

A meeting of the Federal Reserve Board was held in the office of the Board on Tuesday, September 20, 1921, at 2:30 p.m.

PRESENT: Governor Harding
 Mr. Platt
 Mr. Hamlin
 Mr. Miller
 Mr. Mitchell
 Mr. Crissinger
 Mr. Hoxton, Secretary.

Minutes of the two meetings of the Board held September 15th and 19th were read and on motion approved.

The Governor reported the reserve positions of the several Federal reserve banks as at close of business September 14th and 17th, and the status of rediscounts between the Federal reserve banks as of the same dates.

The Governor reported rediscount transactions, member bank promissory notes secured by Government obligations, rate 6%, as follows:

<u>Date</u>	<u>Bank redi s- counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Sept. 15	Atlanta	Boston	\$1,500,000	1-90 days (Com'l)
Sept. 15	Dallas	Boston	1,500,000	do do
			1,500,000	11-15 "
Sept. 16	Dallas	Boston	500,000	1-90 " (Com'l)
			1,500,000	11-15 "
Sept. 19	Richmond	New York	10,000,000	do
Sept. 19	Minneapolis	New York	3,000,000	1-15 "
Sept. 19	Dallas	Boston	500,000	1-90 "

Letter dated September 15th, from the Railway Loan Advisory Committee of the Federal Reserve Board, recommending approval of the form of obligation submitted by the Norfolk Southern Railroad Company for a loan of \$311,000, in two parts, under the provisions of Section 210 of the Transportation Act, 1920, as amended. The first part of

the loan, in the amount of \$111,000, has previously been made. The certificate provides that the second part of the loan, in the amount of \$200,000, shall be made in four equal instalments of \$50,000 each. The first of said instalments has already been made, and the carrier elects at this time to take over the second of such instalments.

Approved.

Letter dated September 15th, from the Federal Reserve Agent at Atlanta, requesting approval of a salary of \$80. per month for a newly employed stenographer in the Research Division of the Federal Reserve Agent's Department.

Approved.

Memorandum dated September 14th, from the Division of Examination, submitting a recommendation of the Federal Reserve Bank of Cleveland that the Federal Reserve Board approve the application of the Citizens Trust & Savings Bank of Columbus, Ohio, to operate a branch upon the premises of the Central National Bank of Columbus, Ohio, said Bank having recently been acquired by the applicant.

Approved.

Telegram dated September 16th, from the Chairman of the Federal Reserve Bank of Dallas, advising that the Executive Committee of that Bank had designated Messrs. McKinney and Emerson to continue to act as Governor and Deputy Governor, respectively, of the Federal Reserve Bank of Dallas, until and unless otherwise ordered by the Board of Directors of that Bank when they meet during the month of October.

Approved.

Letter dated September 14th, from the Federal Reserve Agent at San Francisco, detailing certain rearrangements made by him in the Examination Department of that Bank and recommending, effective October 1, 1921, an increase in the salary of Examiner Sonne from \$4200 to \$4500 per annum, and recommending the appointment of Mr. A. B. Mason as an Examiner, with an increase in his present salary from \$3300 to \$3600 per annum, effective October 1, 1921.

Approved.

Letter dated September 14th, from the Chairman of the Federal Reserve Bank of San Francisco, recommending for the approval of the Board a salary of \$5000 per annum for Mr. Edward S. Jernegan, it being contemplated by the Federal Reserve Bank of San Francisco to employ Mr. Jernegan with the purpose of assigning him to the duty of looking after over-extended banks.

Approved.

Memorandum dated September 17th, from the Acting Assistant to the Governor, recommending an increase of \$10. per month, from \$30. to \$40., for Mr. Howe, who is employed as a word counter in the Telegraph Department of the Federal Reserve Board outside of his regular hours of service in the Treasury Department.

Approved.

Letter dated September 13th, from Mr. Myles H. Imlay, tendering his resignation as temporary Clerk in the Division of Reports and Statistics, to take effect at the close of business September 15, 1921.

Approved.

Governor Harding stated that he had been advised of the possibility that the Board of Directors of the Federal Reserve Bank of New York will tomorrow vote to reduce the rate of discount at that Bank from $5\frac{1}{2}\%$ to 5% .

Upon motion, Governor Harding was authorized to approve the rate reduction at the Federal Reserve Bank of New York, should he be advised that the Board of Directors of that Bank has taken the contemplated action.

Governor Harding stated that certain correspondence relative to the classification as commercial or agricultural paper of the obligations of fruit growers cooperative associations was being held up pending action of the Federal Reserve Board in the matter, the said action having been postponed pending the return of Mr. Hamlin, Chairman of the Law Committee.

Upon motion, referred to Messrs. Hamlin and Platt.

Memorandum, dated September 20th, from the Acting Assistant to the Governor, transmitting a letter from the Assistant Professor of Finance at the University of Pennsylvania, in which application was made for a reduced rate upon a number of subscriptions to the Federal Reserve Bulletin.

Upon motion, referred to Mr. Platt, with power to make a proper reduction.

Letter dated September 17th, from the Governor of the Federal Reserve Bank of Philadelphia, submitting to the Federal Reserve Board the details of a dispute which has arisen between his Bank and the Federal Reserve Bank of New York regarding the deferred credit schedule published by the latter institution.

Referred to Governor Harding with power.

Letter dated September 17th, from the Chairman of the Federal Reserve Bank of Atlanta, advising that a committee from New Orleans, accompanied by Governor Wellborn and the Consulting Architect of the Federal Reserve Board, desired to come to Washington to discuss the building plans of the New Orleans Branch.

Governor Harding was requested to advise Mr. McCord to send the plans to Mr. Trowbridge, who will discuss the matter with the Federal Reserve Board, with the possible result that it will not be necessary for the New Orleans committee to come to Washington.

After discussion regarding the expense accounts of the several Federal reserve banks, it was voted to appoint Mr. Mitchell and Mr. Miller as a committee to report upon the internal economy and comparative efficiency of the several Federal reserve banks.

Two letters, dated September 14th and 19th, respectively, from the Comptroller of the Currency, recommending that the Board approve a salary of \$3600 per annum for Mr. Thad J. Cottingham, National Bank Examiner in the Second Federal Reserve District, and a salary of \$8000 per annum for Mr. William J. Schechter, Chief National Bank Examiner in the Fifth Federal Reserve District.

Approved.

Letter dated September 19th, from the Comptroller of the Currency, recommending an increase in the salary of Mr. Aubrey B. Carter, Secretary to the Comptroller, from \$2500 to \$3000 per annum, effective October 1, 1921.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated September 19th, Recommending changes in stock at Federal reserve banks, as set forth in the auxiliary minute book as of this date.

Approved.

Dated September 15th, Recommending action on applications for fiduciary powers, as set forth in the auxiliary minute book as of this date.

" " 16th,

Approved.

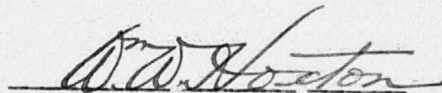
Dated September 14th, Recommending action on applications for admission of state institutions, subject to the conditions stated in the individual reports attached to the applications, as set forth in the auxiliary minute book as of this date.

" " 19th,

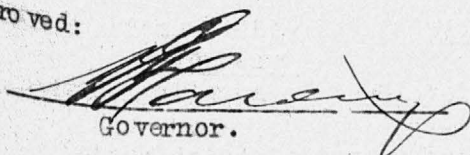
" " 20th,

Approved.

At 3:40 p.m. the meeting adjourned.


Secretary.

Approved:


Governor.