

A meeting of the Federal Reserve Board was held in the office of the Board on Monday, May 15, 1922, at 11:00 a.m.

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

Minutes of the meeting of the Board held on May 12th were read and on motion approved.

The Vice Governor reported the reserve positions of the several Federal reserve banks as at close of business May 10th, 11th and 12th.

Memorandum dated May 10th, from the Comptroller of the Currency, recommending approval of the application of the Lincoln County National Bank of Stanford, Kentucky, for authority to reduce its capital stock from \$100,000 to \$50,000.

Approved.

Letter dated May 9th, from the Chairman of the Federal Reserve Bank of San Francisco, transmitting for the approval of the Federal Reserve Board the application of the Security Trust & Savings Bank of Los Angeles, to acquire and convert into a branch the Eagle Rock Bank, Eagle Rock, Cal., it being stated that Eagle Rock is contiguous to Los Angeles, lying directly West of Pasadena and directly East of Glendale.

Approved.

Draft of letter dated May 12th, prepared by General Counsel, for the signature of the Vice Governor, addressed to the Assistant Federal Reserve Agent at Cleveland, replying to a letter of May 4th, from the Assistant

Federal Reserve Agent, requesting the Board's opinion upon a specific case which has arisen in the Fourth Federal Reserve District, embodying an interpretation of the powers of the Federal Reserve Board with reference to Section 22, sub-section (d) of the Federal Reserve Act.

Approved.

Letter dated May 8th, from the Assistant Federal Reserve Agent at San Francisco, amending applications from the Los Angeles Trust and Savings Bank which were approved by the Federal Reserve Board on May 8, 1922. The amendments to the applications had reference merely to the location of the proposed branches; the branch on Broadway between Ord and Alpine Streets being changed to 727 North Broadway; and the branch at 1607 West Seventh Street, Los Angeles, being changed to 1510 West Seventh Street.

Approved.

Upon motion, the Board approved the bond of John G. Baskin, Assistant Federal Reserve Agent at the Detroit Branch of the Federal Reserve Bank of Chicago.

Upon motion of Mr. Miller, the Board voted to return next Tuesday May 23d, to the regular summer schedule of regular meetings.

It was ordered, therefore, that beginning next Tuesday, the regular board meetings will be held at 10:30 a.m. on Tuesday, Wednesday and Thursday of each week.

Upon motion of Mr. Hamlin, it was voted that an organization chart be prepared, showing the plan under which the officers and employes of the Federal Reserve Board are now operating.

Mr. Mitchell submitted to the Board a letter of May 11th, written by the Consulting Architect to Governor Harding, recommending that the Board approve, for reasons given, the suggestion of the Architect of the Federal Reserve Bank of St. Louis that the new building for that Bank be erected upon a cost plus basis.

Referred to the Vice Governor for reply, it being the sense of the meeting that Mr. Trowbridge should be advised that the Board does not look with favor upon the cost plus method of construction, and that it is unwilling to consider this method in the case of the Federal Reserve Bank of St. Louis, until it has received a request to do so from that Bank; especially in view of the fact that the Board on May 4, 1922, voted to interpose no objection to the proposal of the Federal Reserve Bank of St. Louis to develop working plans and to advertise competitive bids, it being understood that the lowest bid will be submitted to the Federal Reserve Board before being awarded by the Bank.

Upon motion, the Vice Governor was requested to transmit to the Chairman of the Federal Reserve Bank of San Francisco a letter dated May 15, 1922, with reference to certain correspondence between the Federal Reserve Bank of San Francisco and Mr. William G. McAdoo, with reference to the establishment of branches by the Bank of Italy, San Francisco.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated May 13th, Recommending changes in stock at Federal reserve banks, as set forth in the auxiliary minute book of this date.

Approved.

Dated May 11th, Recommending admission of state banks, subject to the conditions stated in the individual reports attached to the applications, as set forth in the auxiliary minute book of this date.

Approved.

At 12:15 p.m. the meeting adjourned.

Approved:

Edmund Platt
Vice Governor.

W. W. Hoxton
Secretary.