

At a meeting of the Federal Reserve Board held in the office of the Board on February 26, 1919, at 11 A.M.,

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

By unanimous consent the following matters were taken up out of order:

The Governor stated that, in view of the approaching adjournment of Congress, it seemed to him fitting that the Board adopt appropriate resolutions, thanking the Banking and Currency Committee of the Senate and House for their cooperation with the Board in legislative matters.

After some discussion of the character of the resolutions, it was voted that the Governor be authorized to transmit same.

The Governor submitted telegram received by him from Governor Miller, Federal Reserve Bank of Kansas City, asking that a date earlier than March 20th be set for the conference with him with respect to building plans for the new Kansas City bank building.

Voted that the Governor notify Mr. Miller that the Board desires that he adhere to the date heretofore set.

Mr. Miller was authorized to invite Mr. Alexander B. Trowbridge, Consulting Architect of the Federal Reserve Bank of New York, to be present on the 18th or 19th of March to join in the discussion of the plans of the Federal Reserve Bank of Kansas City.

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The minutes of the meeting of the Executive Committee held on February 21st were read and on motion approved.

The minutes of the meeting of the Board held on February 24th were read and on motion approved.

The minutes of the meetings of the Gold Export Committee held on February 25th were presented and approved, and the action therein set forth ratified.

The Governor reported the purchase on February 25th of special 2% certificate of indebtedness of the United States for \$500,000 for the Federal Reserve Bank of Atlanta for deposit with the Comptroller of the Currency as collateral for Federal Reserve bank notes.

Approved.

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

February 24th, by the Federal Reserve Bank of Chicago for the Federal Reserve Bank of Dallas, \$7,500,000 member bank 15 day collateral notes secured by Government obligations; rate 4%.

February 26th, by the Federal Reserve Bank of Minneapolis for the Federal Reserve Bank of Richmond, \$10,000,000 member bank 12 to 15 day collateral notes secured by Government obligations; rate 4%.

Noted.

Letter dated February 18th from Federal Reserve Agent

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Perrin in re preparation of plans for a new building for the Federal Reserve Bank of San Francisco.

Referred to Mr. Miller for reply, suggesting temporary delay in formulation of plans.

Memorandum by the Secretary dated February 24th in re suggested action by the Federal Reserve Board on recommendations made by the Federal Advisory Council.

Voted that the matter covered in topics 2 and 5 be listed for discussion at the forthcoming Conference with Governors of Federal Reserve banks.

Voted that the recommendation for amendment of Section 5202 of the National Bank Act be referred to General Counsel for opinion.

The Governor submitted for approval memorandum prepared by himself and the Secretary, suggesting topics for discussion at the Conference with Governors, to be held on March 20th.

Approved, with the additions authorized at this meeting.

Mr. Hamlin submitted report by him under date of February 26th, in re application blanks for employment in use by Federal Reserve banks, and requested that such report be listed for discussion at the meeting of Governors.

Approved.

Statement by Assistant Secretary Leffingwell, dated

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February 22d in re availability of Treasury certificates of indebtedness for payment of income and profits taxes.

Ordered circulated.

Report of examination of the Federal Reserve Bank of Chicago as at close of business January 18, 1919.

Ordered circulated.

The Governor stated that yesterday Mr. R. L. Austin, Federal Reserve Agent at Philadelphia, had called upon him and presented copy of letter addressed by Director Wayne to Director Harrison of the Federal Reserve Bank of Philadelphia, recommending increases in the salaries of the Governor, the Deputy Governor and the Cashier, and of the Chairman and Federal Reserve Agent at that Bank.

Voted that in view of the fact that the Governor, Deputy Governor and Cashier have been in the service of the Bank for less than one year, action on the recommendations for increases in their salaries be deferred until July 1st.

Voted that, effective March 1, 1919, the salary of Mr. R. L. Austin, Federal Reserve Agent, be increased from \$10,000 to \$12,000 per annum.

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

REPORTS OF COMMITTEE NO. 1:

Dated February 26th, recommending admission of State institutions as set forth in the auxiliary minute book as of this date, subject

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to the conditions stated in the individual reports attached to each application.

Approved.

Dated February 26th, recommending action on applications for fiduciary powers as stated in the auxiliary minute book as of this date.

Approved.

Dated February 25th (3 reports) recommending changes in stock at Federal Reserve banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated February 25th, recommending approval of a salary of \$2,400 per annum for Frederick Greenwood as Cashier of the Portland Branch of the Federal Reserve Bank of San Francisco.

Approved.

Dated February 25th, recommending approval of salary of \$6,000 per annum for S. G. Sargent, Federal Reserve Examiner at San Francisco.

Approved.

The question of the continuation on the Board's payroll of the name of John V. Shea, Jr., Assistant File Clerk, in view of his continued absence by reason of illness, was considered.

On motion duly seconded, it was voted that his name be continued on the payroll up to April 1st, at his present compensation.

Other business was presented and disposed of as follows:

Letter dated February 13th, from the Federal Reserve Agent at New York, requesting approval of the charge to profit

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and loss account of the Federal Reserve Bank of New York of \$1,509, details of which are explained in Mr. Jay's letter of February 18th.

Approved.

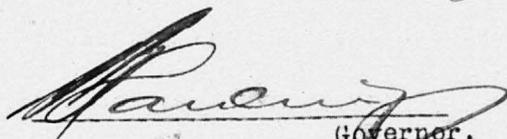
Mr. Miller called attention to the signature of Governor Lynch of the Federal Reserve Bank of San Francisco to a general letter addressed to the Executive Council of the American Bankers' Association, protesting against the removal of its headquarters to Washington.

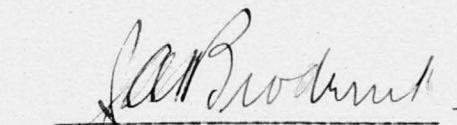
Voted that the Governors of Federal Reserve banks be informed at their forthcoming conference with the Board that it is the wish of the Board that they refrain from referring, in connection with any outside matter in which they may be interested, to their connection with the Federal Reserve System.

On motion, duly seconded, Mr. W. T. Chapman was designated Secretary of the Gold Exports Committee to succeed Mr. L. C. Adelson, resigned, effective March 1st.

At 12:20 P.M., the meeting adjourned.

Approved:

  
Governor.

  
Secretary.