

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, July 9, 1925 at 11:15 a.m.

PRESENT: Governor Crissinger
 Mr. Platt
 Mr. Hamlin
 Mr. James
 Mr. Miller
 Mr. McIntosh
 Mr. Noell, Assistant Secretary
 PRESENT ALSO: Mr. Smead, Chief, Division of Bank
 Operations.

The minutes of the meeting of the Federal Reserve Board held on July 7th were read and approved.

In connection with the allowance of a fee of \$1,000 for expert testimony in the case of the Pascagoula National Bank v. Federal Reserve Bank of Atlanta, Dr. Miller made the following motion, which he stated he had intended to make at the meeting on July 7th:

That all Federal Reserve banks be advised that before making or authorizing any engagements for the employment of expert services in the conduct of litigation, special studies, or otherwise, the matter shall be submitted to the Federal Reserve Board for approval.

The motion being put by the Chair was unanimously carried.

Mr. Smead then entered the meeting.

The Secretary read the following report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6, 1925, containing the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of New York for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function of the Federal Reserve Bank of New York for the last six months of 1925, and recommend that the salary adjustments and the budget submitted by Mr. Jay be approved.

7/9/25

-2-

"The salary recommendations include the following increases:

	<u>From</u>	<u>To</u>
Mabel E. Rose, Statistician	\$2,340	\$2,460
Gladys Huff, Junior Clerk	1,500	1,560
*K. Frankenstein, Translator	2,080	1,560
Lucile H. Litch, Assistant Librarian,	1,620	1,680
Irma Cannon, File Clerk	900	1,020
Net decrease		\$160

*To be replaced.

The budget calls for an expenditure of \$61,189, a decrease of \$9,443, or 13 per cent from the expenditure during the corresponding period of 1924. The decrease occurs primarily in the Statistical and Monthly Letter expense units, the decrease in the Statistical unit being \$6,716, and in the Monthly Letter unit, \$1,258.

Mr. Jay states that the officers and directors of the bank have given careful consideration to the administration cost of the Statistical and Analytical work to which attention was called by the Board but that they do not feel that they should attempt at present to reduce the amount of this expenditure. He also states that they have recently made a number of changes in the personnel engaged in the current study of the money market and that it is entirely possible that they will find it necessary to employ additional workers for this purpose with a consequent increase in the budget.

Your Committees concur in Mr. Stewart's recommendation contained in his memorandum of June 25, 1925, that the New York bank be advised that the Board does not regard the present research work of the bank into long-time trends of production, trade, prices, clearings, etc., with corrections for normal, as coming within the scope and purpose of the research and statistical divisions of the Federal Reserve banks as outlined in the statement attached to the Board's letter X-4200 of December 3, 1924, which provides that it is the purpose of the research and statistical work 'to collect and digest information bearing on the problems with which the Federal Reserve System is concerned either as a matter of current operation or as the basis of Federal reserve policies.'

Your Committees further concur in the recommendations of Mr. Stewart that the New York bank be advised that its present research work in long-time trends of production, trade, etc., should either be discontinued or greatly curtailed and that the Board expects sufficient economies to result from the curtailment or discontinuance of this work to fully cover the cost of the studies of the New York money market which the bank has under contemplation and which have been approved by the Board's Division of Research and Statistics."

After discussion, Mr. Platt moved that the salary recommendations and budget for the Statistical and Analytical function of the Federal Reserve Bank

7/9/25

-3-

of New York be approved, and that action on the other recommendations of the Committees be deferred until Dr. Stewart's return from Europe.

The motion being put by the Chair was lost, the members voting as follows:

Governor Crissinger, "aye"
 Mr. Platt, "aye"
 Mr. Hamlin, "aye"
 Mr. Miller, "no"
 Mr. James, "no"
 Mr. McIntosh, "no"

Thereupon ensued a discussion of the recommendation that the New York bank be advised that its present research work in long-time trends of production, trade, etc., should either be discontinued or greatly curtailed.

Report of Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 8th, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Philadelphia for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Philadelphia for the last six months of 1925.

The salary recommendations submitted by Philadelphia include the following increases:

	<u>From</u>	<u>To</u>
J. Frank Rehfuss, Manager, Department of Statistics and Research	4,000	4,500
John D. Samuel, Business reporter	2,500	2,750
Frank T. Caldwell, Business reporter	2,500	2,620
Casimir Sienkiewicz, Business reporter	2,500	2,620
Margaret Snowden, Chartographer	1,560	1,800
Jeanette Craven, Assistant Librarian	1,560	1,704
Lucy Mae Scully, Chief, Correspondence Division	1,540	1,668
Elsie Beidler, Stenographer	1,144	1,248
Mattie Griffith, Stenographer and Clerk	1,020	1,140
Elmer Boos	1,020	1,140
Beatrice A. Downing, Typist	960	1,080

7/9/25

-4-

"Total increase recommended \$1,966.

The above recommendations for salary increases are larger than those requested by any other bank. They are, however, minor in character except in the first two cases. Your Committees concur in the recommendations of Mr. Stewart, in his memorandum of June 25, 1925, that the increase of \$500 for Mr. Rehfuss be disapproved. Your Committees also recommend that all other increases in salaries be approved with the exception of that for Mr. Samuel, whose salary it is recommended be increased by \$120, the same as that proposed for the other Business Reporters.

As pointed out in Mr. Stewart's memorandum, the Philadelphia bank has given more attention than any other Federal Reserve bank to local industries, and has not yet reorganized its work or personnel to bring them into line with the announced policy of the Board. It is largely because of this fact that the Philadelphia bank has an annual expense of around \$80,000 in contrast to the Boston and Cleveland banks, each of which conducts its statistical work at an annual expense of about \$40,000. In his letter of June 18 Mr. Austin states that no curtailment has been possible in the number of subjects covered or in the detail in which the different lines of business are analyzed and that he has under contemplation the initiation and development of certain other statistical series. This additional work has not been approved by the Board's Division of Research and Statistics.

From the statement in Mr. Austin's letter concerning the revision of their mailing list for the monthly letter, it would seem that the bank has not carried through the revision of its mailing list along the lines pursued by the other reserve banks nor in accordance with the instructions of the Board. If the mailing list had been revised on the basis of the returns from the questionnaire as has apparently been done at most of the other Federal reserve banks, the number of copies of their monthly letter printed and distributed would have been greatly reduced.

In view of the above your Committees concur in the recommendation of Mr. Stewart that the Philadelphia bank be advised that the Board will approve a budget for the Statistical and Analytical function for the second half of 1925 for an amount not in excess of actual expenses during the first half of 1925; that it be instructed to submit to the Board as promptly as practicable a program for reorganizing the work in this function which will bring the budget for the calendar year 1926 within \$45,000 and that it be requested to put into effect immediately a revision of the mailing list for the monthly letter."

Mr. McIntosh moved that the Committees' report be approved.

The motion, being put by the Chair, was unanimously carried.

7/9/25

-5-

Report of Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6th, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Cleveland for the last six months of 1925, as follows:

"Your committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Cleveland for the last six months of 1925, and recommend that the salary adjustments and the budget submitted by Mr. Wills be approved.

The salary recommendations include the following increases:

	<u>From</u>	<u>To</u>
Edith H. Lesch, Stenographer	\$1,848	\$1,896
H. B. Flinkers, Head of Research Division	2,220	*2,400
**A. J. Francis, Cartographer	2,400	2,504
M. Gray, in charge of records and files	1,560	1,656

Total increase \$428

The budget calls for an expenditure of \$19,312, a decrease of \$2,511, or 11 per cent from the expenditure during the corresponding period of 1924. This decrease occurs primarily in the monthly letter expense unit, the decrease in this unit being \$2,371.

As a result of the new policy adopted by the Board last December, Cleveland has reduced the printed edition of its monthly letter from approximately 31,000 to about 16,000 and now makes a charge of \$.36 per year for all copies of the monthly letter delivered in bulk. The estimated receipts from this source during the last six months of 1925 are given as \$700.

*From August 1.

**Only one-fourth time charged to the Statistical and Analytical function."

Mr. Hamlin moved approval of the recommendations of the Committees.

The motion, being put by the Chair, was unanimously carried.

7/9/25

-6-

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6th, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Richmond, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Richmond for the last six months of 1925, and recommend that the salary adjustments and the budget submitted by Mr. Hoxton be approved.

No increases in salaries of the present force are recommended, but it is proposed to employ Evelyn McGhee as a clerk in the Statistical department at \$1,320 per annum in the place of Priscilla Williams, a clerk in the Statistical department at \$1,140.

The budget calls for an expenditure of \$7,146, a decrease of \$427, or 5.6 per cent, from the expenditure during the corresponding period of 1924. The budget for the Library and Statistical units show a slight increase, while the budget for the Monthly Letter unit calls for an expenditure of \$1,100 as compared with \$1,640 for the last half of 1924.

As a result of the new policy adopted by the Board last December, Richmond has reduced the printed edition of its monthly letter from 9,200 to 7,200. Mr. Hoxton reports that no progress has been made with reference to making a charge for copies of the monthly letter delivered in bulk. He has, however, estimated that they will receive \$837 during the last half of the year for copies of the monthly letter delivered in bulk provided a charge of \$.36 per copy per annum is made. He is of the opinion, however, that the banks now distributing the monthly letter will not pay \$.03 per copy for it and that even a charge of \$.01 $\frac{1}{2}$ (which he estimates is the cost of production) would result in a fewer number of copies being taken for distribution to customers. He therefore asks permission to distribute in bulk at a cost of \$.01 $\frac{1}{2}$ per copy or a little more. It is the opinion of your Committees that the charge should be substantially uniform at all Federal reserve banks and it is therefore recommended that Mr. Hoxton be advised to proceed to carry out the suggestions contained in the Board's letter X-4309 of March 31, 1925. Richmond is now distributing 4,650 copies in bulk to 5 banks."

Mr. Hamlin moved approval of the recommendations of the Committees.

The motion, being put by the Chair, was unanimously carried.

7/9/25

-7-

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6th, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Atlanta, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Atlanta for the last six months of 1925, and recommend that the salary schedule and the budget submitted by Mr. Newton be approved. No increases in salaries are recommended.

The budget calls for an expenditure of \$5,411, a decrease of \$965, or 15 per cent, from the expenditure during the corresponding period of 1924. The budget for the Statistical expense unit is \$987 less than the expenditure during the corresponding period of last year, and that for the Monthly letter \$120 lower.

As a result of the new policy adopted by the Board last December, Atlanta has reduced the number of copies of its monthly letter delivered in bulk by 650 and its total printed edition from 7,400 to 6,750."

Mr. Hamlin moved approval of the recommendations of the Committees.

The motion, being put by the Chair, was unanimously carried.

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6th, containing salary recommendations and budget for the Statistical and Analytical function of the Federal Reserve Bank of Chicago, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Chicago for the last six months of 1925. The salary recommendations include the following increases:

	<u>From</u>	<u>To</u>
Frank M. Huston, Manager, Division of Research and Statistics	\$6,500.	\$7,000
Clarence Kolz, Messenger and Computer	840	900

Total increase \$560

7/9/25

"Your Committees recommending that all proposed salaries be approved with the exception of that of Mr. Huston, which it is recommended be continued at the annual rate of \$6,500 for the balance of the present calendar year.

It is also recommended that the budget submitted by Chicago be approved for \$30,338.00. This will make the authorized budget for Chicago smaller by \$4203.00 or 12 per cent, than the expenditure during the corresponding period of 1924. The budget provides for decreases in expenditures in the Library, Statistical, and Monthly Letter expense units as follows:

Library	\$1,696
Statistical	1,972
Monthly Letter	773

As a result of the new policy adopted by the Board last December, Chicago has reduced the printed edition of its monthly letter from 22,000 in December 1924 to 12,600 in June 1925. The bank does not make any bulk distribution of the monthly letter, but whenever requested they quote a price of 35 cents per year per copy."

Mr. Hamlin moved approval of the recommendations of the Committees.

The motion being put by the Chair, was unanimously carried.

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6, 1925, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of St. Louis, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function of the Federal Reserve Bank of St. Louis for the last six months of 1925, and recommend that the salary schedule be approved. No increases in salaries are proposed by Mr. Martin.

7/9/25

-9-

"The budget calls for an expenditure of \$10,480 or about \$400 in excess of the expenditure for the corresponding period a year ago. This is due largely to including an item in the budget to take care of unforeseen contingencies, such as additional help needed on account of illness or for making special studies or investigations. Your Committees do not feel that the budget should provide for unforeseen contingencies, and do not feel warranted in approving a budget in excess of expenditures for the last half of 1924 unless specific reasons are given as to the necessity therefor. It is recommended, therefore, that the budget for the Statistical and Analytical function of the St. Louis bank for the last half of 1925 be fixed as \$10,089.58, the same as the amount expended during the last half of 1924, with the understanding that if additional funds are required for unforeseen contingencies a supplementary request for an increase in the budget may be submitted by Mr. Martin.

The bank revised its mailing list for the monthly letter about a year ago, and as a result they now have 7,432 on the mailing list as compared with 9,200 at the end of 1923. It is recommended that the Board suggest to Mr. Martin that his mailing list be revised again about the end of this year. The bank makes no bulk deliveries of the monthly letter."

Mr. Miller moved approval of the report of the Committees.

The motion, being put by the Chair, was unanimously carried.

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6, 1925, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Minneapolis, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Minneapolis for the last six months of 1925. No increases in salaries are proposed and your Committees recommend that the salary schedule be approved by the Board as submitted.

7/9/25

-10-

"The budget submitted calls for an expenditure of \$8,410, or \$644 more than the expenditure during the corresponding period of 1924. Mr. Mitchell states in his letter, however, that the budget for the last half of 1925 is precisely one-half of that proposed for the year as a whole, and he feels sure that his expenditures will be less than the budget submitted. The letter accompanying the budget does not give an adequate reason for the proposed increase in clerical expenses, and your Committees therefore recommend that Minneapolis be asked to furnish the Board with details as to the necessity for such increases before formal action is taken by the Board on the budget submitted.

As a result of the new policy adopted by the Board last December, Minneapolis has reduced its bulk shipments of the monthly letter from 242 to 68 copies and has collected \$26.25 for one year's subscription to the 68 copies. The printed edition of the monthly letter has been reduced from approximately 4,500 in August 1924 to 3,200 in June 1925."

Mr. Platt moved approval of the report of the Committees.

The motion, being put by the Chair, was unanimously carried.

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6, 1925, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Kansas City, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Kansas City for the last six months of 1925, and recommend that the proposed salaries and the budget submitted by Mr. McClure be approved. No increases in salaries are proposed.

The budget calls for an expenditure of \$9,917, or approximately the same as the amount expended during the last half of 1924.

7/9/25

-11-

"As a result of the new policy adopted by the Board last December, Kansas City has reduced the printed edition of its monthly letter from 10,000 to 8,000 copies. The bank eliminated about 1,200 firms and individuals from its mailing list and discontinued the shipment of about 800 copies in bulk. As a result of the discontinuance of the bulk deliveries, however, about 450 additional copies of the monthly review are being forwarded to individual firms and members of associations. The bank does not expect to receive any income during the last half of the year for bulk deliveries of its monthly letter."

Mr. Platt moved approval of the report of the Committees.

The motion, being put by the Chair, was unanimously carried.

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6th, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Dallas, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Dallas for the last six months of 1925, and recommend that the proposed salaries and the budget submitted by Mr. Talley be approved.

No increases in salaries are proposed, and the budget calls for an expenditure of \$8,808, or \$373 less than the amount expended during the corresponding period of 1924.

Since January 1, 1925, the number of printed copies of the Dallas monthly letter have increased approximately 100. They are, however, preparing to make the annual revision of their mailing list and anticipate that this will result in a decrease of 300 or 400 copies mailed. The bank makes no bulk deliveries of the monthly letter."

Mr. Hamlin moved approval of the report of the Committees.

The motion, being put by the Chair, was unanimously carried.

7/9/25

-12-

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6th, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of San Francisco, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of San Francisco for the last six months of 1925, and recommend that the salary adjustments and the budget submitted by Mr. Perrin be approved.

The salary recommendations include the following increases:

	<u>From</u>	<u>To</u>
Oliver P. Wheeler, Head of Division of Analysis and Research,	\$3,000	\$3,240
Donald S. Thompson, Research Assistant	2,220	2,340
Elmer F. Dixon, Draftsman-clerk	1,200	1,320
Total increase recommended	\$480	

Certain parts of the Statistical work at San Francisco are performed by an operating department of the bank and the Library is a department of the bank under the supervision of operating officers. The budget submitted by San Francisco, therefore, does not cover the cost of the Library or of that portion of the statistical work handled by the bank. Available figures indicate that the Library at San Francisco costs about \$6,000 a year and that the expense of the statistical work handled by the bank about \$2,800 a year.

The budget as submitted by San Francisco calls for an expenditure of \$16,420.00 or \$1,411.00 less than for the corresponding period of last year. Of the total decrease, \$1,141 is in the Monthly Letter expense unit. The Federal Reserve Agent states that during 1925 they expect to print an average of 8,500 copies of the monthly letter per month, which is about 5,000 copies less than the average number printed last year. No bulk deliveries of monthly letters are made at present."

Mr. Hamlin moved approval of the report of the Committees.

The motion, being put by the Chair, was unanimously carried.

7/9/25

-13-

Report of the Committees on Research and Statistics, and Salaries, Expenditures and Efficiency, dated July 6th, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Boston, for the last six months of 1925, as follows:

"Your Committees present herewith the salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of Boston for the last six months of 1925, and recommend that the salary adjustments and the budget submitted by Mr. Curtiss be approved. The salary recommendations include the following increases:

	<u>From</u>	<u>To</u>
H. Loughton, Statistician	\$2,750	\$3,000
G. T. Banks, Statistical Clerk	1,860	2,100
F. L. Baker, Draftsman	900	960

Total increases recommended, \$550.

The budget calls for an expenditure of \$21,099, a decrease of \$2,422, or 10 per cent, from the expenditure during the corresponding period of 1924. The decrease occurs primarily in the Administration and in the Monthly Letter expense units, the decrease in the Administration unit being \$570 and in the Monthly Letter expense unit, \$1,776. As a result of the new policy adopted by the Board last December, Boston has reduced the printed edition of its monthly letter from 13,000 copies in January to 7,900 copies in June. The bank now makes delivery in bulk of 35 copies to the Beacon Trust Company of Boston for which it collects \$17.50 per annum, and makes deliveries of from 2 to 15 copies to other organizations, a list of which is given in its letter, for which no charge is made."

Mr. Hamlin moved approval of the report of the Committees.

The motion, being put by the Chair, was unanimously carried.

At this point, Mr. Smead left the meeting.

7/9/25

-14-

Report of the Law Committee on the application of The Farmers National Bank of Clay, Clay, Kentucky, for fiduciary powers, the Committee recommending approval of the application, subject to the condition that trust funds must be invested and must not be treated merely as a deposit.

After discussion, Mr. James moved that the Governor be authorized to draft a letter to The Farmers National Bank of Clay for the purpose of securing information as to the manner in which the bank proposes to exercise such fiduciary powers, particularly with reference to the investment of trust funds and the segregation of all assets held in any fiduciary capacity.

Carried.

Memorandum from the Acting Director of the Division of Research and Statistics, dated July 8th, recommending that beginning with July 3rd Mrs. Dorothy B. Riefler, who has exhausted all of her sick and annual leave, be carried on the rolls of the Division of Research and Statistics on leave without pay until her return to work.

Approved.

Letter dated July 3rd, from the Secretary of the Federal Reserve Bank of San Francisco, advising that the Board of Directors of that Bank had voted to grant a leave of absence to Director Macdonnell for approximately sixty days, beginning July 1, 1925.

Noted.

Letter dated July 7th from Assistant Secretary of the Treasury Dewey, in reply to the Board's letter of July 3rd, with regard to eight pieces of

7/9/25

-15-

Federal Reserve currency, denomination of \$10, recently stolen from the Bureau of Engraving and Printing, six of which have been presented to the Treasury for redemption, the Assistant Secretary of the Treasury stating that it is the Treasury's intention to seek relief from Congress for incomplete notes which have been redeemed, and also that it is the intention of the Treasury to endeavor to secure legislation which will permit the redemption of Federal Reserve notes and Federal Reserve bank notes, which have been lost or stolen and put into circulation without the seal, etc., and that the matter would be taken up again with the Board in November.

Noted.

Letter dated July 6th from the Federal Reserve Agent at Chicago, recommending approval of the application of the Grand Rapids Savings Bank, Grand Rapids, Michigan, for permission to establish a branch at the corner of Hall, Kalamazoo, and Butler Streets, Grand Rapids, Michigan, to be opened about August 15th, steps for the establishment of the branch having been previously undertaken without the approval of the Board.

Upon motion by Mr. Hamlin, it was voted to approve the establishment of the branch of the Grand Rapids Savings Bank to be located at the corner of Hall, Kalamazoo, and Butler Streets, Grand Rapids, Michigan.

Letter dated July 6th from the Chairman of the Board of Directors of the Federal Reserve Bank of Minneapolis, advising that Mr. F. R. Bigelow, a Class "B" Director of the bank, whose term of office expires December 31, 1925, is President of the St. Paul Fire and Marine Insurance Company, and inquiring as to his eligibility to serve as a Class "B" Director because of his connection with the insurance company.

7/9/25

-16-

Upon motion by Mr. Hamlin, it was voted to interpose no objection to Mr. Bigelow continuing to serve until the expiration of his present term, but that he would be ineligible for reelection as a Class "B" director under the terms of the ruling recently adopted by the Federal Reserve Board.

Mr. Hamlin then moved that the Board reconsider its action in disapproving the report of the Committees on Salaries, Expenditures and Efficiency, and Research and Statistics, dated July 6th, containing salary recommendations and budget for the Statistical and Analytical function at the Federal Reserve Bank of New York, and stated that if this motion were carried, he would move that the salary part of the budget for the New York Bank be approved, and that the Bank be called upon to show why the Committees' recommendations as to the condensation or discontinuance of its present research work in longtime trends of production, trade, etc., should not be put into effect.

The motion being put by the Chair was lost, the members voting as follows:

Governor Crissinger, "aye"
 Mr. Platt, "aye"
 Mr. Hamlin, "aye"
 Mr. Miller, "no"
 Mr. James, "no"
 Mr. McIntosh, "no"

Thereupon ensued further discussion of the Committees' report on the Statistical and Analytical function at the New York Bank.

REPORTS OF STANDING COMMITTEES:

Dated July 7th Recommending changes in stock at Federal Reserve Banks,
 8th as set forth in the Auxiliary Minute Book of this date.
 9th Approved.

7/9/25

-17-

REPORTS OF STANDING COMMITTEES: (Cont'd)

Dated, July 9th, Recommending action on application for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

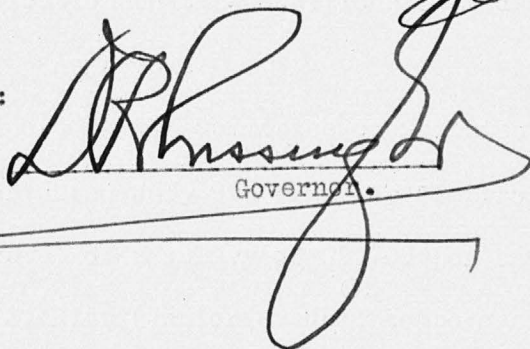
Approved.

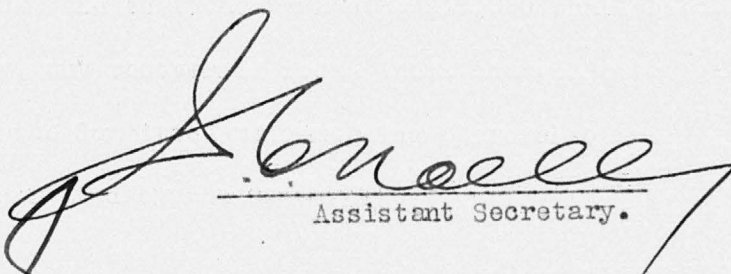
Dated, July 3rd, Recommending approval of the application of Mr. Walter Christie for permission to serve at the same time as President of the Bergenfield National Bank of Bergenfield, N.J. and as director of the Palisades Trust and Guaranty Company of Englewood, N.J.

Approved.

The meeting adjourned at 1:15 o'clock.

Approved:


Governor.


Assistant Secretary.