

At a meeting of the Federal Reserve Board held in the office of the Board on December 27, 1918, at 11 A.M.,

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

The minutes of the meeting of the Board held on December 23d were read, and on motion approved as amended.

The minutes of the meetings of the Gold Export Committee, held on December 24th, 26th and 27th were presented and approved, and the action therein set forth ratified.

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

Mr. Hamlin announced that at the meeting of the Board to be held on Monday, January 6, 1919, he would move that a "yea" and "nay" record be made in the minutes of the votes of members on all questions presented to the Board.

Morning business was presented and disposed of as follows:

Telegrams from various Federal Reserve Banks in re discount rates. No changes recommended.

Noted.

Letter dated December 18th from Governor, Federal Reserve Bank of Kansas City, requesting permission to charge off \$100,000 on account of buildings and improvements, to-

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gether with memorandum by Secretary dated December '23d, recommending approval.

Approved.

Letter dated December 19th from W. W. Hoxton, Deputy Governor, Federal Reserve Bank, St. Louis, advising that it is the intention to open the Little Rock Branch on January 6, 1919.

Voted that, effective January 6, 1919, the City of Little Rock, Arkansas, be designated a reserve city.

Letter dated December 19th, from Chairman of the Board, Federal Reserve Bank of St. Louis, asking authority to expend \$540,000 in the acquisition of a permanent site for the Federal Reserve Bank of St. Louis.

Approved.

The Governor reported the purchase of the following special 2% certificates of indebtedness of the United States for deposit with the Comptroller of the Currency as collateral for Federal Reserve Bank notes:

<u>For Federal Reserve Bank of:</u>	<u>Date</u>	<u>Amount</u>
Boston	Dec. 26, 1918	\$1,000,000
New York	"	1,000,000
Richmond	"	1,000,000
San Francisco	"	1,500,000

Approved.

Application of the Capital National Bank, St. Paul,

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Minnesota, for authority to accept drafts and bills of exchange up to 100% of its capital and surplus, under the provisions of Section 13 of the Federal Reserve Act.

Approved.

Report of Secretary dated December 23d, in re charges to depreciation by the Federal Reserve Bank of New York.

Approved.

Letter dated December 21st, from Chairman of the Board, Federal Reserve Bank of Dallas, transmitting recommendations of directors of that Bank made at meeting on December 12th with respect to charges to depreciation.

Approved.

Opinion of General Counsel dated December 12th, in re eligibility for rediscount of notes of a municipality given to a lumber company for lumber purchased by the municipality.

Referred to Mr. Hamlin for report.

Memorandum by Secretary dated December 23d, recommending approval of contract executed by the New York Telephone Company, covering the private line between 16 Wall Street and 20 Broad Street, New York.

Approved.

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

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By Federal Reserve Bank of Chicago for Federal Reserve Bank of Atlanta, \$5,000,000 member bank collateral notes secured by Government obligations, maturing in 15 days, at 4%.

By Federal Reserve Bank of Minneapolis for Federal Reserve Bank of Boston, \$10,000,000 member bank collateral notes secured by Government obligations, maturing within ten to 15 days, at 4%.

Noted.

Memorandum by Secretary dated December 27th, recommending approval of account of Mr. Burnett Walker, for attendance at meeting of the Capital Issues Committee of the Federal Reserve Board, held on March 19-20, 1918, amounting to \$34.75.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated December 27th, recommending admission of State institutions as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to each application.

Approved.

Dated December 24th (5 reports) recommending changes in stock at Federal Reserve Banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated December 24th, recommending approval of application of Luther Drake for permission to serve at the same time as Director of Merchants National Bank, Omaha, Neb., and as Director of the Packers' National Bank, South Omaha, Neb.

Approved.

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CHANGES IN STAFF:

Dated December 18th, recommending following changes in staff of the Division of Issue and Redemption:

- Appointment of one male clerk at \$1,200 per annum.
- Increase in salary of record clerk from \$960 to \$1,200 per annum.
- Appointment of one clerk at \$1,080 per annum.
- Appointment of three additional clerk-counters at \$1,020 per annum, and increase to that figure of salaries of all clerk-counters receiving less.

Approved, effective January 1, 1919.

Dated December 27th, recommending the following increases in salaries in the Division of Issue and Redemption, effective January 1, 1919:

- S. T. Dashiell, junior Vault Clerk, from \$1,020 to \$1,080 per annum.
- W. K. Durnbaugh, senior Vault Clerk, from \$1,320 to \$1,440 per annum.

Referred to Governor with power.

Dated December 23d, recommending approval of the salary of E. R. Fancher, Governor of the Federal Reserve Bank of Cleveland, at \$25,000 per annum, for the year 1919.

Approved.

Dated December 21st, recommending increases for 1919 in the salaries of officers and employees of the Federal Reserve Bank of Cleveland.

Approved.

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

Other business was presented and disposed of as

follows:

Opinion of General Counsel dated December 26th, in reply to letter of the Federal Reserve Agent, Boston, dated

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December 23d, transmitting request of Mr. Roger Ernst of Boston, for opinion regarding Section 22 of the Federal Reserve Act as amended as it pertains to the Clayton Act.

Approved.

Opinion of General Counsel dated December 26th, in response to letter of December 21st, from J. S. Mullen, Ardmore, Oklahoma, in re character and eligibility of draft drawn on the purchaser of goods in advance of actual delivery and accepted by purchaser, goods being delivered in installments during the life of the draft.

Approved.

Letter dated December 23d, from Chairman of the Board of the Federal Reserve Bank of Chicago, requesting authority to employ Mr. Mark A. Wilson as Federal Reserve Examiner of that Bank at a salary of \$3,600 per annum.

Approved.

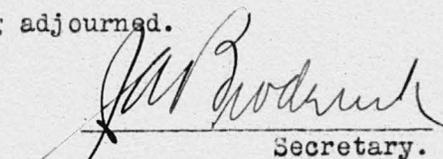
Letter dated December 23d, from Chairman of Board, Federal Reserve Bank of Chicago, requesting authority to employ Mr. J. M. Conway as Federal Reserve Examiner of that Bank at \$3,600 per annum.

Approved.

At 1:10 P.M., the meeting adjourned.

Approved:


Governor.


Secretary.