

At a meeting of the Federal Reserve Board held in the office of the Board on Tuesday, June 22, 1920, at 11 A.M.,

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

PRESENT ALSO:
Mr. Logan, Assistant Counsel.

Minutes of meeting of the Board held June 16th 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 19th, 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, 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 15	Minneapolis	New York	\$3,500,000	11-15 days
June 16	Richmond	Cleveland	5,000,000	"
"	Kansas City	New York	5,000,000	12-14 days
June 19	Kansas City	New York	7,000,000	10-15 days

Noted.

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The Governor reported rediscount transaction, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations; rate 7% on commercial paper, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
June 16	Minneapolis	Cleveland	\$2,500,000	1-90 days

Noted.

The Governor reported rediscount transaction, 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, 6% on paper secured by Liberty bonds and Victory notes, and 7% on commercial paper, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
June 18	Minneapolis	New York	\$5,000,000	11-15 days

Noted.

Letter dated June 17th from the Chairman, Federal Reserve Bank of Philadelphia, in further explanation of discount rate proposed by that Bank on paper secured by United States certificates of indebtedness.

Noted.

Letter dated June 17th from the Chairman, Federal Re-

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serve Bank of Atlanta, in re discount rates of that Bank on paper secured by United States certificates of indebtedness.

Noted.

Requests of the Federal Reserve Banks of Philadelphia, Richmond, Chicago, Dallas, Boston and St. Louis, for authority to declare dividends at the rate of 6% per annum for the period January 1 to June 30, 1920, to their respective stockholders.

Approved.

Letter dated June 16th from the Chairman, Federal Reserve Bank of Philadelphia, requesting approval of payment by that Bank to its employees of bonus for the six months ending June 30, 1920, on the following basis:

- 20% On annual salaries of \$1,500 or less;
- 15% On annual salaries in excess of \$1,500 and not more than \$3,000;
- 10% On annual salaries in excess of \$3,000 and not more than \$4,000.

Approved.

Letter dated June 15th from the Chairman, Federal Reserve Bank of Atlanta, requesting approval of the following schedule of allowances to directors of that Bank attending meetings:

Hotel bill	-	\$5.00 per day
Meals	-	2.00 per meal
Incidentals	-	3.00 per day

Approved.

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Letter dated June 16th from the Chairman, Federal Reserve Bank of Atlanta, requesting approval of the following schedule of allowances to officers and employees of that Bank travelling on its business:

Hotel bill	-	\$3.50 per day
Meals	-	1.25 per meal
Incidentals	-	2.00 per day

Approved, upon the understanding that employees will render accounts for expenses actually incurred, not to exceed \$10 per day.

Letter dated June 15th from the Chairman, Federal Reserve Bank of Atlanta, requesting approval of the following schedule of allowances for the member of the Federal Advisory Council for the Sixth Federal Reserve District when attending meetings of the Board of Directors or the Federal Advisory Council:

Hotel bill	-	\$5.00 per day
Meals	-	2.00 per meal
Incidentals	-	3.00 per day

Approved.

Letter dated June 17th from Assistant Federal Reserve Agent at New York, reporting upon the business of that Bank for the month of May, 1920.

Ordered circulated.

Letter dated June 16th from the Chairman, Federal Reserve Bank of Atlanta, in re value of Government bonds as

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security to loans.

Referred to the Governor for instructions to the Federal Reserve Agent at Atlanta, not to accept as security for the issue of Federal Reserve notes, any collateral paper, the market value of which is not equal to the face amount of the paper so offered.

Applications of the following banks for authority to accept up to 100% of their capital and surplus, under the provisions of Section 13 of the Federal Reserve Act:

National Bank of Tacoma, Tacoma, Wash.
Farmers & Mechanics National Bank,
Fort Worth, Texas.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated June 22d, 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 18th, recommending changes in stock at Federal Reserve Banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated June 22d, recommending approval of applications for fiduciary powers, as set forth in the auxiliary minute book as of this date.

Approved.

Dated June 17th, recommending approval of salary of \$2,400 per annum for Mr. Michael J. Hurley as National Bank Examiner in the First Federal Reserve District.

Approved.

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Dated June 17th, recommending approval of salary of \$2,400 per annum for Mr. Alexander B. McCans as National Bank Examiner in the Eleventh Federal Reserve District.

Approved.

Dated June 21st, recommending approval of increases in salaries of Chief National Bank Examiners, effective July 1, 1920, as follows:

	<u>From</u>	<u>To</u>
D. C. Mulloney,	\$8,000	\$10,000
W. J. Schechter,	6,000	6,500
J. Wm. Pole,	7,000	7,500
Fred Brown,	7,500	8,000

Approved.

Dated June 21st, recommending approval of increases in salaries of Supervising National Bank Examiners, effective July 1, 1920, as follows:

	<u>From</u>	<u>To</u>
L. R. Freeman,	\$4,500	\$5,000
L. K. Roberts,	4,500	5,000

Approved.

Dated June 21st, recommending approval of salary of \$4,200 per annum for Mr. O. W. Birkhead as Supervising National Bank Examiner, effective July 1, 1920.

Approved.

Dated June 22d, recommending approval of salary at rate of \$30,000 per annum for Chief National Bank Examiner Sherrill Smith, and salary at the rate of \$23,000 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 South America, and to include all expenses incurred by them.

Approved, in lieu of salaries for Messrs. Smith and Mulloney approved by the Board on June 8, 1920.

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Dated June 21st, recommending approval of increases in salaries of employees of the Division of Analysis and Research, as follows:

	<u>From</u>	<u>To</u>
W. H. Steiner,	\$3,500	\$4,000
Miss Anna Youngman,	2,750	3,000
Miss Katherine Snodgrass,	2,000	2,750
F. W. Jones,	2,400	2,750
Miss Ruth Cornwall,	2,000	2,400
Miss Faith Williams,	1,800	2,250
J. M. Chapman,	1,200	1,500 (\$750 half time)
M. R. Adams,	1,500	1,560
Miss Alice Ross,	1,500	1,560
Miss Rose Heller,	1,080	1,440
Miss Mary Johnson,	1,440	1,560
Miss Helen S. Grant,	-	1,440
Miss Olive M. Bode,	-	1,500

Approved.

Dated June 21st, recommending approval of appointment of Mr. Arata Kobayashi to assist in statistical work in the Division of Analysis and Research at the rate of \$800 per annum for half time work.

Approved.

Dated June 18th, recommending approval of increases in salaries of National Bank Examiners, effective July 1, 1920, as follows:

	<u>From</u>	<u>To</u>
G. M. Coffin,	\$3,900	\$4,000
H. W. Scott,	4,200	4,500
R. W. Byers,	3,600	3,900
M. E. Donough,	2,400	2,700
W. Z. Hayes,	3,600	3,900
W. F. Mitchell,	3,000	3,300
E. W. Stearns,	4,500	4,800
J. B. Funsten, Jr.,	2,400	2,700
J. W. Barrett,	3,000	3,300
K. B. Cecil,	4,200	4,500
C. H. Chapman,	4,800	5,000
W. M. Lammond,	2,400	2,700
V. G. Snyder,	2,700	3,000
G. S. Summers,	3,300	3,600

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	<u>From</u>	<u>To</u>
W. P. Daugherty,	\$3,300	\$3,600
P. J. Lorang,	2,700	3,000
L. L. Madland,	2,400	2,700
B. K. Patterson,	3,600	3,900
M. D. Smiley,	3,000	3,300
J. H. Smith,	4,800	5,000
H. W. Walker,	2,400	2,700
L. H. Ackerman,	2,400	2,700
J. B. Chenault,	4,200	4,500
A. B. Faris,	3,000	3,300
E. C. Haneke,	3,000	3,600
J. F. Miller,	4,500	5,000
T. C. Thomas,	3,900	4,200
R. E. Brooks,	2,400	2,700
R. G. Finney,	4,200	4,500
L. W. Hoffman,	4,000	4,200
O. K. LaRoque,	3,000	3,300
Chas. A. Stewart,	3,000	3,300
D. R. Wood,	3,300	3,600
J. C. Borden,	2,700	3,000
Chas. E. Boyd,	3,000	3,300
T. E. Fletcher,	4,200	4,500
J. L. Griffin,	3,600	3,900
J. H. Beall,	2,400	2,700
W. P. Funsten,	2,400	2,700
R. C. Houston,	3,900	4,200
J. L. Kennedy,	4,000	4,200
Paul Partridge,	3,900	4,000
E. D. Robb,	4,500	4,800
F. T. Ransom,	3,900	4,200
A. R. Bradley,	2,700	3,000
L. C. Challman,	3,000	3,300
T. P. Farmer,	3,900	4,200
J. D. Mossman,	3,900	4,200
E. E. O'Brien,	2,700	3,000
W. H. Reed,	3,600	3,900
L. Wilson,	3,300	3,600
S. A. Longmoor,	3,600	3,900
A. D. Thompson,	3,600	3,900
C. H. Martin,	3,600	3,900
L. H. Martin,	3,300	3,600
H. B. Raney,	3,000	3,300
L. M. Sawyer,	3,000	3,300

Approved.

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Letter dated June 17th from the Chairman, Federal Reserve Bank of Philadelphia, requesting approval of the appointment of Mr. J. Frank Rehfuss as Acting Assistant Federal Reserve Agent at that Bank.

Approved, the bond of Mr. Rehfuss as such, to be fixed in the amount of \$50,000.

Letter dated June 19th from the Chairman, Federal Reserve Bank of New York, submitting for approval proposed amendments to the by-laws of the Buffalo Branch of that Bank, enlarging the powers of the Branch in appointing sub-committees, the members of which to receive \$10 for attendance at each meeting, and an allowance to cover their actual and necessary travelling expenses.

Approved.

Letter dated June 22d from Mr. W. C. Coffey, Chairman of the Committee representing the wool growers, conveying to the Board an expression of thanks for the consideration extended to the committee representing the growers, bankers, manufacturers and the wool trade; also submitting for comment by the Board proposed statement to the press announcing the plan adopted for meeting the situation in the wool industry.

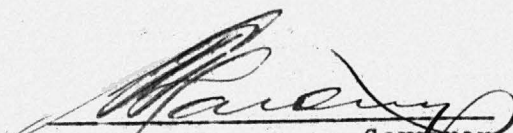
Read with approval.

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At 12-40 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.