

At a meeting of the Federal Reserve Board held in the office of the Board on Monday, October 20, 1919, at 11-10 A.M.,

PRESENT: The Governor  
 Mr. Strauss  
 Mr. Miller  
 Mr. Williams  
 Mr. DeLaMater, Secretary of the Meeting.

PRESENT ALSO:  
 Mr. Harrison, General Counsel.

Minutes of the meetings of the Federal Reserve Board held on October 15th and 16th were read, and on motion approved.

Minutes of the meeting of the Executive Committee held on October 17th were read, and on motion approved.

Business was presented and disposed of as follows:

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  $4\frac{1}{4}\%$  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>
Oct.16th	Philadelphia	Chicago	\$3,500,000	11-15 days
Oct.17th	Philadelphia	Chicago	4,500,000	"
"	Atlanta	Chicago	1,500,000	"
"	Dallas	Chicago	3,000,000	"
Oct.18th	Atlanta	Chicago	2,500,000	"

Noted.

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>
Atlanta	Oct.16th	\$500,000
New York	"	500,000

Approved.

Telegram dated September 22d from the Federal Reserve Agent at Dallas, in connection with the question of establishing a branch at San Antonio, Texas.

Voted to disapprove establishment of branch at San Antonio.

Letter of October 8th from the Governor of the Federal Reserve Bank of Cleveland, in regard to the eligibility of paper of the General Motors Acceptance Corporation, and draft of reply.

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

Voted that certain changes should be made by General Counsel in draft of reply in order to broaden the last paragraph, after which the same is to be circulated and referred to Mr. Hamlin for report.

Letter of October 14th from the Governor, Federal Reserve Bank of Philadelphia, in regard to increasing fees of members of the executive committee of that Bank.

Tabled for discussion at the forthcoming conference with Federal Reserve Agents.

Letter of October 13th from Mr. I. H. Nakdimen,

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President, City National Bank, Fort Smith, Arkansas, in regard to the establishment of a branch of the Federal Reserve Bank of Kansas City.

Noted.

Letter of October 15th from Consulting Architect Trowbridge with reference to plans of proposed building for the Federal Reserve Bank of Boston.

Referred to the Governor for consultation with Mr. Trowbridge.

Letter of October 15th from Consulting Architect Trowbridge in regard to the purchase of additional real estate by the Federal Reserve Bank of Chicago.

Referred to the Governor for consultation with Mr. Trowbridge.

Letter of October 15th from the Federal Reserve Agent at New York, recommending increase in salary from \$3,300 to \$4,000 per annum of Mr. John A. May, recently transferred from the Bill Department to the Member Bank Relations Department of that Bank.

Approved.

Letter of October 15th from the Governor, Federal Reserve Bank of Atlanta, requesting the Board's views with reference to an increase in the salary of Deputy Governor Adelson of that Bank.

Referred to the Governor for reply, sug-

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gesting that the Board of Directors of that Bank submit its recommendation.

Letter of October 14th from the Federal Reserve Agent at Minneapolis in regard to the status of the Branch Bank at Helena, Montana.

Noted.

Letter of October 14th from the Federal Reserve Agent at Minneapolis, advising of the election of Curtis L. Mosher as Secretary of the Board of Directors vice R. A. Young, recently elected Governor.

Noted.

Applications of the following banks for permission 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:

First National Bank, Valdosta, Ga.  
Citizens and Southern Bank, Savannah, Ga.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated Oct. 16th, recommending approval of increase in salary from \$3,000 to \$3,600 per annum of Charles R. Kuchins, National Bank Examiner in the Sixth Federal Reserve District, effective November 1, 1919.

Approved.

Dated Oct. 17th, submitting list of changes made in the National Bank Examining force during September, 1919.

Noted.

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Dated Oct. 20th, (3 reports) recommending changes in stock at Federal Reserve banks as set forth in the auxiliary minute book as of this date.  
Approved.

Dated Oct. 20th, recommending approval of applications for fiduciary powers as set forth in the auxiliary minute book as of this date.  
Approved.

Other business was presented and disposed of as follows:

The Governor presented a further letter from the Governor, Federal Reserve Bank of Philadelphia, with reference to request of that Bank for authority to appropriate \$2,500 to defray expenses of celebration of the fifth anniversary of the opening of that Bank.

Referred to the Governor for reply.

Letter from the Treasurer of the United States dated October 18th, in regard to increase in the amount of raised currency, with suggestions as to preventive measures.

Referred to the Governor for investigation, and discussion at the forthcoming conference with Federal Reserve Agents.

Letter of October 18th from the Federal Reserve Agent at Atlanta, requesting approval of the appointment of Mr. Clarence C. Potter as Acting Assistant Federal Reserve Agent in the event of the absence or disability of Assistant Federal Reserve Agent Tyler of the Nashville Branch.

Approved, with the understanding that

Mr. Potter is to receive compensation only when acting as Assistant Federal Reserve Agent, at which times his compensation is to be the same as that of the Assistant Federal Reserve Agent.

At 1 P.M., the meeting adjourned.

*J. D. La Mater*  
Secretary of Meeting.

Approved:

*[Signature]*  
Governor