

At a meeting of the Federal Reserve Board held in the office of the Board on December 16, 1918, at 11:30 A.M.,

PRESENT: The Governor
Mr. Strauss
Mr. Miller
Mr. Hamlin
Mr. Williams
Mr. Broderick, Secretary.

Voted that the reading of the minutes of the meeting of the Board held on December 13th be deferred until the next meeting of the Board.

The minutes of the meetings of the Gold Export Committee, held on December 14th and 16th, were presented and approved, and the action therein set forth ratified.

Morning business was presented and disposed of as follows:

The Governor reported the purchase for account of the Federal Reserve Bank of St. Louis of \$1,000,000 special 2% certificate of indebtedness of the United States, for deposit with the Comptroller of the Currency as collateral for Federal Reserve Bank notes.

Approved.

The Governor reported the following rediscount transaction pursuant to authority heretofore vested in him:

December 14th, by Federal Reserve Bank of Chicago for Federal Reserve Bank of

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Atlanta, \$5,000,000 member bank 15 day collateral notes secured by Government obligations, at 4%.

Noted.

Letter by Mr. Hamlin dated December 14th, suggesting certain changes in the form of Bulletin.

Approved.

Telegram of December 14th; from Federal Reserve Agent at Dallas, requesting approval of payment of 6% dividend by that Bank for the period July 1 to December 31, 1918.

Approved.

Letter of December 13th, from Federal Reserve Agent at Richmond, requesting approval of payment of 3% dividend by that Bank for the period July 1 to December 31, 1918.

Approved.

Letter dated December 12th, from Governor of the Federal Reserve Bank of Kansas City, requesting approval of payment of 3% dividend by that Bank for the period July 1 to December 31, 1918.

Approved.

Letter dated December 13th, from Federal Reserve Agent, Boston, requesting approval of payment of 6% dividend

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by that Bank to stockholders of record on December 31, 1918.

Approved.

Applications of the following institutions for authority to accept drafts and bills of exchange up to 100% of their capital and surplus, under the provisions of Section 13 of the Federal Reserve Act:

Providence National Bank, Providence, R.I.
First National Bank, Houston, Texas.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated December 14th, recommending changes in stock at Federal Reserve Banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated December 14th, recommending action on applications for fiduciary powers as stated in the auxiliary minute book as of this date.

Approved.

CHANGES IN STAFF:

Dated December 16th, recommending appointment of Karl E. Prickett as Assistant Examiner on the Eastern Force, at \$1,800 per annum, effective January 8, 1919.

Approved.

Dated December 14th, recommending that effective date of resignation of J. F. Tracy, employed in the Division of Reports and Statistics, be made December 27th, instead of December 14th, to cover accrued leave.

Approved.

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Dated December 14th, resignation of J. B. Pike as Cashier of Federal Reserve Bank of Atlanta.
Noted.

Dated December 10th, appointment of R. A. Young as Deputy Governor of the Federal Reserve Bank of Minneapolis.
Noted.

Dated December 13th, recommending increase in salary of C. K. Boardman, Assistant Federal Reserve Agent at Kansas City, from \$3,600 to \$4,000 per annum, effective January 1, 1919.
Approved.

Other business was presented as follows:

Draft of letter to all Federal Reserve Agents prepared by Division of Analysis and Research, for signature by Secretary, in re publication of agents' reports of business conditions.

Approved.

(At this point Mr. Williams joined the meeting).

The Governor read a letter addressed to him under date of December 15th, by the Chairman of the Federal Reserve Bank of New York, in re policy to be pursued in the adjustment of salaries of officers of Federal Reserve Banks.
Noted.

Voted that the Board reconsider the action taken at its meeting on December 14th, approving the salary of R. H. Treman, Deputy Governor of the Federal Reserve Bank of New York, at \$25,000 per annum upon the understanding that for such periods as he may

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act as Governor of the Bank in the absence of the Governor, his compensation should be at the rate of \$30,000 per annum.

It was moved by Mr. Strauss that, effective January 1, 1919, Mr. Treman's salary be approved if fixed at \$30,000 per annum.

It was moved by Mr. Miller, and seconded by Mr. Williams, that Mr. Treman's salary be approved if fixed at \$25,000 per annum, upon the understanding that for such periods as he may act as Governor of the Bank in the absence of the Governor, his compensation shall be at the rate of \$30,000 per annum

The motion was lost and Mr. Strauss' motion prevailed.

Letter dated December 11th, from the Deputy Chairman of the Federal Reserve Bank of New York, transmitting report of directors of that Bank, recommending changes in salaries of officers and employees of the Federal Reserve Bank of New York, effective January 1, 1918.

Voted to approve increases recommended in salaries of officers.

(At this point Mr. Miller withdrew from the meeting).

Voted to approve as recommended the increases in salaries of clerks.

Letter dated December 12th, from the Chairman of the Federal Reserve Bank of Boston, transmitting recommendations for increases of salaries of officers and employees of the Federal Reserve Bank of Boston for the year 1919, the recommendations with respect to salaries of officers being on the alternative bases of "with bonus" and "without bonus".

Voted to approve the salary increases

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recommended for officers and employees, the salaries of officers to be increased on the basis submitted "without bonus".

Letter dated December 2d, from the Governor of the Federal Reserve Bank of San Francisco, transmitting recommendations of the Board of Directors of that Bank for the adjustment of salaries of officers and employees, including those at its branches at Portland, Seattle, Spokane and Salt Lake City, for the year 1919.

Voted to approve.

Letters dated November 26th and December 10th, from the Chairman, and November 27th from the Secretary of the Federal Reserve Bank of Chicago, transmitting recommendations of the Board of Directors of that Bank for the readjustment of salaries of officers and employees of the Federal Reserve Bank of Chicago and its Detroit Branch, with memorandum by Secretary, dated December 13th, recommending changes in the amounts proposed to be paid in certain instances.

Voted to approve the recommendations as amended by recommendation of the Secretary.

Recommendation dated November 7th of the Committee of Directors of Federal Reserve Bank of Dallas, for adjustments for 1919 in salaries of officers and employees of that Bank.

Voted to approve, except that action on recommendation of increase in salary of Federal Reserve Agent be deferred.

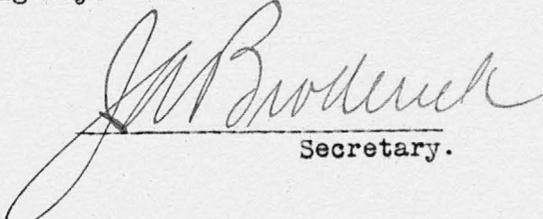
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Voted that all increases in salaries of officers and employees of Federal Reserve Banks, approved as above, be approved upon the understanding that such increases shall be ratified by the incoming boards of directors of the several Reserve Banks.

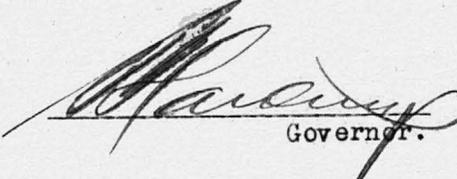
Letter dated December 12th from Federal Reserve Agent at Minneapolis, recommending increase in salary of Assistant Federal Reserve Agent Curtiss L. Mosher from \$3,500 to \$4,800 per annum.

Governor to reply.

At 1:25 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.