

Minutes for December 7, 1964.

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. Mitchell	<u> </u>
Gov. Daane	<u> </u>

The image shows handwritten initials on lines next to the names of the board members. For Chm. Martin, the initials 'M' are circled. For Gov. Balderston, the initials 'C.C.B.' are written with an arrow pointing to the top line. For Gov. Shepardson, Gov. Mitchell, and Gov. Daane, there are more complex, cursive handwritten initials.

Minutes of the Board of Governors of the Federal Reserve System on Monday, December 7, 1964. 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. Mitchell
Mr. Daane

Mr. Sherman, Secretary
Miss Carmichael, Assistant Secretary
Mr. Hackley, General Counsel
Mr. Solomon, Director, Division of Examinations
Mr. Johnson, Director, Division of Personnel Administration
Mr. Shay, Assistant General Counsel
Mr. Sammons, Adviser, Division of International Finance
Mr. Goodman, Assistant Director, Division of Examinations
Mr. Leavitt, Assistant Director, Division of Examinations
Mr. Via, Senior Attorney, Legal Division
Mr. Egertson, Supervisory Review Examiner, Division of Examinations
Mr. Guth, Review Examiner, Division of Examinations
Mr. Lyon, Review Examiner, Division of Examinations

Discount rates. The establishment without change by the Federal Reserve Bank of Atlanta on December 2, 1964, and by the Federal Reserve Banks of New York, Philadelphia, Chicago, and San Francisco on December 3, 1964, of the rates on discounts and advances in their existing schedules was approved unanimously, with the understanding that appropriate advice would be sent to those banks.

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Circulated or distributed items. The following items, copies of which are attached to these minutes under the respective item numbers indicated, were approved unanimously:

	<u>Item No.</u>
Letter to The Chase Manhattan Bank, New York, New York, approving the establishment of a branch in the Korvette City Shopping Center, Douglaston, branch operations conducted at 249-46 Horace Harding Boulevard, Little Neck, to be discontinued simultaneously with the establishment of this branch.	1
Letter to Camden Trust Company, Camden, New Jersey, approving the establishment of a branch at the intersection of White Horse Pike and Evesham Road, Magnolia.	2
Letter to Birmingham-Bloomfield Bank, Birmingham, Michigan, approving the establishment of a branch at 3681 West Maple Road, Bloomfield Township.	3
Letter to Wood & Huston Bank, Marshall, Missouri, approving the establishment of a branch at the intersection of Marion and North Jefferson Streets.	4
Letter to Valley Bank of Nevada, Reno, Nevada, approving the establishment of a branch in the vicinity of the intersection of Silverada Boulevard and Oddie Boulevard in an unincorporated area in Washoe County.	5
Letter to Wilmington Trust Company, Wilmington, Delaware, granting an extension of time to operate a branch at 436 Loockerman Street, Dover.	6
Letter to Boston Overseas Financial Corporation, Boston, Massachusetts, granting permission to purchase additional shares of International Factors A. G., Chur, Switzerland.	7
Letter to First Pennsylvania Overseas Finance Corporation, Philadelphia, Pennsylvania, granting permission to purchase shares of ADELA Investment Company, S. A., Luxembourg.	8

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	<u>Item No.</u>
Letter to First National City Bank, New York, New York, granting permission to increase the amount it may invest in the stock of International Banking Corporation, New York, New York.	9
Telegram to the Federal Reserve Agent at Kansas City authorizing the issuance to First Oklahoma Bancorporation, Inc., Oklahoma City, Oklahoma, of a limited voting permit covering its stock of The Idabel National Bank, Idabel, Oklahoma.	10
Letter to First Capital, Lander, Wyoming, granting a determination exempting it from all holding company affiliate requirements except for the purposes of section 23A of the Federal Reserve Act.	11

Messrs. Sammons, Guth, and Lyon then withdrew from the meeting and Mr. Molony, Assistant to the Board, entered the room.

Report on competitive factors (Watertown-Clayton, New York).

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 First National Exchange Bank of Clayton, Clayton, New York, into The National Bank of Northern New York, Watertown, New York.

After a change in the wording of the report had been suggested and agreed upon, the report was approved unanimously for transmittal to the Comptroller. The conclusion read as follows:

The proposed merger of The First National Exchange Bank of Clayton into The National Bank of Northern New York, Watertown, would eliminate a small amount of competition. While the transaction would increase the concentration of commercial bank deposits in Jefferson County, the overall effect of the proposed transaction on competition would not be adverse.

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Report on competitive factors (Seattle-Yakima, Washington).

There had been distributed a draft of report to the Federal Deposit Insurance Corporation on the competitive factors involved in the proposed consolidation of Washington Mutual Savings Bank, Seattle, Washington, with Liberty Savings and Loan Association of Yakima, Washington, upon the latter institution's conversion into Liberty Mutual Savings Bank, Yakima, Washington.

The report, in which the conclusion read as follows, was approved unanimously for transmittal to the Corporation:

There is presently no competition between Washington Mutual Savings Bank, Seattle, and Liberty Savings and Loan Association of Yakima, and the consolidation would not have adverse competitive effects.

Application of Worthen Bank & Trust Company (Items 12 and 13).

Pursuant to the decision reached during the meeting of the Board on November 25, 1964, there had been distributed a proposed order and statement reflecting approval of the application of Worthen Bank & Trust Company to merge with Bank of Arkansas, both of Little Rock, Arkansas.

Governor Daane suggested several changes in the wording of the statement, after which the issuance of the order and statement was authorized. Copies of the order and statement, as issued, are attached as Items 12 and 13.

All members of the staff except Messrs. Sherman and Johnson and Miss Carmichael then withdrew and Mr. Sprecher, Assistant Director, Division of Personnel Administration, entered the room.

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Officer salaries at Federal Reserve Banks (Items 14-37).

There had been distributed a memorandum from the Division of Personnel Administration dated December 2, 1964, regarding requests from the respective Federal Reserve Banks for approval of salaries fixed by the Boards of Directors for individual officers other than Presidents and First Vice Presidents effective January 1, 1965.

Another memorandum dated November 30, 1964, presented the Reserve Bank salary recommendations that had been received for Presidents and First Vice Presidents.

In discussion of the memoranda, special attention was given to the request of the Federal Reserve Bank of Philadelphia for approval of payment of salary to Vice President Vergari at the rate of \$27,500 per annum effective January 1, 1965, contingent upon approval of an increase in the salary of First Vice President Hilkert, who presently was receiving the same salary as that recommended for Mr. Vergari, but who was not eligible for a salary increase at this time under the Board's 1962 guidelines. At the meeting on November 12, 1964, the Board had agreed that it would adhere to the 1962 guidelines in approving officer salaries for the year 1965.

Governor Mitchell stated that the Board's Committee on Organization, Compensation, and Building Plans had reviewed the proposals of the Reserve Banks and recommended approval of all of those submitted except those falling outside the guidelines. The

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1962 guidelines had worked particularly well in arriving at salary proposals for the Reserve Banks for the calendar year 1965, Governor Mitchell said, and in his judgment it would be desirable for the Board to adhere to them at this time.

The Board then turned to the proposed salaries for Presidents and First Vice Presidents, which had been summarized in the memorandum from the Division of Personnel Administration dated November 30. Proposals for 1965 salaries had been received for all of the Presidents and First Vice Presidents of the Reserve Banks except the Presidents of the Philadelphia, Atlanta, Minneapolis, and Kansas City Banks and the First Vice Presidents of the last three named Banks. (The salary of the First Vice President at Kansas City was already at the maximum of the range for that position.) In the discussion that followed it was noted that the salary increase proposed for the First Vice President at the New York Bank represented an increase of \$5,000, whereas under the 1962 guidelines an increase of not more than \$2,500 could be made. The proposed increase for the First Vice President at Philadelphia was outside the guidelines as was one that had been proposed for the First Vice President at Chicago, regarding which the Board on November 12 approved a letter to the Chicago Bank stating that its First Vice President would not be eligible for a salary increase until January 1966.

Chairman Martin stated that, pursuant to the understanding at the meeting on November 18, he had discussed with President

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Scanlon of the Chicago Bank the increase that initially had been proposed for First Vice President Helmer. President Scanlon had indicated that it would be agreeable not to increase Mr. Helmer's salary at this time if no exceptions were being made to the Board's 1962 guidelines for officer salary administration. Accordingly, in a letter dated December 3, 1964, the Board was advised by the Chicago Bank that the directors on that day had set Mr. Helmer's salary for 1965 at the same rate as that presently being paid.

Chairman Martin suggested that, in keeping with the position taken at the November 12 meeting, the Board approve all of the officer salary proposals that fell within the guidelines set in 1962 and that it disapprove the proposals falling outside the guidelines, with the understanding that the New York Bank would be notified that the Board had approved an increase of \$2,500 for Mr. Treiber, the amount for which he was eligible under the guidelines, and that the Philadelphia Bank be informed that the Board had not approved the proposed increase for the First Vice President because it would be outside the guidelines but that it would be willing to approve an increase for Vice President Vergari within the guidelines.

Governor Balderston noted that the present guidelines specified both frequency and amounts of salary increases for Presidents and First Vice Presidents. In his judgment, it was important to adhere to the provisions with respect to frequency. He had a feeling,

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however, that \$2,500 as the maximum amount for an increase for a First Vice President might be an obsolete figure that should be adjusted. Specifically, the proposal for a \$5,000 increase for the First Vice President at the New York Bank made him wonder whether it would be preferable to make an exception to the guidelines at this time or whether to approve an increase of \$2,500 as suggested by Chairman Martin, subject to action by the Bank's Board of Directors, and to review the matter further next year.

Governor Mitchell said he believed it would be better to follow the guidelines now and review the entire salary administration plan for officers next year. Other members of the Board expressed agreement with this approach, and Chairman Martin commented that he felt the entire salary administration plan should be reviewed during the coming year in order to appraise the manner in which it had worked since its adoption, including the appropriateness of the salary guidelines and the existing limits.

Question was then raised as to the wording of the letters to the New York and Philadelphia Reserve Banks in connection with the salary proposals for Messrs. Treiber, Hilkert, and Vergari. In the ensuing discussion it was understood that the letter to the New York Bank would state that the Board had approved a salary increase for Mr. Treiber in the amount of \$2,500 subject to the fixing of such a salary by the directors of the Bank. It was also suggested

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and agreed that the letter to the Philadelphia Bank state that the salary proposed for Mr. Hilkert was not consistent with the Board's guidelines but that the Board was approving payment of salary at the current rate if so fixed by the directors of that Bank. At Governor Robertson's suggestion it was understood that the letter to the Philadelphia Bank would approve a salary for Vice President Vergari at the present rate but that it would not spell out in detail that the Board was prepared to approve an increase for Mr. Vergari within the guidelines, since the Bank would understand that it was free to come back to the Board for an increase that would not be contingent upon another salary increase that would violate the Board's guidelines. It was also agreed that in the case of the Presidents and First Vice Presidents for which no salary proposals had been received, the letters would state that the Board approved payment of salaries for 1965 at the current rates, if so fixed by the directors of the Banks.

Copies of the letters sent to the Federal Reserve Banks pursuant to the foregoing understandings are attached as Items 14 through 25 (Presidents and First Vice Presidents) and Items 26 through 37 (other officers).

All members of the staff except Mr. Sherman then withdrew from the meeting.

Chairman Martin said that he had asked for this session for the purpose of having a preliminary discussion of two problems

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facing the Board. No one should feel that he need take a firm position at this time, but he would like to have any individual views as to the reserves required to be maintained in gold certificates by the Federal Reserve Banks against deposit and note liabilities; and he would appreciate a similar discussion of the surplus accounts of the Federal Reserve Banks to which he had referred at a joint meeting of the Board and the Reserve Bank Presidents on December 1, and regarding which he had asked for a discussion with the Presidents when they were in Washington on December 15.

Gold reserve ratio. Governor Mills said that he would align himself with the conservatives on this question. The statute provided a means of meeting losses of gold through assessing a charge on the Federal Reserve Banks, which charge could be at a minimum rate. There were those who would retain the 25 per cent reserve requirement on both note and deposit liabilities of the Reserve Banks in the belief that it was a disciplinary factor that was wholesome and afforded a degree of restraint in the credit field that was desirable. To drop it would show a lack of intention on the part of the Federal Reserve System to restrain unwise credit actions. This was a very difficult psychological time. The Board had observed the reaction to the Chairman's press conference on November 23 and the diversity of thinking that had come out of it was astonishing. To Governor Mills, the comments indicated that it was felt that the

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System was pledged to see that the banking system was supplied with reserves that would counteract any tendency toward contraction of credit that might otherwise be advisable and that it was opposed to any move up in interest rates. If there were to be a move in that direction, he felt that it would confound the financial and business community. There was a great deal of uncertainty and, even to the extent that good reasons could be found for abandoning the gold reserve on deposits, the reaction to it could be very, very bad. What was needed now was sternness and the taking of a position and standing on that position, rather than giving any impression of yielding to circumstances where there were losses of gold and dollars.

Chairman Martin said that this was a real point of view. This was what he wanted to get from the individual members of the Board at this time.

Governor Robertson said that he had a different view. He thought something had to be done about the gold reserve requirements. There was never a "right" time to do it. There would always be some persons who would oppose any change in the reserve requirements simply because they felt it would imply monetary weakness. He personally would go the whole way and remove the requirements on both notes and deposits, but he didn't think that was feasible. He did not think the System should move at all unless the Secretary

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of the Treasury was in agreement. He believed that a more acceptable measure would be merely the alteration with respect to deposits and not notes. But if something wasn't done promptly the System would be sorry, and there would always be the problem of finding the right time.

Governor Shepardson said that, if there was to be a move, it seemed to him preferable to go the whole way and remove the reserve requirement against both notes and deposits. He wondered how much time would be gained with a half-way move and whether there was enough justification for removal of the reserve on deposits only to justify that shift. Basically, he was inclined to go slowly on the whole thing. At the moment, he was not disposed to take the initiative. The Board would be in a difficult position if it took the initiative against or without the full support of the Treasury. In fact, he felt any move on gold reserve requirements should be initiated by the Treasury rather than by the Board, but he leaned toward not doing anything at this time.

Governor Robertson expressed the hope that, from a practical point of view, whatever decision was taken by Government should be handled in such a way that it could be disposed of quickly. There was no way of guaranteeing that, but every step should be taken to see that action came fast.

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Chairman Martin remarked that most would agree with the desire for speed, but he doubted action would come as fast as Governor Robertson might be suggesting.

Governor Mitchell said he did not think we could afford to wait longer. The Federal Reserve should be preparing something and presenting it to the Administration. This was an occasion for the System to take leadership in the matter, at least with respect to having a System policy. He would like to see the gold cover removed completely, but it might be better to propose it be taken off deposits only, and at the same time announce that the reserve against notes was a minimum that would not be dropped except in a most serious situation. The balance of payments situation might improve in a couple of years to a point where the U. S. would be in surplus, at least on the suggested new accounting basis. The worst time to do anything would be in a time of crisis. Obviously, there was the mechanism that Governor Mills referred to for use in a crisis, but that was intended as a disciplinary action against individual Federal Reserve Banks, not against the System as a whole. Governor Mitchell felt it important for the System to develop a set of policy actions, present them to the Treasury, and hope the Administration would adopt them. He felt that a strong case could be made for such a program in terms of the alternative of not acting.

Governor Daane said he had a strong conviction as to the need for action. In principle, he would propose the complete removal

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of the gold reserve requirement, and he felt this should emanate from the Federal Reserve. The question was one of timing. There might never be a good time, but in the light of what the Board knew about forthcoming gold takings and what would occur from the Fund quota increase, action should be started. While in principle he would favor removal of the requirement against both notes and deposits, he would be willing to go along with the suggestion for removal of only the deposit requirement. He hoped this could be done quickly.

Governor Balderston said he regretted that when arrangements were made for the reduction from 40 per cent to 25 per cent in the Federal Reserve Bank reserve requirement, they did not go the whole way to zero. As he now saw it, the increase in note circulation inevitably would bring the ratio down to or below the 25 per cent figure, and perhaps soon. His conclusion was that the Board should move now to ask for removal of the gold reserve against deposits, leaving the reserve against currency. His reasoning was that the public, aside from the sophisticate, was not as aware of or as sensitive to holdings of gold against deposits as against currency.

Federal Reserve Bank surplus accounts. Chairman Martin said that he would now like to have some preliminary discussion of the Federal Reserve Banks' surplus accounts, to which he had referred

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briefly at the joint meeting of the Board and the Presidents following the conclusion of the Federal Open Market meeting on December 1. He mentioned that he had informed certain other persons that the matter had been put before the Reserve Bank Presidents and would be discussed with them when they were in Washington on December 15. The Chairman also noted that the surplus accounts of the Federal Reserve Banks, now fixed at twice paid-in capital, would be slightly over one billion dollars at the end of 1964 -- capital paid in had risen from \$387 million on December 31, 1959, to \$522 million on November 25, 1964.

Governor Mills said that liabilities over surpluses had been magnified as compared with the end of 1959. The System had over \$2 billion exposure in swap arrangements on foreign currencies. If there were losses, Reserve Bank capital was small relative to liabilities. At this sensitive time he would feel that it would be a very serious mistake to elect a further withdrawal of surplus for the temporary benefit of the Federal Government budget. If there were losses that weakened the capital structure of Reserve Banks and it was not necessary to go to the Congress for funds, that was a preferable arrangement to one where the System would have to go to the Congress. The obvious answer to him would be that the Government might as well own the Federal Reserve Banks as to be called upon to make good their losses.

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Chairman Martin commented that the other side of the argument was that the System was earning over a billion dollars this year. It was adding to surplus so as to maintain it at twice the paid-in capital. If this were changed to have surplus maintained equal to paid-in capital, whatever losses might occur could still be taken out of earnings. He felt there was a problem, but the logic of building surplus to twice paid-in capital was not easy to defend.

Governor Robertson said he did not see how the System could now defend the twice paid-in capital formula. He understood that the foreign currency swaps were arranged in a way that eliminated the risk of losses for the Federal Reserve, and he did not see how this could result in losses to draw on surplus funds. He had difficulty in justifying any surplus for the Reserve Banks and suggested that there be a review of changes in Reserve Bank surpluses over the years. Any justification for a surplus must be based on possible losses in future operations.

Governor Mills suggested that if the discount window were to be opened widely, that could expose the System to losses.

Governor Daane said that there was some exposure in future commitments for foreign currencies under the swap arrangements, although it had been relatively small thus far.

Governor Shepardson said he had difficulty in justifying the size of the present surplus of the Reserve Banks. Psychologically

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and on the basis of normal accounting there was some value in having a surplus, but he was not sure how valid the case was for the Reserve Banks. He thought their surplus might well be brought to about half the present amount -- for example, to equal the amount of paid-in capital. As long as the amount of annual earnings was near the present level, he did not think the System needed as much surplus as it now had. His impression was that since the early years of the System there had been no time when it had been necessary to call upon surplus to meet losses or expenses. In sum, he felt it would be in order to drop surplus to half the rate of accumulation at this time.

Governor Robertson suggested that one consideration was whether to do something on a voluntary basis or whether to resort to legislation, which might completely eliminate the surplus and preclude the System from building it up again.

Chairman Martin said this was very much in his mind. There was an advantage in acting voluntarily as in 1959. If the issue were laid before the Congress, the Congress could legislate the entire surplus.

Governor Balderston said that he felt it desirable to have some definite kind of formula, say a 100 per cent surplus in relation to paid-in capital. He did not like to have Reserve System funds taken for a specific project such as the FDIC capital in the 30's

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or the Fund quota increase that was coming up. He would prefer to say that the Federal Reserve System had grown along with the economy, that what seemed appropriate as a rate of surplus accumulation five years ago no longer seemed necessary or appropriate, and that the System now felt that 100 per cent of paid-in capital would be sufficient.

Governor Mitchell said he could see no logical reason for having capital or surplus, either one. The Reserve Banks could create money. This was an essential fact. But there was a practical situation, and he believed the sensible procedure would be to say surplus now was at a liberal point and to make a payment to the Treasury. He would want to continue a rate of accumulation but would cut down the present surplus by about half and then build it up again. He would make this change at the end of this year.

Governor Daane said he agreed with most of the comments: one could not defend the present surplus, but he would be unhappy to see the System with none. As a practical matter, he would cut surplus back to about a half billion dollars and arrive at a defensible formula that would let it accumulate again.

Chairman Martin said that Mr. Farrell, Director of the Division of Bank Operations, had furnished him with some information he had requested. Mr. Farrell thought the simplest thing to do would be to change the formula from twice paid-in capital to an

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amount equal to paid-in capital. It seemed to the Chairman that the wisest thing would be to do something voluntarily as was done in 1959. It would be a mistake to relate such action to the budget, per se: he questioned whether the System should get into the posture of dealing with any specific budget. However, the action could be effective at the end of this year if it was decided that something should be done.

There followed a brief discussion of the particular use to which Federal Reserve payments made to the Treasury might be put, during which Governor Daane expressed the view that the best procedure was for the System simply to make whatever payment it decided upon to the Treasury and to let the Treasury use the funds in whatever way it decided was best. Chairman Martin then concluded the discussion with the statement that he had asked Messrs. Young, Director of the Division of International Finance, and Hackley, General Counsel, to prepare some material regarding the gold certificate reserve requirements of the Federal Reserve Banks and that it would be distributed to the members of the Board shortly. In the meantime he stressed the need for keeping discussion of this matter strictly confidential for the present.

Thereupon the meeting adjourned.

Secretary's Notes: On December 3, 1964, Governor Shepardson approved on behalf of the Board memoranda recommending increases in the basic annual salaries of the following persons on the Board's staff, effective December 6, 1964:

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Dorothy B. Saunders, Secretary to Governor Daane, from \$9,240 to \$9,535 per annum.

Patricia K. Cook, Statistical Clerk, Division of Research and Statistics, from \$4,005 to \$4,140 per annum.

Walter W. Graves, Cafeteria Laborer, Division of Administrative Services, from \$3,385 to \$3,500 per annum.

On December 4, 1964, Governor Shepardson approved on behalf of the Board memoranda recommending the following actions relating to the Board's staff:

Appointments

Dolores Ann Winkler as Secretary, Office of the Secretary, with basic annual salary at the rate of \$5,000, effective December 7, 1964.

Patricia J. Slovek as Statistical Clerk, Division of Research and Statistics, with basic annual salary at the rate of \$3,680, effective the date of entrance upon duty.

Salary increases, effective December 6, 1964

Ann Roane Clary, Librarian, Division of Research and Statistics, from \$7,250 to \$7,710 per annum.

Marilynn S. Cunningham, Key Punch Operator (Trainee), Division of Data Processing, from \$3,680 to \$4,005 per annum, with a change in title to Key Punch Operator.

Transfer

Bessie M. McCrae, from the position of Statistical Assistant in the Division of Research and Statistics to the position of Statistical Clerk in the Division of Data Processing, with no change in basic annual salary at the rate of \$5,825, effective December 6, 1964.

Governor Shepardson noted on behalf of the Board on December 4, 1964, memoranda advising that applications for retirement had been filed by the following persons, effective at the close of business December 30, 1964:

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<u>Name and title</u>	<u>Division</u>
Elsie M. Westman, Secretary to Governor Shepardson	Board Members' Offices
Esther G. Crews, Supervisor, International Information Center	International Finance

Governor Shepardson today approved on behalf
of the Board the following items:

Memorandum from the Division of Data Processing dated December 7, 1964, recommending that the appointment of Ronald Sterkel, Associate Professor of Fine Arts, University of Illinois, as Consultant in that Division be extended through the month of December 1964, with compensation at the rate of \$50.00 a day and transportation and per diem to be paid in accordance with the Board's travel regulations.

Memorandum from the Divisions of Research and Statistics and Administrative Services dated December 4, 1964, recommending steps for the publication and distribution of a research handbook entitled, "Farm Debt--Data from the 1960 Sample Survey of Agriculture." The memorandum stated that provision for this publication was made in the 1964 budget.

Memoranda recommending the following actions relating to the Board's staff:

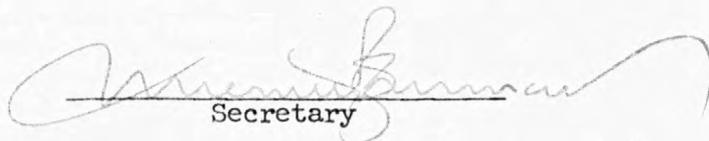
Appointment

Margaret I. Ratcliffe as Clerk-Typist, Division of Research and Statistics, with basic annual salary at the rate of \$4,005, effective the date of entrance upon duty.

Salary increases, effective December 7, 1964

Robert F. Emery, Economist, Division of International Finance, from \$11,670 to \$12,495 per annum.

Rodney H. Mills, Jr., Economist, Division of International Finance, from \$10,960 to \$12,075 per annum.


Secretary

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

Item No. 1
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1964.



Board of Directors,
The Chase Manhattan Bank,
New York, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment of a branch in the Korvette City Shopping Center, in the vicinity of the intersection of Douglaston Parkway and 61st Avenue, Douglaston, Borough of Queens, New York, by The Chase Manhattan Bank, provided the branch is established within one year from the date of this letter, and provided further, that branch operations conducted at 249-46 Horace Harding Boulevard, Little Neck, Borough of Queens, New York, are discontinued simultaneously with the establishment of the above branch.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962 (S-1846), should be followed.)

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Item No. 2
12/7/64

WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1964.



Board of Directors,
Camden Trust Company,
Camden, New Jersey.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Camden Trust Company, Camden, New Jersey, of a branch at the northwest corner of the intersection of White Horse Pike and Evesham Road, Magnolia, Camden County, New Jersey, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962, (S-1846), should be followed.)

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

Item No. 3
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1964.

Board of Directors,
Birmingham-Bloomfield Bank,
Birmingham, Michigan.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Birmingham-Bloomfield Bank, Birmingham, Michigan, of a branch at 3681 West Maple Road, Bloomfield Township, Oakland County, Michigan, provided the branch is established within six months from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962 (S-1846), should be followed.)



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

Item No. 4
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1964.



Board of Directors,
Wood & Huston Bank,
Marshall, Missouri.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Wood & Huston Bank, Marshall, Missouri, of an in-town branch at the southwest corner of the intersection of Marion and North Jefferson Streets, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962 (S-1846), should be followed.)

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

Item No. 5
12/7/64



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1964.

Board of Directors,
Valley Bank of Nevada,
Reno, Nevada.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Valley Bank of Nevada, Reno, Nevada, of a branch in the vicinity of the intersection of Silverada Boulevard and Oddie Boulevard in an unincorporated area in Washoe County, Nevada, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962 (S-1846), should be followed.)

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

Item No. 6
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1964.

Board of Directors,
Wilmington Trust Company,
Wilmington, Delaware.

Gentlemen:

The Board of Governors of the Federal Reserve System extends to June 18, 1965, the time within which Wilmington Trust Company may operate a branch at 436 Loockerman Street, Dover, Delaware, provided that branch operations are confined to granting and servicing consumer credit loans.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.



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

Item No. 7
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

CABLE ADDRESS: "FEDRESERVE"

December 7, 1964.

Boston Overseas Financial Corporation,
67 Milk Street,
Boston 6, Massachusetts.

Gentlemen:

In accordance with the request and on the basis of information furnished in your letter of November 19, 1964, transmitted through the Federal Reserve Bank of Boston, the Board of Governors grants its consent for Boston Overseas Financial Corporation to purchase and hold 640 additional shares, par value Swiss Francs 1,000 each, of the capital stock of International Factors A.G., ("IFAG"), Chur, Switzerland, at a cost of approximately US\$165,000, provided such stock is acquired within one year from the date of this letter.

The Board also approves the purchase and holding of shares of IFAG within the terms of the above consent in excess of 10 per cent of your Corporation's capital and surplus.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.





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

4165
Item No. 8
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

CABLE ADDRESS: "FEDRESERVE"

December 7, 1964.

First Pennsylvania Overseas
Finance Corporation,
Philadelphia 1, Pennsylvania.

Gentlemen:

In accordance with the request contained in your letter of November 27, 1964, transmitted through the Federal Reserve Bank of Philadelphia, and on the basis of information furnished, the Board of Governors grants consent to your Corporation's purchase and holding of 25 ordinary shares, par value US\$10,000 each, of ADELA Investment Company, S.A., Luxembourg, at a cost of approximately US\$250,000, provided such stock is acquired within one year from the date of this letter.

The Board also approves the purchase and holding of shares of ADELA Investment Company, S.A. within the terms of the above consent in excess of 10 per cent of your Corporation's capital and surplus.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

Item No. 9
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1964.



First National City Bank,
399 Park Avenue,
New York 22, New York.

Gentlemen:

In accordance with the request and on the basis of the information furnished in your letter of November 12, 1964, transmitted through the Federal Reserve Bank of New York, the Board of Governors grants permission to First National City Bank, pursuant to the provisions of Section 25 of the Federal Reserve Act, to increase from \$12,000,000 to \$17,000,000 the amount it may invest in the stock of International Banking Corporation, New York, New York.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

T E L E G R A M
LEASED WIRE SERVICE

Item No. 10
12/7/64

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

December 7, 1964.

SCOTT -- KANSAS CITY

KECEA

- A. First Oklahoma Bancorporation, Inc., Oklahoma City, Oklahoma.
- B. The Idabel National Bank, Idabel, Oklahoma.
- C. None.
- D. At any time prior to April 1, 1965, at the annual meeting of shareholders of such bank, or any adjournment thereof, to elect directors for the ensuing year and to act thereat upon such matters of a routine nature as are ordinarily acted upon at the annual meetings of such bank.

(Signed) Karl E. Bakke

BAKKE

Definition of KECEA:

The Board authorizes the issuance of a limited voting permit, under the provisions of section 5144 of the Revised Statutes of the United States, to the holding company affiliate named below after the letter "A", entitling such organization to vote the stock which it owns or controls of the bank(s) named below after the letter "B", subject to the condition(s) stated below after the letter "C". The permit authorized hereunder is limited to the period of time and the purposes stated after the letter "D". Please proceed in accordance with the instructions contained in the Board's letter of March 10, 1947, (S-964).

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

Item No. 11
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 7, 1964.

Mr. R. W. Finkbiner, President,
First Capital,
303 Main Street,
Lander, Wyoming.

Dear Mr. Finkbiner:

This refers to the request contained in your letter of November 5, 1964, submitted through the Federal Reserve Bank of Kansas City, for a determination by the Board of Governors of the Federal Reserve System as to the status of First Capital, Lander, Wyoming, as a holding company affiliate.

From the information presented, the Board understands that First Capital (trading as First Capital Insurance Agency) is actively engaged in the insurance business; that it is a holding company affiliate by reason of the fact that it owns 1,029 (57.17%) of the 1,800 outstanding shares of stock of The First National Bank of Lander, Lander, Wyoming; and that it does not, directly or indirectly, own or control any stock of, or manage or control, any other banking institution.

In view of these facts, the Board has determined that First Capital is not engaged, directly or indirectly, as a business in holding the stock of, or managing or controlling banks, banking associations, savings banks, or trust companies within the meaning of section 2(c) of the Banking Act of 1933 (12 U.S.C. 221a); and, accordingly, it is not deemed to be a holding company affiliate except for the purposes of Section 23A of the Federal Reserve Act and does not need a voting permit from the Board of Governors in order to vote the bank stock it owns.



Mr. R. W. Finkbiner

-2-

If, however, the facts should at any time indicate that First Capital might be deemed to be so engaged, this matter should again be submitted to the Board. The Board reserves the right to rescind this determination and make further determination of this matter at any time on the basis of the then existing facts, including additional acquisitions of bank stocks even though not constituting control.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

12/7/64

UNITED STATES OF AMERICA
BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D. C.

In the Matter of the Application of
WORTHEN BANK & TRUST COMPANY
for approval of merger with
Bank of Arkansas

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by Worthen Bank & Trust Company, Little Rock, Arkansas, a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and Bank of Arkansas, Little Rock, Arkansas, under the charter and title of Worthen Bank & Trust Company. As an incident to the merger, the two offices of Bank of Arkansas would become branches of Worthen Bank & Trust Company. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Department of Justice on the competitive factors involved in the proposed transaction,

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that said merger shall not be consummated

- (a) within seven calendar days after the date of this Order, or
- (b) later than three months after said date.

Dated at Washington, D. C., this 7th day of December, 1964.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and
Governors Balderston, Mills, Shepardson, and
Daane.

Absent and not voting: Governors Robertson
and Mitchell.

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

(SEAL)

BOARD OF GOVERNORS

Item No. 13
12/7/64

OF THE

FEDERAL RESERVE SYSTEM

APPLICATION BY WORTHEN BANK & TRUST COMPANY
FOR APPROVAL OF MERGER WITH
BANK OF ARKANSASSTATEMENT

Worthen Bank & Trust Company, Little Rock, Arkansas ("Worthen"), with total deposits of \$96 million, has applied, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank and Bank of Arkansas, Little Rock, Arkansas, which has total deposits of \$6 million.^{1/} The banks would merge under the charter and name of Worthen, a member State bank of the Federal Reserve System. As an incident to the merger, the two offices of Bank of Arkansas would become branches of Worthen, increasing its number of approved offices to eight.^{2/}

Under the law, the Board is required to consider, as to each of the banks involved, (1) its financial history and condition, (2) the adequacy of its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of 12 U.S.C., Ch. 16 (the Federal Deposit Insurance Act), (6) the convenience and needs of the

^{1/} Deposit figures are as of June 30, 1964.

^{2/} This total includes one branch of Worthen not yet opened for business.

community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the transaction unless, after considering all of these factors, it finds the transaction to be in the public interest.

Banking factors. - The financial histories of Worthen and Bank of Arkansas are satisfactory, and each bank has a sound asset condition and a reasonably adequate capital structure. Worthen has a satisfactory earnings record and its future earnings prospects are favorable. While the earnings of Bank of Arkansas have been generally satisfactory, its future earnings prospects are uncertain. It is located in a relatively less attractive sector of Little Rock and proposed expressways will route traffic around the area and tend to accelerate the existing trend among business enterprises to relocate in the more desirable areas of Little Rock.

The management of Worthen is capable. Bank of Arkansas has experienced an unusually high rate of turnover in management personnel, and the evidence indicates that the bank is in need of improved internal control procedures. Bank of Arkansas, earlier and independently of the merger application, received provisional authorization to convert to a branch its present head office (which would be moved to a downtown location), and expand its operations. Because of the proposed expansion in operations, one of the conditions upon which the plan was approved required that management be suitably supplemented.

Consummation of the proposed merger would supply needed management strength and depth for the scope of operations presently conducted by Bank of Arkansas.

The asset condition, earnings prospects, and management of the resulting bank would be satisfactory, and its capital structure would be reasonably adequate.

The corporate powers of the two banks are not, and those of the resulting bank would not be, inconsistent with the purposes of 12 U.S.C., Ch. 16.

Convenience and needs of the communities. - Little Rock, which has a population in excess of 125,000, is the seat of Pulaski County and the capital of Arkansas. The city has enjoyed considerable industrial development in recent years and there are now over 300 manufacturing plants in the metropolitan area, which collectively have more than 17,000 employees. There are six commercial banks in Little Rock and two in North Little Rock, which is situated directly across the Arkansas River from Little Rock. These eight banks have a total of 24 authorized branches.^{3/}

Worthen offers a wide range of banking services and Bank of Arkansas offers the services normally made available by banks of its size. The offices of the two banks nearest each other are about one mile apart. The main office of Worthen is in downtown Little Rock about

^{3/} This total includes six branches authorized but not opened as of September 1, 1964.

three and one-fourth miles distant from the main office of Bank of Arkansas, which is in the southwestern section of the city. All offices of the proponent banks are located within a seven-mile radius of downtown Little Rock and are situated near the offices of competing banks.

Worthen's service area^{4/} consists of Little Rock and North Little Rock. The service area of Bank of Arkansas is smaller and contained entirely within the service area of Worthen. The proposed conversion of the main office of Bank of Arkansas into a branch of Worthen may affect slightly the convenience and needs of the customers of the former bank since branch banks, under Arkansas law, do not have full banking powers.

Competition. - Worthen, with 27 per cent of the total deposits and 30 per cent of the IPC deposits of all commercial banks in its service area, is the second largest of the eight commercial banks in Little Rock and North Little Rock. Bank of Arkansas, with 1.8 per cent of the total deposits and 2.3 per cent of the IPC deposits, ranks seventh.^{5/} The two largest commercial banks in Little Rock account for over 62 per cent of the loans and about 61 per cent of the deposits held by the city's commercial banks. Consummation of the proposed merger would eliminate the existing and potential competition between Bank of Arkansas and the other banks in its service area,

^{4/} The area from which a bank obtains 75 per cent or more of its deposits of individuals, partnerships, and corporations ("IPC deposits").

^{5/} Figures are as of June 30, 1964.

including Worthen, and increase slightly the concentration of banking resources in the relevant area. However, the evidence indicates that competition for the banking business now held by Bank of Arkansas would be vigorous.

Summary and conclusion. - The proposed merger would result in the elimination of an independent commercial bank and have the potential of increasing Worthen's share of total commercial bank deposits in the relevant area from 27 per cent to about 30 per cent. It does not appear that the transaction would have any significant effect on the banking needs and convenience of the community concerned. The present location of the head office of Bank of Arkansas creates uncertainty with respect to the bank's future earnings prospects, and it may not be able to fulfill the conditions attached to approval of the earlier plan to expand operations in conjunction with the proposed relocation of its head office. Consummation of the proposed transaction would resolve this problem and result in the operation of the present Bank of Arkansas offices under strengthened management.

Accordingly, the Board finds that the proposed merger would be in the public interest.

December 7, 1964.

9177



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 14
12/7/64

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Erwin D. Canham, Chairman,
Federal Reserve Bank of Boston,
Boston, Massachusetts 02106.

Dear Spike:

The Board of Governors approves the payment of salaries to Mr. George H. Ellis as President and Mr. Earle O. Latham as First Vice President of the Federal Reserve Bank of Boston for the period January 1 through December 31, 1965, at their current rates of \$35,000 and \$27,500 per annum, respectively. These rates, fixed by your Board of Directors, were reported in your letter of November 24, 1964.

Sincerely yours,

(Signed) Wm. McC. Martin, Jr.

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Philip D. Reed, Chairman,
Federal Reserve Bank of New York,
New York, New York 10045.

Dear Phil:

Reference is made to letters dated November 5, 1964, from you and Deputy Chairman Wise regarding salary payments for the calendar year 1965 to the President and First Vice President of the Federal Reserve Bank of New York.

The Board of Governors approves the payment of salary to Mr. Alfred Hayes as President for the year at the rate of \$75,000 per annum as recommended in your letters.

With respect to the salary recommendation for First Vice President William F. Treiber, the Board believes that the guidelines for meritorious increases set forth in its letter of October 5, 1962, should be observed in fixing salaries for 1965.

Under provisions of the guidelines, Mr. Treiber is eligible for a meritorious adjustment limited to a maximum increase of \$2,500. Accordingly, the Board of Governors approves the payment of salary to Mr. Treiber as First Vice President for the calendar year 1965 at the rate of \$42,500 per annum, if so fixed by your Board of Directors.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

4179
Item No. 16
12/7/64

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Walter E. Hoadley, Chairman,
Federal Reserve Bank of Philadelphia,
Philadelphia, Pennsylvania 19101.

Dear Walter:

The Board of Governors approves the payment of salary to Mr. Karl R. Bopp as President of the Federal Reserve Bank of Philadelphia for the period January 1 through December 31, 1965, at his current rate of \$40,000 per annum, if so fixed by your Board of Directors.

With respect to the salary recommendation for First Vice President Robert N. Hilkert, the Board believes that the guidelines for meritorious increases set forth in its letter of October 5, 1962, should be observed in fixing salaries for 1965. Accordingly, the Board of Governors approves the payment of salary to Mr. Hilkert as First Vice President for the calendar year 1965 at his current rate of \$27,500 per annum, if so fixed by your Board of Directors.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 17
12/7/64

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Joseph B. Hall, Chairman,
Federal Reserve Bank of Cleveland,
Cleveland, Ohio 44101.

Dear Joe:

The Board of Governors approves the payment of salaries to Mr. W. Braddock Hickman as President and Mr. Edward A. Fink as First Vice President of the Federal Reserve Bank of Cleveland for the period January 1 through December 31, 1965, at their current rates of \$40,000 and \$25,000 per annum, respectively. These rates, fixed by your Board of Directors, were reported in your letter of November 12, 1964.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 18
12/7/64

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Edwin Hyde, Chairman,
Federal Reserve Bank of Richmond,
Richmond, Virginia 23213.

Dear Ed:

The Board of Governors approves the payment of salaries to Mr. Edward A. Wayne as President and Mr. Aubrey N. Heflin as First Vice President of the Federal Reserve Bank of Richmond for the period January 1 through December 31, 1965, at their current rates of \$40,000 and \$27,500 per annum, respectively. These rates, fixed by your Board of Directors, were reported in your letter of November 19, 1964.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

4182
Item No. 19
12/7/64

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Jack Tarver, Chairman,
Federal Reserve Bank of Atlanta,
Atlanta, Georgia 30303.

Dear Jack:

The Board of Governors approves the payment of salaries to Mr. Malcolm Bryan as President and Mr. Harold T. Patterson as First Vice President and General Counsel of the Federal Reserve Bank of Atlanta for the period January 1 through December 31, 1965, at their current rates of \$40,000 and \$27,500 per annum, respectively, if so fixed by your Board of Directors.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.

4183

Item No. 20
12/7/64



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. James H. Hilton, Deputy Chairman,
Federal Reserve Bank of Chicago,
Chicago, Illinois 60690.

Dear Jim:

The Board of Governors approves the payment of salaries to Mr. Charles J. Scanlon as President and Mr. Hugh J. Helmer as First Vice President of the Federal Reserve Bank of Chicago for the period January 1 through December 31, 1965, at their current rates of \$55,000 and \$27,500 per annum, respectively. These rates, fixed by your Board of Directors, were reported in your letter of October 22 and Mr. Scanlon's letter of December 3.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.

Item No. 21
12/7/64

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON



OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Raymond Rebsamen, Chairman,
Federal Reserve Bank of St. Louis,
St. Louis, Missouri 63166.

Dear Ray:

The Board of Governors approves the payment of salaries to Mr. Harry A. Shuford as President and Mr. Darryl R. Francis as First Vice President of the Federal Reserve Bank of St. Louis for the period January 1 through December 31, 1965, at rates of \$40,000 and \$27,500 per annum, respectively. These rates, fixed by your Board of Directors, were reported in your letter of November 12, 1964.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.

12/7/64



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Atherton Bean, Chairman,
Federal Reserve Bank of Minneapolis,
Minneapolis, Minnesota 55440.

Dear Atherton:

The Board of Governors approves the payment of salaries to Mr. Frederick L. Deming as President and Mr. M. H. Strothman, Jr. as First Vice President of the Federal Reserve Bank of Minneapolis for the period January 1 through December 31, 1965, at their current rates of \$40,000 and \$25,000 per annum, respectively, if so fixed by your Board of Directors.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

Item No. 23
12/7/64

4186

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Homer A. Scott, Chairman,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri 64106.

Dear Homer:

The Board of Governors approves the payment of salaries to Mr. George H. Clay as President and Mr. Henry O. Koppang as First Vice President of the Federal Reserve Bank of Kansas City for the period January 1 through December 31, 1965, at their current rates of \$37,500 and \$30,000 per annum, respectively, if so fixed by your Board of Directors.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

4187

Item No. 24
12/7/64

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Robert O. Anderson, Chairman,
Federal Reserve Bank of Dallas,
Dallas, Texas 75222.

Dear Bob:

The Board of Governors approves the payment of salaries to Mr. Watrous H. Irons as President and Mr. Philip E. Coldwell as First Vice President of the Federal Reserve Bank of Dallas for the period January 1 through December 31, 1965, at rates of \$40,000 and \$27,500 per annum, respectively. These rates, fixed by your Board of Directors, were reported in your letter of November 12, 1964.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.

Item No. 25
12/7/64

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

December 9, 1964.

CONFIDENTIAL (FR)

Mr. F. B. Whitman, Chairman,
Federal Reserve Bank of San Francisco,
San Francisco, California 94120.

Dear Fred:

The Board of Governors approves the payment of salaries to Mr. Eliot J. Swan as President and Mr. H. E. Hemmings as First Vice President of the Federal Reserve Bank of San Francisco for the period January 1 through December 31, 1965, at their current rates of \$40,000 and \$27,500 per annum, respectively. These rates, fixed by your Board of Directors, were reported in your letter of November 5, 1964.

Sincerely yours,

(Signed) Bill

Wm. McC. Martin, Jr.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

Item No. 26
12/7/64



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.

CONFIDENTIAL (FR)

Mr. George H. Ellis, President,
Federal Reserve Bank of Boston,
Boston, Massachusetts 02106.

Dear Mr. Ellis:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Boston, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of October 14, 1964.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Latham.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Boston

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
D. Harry Angney	Vice President	\$24,000
Ansgar R. Berge	Vice President	20,000
Robert W. Eisenmenger	Vice President and Director of Research	20,000
Luther M. Hoyle, Jr.	Vice President	18,000
Oscar A. Schlaikjer	Vice President and General Counsel	22,000
Charles E. Turner	Vice President	19,000
G. Gordon Watts	Vice President	19,000
Stanley B. Lacks	General Auditor	18,000
Lawrence H. Stone	Secretary and Associate General Counsel	16,000
Jarvis M. Thayer, Jr.	Cashier	16,500
Parker B. Willis	Vice President and Economic Adviser	17,500
Paul S. Anderson	Financial Economist	16,000
Lee J. Aubrey	Assistant Vice President	16,000
Charles H. Brady	Assistant Vice President	14,000
Wallace Dickson	Assistant Vice President	17,500
Harry R. Mitiguy	Assistant Vice President	15,000
Loring C. Nye	Assistant Vice President	16,000
Eugene M. Tangney	Assistant Vice President	15,500
Richard A. Walker	Assistant Vice President	16,000
Daniel Aquilino	Assistant Cashier	14,000
John J. Barrett	Assistant Cashier	11,500
Ripley M. Keating	Assistant Cashier	14,000
Richard M. Radford	Assistant Cashier	14,000

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

Item No. 27
12/7/64



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Alfred Hayes, President,
Federal Reserve Bank of New York,
New York, New York 10045.

Dear Mr. Hayes:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of New York, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of November 5, 1964.

It is noted that Messrs. Ringen and Doll will reach retirement age during 1965. Accordingly, salary payments to them are approved only to the date of their retirements.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Treiber.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of New York

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Harold A. Bilby	Vice President	\$35,000
John J. Clarke	Vice President and General Counsel	28,500
Charles A. Coombs	Vice President	34,500
Howard D. Crosse	Vice President	29,000
George Garvy	Economic Adviser	26,000
Marcus A. Harris	Vice President	32,500
Alan R. Holmes	Vice President	26,500
Walter H. Rozell, Jr.	Vice President	28,500
Horace L. Sanford	Vice President	29,000
Robert W. Stone	Vice President	30,000
Thomas O. Waage	Vice President	26,000
John P. Jensen	General Auditor	24,000
William H. Braun, Jr.	Assistant Vice President	23,000
Felix T. Davis	Assistant Vice President	24,250
Peter Fousek	Assistant Vice President	20,000
Edward G. Guy	Assistant General Counsel	25,000
Peter P. Lang	Adviser	21,000
Robert G. Link	Adviser	24,500
Angus A. MacInnes, Jr.	Assistant Vice President	25,500
Spencer S. Marsh, Jr.	Assistant Vice President	23,000
Fred W. Piderit, Jr.	Assistant Vice President	21,000
Lawrence E. Quackenbush	Assistant Vice President	21,000
Thomas J. Roche	Senior Foreign Exchange Officer	21,500
Frank W. Schiff	Assistant Vice President	19,000
Thomas C. Sloane	Assistant General Counsel	20,000
Frederick L. Smedley	Assistant Vice President	21,500
Peter D. Sternlight	Assistant Vice President	22,000
Harold M. Wessel	Assistant Vice President	19,000
Gerald E. Beach	Manager	15,000
Leonard I. Bennetts	Assistant General Auditor	14,500
Martin W. Bergin	Manager	15,000
Ernest E. Blanchette	Manager	16,000
A. Thomas Combader	Manager	15,500
Robert L. Cooper	Manager	16,500
Robert J. Crowley	Assistant Counsel	17,000
Richard A. Debs	Assistant Counsel	15,000
Karl L. Ege	Manager	17,000
Martin French	Manager	14,500
Edward J. Geng	Manager	16,000
Fred H. Klopstock	Manager	18,000
Bruce K. MacLaury	Manager	18,000
William E. Marple	Manager	19,250
Madeline H. McWhinney	Manager	18,500
Paul Meek	Manager	17,000
Donald C. Niles	Manager	19,000
Arthur H. Noa	Manager	18,500
James H. Oltman	Manager	14,000
Everett B. Post	Manager	19,000

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Charles R. Pricher	Manager	\$17,500
John P. Ringen	Manager	17,000
Edwin S. Rothman	Manager	16,500
Walter S. Rushmore	Manager	16,250
Francis H. Schott	Manager	20,000
William M. Schultz	Manager	15,000
Kenneth E. Small	Manager	18,750
George C. Smith	Manager	20,500
Aloysius J. Stanton	Manager	17,250
Robert C. Thoman	Manager and Assistant Secretary	17,000
Thomas M. Timlen, Jr.	Secretary and Assistant Counsel	20,500
Robert Young, Jr.	Assistant Counsel	16,500

Buffalo Branch

Insley B. Smith	Vice President	\$28,000
George J. Doll	Assistant Vice President and Cashier	18,250
Gerald H. Greene	Assistant Cashier	15,500
John T. Keane	Assistant Cashier	15,500

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Karl R. Bopp, President,
Federal Reserve Bank of Philadelphia,
Philadelphia, Pennsylvania 19101.

Dear Mr. Bopp:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Philadelphia, for the calendar year 1965, as set forth in the enclosed schedule.

Mr. Hilkert's letter of November 5 indicated that a proposed increase for Mr. Vergari was related to and contingent upon approval of the recommended increase for the First Vice President. In view of the Board's action with respect to the salary of Mr. Hilkert, the salary of Vice President Vergari has been approved at the current rate of \$25,000.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Hilkert.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Philadelphia

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
James V. Vergari	Vice President and Cashier	\$25,000
David P. Eastburn	Vice President	24,000
Joseph R. Campbell	Vice President	22,000
Norman G. Dash	Vice President	20,000
David C. Melnicoff	Vice President	20,000
Hugh Barrie	Vice President	19,500
Harry W. Roeder	Vice President	19,500
G. William Metz	General Auditor	18,500
Richard G. Wilgus	Vice President and Secretary	18,500
Joseph M. Case	Assistant Vice President	19,000
Murdoch K. Goodwin	Vice President, General Counsel and Assistant Secretary	18,500
Clay J. Anderson	Economic Adviser	18,000
Evan B. Alderfer	Economic Adviser	17,500
James P. Giacobello	Chief Examining Officer	16,000
Leonard E. Markford	Examining Officer	16,000
Lawrence C. Murdoch	Assistant Vice President and Assistant Secretary	16,000
Jack C. Rothwell	Economist	16,000
Edward A. Aff	Assistant Vice President	15,500
Fred A. Murray	Director of Plant	15,500
Henry J. Nelson	Assistant Vice President	15,500
Jack P. Besse	Assistant Vice President	15,000
Jack H. James	Examining Officer	15,000
William A. James	Assistant Vice President	15,000
Ralph E. Haas	Assistant Vice President	15,000
Warren R. Moll	Assistant Vice President	15,000
Bertram W. Zumeta	Economist	15,000
William L. Ensor	Examining Officer	14,000
Kenneth M. Snader	Assistant Vice President	14,000
Russell P. Sudders	Assistant Vice President	13,000
A. Lamont Magee	Assistant General Auditor	12,500
James A. Agnew, Jr.	Assistant Cashier	12,000
T. K. Desch	Examining Officer	12,000

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.



CONFIDENTIAL (FR)

Mr. W. Braddock Hickman, President,
Federal Reserve Bank of Cleveland,
Cleveland, Ohio 44101.

Dear Mr. Hickman:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Cleveland, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of September 10, 1964.

It is noted that Vice President Morrison will reach retirement age during 1965. Accordingly, salary payments to him are approved through date of retirement, September 30, 1965.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Fink.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Cleveland

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
George E. Booth, Jr.	Vice President and Cashier	\$16,500
Roger R. Clouse	Vice President and Secretary	22,500
Elmer F. Fricke	Vice President	18,500
John J. Hoy	Vice President	16,000
Harry W. Huning	Vice President	16,500
Frederick S. Kelly	Vice President	16,500
Maurice Mann	Vice President and General Economist	20,000
Clifford G. Miller	Vice President	17,000
Wm. Martin Morrison	Vice President	22,500
Elfer B. Miller	General Auditor	18,500
Paul Breidenbach	Counsel	15,500
Addison T. Cutler	Assistant Vice President and Economist	17,000
Phillip B. Didham	Assistant Vice President	16,500
R. Joseph Ginnane	Assistant Vice President	14,000
John T. Hackett	Assistant Vice President and Economist	15,000
Robert G. Hoover	Assistant Vice President	14,000
George T. Quast	Chief Examiner	15,000
Donald G. Benjamin	Assistant Cashier	12,000
Robert D. Duggan	Assistant Cashier	11,000
Anne J. Erste	Assistant Cashier	12,500
William Hendricks	Assistant Cashier	13,000
Thomas E. Ormiston, Jr.	Assistant Cashier	14,500
Harry Milton Pugh	Assistant Chief Examiner	14,000
James H. Campbell	Assistant General Auditor	12,500
Lester M. Selby	Assistant Secretary	12,000

Cincinnati Branch

Fred O. Kiel	Vice President	23,000
Walter H. MacDonald	Cashier	16,000
Joseph W. Crowley	Assistant Cashier	12,000
George W. Hurst	Assistant Cashier	15,000
Howard E. Taylor	Assistant Cashier	13,000

Pittsburgh Branch

Clyde Harrell	Vice President	23,000
Roy J. Steinbrink	Cashier	16,500
J. Robert Aufderheide	Assistant Cashier	12,500
Paul H. Dorn	Assistant Cashier	14,500
Charles E. Houpt	Assistant Cashier	15,500

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.



CONFIDENTIAL (FR)

Mr. Edwin Hyde, Chairman,
Federal Reserve Bank of Richmond,
Richmond, Virginia 23213.

Dear Mr. Hyde:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Richmond, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of November 19, 1964.

It is noted that Mr. Wienert will reach retirement age during 1965. Accordingly, salary payments to him are approved only to the date of his retirement.

You are being advised in a separate letter regarding salary payments to President Wayne and First Vice President Heflin.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Richmond

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
R. P. Black	Vice President	\$19,000
W. S. Farmer	Vice President and General Counsel	19,000
U. S. Martin	Vice President	22,000
J. L. Nosker	Vice President	21,000
J. M. Nowlan	Vice President and Cashier	22,000
B. U. Ratchford	Vice President and Senior Adviser	25,000
G. H. Snead	General Auditor	18,500
J. G. Deitrick	Assistant Vice President	17,000
J. G. Dickerson, Jr.	Vice President	18,000
H. E. Ford	Assistant Vice President	16,000
J. C. Horigan	Chief Examiner	15,000
R. E. Sanders, Jr.	Vice President	18,500
E. L. Bennett	Examining Officer	14,500
S. P. Fishburne	Assistant Vice President	15,000
W. B. Harrison, III	Assistant Vice President	14,000
J. Parthemous	Assistant Vice President	15,000
C. D. Porter, Jr.	Examining Officer	13,500
V. E. Pregeant, III	Assistant Vice President and Secretary	15,000
R. H. Smart	Examining Officer	14,500
J. F. Viverette	Assistant Vice President	13,500
R. P. Schad	Assistant General Auditor	12,500
J. L. Allin, Jr.	Assistant Cashier	11,500
C. B. Beavers	Assistant Cashier	12,500
J. E. Friend	Assistant Cashier	12,000
R. L. Miller	Assistant Cashier	13,000
A. V. Myers, Jr.	Assistant Vice President	14,000
J. H. Wyatt	Assistant Cashier	11,500
<u>Baltimore Branch</u>		
D. F. Hagner	Vice President	\$22,000
A. A. Stewart, Jr.	Cashier	19,000
B. F. Armstrong	Assistant Cashier	12,000
E. R. Jones, Jr.	Assistant Cashier	14,000
A. C. Wienert	Assistant Cashier	13,000
<u>Charlotte Branch</u>		
E. F. Mac Donald	Vice President	\$21,500
S. A. Ligon	Cashier	17,500
W. W. Keller	Assistant Cashier	13,000
F. C. Krueger, Jr.	Assistant Cashier	13,000
E. C. Mondy	Assistant Cashier	13,000

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.



CONFIDENTIAL (FR)

Mr. Malcolm Bryan, President,
Federal Reserve Bank of Atlanta,
Atlanta, Georgia 30303.

Dear Mr. Bryan:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Atlanta, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of November 16, 1964.

It is noted that Mr. Raisty will reach retirement age during 1965. Accordingly, salary payments to him are approved only to the date of his retirement.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Patterson.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Atlanta

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
J. E. McCorvey	Vice President and Cashier	\$23,500
Brown R. Rawlings	Vice President	21,000
R. M. Stephenson	Vice President	17,000
Richard A. Sanders	Associate General Auditor	15,250
Charles T. Taylor	Vice President and Director of Research	19,250
Lloyd B. Raisty	Vice President	16,750
DeWitt Adams	General Auditor	15,750
Harry Brandt	Vice President	18,500
Beyrl E. Howard	Assistant Vice President	14,250
George W. Sheffer	Chief Examiner and Assistant Vice President	16,000
Carson Branan	Assistant Cashier	12,500
Duane Hoover	Assistant Cashier	12,000
Jeffrey Wells	Assistant Cashier	14,500
W. M. Davis	Assistant Cashier	16,000
J. T. Harris	Assistant Vice President	15,000
Edgar M. Vallette	Assistant Vice President	14,000
George Hibbert	Assistant Counsel	14,500
Arthur Kantner	Assistant Cashier	13,500
J. Lyle Hardin	Assistant Chief Examiner	14,750
C. Mason Ford	Assistant Vice President	12,750
F. H. Martin	Assistant Vice President	12,000
Fred I. Breck	Assistant Cashier	11,350
Eric Hingt	Assistant Cashier	11,000
Basil A. Wapensky	Assistant Cashier	11,000
James B. Forbes	Assistant General Auditor	12,250

Birmingham Branch

E. C. Rainey	Vice President	\$18,000
Wm. A. Waller, Jr.	Assistant Vice President and Cashier	14,500
Marvin Stewart	Assistant Cashier	11,000
William Thomas	Assistant Cashier	11,000

Jacksonville Branch

T. A. Lanford	Vice President	\$21,000
Dowdell Brown, Jr.	Assistant Vice President	14,000
T. C. Clark	Assistant Vice President	15,000
Vestus Crow	Cashier	14,000
Billy Hargett	Assistant Cashier	11,750

Federal Reserve Bank of Atlanta (continued)Nashville Branch

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
R. E. Moody, Jr.	Vice President	\$20,000
W. H. Sewell	Assistant Vice President	16,400
L. W. Starr	Cashier	12,250
Stuart H. Magee	Assistant Cashier	10,250

New Orleans Branch

Morgan L. Shaw	Vice President	\$20,000
Fred Millsaps	Assistant Vice President	14,500
L. Y. Chapman	Assistant Vice President and Assistant Manager	15,000
R. M. Junca	Assistant Cashier	10,750

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Charles J. Scanlon, President,
Federal Reserve Bank of Chicago,
Chicago, Illinois 60690.

Dear Mr. Scanlon:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Chicago, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of October 22, 1964.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Helmer.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Chicago

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
A. J. Anschutz	Assistant Cashier	\$12,000
E. T. Baughman	Vice President	26,000
C. E. Bierbauer	Assistant Vice President	18,500
H. C. Buell	Assistant Chief Examiner	14,000
J. J. Capouch	Assistant Cashier	12,000
G. W. Cloos	Senior Economist	17,500
L. A. Davis	Assistant Vice President	16,000
L. W. Dawson	Assistant Vice President	15,000
F. A. Dons	Assistant General Auditor	18,000
D. M. Doyle	Assistant Vice President	14,500
F. C. Edler	Assistant Cashier	11,500
J. J. Endres	General Auditor	25,000
E. O. Fults	Assistant Vice President	16,500
L. A. Gohr	Assistant Cashier	14,000
A. M. Gustavson	Vice President	22,000
V. A. Hansen	Assistant Vice President	14,000
E. A. Heath	Assistant Vice President and Assistant Secretary	16,000
P. C. Hodge	Vice President, General Counsel and Secretary	26,000
W. O. Hume	Assistant Cashier	13,500
L. H. Jones	Vice President and Cashier	23,000
E. K. Kroll	Assistant Cashier	13,000
C. T. Laibly	Vice President	23,000
W. J. Larson	Assistant Counsel and Assistant Secretary	16,500
R. A. Moffatt	Vice President	18,500
J. R. Morrison	Chief Examiner	16,000
H. J. Newman	Vice President	22,000
L. M. Ross	Vice President	21,000
R. M. Scheider	Assistant Cashier	12,000
K. A. Scheld	Assistant Vice President	15,000
H. S. Schultz	Vice President	22,000
B. L. Smyth	Vice President	21,000
R. E. Sorg	Assistant Vice President	14,500
J. J. Srp	Assistant Vice President	15,500
L. A. Stiles	Senior Economist	17,000
C. W. Weiskopf	Assistant Chief Examiner	16,000
C. G. Wright	Assistant Vice President	14,000

Detroit Branch

R. W. Bloomfield	Assistant Vice President	\$17,500
P. F. Carey	Assistant Cashier	13,000
G. W. Lamphere	Assistant General Counsel	18,000
L. J. Purol	Assistant Cashier	11,500
W. G. Rickel	Assistant Cashier	13,000
R. A. Swaney	Vice President	24,000

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Harry A. Shuford, President,
Federal Reserve Bank of St. Louis,
St. Louis, Missouri 63166.

Dear Mr. Shuford:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of St. Louis, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of November 13, 1964.

It is noted that Messrs. Burton and DeVos will reach retirement age during 1965. Accordingly, salary payments to them are approved only to the dates of their retirements.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Francis.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of St. Louis

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Howard H. Weigel	Vice President and Secretary	\$24,500
Joseph C. Wotawa	Vice President	22,500
Dale M. Lewis	Vice President	23,500
Homer Jones	Vice President	23,000
Marvin L. Bennett	Vice President	20,000
George W. Hirshman	General Auditor	20,000
Orville O. Wyrick	Vice President	22,000
Willis L. Johns	Assistant Vice President	17,000
Stephen Koptis	Assistant Vice President	17,000
Norman N. Bowsher	Assistant Vice President	17,500
Woodrow W. Gilmore	Planning Officer	16,500
Paul Salzman	Assistant Vice President	16,500
Wilbur H. Isbell	Chief Examiner	17,000
Gerald T. Dunne	General Counsel and Assistant Secretary	18,000
John J. Hofer	Assistant Vice President	13,500
Janes M. Geiger	Assistant Vice President	14,000
George W. Dennison	Assistant Vice President	12,000
Richard O. Kaley	Assistant Vice President	15,000
Earl H. Chapin	Assistant Chief Examiner	14,500
Joseph C. Welman, Jr.	Assistant Chief Examiner	12,500
F. Garland Russell, Jr.	Assistant Counsel	12,500
William E. Walker	Assistant Vice President	12,000
<u>Little Rock Branch</u>		
Fred Burton	Vice President and Manager	\$19,500
John F. Breen	Cashier	14,000
John K. Ward	Assistant Cashier	10,500
Howard J. Jensen	Assistant Cashier	9,500
<u>Louisville Branch</u>		
Donald L. Henry	Vice President and Manager	\$21,500
John W. Menges	Cashier	15,000
Clarence J. Woertz	Assistant Cashier	11,500
Louis A. Nelson	Assistant Cashier	11,000
<u>Memphis Branch</u>		
E. Francis DeVos	Vice President and Manager	\$20,000
Benjamin B. Monaghan	Cashier	13,500
Paul I. Black, Jr.	Assistant Cashier	11,000
Joseph P. Garbarini	Assistant Cashier	11,000

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Frederick L. Deming, President,
Federal Reserve Bank of Minneapolis,
Minneapolis, Minnesota 55440.

Dear Mr. Deming:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Minneapolis, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of November 12, 1964.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Strothman.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Minneapolis

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<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
K. K. Fossum	Vice President	\$20,000
C. W. Groth	Vice President and Cashier	21,000
R. K. Grobel	Vice President	19,000
R. J. Dreitzler	General Auditor	15,000
J. J. Gillette	Vice President	15,000
M. B. Holmgren	Vice President	17,000
F. L. Parsons	Vice President	20,000
C. E. Bjork	Assistant General Auditor	13,000
F. J. Cramer	Assistant Vice President	15,000
L. G. Gable	Chief Examiner	13,500
R. D. Graham	Assistant Counsel and Assistant Secretary	13,000
H. L. Knous	Assistant Vice President	13,000
O. F. Litterer	Assistant Vice President	15,500
J. A. MacDonald	Assistant Vice President	15,000
J. P. Olin	Assistant Vice President and Secretary	14,000
E. O. Beeth	Assistant Vice President	13,000
C. E. Bergquist	Assistant Cashier	12,000
W. C. Bronner	Assistant Vice President	14,000
H. O. Hallin	Assistant Cashier	11,000
W. A. O'Brien	Assistant Cashier	12,500
M. O. Sather	Assistant Cashier	10,500

Helena Branch

C. A. Van Nice	Vice President	\$17,500
J. L. Heath	Assistant Cashier	11,000
R. W. Worcester	Assistant Cashier	12,500

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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.

CONFIDENTIAL (FR)

Mr. Homer A. Scott, Chairman,
Federal Reserve Bank of Kansas City,
Kansas City, Missouri 64106.

Dear Mr. Scott:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Kansas City, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of November 14, 1964.

It is noted that Messrs. Stempel and Alexander will reach retirement age during 1965. Accordingly, salary payments to them are approved only to the dates of their retirements.

You are being advised in a separate letter regarding salary payments to President Clay and First Vice President Koppang.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Kansas City

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Clarence W. Tow	Senior Vice President - Econ. Research	\$26,000
John T. Boysen	Vice President	23,000
J. R. Euans	Vice President	16,000
Geo. D. Royer, Jr.	Vice President	17,000
Wilbur T. Billington	Vice President and Senior Economist	19,500
Raymond J. Doll	Vice President and Senior Economist	20,500
W. F. Fairley	General Auditor	16,000
Marvin L. Mothersead	Director of Personnel	13,500
S. J. Andrews	Cashier	12,000
John N. Blair	Assistant Vice President	13,000
J. C. Craig	Assistant Vice President	13,000
Carl F. Griswold	Assistant Vice President	13,000
R. E. Thomas	Assistant Vice President	12,500
George R. Wilkinson	Chief Examiner	15,000
Theodore F. Brauninger	Assistant Cashier	11,000
F. J. Mathews	Assistant Cashier	11,500
Wayne W. Martin	Assistant Cashier	12,000
Lewis W. Smith	Assistant Cashier	11,000
D. I. White	Assistant Cashier	11,000

Denver Branch

John W. Snider	Vice President	\$19,000
H. L. Stempel	Cashier	15,000
J. R. Zahourek	Assistant Cashier	12,700
H. F. Krebs	Assistant Cashier	11,100

Oklahoma City Branch

H. W. Pritz	Vice President	\$20,000
F. W. Alexander	Cashier	15,000
E. P. Farley	Assistant Cashier	12,300
W. J. Milburn, Jr.	Assistant Cashier	12,000

Omaha Branch

G. C. Rankin	Vice President	\$19,000
W. L. Pleiss	Cashier	14,000
C. C. Tollander	Assistant Cashier	11,000
Dan S. Spencer, Jr.	Assistant Cashier	11,000

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Item No. 36
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ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.



CONFIDENTIAL (FR)

Mr. Watrous H. Irons, President,
Federal Reserve Bank of Dallas,
Dallas, Texas 75222.

Dear Mr. Irons:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of Dallas, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of November 16, 1964.

It is noted the Messrs. Berg and Hartung will reach retirement age during 1965. Accordingly, salary payments to them are approved only to the dates of their retirements.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Coldwell.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of Dallas

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
G. R. Murff	Vice President and Secretary	\$24,500
T. W. Plant	Vice President and Cashier	23,000
James L. Cauthen	Vice President	21,000
Ralph T. Green	Vice President	19,000
Arthur H. Lang	General Auditor	19,000
George F. Rudy	General Counsel	17,500
Thomas R. Sullivan	Vice President	17,000
James A. Parker	Vice President	16,000
W. M. Pritchett	Vice President	15,100
Roy E. Bohne	Vice President	15,000
J. Z. Rowe	Director of Research	14,000
Robert H. Boykin	Assistant Vice President and Assistant Secretary	13,500
E. A. Thaxton, Jr.	Assistant Cashier	13,000
James O. Russell	Chief Examiner	12,500
Leon W. Cowan	Assistant Vice President	11,800
E. H. Berg	Assistant Cashier	11,200
E. W. Vorlop, Jr.	Assistant Cashier	10,000
Tony J. Salvaggio	Assistant Cashier	10,000
<u>El Paso Branch</u>		
Fredric W. Reed	Vice President	\$13,500
T. C. Arnold	Cashier	12,000
Forrest E. Coleman	Assistant Cashier	9,500
<u>Houston Branch</u>		
J. L. Cook	Vice President	\$26,500
B. J. Troy	Cashier	13,250
Rasco R. Story	Assistant Cashier	12,000
W. C. Hartung	Assistant Cashier	11,000
<u>San Antonio Branch</u>		
Carl H. Moore	Vice President	\$18,500
A. E. Mundt	Cashier	12,600
Alvin E. Russell	Assistant Cashier	11,000
Frederick J. Schmid	Assistant Cashier	10,500

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

Item No. 37
12/7/64

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 9, 1964.



CONFIDENTIAL (FR)

Mr. Eliot J. Swan, President,
Federal Reserve Bank of San Francisco,
San Francisco, California 94120.

Dear Mr. Swan:

The Board of Governors approves the payment of salaries to the officers of the Federal Reserve Bank of San Francisco, for the calendar year 1965, as set forth in the enclosed schedule. The rates listed are those fixed by your Board of Directors, as reported in your letter of November 6, 1964.

It is noted that Administrative Assistant Whitworth will reach retirement age during 1965. Accordingly, salary payments to him are approved only to the date of his retirement.

Your Chairman is being advised in a separate letter regarding salary payments to you and First Vice President Hemmings.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure.

Federal Reserve Bank of San Francisco

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
D. L. Grove	Vice President	\$26,500
A. B. Merritt	Vice President	24,500
J. L. Barbonchielli	Vice President	17,000
P. W. Cavan	Vice President	17,000
E. H. Galvin	Vice President	20,000
G. D. Hartlin	General Auditor	19,500
W. F. Scott	General Counsel	17,000
W. M. Burke	Senior Economist	17,500
H. B. Jamison	Chief Examiner	14,000
G. W. Lynn	Director of Research	16,000
E. J. Martens	Cashier	16,500
Rix Maurer, Jr.	Assistant Vice President	15,000
T. W. Barrett	Assistant Cashier	12,000
E. E. Bernstein	Assistant Cashier	11,000
W. L. Cooper	Assistant General Counsel	14,000
E. E. Livingston	Assistant Cashier	11,000
D. V. Masten	Assistant Cashier	11,000
R. E. McKendry	Assistant General Auditor	14,000
R. G. Retallick	Assistant Cashier	11,250
E. A. Wells	Assistant Vice President	14,000
J. B. Williams	Assistant Vice President	14,000
C. H. Whitworth	Administrative Assistant	11,500

Los Angeles Branch

C. H. Watkins	Vice President and Manager	\$22,500
D. M. Davenport	Vice President	16,000
J. R. Robinson	Assistant Manager	14,000
W. E. Carter	Assistant Manager	12,250
M. A. Jones	Assistant Manager	12,000
G. R. Kelly	Assistant Manager	11,000
G. D. Parker	Assistant Manager	12,500

Portland Branch

W. M. Brown	Vice President and Manager	\$17,000
W. G. DeVries	Assistant Vice President	14,000
F. K. Grimm	Assistant Manager	12,500
F. R. Skinner	Assistant Manager	11,000

Salt Lake City Branch

A. L. Price	Vice President and Manager	\$19,000
T. M. Simmons	Assistant Vice President	14,500
R. C. Dunn	Assistant Manager	11,000
A. G. Holman	Assistant Manager	12,500

Seattle Branch

E. R. Banglebaugh	Vice President and Manager	\$20,000
W. R. Sandstrom	Assistant Vice President	16,000
R. P. Glascock	Assistant Manager	13,000
A. C. Laiti	Assistant Manager	11,000