

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, April 27, 1927 at 11:30 a.m.

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

Report of the Executive Committee on letter dated April 25th from the Comptroller of the Currency, recommending approval of a salary of \$3,000 per annum for National Bank Examiner Charles W. Motter, assigned to the 5th Federal Reserve District; the Committee also recommending approval.

Approved.

Report of Executive Committee on letter dated April 25th from the Comptroller of the Currency, recommending approval of a salary of \$2700 per annum for National Bank Examiner Fred C. Ockershausen, assigned to the 5th Federal Reserve District; the Committee also recommending approval.

Approved.

Report of Committee on Examinations on letter dated April 19th from the Federal Reserve Agent at San Francisco, transmitting and recommending approval of an application of the Pacific Southwest Trust and Savings Bank of Los Angeles for permission to purchase the business and assets of the Valley Savings Bank of Santa Maria and to consolidate it with an existing branch at that point; the Committee also recommending approval.

Noted, with approval.

Report of Committee on Examinations on letter dated April 19th

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from the Federal Reserve Agent at San Francisco, transmitting and recommending approval of an application of the Pacific Southwest Trust and Savings Bank of Los Angeles, for permission to establish a branch in the vicinity of West 1st and Vendome Streets, Los Angeles; the Committee also recommending approval.

Noted, with approval.

Report of Committee on Examinations on letter dated April 19th from the Federal Reserve Agent at San Francisco, transmitting and recommending approval of an application of the Security Trust and Savings Bank of Los Angeles for permission to establish a branch at the intersection of Hollywood Boulevard and La Brea Avenue, Los Angeles; the Committee also recommending approval.

Noted, with approval.

Report of Committee on Examinations on letter dated April 19th from the Federal Reserve Agent at San Francisco, transmitting and recommending approval of an application of the Security Trust and Savings Bank, Los Angeles, for permission to establish a branch at 57th Street and Angeles Mesa Drive and to retain an existing branch at 6425 Angeles Mesa Drive; the Committee also recommending approval.

Noted, with approval.

Report of Committee on Examinations on the matter referred to it at the meeting on April 22nd, namely, letters from all Federal Reserve Agents, replying to the Board's circular letter of December 4, 1926 (X-4739) and submitting a survey of all outlying banks in central reserve and reserve

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cities to which the Board has granted authority to carry reduced reserves against demand deposits; the Committee recommending that no action be taken by the Board to revoke authority previously granted by it except in the case of the National Rockland Bank of Boston, Massachusetts, which after receiving permission to carry a 7% reserve against demand deposits while located in Roxbury, a suburb of Boston, moved its office to the downtown district of Boston and has since been carrying a reserve of 10% against its demand deposits.

After discussion, Mr. Platt moved that the Board approve the recommendation of the Committee on Examinations and that the authority granted by the Board to the National Rockland Bank of Boston, Massachusetts, to carry reserves of 7% against demand deposits be revoked.

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

The Governor then submitted the matter referred to the Committee on District #5 at the meeting on April 26th, namely, letter dated April 25th from the Executive Committee of the Federal Reserve Bank of Richmond with further reference to the proposal of the bank to acquire the so-called Foster property, adjoining the main bank building, at a price of \$150,000; the letter replying to the Board's request of April 22nd for more definite information as to the practicability of ultimately improving the Foster property in harmony with the existing building so as to make it serviceable from an operating point of view and for a more definite statement as to the use which it is proposed to make of the property at the present time.

The Governor submitted a divided report of the Committee, reading as follows:

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"The undersigned, Chairman of the Board's Committee of the Federal Reserve Bank of Richmond, reports as follows:

1. It is reasonable to expect a future development of the Bank requiring additional space.
2. The only possible development in the future would be by use of the Foster property.
3. The existing practice of unloading currency in the alleyway is dangerous and is condemned by the Secret Service.
4. If immediate steps are taken to sell the Annex building, it is believed the original cost, allowing for depreciation, will be recouped.
5. The plans furnished by the architects show that it is reasonably practicable to utilize the Foster property in connection with the main building for either temporary or permanent purposes, so that the additional structure will be in harmony with the architecture of the present building, and that the same can be done at a comparatively small cost for alteration of the existing structure.

In my opinion the Board should vote that it will interpose no objection to the purchase of the Foster property as requested by the Directors.

(s) C. S. Hamlin

April 26, 1927

I shall vote "no" on this proposition.

(s) Geo. R. James"

Following a detailed discussion, Mr. Platt moved that the Board approve the recommendation made by Mr. Hamlin and authorize the Federal Reserve Bank of Richmond to purchase the so-called Foster property at a price of not to exceed \$150,000, and further that the Federal Reserve Bank be advised that the Board in approving the proposal was influenced by the statement of the committee of directors of the bank which appeared before it, that the bank would be able within a reasonable time to dispose of its present annex building at a good figure.

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Following a further discussion, Mr. Platt's motion was put by the Chair and carried, Mr. James voting "no".

The minutes of the meeting of the Federal Reserve Board held on April 26th were then read and approved.

REPORTS OF STANDING COMMITTEES:

Dated April 26th, 27th, Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date.  
Recommendations approved.

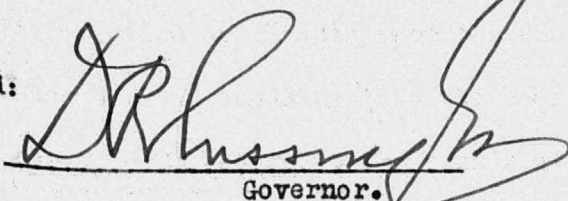
Dated April 23rd, Recommending action on application for fiduciary powers as set forth in the Auxiliary Minute Book of this date.  
Recommendation approved.

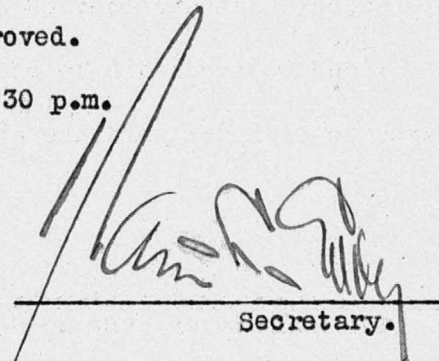
Dated April 22nd, Recommending approval of the application of Mr. Harris J. Latta for permission to serve at the same time as director of the Aldine Trust Company, Philadelphia, Pa. and as director of the Drovers and Merchants National Bank, Philadelphia, Pa.  
Recommendation approved.

Dated April 25th, Recommending approval of the application of Mr. Neil Sims for permission to serve at the same time as director of the Central National Bank, Poteau, Okla. and as officer of the First National Bank, Fort Smith, Ark.  
Recommendation approved.

The meeting adjourned at 12:30 p.m.

Approved:

  
Governor.

  
Secretary.