

At a special meeting of the Federal Reserve Board held in the Board Room at 3.15 P.M., January 12, 1917,

PRESENT:

Mr. Harding, presiding,                      Mr. Delano,  
 Mr. Warburg,                                      Mr. Williams,  
 Mr. Hamlin,                                        Mr. Willis, Secretary.  
 Mr. Miller.

Governor Harding reported the receipt of a telegram from Federal Reserve Agent Martin of St. Louis asking for permission to purchase \$100,000 warrants of the City of Paducah, Kentucky, and was authorized to reply approving the purchase.

Mr. Delano reported on behalf of the Committee on Staff with reference to the proposed salary lists of the Federal Reserve Banks of New York, Chicago, St. Louis and Dallas. Discussion ensued.

On motion it was voted that that part of the report of the Committee relating to the Federal Reserve Bank of Chicago be disposed of by providing that an increase for Deputy Federal Reserve Agent McLallen from \$6,500 to \$7,200 be approved, and that the salaries of all other officers at Chicago be approved on their present basis until further action be taken.

On motion, it was voted that that part of the report of the Committee relating to the Federal Reserve Bank of New York be approved, with the exception of a proposed increase for Mr. J. F. Curtis, Counsel and Secretary of the Bank.

It was moved that that portion of the report of the Committee relating to the Federal Reserve Bank of New York and approving an increase in the salary of Mr. Curtis from \$12,000 to \$15,000 per annum upon certain conditions set forth in said report, be laid on the table. On being put to a vote, two members voted in the affirmative and three in the negative. So the motion was lost.

On motion the proposed increase for Mr. Curtis was approved on the conditions outlined.

On motion the remainder of the report of the Committee was adopted.

A proposed press statement relating to the Board's amendments was read by the Secretary of the Board, and the statement was discussed and modified, order being finally given to deliver it to the press for release on Sunday morning, January 14th.

Mr. Hamlin called to the attention of the Board two

proposed amendments suggested by Chairman McAdoo, one bearing upon the powers of the Board to direct the opening of branch banks and the other giving to the Board power to require any Federal Reserve Bank to maintain accounts with a bank in a foreign country, in which other Federal Reserve Banks may participate both as to costs and profits.

During the discussion of the latter amendment, it was suggested that the power be given to the Board to require these accounts upon an affirmative vote of five members of the Board, and this suggestion was informally approved.

Mr. Hamlin handed to the Governor of the Board the text of the proposed amendments, and it was agreed that the manner of their presentation to the Chairman of the committees of Congress concerned should be left to the Governor.

At 5:20 P. M. the Board adjourned.

*A. Parker Willis*

Secretary.

APPROVED

*W. C. McAdoo*  
Chairman.