

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, December 20th, 1922, at 10:45 a.m.

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

Minutes of the meeting of the Federal Reserve Board held on December 19th, were read and approved.

The Vice Governor reported the reserve positions of the several Federal Reserve banks as at close of business December 18th.

Galley proof of letter of transmittal dated December 19th, designed to accompany Regulation "B", series of 1922 as amended.

Approved.

Letter from Mr. Henry B. Thompson, recently reappointed as a Class "C" director of the Federal Reserve Bank of Philadelphia accepting the appointment and requesting that he be granted a four months' furlough in order to make a trip to the Philippine Islands.

Upon motion the Secretary was instructed to advise Mr. Thompson that the Board interposes no objection to his proposed leave of absence.

Letter dated December 16th, from the Chairman of the Federal Reserve Bank of Atlanta, in reply to a telegram from the Vice Governor of December 16th, advising that the Board does not approve the erection of a building for the Jacksonville branch at a cost in excess of \$250,000 including real estate.

Noted.

Letter dated December 12th, from the Manager of the El Paso Branch of the Federal Reserve Bank of Dallas, transmitting a copy of a resolution

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adopted by the Board of Directors of the El Paso Branch, at its meeting of November 4th with respect to the death of Judge William F. Ramsey.

Noted, and ordered filed in the records of the Federal Reserve Board.

Letter dated December 14th, from the Chairman of the Federal Reserve Bank of Richmond, advising that the Board of Directors of that bank had, on December 14th, appointed Mr. John M. Miller, Jr., President of the First National Bank of Richmond, Virginia, as the representative of the Fifth Federal Reserve District on the Federal Advisory Council for the year 1923.

Noted.

Letter dated December 12th, from the Chairman of the Federal Reserve Bank of Atlanta requesting the approval of the Federal Reserve Board of action taken by the Board of Directors of that bank on December 8th, whereby it was voted to grant a sixty-day vacation leave, with pay, to Mr. M. B. Wellborn, Governor of the Federal Reserve Bank of Atlanta, beginning some time in February, it being Governor Wellborn's intention to make a European trip.

Approved.

Memorandum dated December 12th, from the Comptroller of the Currency transmitting the application of the First National Bank of Willits, California to reduce its capital stock from \$50,000 to \$25,000.

Disapproved.

Memorandum dated December 16th, from the Comptroller of the Currency, transmitting with favorable recommendation, the application of the American National Bank of Rogers, Arkansas, to reduce its capital stock from \$60,000 to \$50,000.

Approved.

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Letter dated December 18th, from the Chairman of the Federal Reserve Bank of Atlanta, advising of the appointment, effective January 1st, of Mr. J. C. Campbell, as auditor and examiner, and requesting the approval of the Federal Reserve Board, of a salary of \$3,000 per annum for Mr. Campbell.

Approved.

Draft of proposed letter dated December 20th, prepared in accordance with action of the Board at the meeting of December 19th, and addressed to all Federal Reserve Agents, transmitting a copy of Senate Resolution #351, introduced by Senator Hefflin and designed to obtain from Federal Reserve banks a list of the names of those citizens to whom the Federal Reserve banks have sent copies of Senator Glass' speech.

The Vice Governor was requested to confer with Senator McLean, Chairman of the Senate Committee on Banking and Currency, as to the advisability of including in the letter, the last paragraph appearing in the draft and the letter was approved by the Board, subject to Senator McLean's advice in the matter.

Thereupon there ensued a discussion of a draft of a proposed circular letter dated December 19th, addressed to Senator George P. McLean, Chairman of the Senate Committee on Banking and Currency in response to Senator McLean's request that the Federal Reserve Board express its views upon two bills, S-4063 and S-4103, introduced by Senator Capper and Senator Lenroot, respectively.

The Vice Governor was requested to prepare a new draft of the letter referred to.

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At 1:20 p.m. a recess was taken until three o'clock.

At 3:15 p.m. the Board reassembled in the Board room, those members being present who were present at the morning session.

Mr. Mitchell, Chairman of the Committee on Salaries and Charge Offs submitted the following, with the recommendation that the Board disapprove:

Letter dated December 15th, from the Chairman of the Federal Reserve Bank of New York, advising that the Board of Directors of that bank, at its meeting on December 13th, had voted subject to the approval of the Federal Reserve Board, to pay additional compensation to each employe of the bank and Buffalo branch, whose annual salary does not exceed \$5,000.

Letter dated December 15th, from the Governor of the Federal Reserve Bank of Richmond, advising that the Board of Directors of that bank had authorized the Executive Committee thereof, to take up with the Federal Reserve Board, the question of paying additional compensation, and had expressed their purpose to approve the payment of any additional compensation of this character which the Federal Reserve Board would sanction, Mr. Seay advising that in the opinion of the officers of that Bank that additional compensation equal to five percent of the salaries be paid to employes under \$7500.

Letter dated December 7th, from the Chairman of the Federal Reserve Bank of San Francisco, advising that the Executive Committee of that Bank, at its last meeting, had adopted a resolution recommending that subject to the approval of the Federal Reserve Board, a Christmas bonus be paid to employes upon the basis set forth in the letter.

Letter dated December 15th, from the Chairman of the Federal Reserve Bank of Atlanta, advising that the Board of Directors of that bank at a meeting held on December 8th, had voted that the Federal Reserve Bank of Atlanta present a Christmas gift to each employe upon the basis set forth in the letter.

Upon motion, the above applications for authority to make payments for additional compensation were disapproved.

Letter dated December 14th, from the Chairman of the Federal Reserve Bank of Atlanta, advising that with the approval of the Federal Reserve Board, the Executive Committee had voted to rebate penalties for deficient reserves down to 10%, the maximum penalty provided for in the Board's recent circular,

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upon the subject of "Penalties for Deficient Reserves", Mr. McCord advising that this will amount in the aggregate between \$4,000 and \$5,000.

Approved.

Upon recommendation of the Committee on Nomination of Class "C" directors, the Board appointed the following as Deputy Chairmen of the several Federal Reserve banks to serve during the calendar year 1923:

Federal Reserve Banks

Deputy Chairmen

Boston	Allen Hollis
New York	Wm. L. Saunders
Philadelphia	H. B. Thompson
Cleveland	Lewis Blair Williams
Richmond	F. A. Delano
Atlanta	W. H. Kettig
Chicago	James Simpson
St. Louis	John W. Boehme
Minneapolis	Homer P. Clark
Kansas City	Heber Hord
San Francisco	Walton N. Moore

Upon recommendation of the Committee on Nomination of Class "C" directors, the Board appointed the following directors at the branches of the several Federal Reserve banks to serve during the calendar year 1923:

Buffalo Branch of the Federal Reserve Bank of New York

- John A. Kloepper
- Fred J. Coe
- E. J. Barcalo

Cincinnati Branch of the Federal Reserve Bank of Cleveland

- Judson Harmon
- Chas. A. Hirsch

Pittsburgh Branch of the Federal Reserve Bank of Cleveland

- James D. Callery
- John R. McCune

Baltimore Branch of the Federal Reserve Bank of Richmond

- William Ingle
- Waldo Newcomer

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New Orleans Branch of the Federal Reserve Bank of Atlanta

P. H. Saunders
A. P. Bush
F. W. Foote

Birmingham Branch of the Federal Reserve Bank of Atlanta

W. H. Kettig
Oscar Wells

Jacksonville Branch of the Federal Reserve Bank of Atlanta

John C. Cooper
Fulton Saussy

Nashville Branch of the Federal Reserve Bank of Atlanta

W. H. Hartford
Paul M. Davis

Detroit Branch of the Federal Reserve Bank of Chicago

John Ballantyne
Charles H. Hodges

Louisville Branch of the Federal Reserve Bank of St. Louis

F. M. Sackett
Embry L. Swearingen

Memphis Branch of the Federal Reserve Bank of St..Louis

T. K. Riddick
S. E. Ragland

Little Rock Branch of the Federal Reserve Bank of St..Louis

Moorhead Wright
C. S. McCain

Helena Branch of the Federal Reserve Bank of Minneapolis

L. M. Ford
Thomas Marlow

Denver Branch of the Federal Reserve Bank of Kansas City

John Evans
Alva B. Adams

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Omaha Branch of the Federal Reserve Bank of Kansas City

P. L. Hall
R. O. Marnell

Oklahoma City Branch of the Federal Reserve Bank of Kansas City

William Mee
E. K. Thurmond

El Paso Branch of the Federal Reserve Bank of Dallas

W. W. Turney
A. P. Coles

Houston Branch of the Federal Reserve Bank of Dallas

R. M. Farrar
Frank Andrews

Portland Branch of the Federal Reserve Bank of San Francisco

Nathan Strauss
Jos. N. Teal

Seattle Branch of the Federal Reserve Bank of San Francisco

Chas. H. Clarke
Chas. E. Peabody

Spokane Branch of the Federal Reserve Bank of San Francisco

Peter McGregor
G. I. Toevs

Salt Lake City Branch of the Federal Reserve Bank of San Francisco

G. G. Wright
Lafayette Hanchett

Los Angeles Branch of the Federal Reserve Bank of San Francisco

Henry M. Robinson
I. B. Newton

Edward West

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Memo dated December 13th, from the Assistant Secretary of the Board addressed to the Federal Reserve Board, submitting the resignation of Mr. B. F. Toulotte, part time employee of the Gold Settlement Division, at a salary of \$9.00 per week, advising that it will not be necessary to fill the vacancy until next June.

Accepted.

Letter dated December 14th, from the Acting Comptroller of the Currency, recommending an increase in the salary of National Bank Examiner William C. Crawley from \$2750 to \$3000 per annum, effective January 1, 1923.

Approved.

Letter dated December 13th, from the Comptroller of the Currency, recommending an increase in the salary of National Bank Examiner E. F. Shively from \$3000 to \$3600 per annum, effective January 1, 1923.

Approved.

REPORTS OF COMMITTEE NO. 1:

- Dated December 15th, 18th, 19th, Recommending action on applications for changes in stock as set forth in the Auxiliary Minute Book of this date. Approved.
- Dated December 12th, 15th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date. Approved.
- Dated December 19th, Recommending action on applications for admission of state banks, subject to the conditions stated in the individual reports attached to the application, as set forth in the Auxiliary Minute Book of this date. Approved.

The meeting adjourned at 4:10 p.m.

D. W. Houston
Secretary.

Approved: *Edmund Platt*
Vice Governor.