Upon call of the Governor, a special meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Saturday, December 19, 1925 at 11:30 a.m.

PRESENT: Governor Crissinger
Mr. Platt
Mr. Hamlin
Mr. Miller
Mr. James
Mr. Cunningham
Mr. Eddy, Secretary

The reading of the minutes of the meetings of the Federal Reserve Board held on December 15, 16, 17 and 18th was dispensed with.

Letter dated December 18th from the Chairman of the Federal Reserve Bank of New York, requesting the redesignation of Mr. W. Randolph Burgess as Assistant Federal Reserve Agent for the year 1926.

Upon motion by Mr. Hamlin, Mr. Burgess was redesignated.

Letter dated December 18th from the Federal Reserve Agent at Philadelphia, requesting the redesignation of Mr. Arthur E. Post as Assistant Federal Reserve Agent and Mr. J. Frank Rehfuss as Acting Assistant Federal Reserve Agent for the year 1926.

Upon motion by Mr. Hamlin, Messrs. Post and Rehfuss were redesignated.

Letter dated December 17th from the Federal Reserve Agent at St. Louis, requesting the redesignation of Mr. Clarence M. Stewart as Assistant Federal Reserve Agent for the year 1926.

Upon motion by Mr. Hamlin, Mr. Stewart was redesignated.

The Governor then reported that he had been in communication with
the Federal Reserve Bank of New York, regarding the action of the Board on December 16th in voting to approve a salary of $12,000 per annum, effective January 1, 1926, for Mr. W. W. Schneckenburger, Manager of the Buffalo Branch, whereas the Board of Directors of the Bank had recommended a salary of $18,000 for him. The Governor stated he had been advised that while the directors had recommended the salary they did, they would be entirely satisfied if the Board would approve a salary of $15,000 for Mr. Schneckenburger.

After discussion, Mr. Hamlin moved that the Board reconsider its action of December 16th in approving a salary of $12,000 for Mr. Schneckenburger effective January 1, 1926.

Mr. Hamlin's motion being put by the Chair was carried, Mr. Miller voting "no".

Mr. Hamlin then moved that the Board approve a salary of $15,000 for Mr. Schneckenburger, effective January 1, 1926.

Mr. Hamlin's motion being put by the Chair was carried, Messrs. Miller and Cunningham voting "no".

Letter dated December 7th from the Secretary of the Federal Reserve Bank of Cleveland, advising of the reappointment of Mr. George DeCamp as Managing Director of the Pittsburgh Branch for a term of one year, the appointment of Mr. E. A. Braun as Director of the Pittsburgh Branch for a term of three years, and the reappointment of Mr. E. S. Lee as Director of the Cincinnati Branch for a term of three years, and advising further that the matter of the appointment of a Managing Director for the Cincinnati Branch has been deferred until the next meeting of the Board of Directors
of the Bank.

Noted.

The Governor then advised the Board that he had been unsuccessful in his attempt to secure the services of Mr. Leonard P. Ayres of Cleveland as Federal Reserve Agent and Chairman of the Board of Directors of the Federal Reserve Bank of Cleveland, and submitted a report by the Committee on District #4, dated December 18th, recommending the appointment of Mr. George DeCamp, at present Manager of the Pittsburgh Branch, as Class "C" Director, Federal Reserve Agent and Chairman of the Board of Directors of the Federal Reserve Bank of Cleveland; the Committee also recommending appointments to the directorates of the Cincinnati and Pittsburgh Branches of the Federal Reserve Bank.

Mr. Hamlin then moved that Mr. Decamp be appointed Class C Director of the Federal Reserve Bank of Cleveland for the unexpired term of Mr. D. J. Wills, deceased, ending December 31, 1926, and that he be designated as Federal Reserve Agent and Chairman of the Board of Directors of the Bank for the year 1926.

Mr. Hamlin's motion being put by the Chair was unanimously carried.

Mr. Hamlin then moved that the Board approve for Mr. DeCamp salary at the rate of $20,000 per annum, effective when he assumes the duties of Chairman and Federal Reserve Agent.

Mr. Platt moved as a substitute that the Board approve for Mr. DeCamp salary at the rate of $18,000 per annum, effective when he assumes the duties of Chairman and Federal Reserve Agent.

Mr. Platt's substitute motion being put by the Chair was carried, the members voting as follows:
Mr. Platt, "aye"
Mr. Miller, "aye"
Mr. Cunningham, "aye"
Mr. Hamlin, "no"
Mr. James, "no"
Governor Crissinger, "not voting"

Mr. Hamlin then moved that Mr. A. E. Anderson be appointed a Director of the Cincinnati Branch of the Federal Reserve Bank of Cleveland for a term of three years, beginning January 1, 1926.

Mr. Hamlin's motion being put by the Chair was unanimously carried.

Mr. James then moved that Mr. Charles W. Brown be reappointed a Director of the Pittsburgh Branch of the Federal Reserve Bank of Cleveland for a term of three years, beginning January 1, 1926.

Mr. James' motion being put by the Chair was unanimously carried.

The Governor then suggested that the Board redesignate for the year 1926 the Assistant Federal Reserve Agents at the head office and branches of the Federal Reserve Bank of Cleveland.

Upon motion by Mr. Hamlin, Messrs. W. H. Fletcher and J. B. Anderson were redesignated as Assistant Federal Reserve Agents at the head office for the year 1926.

Upon motion by Mr. Hamlin, Mr. T. M. Jones was redesignated as Assistant Federal Reserve Agent, and Mr. Robert Wardrop as Acting Assistant Federal Reserve Agent at the Pittsburgh Branch for the year 1926.

Upon motion by Mr. Hamlin, Mr. P. J. Faulkner was redesignated as Assistant Federal Reserve Agent at the Cincinnati Branch for the year 1926.

Memorandum dated December 18th from the Fiscal Agent, submitting an estimate of expenses of the Federal Reserve Board for the first six
months of 1926 and recommending that an assessment of one hundred and two thousandths of one per cent (.00102) of the total paid in capital stock and surplus of the Federal Reserve banks, as of close of business December 31, 1925, be levied.

Upon motion, the following resolution was unanimously adopted:

"Whereas, under Section 10 of the act approved December 23, 1913, and known as the Federal Reserve Act, the Federal Reserve Board is empowered to levy semi-annually upon the Federal Reserve banks in proportion to their capital stock and surplus an assessment sufficient to pay its estimated expenses, including the salaries of its members, assistants, attorneys, experts and employees for the half-year succeeding the levying of such assessment, together with any deficit carried forward from the preceding half-year; and

Whereas, it appears from estimates submitted and considered that it is necessary that a fund equal to one hundred two thousandths of one per cent of the total paid-in capital stock and surplus of the Federal Reserve banks be created for the purpose hereinbefore described, exclusive of the cost of engraving and printing of Federal Reserve notes; Now, therefore, be it resolved, That pursuant to the authority vested in it by law, the Federal Reserve Board hereby levies an assessment upon the several Federal Reserve banks of an amount equal to one hundred two thousandths of one per cent of the total paid-in capital and surplus of such banks as of December 31, 1925, and the Fiscal Agent of the Board is hereby authorized to collect from said banks such assessment and execute, in the name of the Board, receipts for payments made. Such assessments will be collected in two installments of one-half each; the first installment to be paid on January 1, 1926, and the second half on March 1, 1926."

The Secretary then called the Board's attention to the fact that the reserve percentage of the Federal Reserve Bank of St. Louis at the close of business yesterday was only 35.4% and presented the following telegram from the Chairman of the Bank:

"Combined reserve at close of business yesterday 35.4. Legal reserve on notes maintained. Deficit on deposits due to transfer for Treasurer of United States, participation
"in repurchase of government securities and loss in gold statement due to unexpected transactions with member banks. Situation being corrected today by sale of bills through New York."

The Secretary stated he had been advised by the Federal Reserve Bank of New York that the St. Louis bank had today sold $2,000,000 of bills.

After discussion as to the recent reserve position of the Federal Reserve Bank of St. Louis and the reasons therefor, Mr. Hamlin moved that the Executive Committee prepare a letter on the subject to the Federal Reserve Bank.

Mr. Hamlin's motion being put by the Chair was unanimously carried.

Mr. Hamlin then referred to the question recently referred to the Law Committee, namely, an amendment to the Federal Reserve Act to extend from 15 to 90 days the maturity of member bank collateral notes eligible for discount at the Federal Reserve banks when such notes are secured by paper in itself eligible for rediscount. He suggested that the Law Committee be authorized to take this question up with the President of the Federal Advisory Council and secure an expression of his views on the proposed amendment.

Upon motion, the authority requested was granted.

Letters dated December 18th from the Governor and Deputy Governor of the Federal Reserve Bank of New York, transmitting a proposed plan for the standardization of jobs and classification of grades covering all employees of the Federal Reserve Bank of New York.

Upon motion, the above matter was ordered circulated and referred to the Committee on Salaries, Expenditures and Efficiency.
Letter dated December 17th from the Chairman of the Federal Reserve Bank of Atlanta, advising of the action of the Board of Directors of that bank in approving a recommendation of the Governor that the Savannah Agency of the Bank should not be discontinued at the present time.

Noted.

REPORTS OF STANDING COMMITTEE:

Dated, December 19th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

Approved.

The meeting adjourned at one o'clock.

Approved:

[Signature]

Governor.