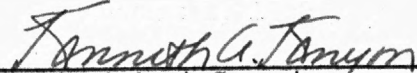
Boris C. Swerling, Senior Economist, Division of International Finance, to serve (without compensation) as a member of the Editorial Council of the Journal of Farm Economics.

Pursuant to the recommendation contained in a memorandum from the Division of Administrative Services, Governor Shepardson

8/1/62

-5-

today approved on behalf of the Board an increase in the basic annual salary of Willa McC. Davis from \$4,670 to \$4,840, with a change in title from Clerk-Stenographer to Utility Clerk in that Division, effective August 19, 1962.


Assistant Secretary

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

Item No. 1
8/1/62

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



August 1, 1962

Board of Directors,
Bank of Huntington,
Huntington, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a branch on the easterly side of East Deer Park Road, approximately 231 feet southerly from the junction of Jericho Turnpike and East Deer Park Road, Unincorporated Area of Elwood, Town of Huntington, Suffolk County, New York, by Bank of Huntington, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.

Item No. 2
8/1/62

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



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

JUL 31 1962

Mr. Thomas R. Sullivan, Vice President,
Federal Reserve Bank of Dallas,
Dallas 2, Texas.

Dear Mr. Sullivan:

In accordance with the request contained in your letter of July 26, 1962, the Board approves the designation of the following employees as special assistant examiners for the Federal Reserve Bank of Dallas for the purpose of participating in examinations of State member banks:

John E. Short	Heston R. Huffman
Gerald B. Garrett	James E. Phillips
C. A. Cass	Lloyd L. Roach, Jr.
John Feather	John E. Weems
Billy J. Hayden	Stanley J. Jarmiolowski
William E. Cheshier	Green R. Miller
Thomas C. Cole	Richard L. Muncy
J. Lero Griffin	

Appropriate notations have been made on our records of the names to be deleted from the list of special assistant examiners.

Very truly yours,

(Signed) Elizabeth L. Carmichael

Elizabeth L. Carmichael,
Assistant Secretary.