

At a regular meeting of the Federal Reserve Board, held in the office of the Board at 11 A. M., on Friday, April 12, 1918,

PRESENT:

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

The minutes of the meeting of the Board held on April 10th, were read and, on motion, approved.

The minutes of the meetings of the Gold Export Committee held on April 11 and 12 were presented and, on motion, approved and the action therein set forth ratified.

The "Special Order" of the day, the election of an Assistant Secretary of the Board, was taken up, and on motion, Mr. L. C. Adelson was elected Assistant Secretary, such election to be effective on May 1 at \$5,000 per annum.

Discount rate sheets for Federal Reserve banks were presented, noted, and ordered passed to file. It was ordered that the 1-day rate heretofore effective be continued on the same basis as in the past.

A letter from R. M. Gidney, asking that the Federal Reserve Bank of New York be permitted to show purchases of bonds and certificates from members separately on form 34, was read and the permission granted.

On motion, the fiscal agency of the Board was ordered referred to the Committee on Staff.

The question of publishing in the Bulletin the organization chart for Federal Reserve banks was ordered referred to the Committee on the Bulletin.

A memorandum of Mr. Hamlin, re the status of acceptances given against merchandise (e. g. printing) in the process of manufacture, was read and discussed. On motion, it was voted that acceptances made against machines sold on the installment plan are trade acceptances and entitled to preferential rates.

The question of paying for a macerator and dynamo to be used by the Comptroller in macerating Federal Reserve notes, was referred to Committee No. 1.

A letter from D. E. Pomeroy of New York,

re high interest on bank deposits, and the Governor's reply thereto, were read and, on motion, approved.

Correspondence between the National Bank of Stapleton and the Comptroller, re deficient reserves, was presented. It was ordered that the matter be called to the attention of the New York Federal Reserve Bank with instructions to comply with the law.

A letter from Federal Reserve Agent Perrin, re the recovery of funds recently stolen from the Federal Reserve Bank of San Francisco, was read and noted.

Reports of Committees were adopted as follows:

No. 1.

Dated April 12, recommending increase in the salary of Claude A. Jubenville from \$2,400 to \$2,700 per annum, effective April 12.

" " 12, recommending a salary for K. C. Childs (Chicago) at \$4,000, and for A. H. Vogt at \$3,000 per annum.

" " 12, recommending the appointment of Miss Mattie Caldwell, (Board's Staff) at \$1,000 per annum, effective April 12th.

" " 12, recommending admission of State institutions on terms named by the Committee in each case, as follows:

Gloucester City Trust Co., Gloucester City, N.J.
75 shares in the Federal Reserve Bank of Philadelphia.

Farmers State Bank, Italy, Texas.
23 shares in the Federal Reserve Bank of Dallas.

Denison Bank & Trust Co., Denison, Texas.
74 shares in the Federal Reserve Bank of Dallas.

First Guaranty State Bank & Trust Co., Ennis, Tex.
72 shares in the Federal Reserve Bank of Dallas.

, Avery State Bank, Avery, Texas.
18 shares in the Federal Reserve Bank of Dallas.

Dated April 11, recommending approval of acceptance powers to 100% for the Union National Bank of Houston, Texas.

Kansas City Committee.

Dated April 11, discussing the Oklahoma branch situation.

Mr. Harding presented business as follows:

A letter from Governor Strong, re abolition of service charges, read and noted.

A letter from the subtreasurer at Cincinnati, re abolition of subtreasuries, read and noted.

A telegram from President Smith of the Texas Bankers Association and others, re cargo space for the shipment of cotton, referred back to Governor Harding.

A letter from Governor Van Zandt, re registration of bonds at Reserve banks, read and noted.

A letter from Governor Van Zandt, re the introduction of the new plan as to service charges, read and noted.

A letter from Governor Miller of Kansas City with enclosures from Senator R. L. Owen re the extension of loans for the drilling of oil wells, read and Governor Harding authorized to say that the Board is in substantial agreement with the position he has taken on the question.

A letter from Federal Reserve Agent Wellborn, re a proposed collateral loan, read and noted.

A letter from Governor McDougal with memorandum of Counsel re drafts drawn under export credits, read and the opinion of the Counsel of the Board approved and referred to Governor Harding for reply.

A letter from Governor McCord, re a controversy with the local Collector of Internal Revenue and memorandum of Counsel, read and referred back to Governor Harding for action.

A letter from President Branch of the Merchants National Bank of Richmond, suggesting amendments to the National Bank Act fixing interest rates in relation to Federal Reserve bank rates, read and refer-

red back to Mr. Harding for reply.

On motion, at 12:50 P. M., the Board adjourned.

APPROVED:

Chairman

Secretary

