

At a meeting of the Federal Reserve Board held in the office of the Board on Tuesday, June 8, 1920, at 11-25 A.M.,

PRESENT: The Governor
 Mr. Miller
 Mr. Moehlenpah
 Mr. Platt
 Mr. Williams
 Mr. Chapman, Secretary.

Minutes of meeting of the Board held June 4th were read, and on motion approved.

Business was presented and disposed of as follows:

The Governor reported the reserve positions of the several Federal Reserve Banks as at close of business June 5th, and the status of rediscounts between Federal Reserve Banks as of the same date.

The Governor reported rediscount transactions, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations: rate 5-1/2% on paper secured by certificates of indebtedness, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
June 3d	Chicago	New York	\$5,000,000	Within 15 days
June 5th	Chicago	New York	3,000,000	"

Noted.

The Governor reported rediscount transactions, pursuant to authority heretofore vested in him; member bank

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promissory notes secured by Government obligations: rate 5-1/2% on paper secured by certificates of indebtedness, and 6% 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>
June 4th	Kansas City	New York	\$4,000,000	10-14 days
"	Atlanta	New York	5,000,000	11-15 days
"	Dallas	New York	5,000,000	"
June 5th	Minneapolis	New York	3,000,000	"
"	Dallas	New York	3,000,000	"
"	Richmond	Boston	10,000,000	"
June 7th	Richmond	Cleveland	5,000,000	"

Noted.

Application of American Marine National Bank, San Pedro, Los Angeles, California, for reduction of reserve requirements from 10% to 7%.

Approved.

Application of the National City Bank of New York, for authority to establish a sub-branch in the City of London, England.

Approved, as set forth in the order book as of this date.

Letter dated June 5th from the Secretary, Federal Reserve Bank of Cleveland, submitting resolution of the Board of Directors of that Bank requesting the approval of the Board of the following schedule of additional compensation

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for the employees of that Bank for the second quarter,

1920:

20% On salaries up to \$1,500 per annum;
 15% on salaries over \$1,500 and up to \$5,000.;
 10% on salaries over \$5,000 and up to \$5,500.;

Provided that the salary and bonus paid to any one employee shall not exceed \$6,000 per annum.

The maximum bonus payable in each class to be the minimum bonus payable in the next higher class.

Approved.

Letter dated June 4th from the Chairman, Federal Reserve Bank of Boston, requesting approval of the payment of extra compensation to employees of that Bank for the first half of the year 1920, on the following schedule:

20% On salaries actually paid, under \$500;
 15% On salaries from \$500 up to, but not including \$1,000;
 10% On salaries from \$1,000 up to, but not including \$2,500.

Approved.

Letter dated June 1st from the Chairman, Federal Reserve Bank of Dallas, advising that it will be the policy of that Bank not to apply the progressive discount rates in effect at the Bank to drafts to which are attached bills of lading covering grain actually sold and placed in process of shipment.

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Voted to approve the action of the Federal Reserve Bank of Dallas.

Application of the Pacific Bank, New York City, for authority to accept drafts and bills of exchange up to 100% of its capital and surplus, under the provisions of Section 13.

Approved.

(At this point Mr. Williams joined the meeting)

REPORTS OF COMMITTEE NO. 1:

Dated June 8th, 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 June 4th, recommending changes in stock at Federal Reserve Banks, as set forth in the auxiliary minute book as of this date.

Approved.

Dated June 7th, recommending approval of application of Mr. I. C. Thurmond to serve at the same time as a director of the American National Bank of Oklahoma City, the First National Bank, Elk City, and the First National Bank, Erick, all of Oklahoma.

Approved.

Dated June 7th, recommending appointment of Miss Frances J. Mooney as Stenographer and Typewriter in the office of Secretary of the Board, at a salary of \$1,200 per annum, plus \$240 bonus, effective upon reporting for duty.

Approved.

Dated June 3d, submitting list of changes made in the National Bank Examining force during May, 1920.

Noted.

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Dated June 1st, recommending approval of salary of \$3,000 per annum for Mr. Sam F. Sullenberger as National Bank Examiner in the 10th Federal Reserve District.

Approved.

Dated June 5th, recommending approval of salary of \$2,400 per annum for Mr. Dan H. Cooney as National Bank Examiner in the Fourth Federal Reserve District.

Approved.

Dated May 29th, recommending approval of salary at rate of \$25,000 per annum for Chief National Bank Examiner Sherrill Smith, and salary at the rate of \$16,000 per annum for Chief National Bank Examiner Daniel C. Mulloney; such salaries to be effective during the time Messrs. Smith and Mulloney are absent from this Country in examining branches of national banks located in Cuba and South America, and to include all expenses incurred by them.

Approved.

Letter dated June 5th from the Chairman, Federal Reserve Bank of Kansas City, advising of the resignations of L. H. Earhart as Manager and Director of the Oklahoma City Branch, and E. D. McAllister as Cashier of the Omaha Branch; also advising of the following appointments of employees of that Bank to new positions at their present salaries:

KANSAS CITY:

George H. Pipkin, Assistant Cashier
Arthur M. McAdams, Assistant Cashier

OMAHA:

L. H. Earhart, Manager and Director
P. R. Fredman, Cashier

DENVER:

Jos. E. Olson, Cashier
Albert J. Conway, Assistant Cashier

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OKLAHOMA CITY:

G. E. Daniel, Manager and Director.

Noted.

Letter dated June 5th from Acting Governor, Federal Reserve Bank of New York, in re shipment of gold roubles from Russia to the United States.

Referred to the Governor for reply.

Letter dated June 7th from Acting Governor, Federal Reserve Bank of New York, enclosing copy of letter received from the Directie der Javasche Bank, requesting the New York Bank to earmark amounts of gold in excess of the limitations prescribed by the agreement between the two institutions.

On motion duly seconded, it was voted that the Federal Reserve Bank of New York be authorized to advise the Javasche Bank as follows:

"Replying to your letter of April 16th, no license required for earmarking gold in United States for foreign account, it being merely a matter of private arrangement between interested parties. We will therefore remove limit fixed in our agreement and will gladly earmark additional amounts in gold for you under same terms and conditions as heretofore."

Letter dated June 4th from the Governor, Federal Reserve Bank of Cleveland, giving the reasons why it is not necessary at this time to increase the discount rates of that Bank.

Noted.

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The Governor read a statement showing Federal Reserve Notes in actual circulation as of September 5, 1919, and June 4, 1920, revealing an increase of \$515,594,000.

Letter dated June 7th from the Secretary General of the United States Section of the International High Commission, suggesting that he be authorized to transfer to the Federal Reserve Board certain statistical matter compiled by his office, bearing on international investment securities, and suggesting publication in the Federal Reserve Bulletin.

On motion duly seconded, it was voted that the Secretary General be requested to turn over to the Board the material he has, and to refer to the Bulletin Committee the question of its publication in the Bulletin.

On motion duly seconded, Mr. Platt was appointed a member pro tempore of the Bulletin Committee.

Mr. Platt announced the appointment of Mr. Joseph L. Durland as his Private Secretary, at a salary of \$2,500 per annum, effective June 8, 1920.


The Governor and Mr. Williams, the committee appointed to report upon the request of the Federal Reserve Bank of Richmond that it be authorized to acquire a site in Baltimore to provide adequate quarters for its branch at that point, recommended that the Bank be authorized to expend not to ex-

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ceed \$200,000 in acquiring the site selected, but to inquire at what price the remainder of the block on which the site is located may be acquired, with a view to acquiring sufficient space to admit of future expansion.

On motion duly seconded, the recommendation of the committee was approved.

At 12-10 P.M., the meeting adjourned.



Secretary.

Approved:



Governor.