

At a meeting of the Federal Reserve Board held in the office of the Board on January 13, 1919 at 11 A.M.,

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

The minutes of the meetings of the Board held on December 30 and January 10 were read and on motion approved.

The minutes of the meetings of the Executive Committee held on December 31, January 3, 4, and 8 were read and on motion approved.

The minutes of the meetings of the Gold Export Committee held on January 4, 6, 7, 8, 9, 10, 11 and 13 were presented and approved.

The Governor requested ratification by the Board of informal action of the Executive Committee in approving compensation of \$1,000 per month for Mr. Edward Elliott for a period no longer than three months, maximum compensation not to exceed \$3,000, while engaged upon legislative work in connection with the campaign of the Federal Reserve Bank of San Francisco for additional members.

Approved.

Morning business was presented and disposed of as follows:

Letter dated January 9, from Governor, Federal Reserve Bank

of Chicago, suggesting that State bank members be authorized to hold certain Government deposits as an additional incentive to membership.

Referred to General Counsel for report.

Telegram from Chairman of the Federal Reserve Bank of Atlanta, dated January 11, advising of election of directors of the branch banks at Jacksonville, Birmingham and New Orleans.

Approved.

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

January 10, by Federal Reserve Bank of Minneapolis, for Federal Reserve Bank of Atlanta, \$5,000,000 member bank collateral notes secured by Government obligations, maturing within fifteen days, at 4%.

Noted.

Application of Fidelity National Bank, Spokane, Washington 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.

Disapproved.

Letter dated January 6, from Mr. Lewis E. Pierson of the American Trade Acceptance Council, advising of the proposed reorganization of the Council, and inviting the Governor to attend the reorganization meeting to be held in New York.

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Voted that the Governor be authorized to visit New York at the expense of the Board on Tuesday, January 21.

REPORTS OF COMMITTEE NO. I:

Changes in staff.

- Dated January 8, advising of the appointment of Curtis L. Mosher as Assistant Federal Reserve Agent at Minneapolis for the year ending December 31, 1919.
Approved.
- Dated January 10, recommending appointment of George C. Congdon as National Bank Examiner at \$2,400 per annum.
Approved.
- Dated January 11, recommending the following increases in salaries of employees at the Federal Reserve Bank of Atlanta:
James A. Walker, Assistant Federal Reserve Agent and Auditor, from \$2,400 to \$3,000, effective January 1, 1919;
Mrs. L. B. Butler, Chief Clerk, Federal Reserve Agent's Department, from \$1,500 to \$1,800, effective January 1, 1919.
Approved.
- Dated January 11, recommending appointment of Miss E. D. Morey as Minute Clerk at a salary of \$1,680 per annum, effective January 16, 1919.
Approved.
- Dated January 11, recommending increase in the salary of Seaton T. Dyson, messenger, from \$840 to \$960 per annum, effective January 16, 1919.
Approved.

Clayton Act Applications.

- Dated January 11, application of George Greer to serve at the same time as director of the First National Bank of Lawrence County and the Safe Deposit and Trust Company, both of Newcastle, Pa.
- Dated January 11, application of J. Norman Martin to serve at

the same time as director of the First National Bank of Lawrence County, the Safe Deposit and Trust Company, and the Citizens National Bank, all of Newcastle, Pa.

Dated January 11, application of Alex. Crawford Hoyt to serve at the same time as director of the Citizens National Bank, the National Bank of Lawrence County, and the Safe Deposit and Trust Company, all of Newcastle, Pa.

Disapproved, reasonable time to be allowed, however, for compliance with law.

Other business was presented and disposed of as follows:

Letter dated January 9, from Chairman of the Federal Reserve Bank of Dallas, in re compensation of Federal Reserve Agent and Governor of that bank.

Voted that the salary of Mr. R. L. Van Zandt, Governor, Federal Reserve Bank of Dallas, be increased from \$14,000 to \$15,000 per annum, effective as of January 1, 1919.

Mr. Miller requested that he be recorded as voting in the negative.

The Governor submitted for approval letter proposed to be addressed by him to all Federal Reserve Agents under date of January 13, on the subject of drafts made payable, or payable if desired, at a designated bank.

Approved.

The Governor reported the reserve position of the several Federal Reserve banks.

The Governor stated that he was advised that the Treasury contemplated severe overdrafts during the remainder of the

present month, and asked authority to accept for account of Federal Reserve banks special 2% certificates of indebtedness of the United States to cover same.

After considerable discussion of the subject it was voted that the Governor be authorized to accept such Treasury certificate for \$50,000,000 to cover overdraft upon the Federal Reserve Bank of Chicago expected to be made today, and that with respect to further overdrafts and the method of handling same he consult with the Treasury Department and report at the meeting of the Board to be held on Wednesday, January 15.

Mr. Miller gave notice that at such meeting he intended to move that the rate on certificates of indebtedness of the United States given to cover overdrafts shall be increased from 2% to 3½%.

Letter dated January 11, from Federal Reserve Agent Wellborn, Atlanta, requesting leave of absence with pay.

Approved.

Letter dated January 4, from Dr. H. P. Willis in re formulation of material for the FEDERAL RESERVE BULLETIN.

Considerable discussion of the subject was had, and on motion duly seconded it was voted that Mr. Albert Strauss be appointed a member of the Bulletin Committee of the Federal Reserve Board.

Letter dated January 10, from Federal Reserve Agent Jay, New York, transmitting recommendation of the Board of Directors of that bank that Governor Strong be allowed an indefinite leave of absence, with full pay for three months, effective January 1, 1919.

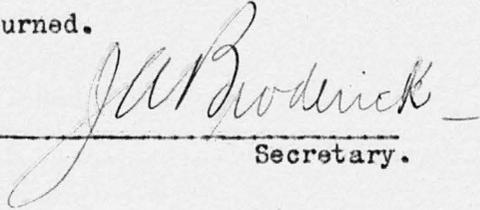
Approved.

Letter dated January 10, from Federal Reserve Agent Jay, New York, advising of the purchase of the Fayhs Building, the

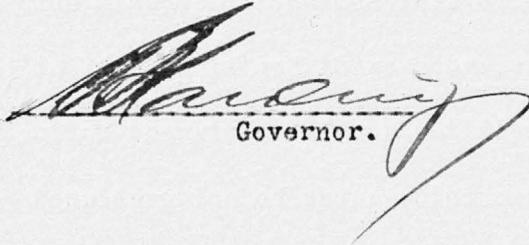
payment of \$25,000 on account of the purchase price, and requesting authority to charge same to suspense account.

Approved with the suggestion that payment on account be charged directly against real estate.

At 1:35 P.M. the meeting adjourned.


Secretary.

Approved:


Governor.