

At a meeting of the Federal Reserve Board, held in the office of the Board on Tuesday, August 5, 1919, at 3-30 P.M.,

PRESENT: The Governor
Mr. Strauss
Mr. Hamlin
Mr. Williams
Mr. Chapman, Acting Secretary.

The minutes of the meetings of the Board held on July 8th and August 1st were read, and on motion approved.

The minutes of the meetings of the Executive Committee held on July 9th, 10th, 15th, 23d, 24th, 29th, 30th and 31st were read, and on motion approved.

The minutes of the meeting of the Executive Committee held on July 22d were read, and on motion approved as amended.

The Governor reported rediscount transactions, pursuant to authority heretofore vested in him: member bank promissory notes secured by Government obligations; rate 4% on paper secured by certificates of indebtedness and 4 $\frac{1}{2}$ % on paper secured by Liberty bonds and Victory notes, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
July 31st	Dallas	Chicago	\$2,000,000	11-15 days
"	Richmond	St.Louis	5,000,000	13-15 days
"	Philadelphia	Chicago	18,000,000	11-15 days
August 1st	Richmond....	(Minneapolis	5,000,000	"
		(St.Louis	5,000,000	
"	Dallas	Minneapolis	2,000,000	15 days
August 4th	Richmond	Chicago	5,000,000	11-15 days

Noted.

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The Governor reported the reserve percentages of the several Federal Reserve banks, and the status of rediscounts between Federal Reserve banks.

Application of East River National Bank, New York, N.Y., for authority to accept drafts and bills of exchange up to 100% of its capital and surplus, under the provisions of Section 13.

Voted that application be held in abeyance.

Application of the Thames National Bank, Norwich, Conn., for authority to accept drafts and bills of exchange up to 100% of its capital and surplus, under the provisions of Section 13.

Approved.

The Governor stated that Governor Morss of the Federal Reserve Bank of Boston had conferred with him today and stated that the Board of Directors of the Federal Reserve Bank of Boston had determined to sell the site recently acquired by the Bank upon which to erect a new bank building, and had voted to purchase in lieu thereof, property located at Pearl, Franklin and Liberty Streets in Boston.

Voted that, in view of the representation of the Governor of the Federal Reserve Bank of Boston that the Board of Directors of that Bank had determined, subject to the approval of the Federal Reserve Board, to sell the site recently acquired by the Bank upon which to erect a new bank building, and to purchase property containing approximately 40,000 square feet at Pearl, Franklin and Oliver Streets, Boston, at a price not

to exceed \$1,450,000 in lieu thereof; the same be approved.

Letter dated August 1st from Supervising Architect Trowbridge in re acceptance of separate bids for electrical wiring of the Federal Reserve bank building at Dallas.

Referred to Governor for reply.

Letter dated July 31st from Chairman of the Federal Reserve Bank of Cleveland, in re meeting to be held by the Board with transit officers of Federal Reserve banks on August 18th.

Referred to Governor for reply.

Letter dated July 31st from Chairman of the Federal Reserve Bank of Chicago, in re assumption by Federal Reserve Bank of charges imposed by State banking departments for furnishing copies of reports of examination of State member banks.

Referred to Governor for reply.

Letter dated July 31st from Chairman of the Federal Reserve Bank of Atlanta, in re collection at par of checks on member banks bearing the endorsement of State banks not remitting at par.

Referred to Governor for reply.

Letter dated July 31st from the Governor of the Federal Reserve Bank of Chicago, in re appointment of special committee to recommend for adoption a code for use in making transfers of

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funds, delivery of securities, etc.

Referred to Governor for reply.

Letter dated August 1st from the Chairman of the Federal Reserve Bank of New York, requesting approval of the appointment of J. H. Riddle at a salary of \$2,500 per annum as a representative to visit member banks in Federal Reserve District No. 2.

Approved.

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

<u>for Federal Reserve bank of:</u>	<u>Date</u>	<u>Amount</u>
New York,	August 4th	\$1,200,000
Philadelphia,	"	1,000,000
Richmond,	"	100,000
Atlanta,	"	500,000
Kansas City,	"	1,000,000

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated August 5th, 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 August 5th, recommending approval of application of W. L. Thompson to serve at the same time as

director of the First National Bank, Portland, Oregon, and American National Bank, Pendelton, Oregon.

Approved.

Dated August 5th, recommending approval of application of William H. Crosby to serve at the same time as director of the Mattapan National Bank and the Hub Trust Company, both of Boston, Mass.

Approved.

Dated August 5th, recommending approval of application of Julius S. Pomeroy to serve at the same time as director of the First and Security National Bank, Minneapolis, Minn., and Sidney National Bank, Sidney, Montana.

Approved.

Dated August 5th, recommending approval of application of Peter McDonnell to serve at the same time as director of the Seaboard National Bank, and the East River National Bank, both of New York City.

Approved.

Dated August 5th, recommending approval of application of H. J. Coerver to serve at the same time as director of the Delta National Bank, Delta, Colo., the Northeast Bank of Kansas City, Mo., and Commonwealth National Bank, Kansas City, Mo.

Approved.

Dated August 5th, recommending approval of application of Pierre S. Du Pont to serve at the same time as director of the Bankers Trust Co., New York City, the Chatham & Phoenix National Bank, New York City, and Philadelphia National Bank, Philadelphia, Pa.

Approved.

The Governor stated that he voted approval upon the understanding that the Board reserves the right to notify applicant that it may undertake a review of the status of the banks involved, the re-

sult of which might necessitate the cancellation of the permission.

Mr. Williams requested that he be recorded as voting against granting permission.

Dated August 1st, reporting the employment of Mr. Summerfield McCartney for the month of August, 1919, as translator in the Division of Reports and Statistics at a salary of \$125 per month.

Noted.

Dated August 4th, recommending approval of the designation of the following employees of the Federal Reserve Bank of Philadelphia as Special Federal Reserve Examiners to assist in the examination of banks applying for membership, and of State member banks in Federal Reserve District No. 3:

- J. Raymond Lynch
- Clarence E. Wolfinger
- Albert L. Lightcap
- Chas. H. Cramer
- Wm. A. Welsh
- John M. Lamb
- Edward D. Holmes

Approved.

Dated August 2d, recommending approval of salary of \$2,400 per annum for Roy A. Cooper as National Bank Examiner, 10th Federal Reserve District.

Approved.

Dated August 1st, recommending approval of salary of \$2,700 per annum for John C. Borden, and \$2,400 per annum each for Messrs. Louis H. Ackerman, William P. Runsten, William W. McBryde, Earlbert E. O'Brien and Vernon G. Snyder, appointed National Bank Examiners.

Approved.

Other business was presented and disposed of as

follows:

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The Governor submitted for approval, draft of letter by him dated August 5th, in reply to letter addressed to the Board by Messrs. Goldman, Sachs & Company, in re eligibility for rediscount by Federal Reserve Banks of acceptances drawn under agreements providing for renewal.

Approved.

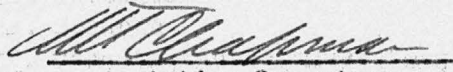
The Governor stated that he had received from J. A. Broderick his resignation effective September 1, 1919, as Secretary, Chief Examiner and Chief of the Division of Audit and Examination of the Federal Reserve Board.

- On motion duly seconded it was voted that the following minute be entered:

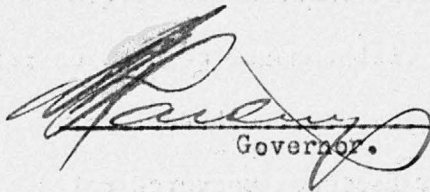
The Board has accepted with sincere regret the resignation of Mr. Joseph A. Broderick as its Secretary, Chief Examiner and Chief of the Division of Audit and Examination, and has done so only because it feels that it has no right to stand in the way of his personal interests. His services during the whole period of his connection with the Board, which began five years ago, have been so important in the development of the Federal Reserve System and have been rendered in such an unselfish spirit, and he has at all times manifested such ability, loyalty and zeal in the performance of his duties, that the Board desires to express its conviction that he has done his part and that it would be unjust to ask him to make the sacrifice which continuance in its service would involve.

The Board takes this occasion to express the highest appreciation of Mr. Broderick's work together with its cordial good wishes for a full measure of success in his new field of endeavor.

At 4-30 P.M., the meeting adjourned.


Acting Secretary.

Approved:


Governor.