

A meeting of the Federal Reserve Board was held in the Office of the Federal Reserve Board on Friday, December 21, '1928, at 3:30 p. m.

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

The Secretary read the minutes of a meeting held this morning by Messrs. Platt and Cunningham, members of the Executive Committee, and Mr. James, Chairman of the Committee on Salaries and Expenditures, at which were presented budgets, including salary recommendations for the year 1929, submitted by the Secretary of the Board and the heads of the various departments which, after discussion of each budget individually with the department head, were approved for submission to the Board, Mr. James voting "no".

Mr. Cunningham, in connection with the statement in the minutes referred to that he had some reservations as to the salaries provided for the lower grade employees and would have a formal statement to make with respect thereto at this meeting, stated that he had not had time to prepare the statement in question which he felt should take the form of a resolution directing a committee of the Board to make a thorough and complete survey of all salaries paid to officers and employees of the Board. He said, however, that he would submit an appropriate resolution later and, in the meantime, felt that the salary recommendations and budgets for the year 1929, now under consideration, should be adopted. It was understood that Mr. Cunningham would submit the resolution which he has in mind at his convenience.

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After discussion, Mr. Hamlin moved that the officers of the Board be reappointed for the year 1929 and that the budgets covering the operations of the various offices of the Board for the year, in the aggregate \$816,276, including salaries of officers and employees, be approved as submitted.

The Secretary and the Assistant Secretary then left the room and the Board went into executive session. When they were called back into the meeting, Mr. Hamlin's motion was put by the Chair and carried, Mr. James voting "no".

The combined budget approved by the Board follows:

<u>Personal Services</u>	\$644,170.00
<u>Non-personal Services:</u>	
Supplies and Materials	6,725.00
Subsistence Expenses	46,450.00
Transportation Expenses	23,400.00
Communication Service	13,725.00
Ptg., Engr., Bdg., etc.	53,250.00
Heat and Light	1,200.00
Rents:	
Building	16,000.00
Equipment	36.00
Repairs-Equipment	820.00
Equipment	8,600.00
Special and Miscellaneous	1,900.00
Total	<u>\$172,106.00</u>
Complete Total	<u>\$816,276.00</u>

There are listed below the increases in salaries effective January

1, 1929, provided for by the budgets:

BOARD MEMBERS OFFICES:

Ficks, L. G.	From \$2,900	to \$3,000
Beller, Leona M.	" 2,700	" 2,800
Carpenter, S. R.	" 2,500	" 3,000

SECRETARY'S OFFICE: (Combined)

Stone, A. M.	" 2,700	" 2,800
Coe, Madison P.	" 2,500	" 2,700
Twomey, Raymond C.	" 2,100	" 2,200
Rice, Margaret A.	" 2,000	" 2,100
Swan, Nelle	" 1,900	" 2,000
Watson, Mary H.	" 1,900	" 2,000
Taylor, Victrin M.	" 1,500	" 1,600
Buckley, Thomas N.	" 1,000	" 1,200
Carter, Aubrey C.	" 3,800	" 4,000
Richardson, L. C.	" 1,900	" 2,100
Murdock, Frank J.	" 1,500	" 1,700

SECRETARY'S OFFICE: (Combined) (Cont'd.)

Baldwin, Wm. N.	From \$3,000	to \$3,200
Stone, Harry B.	" 2,400	" 2,500
Sherfy, R. E.	" 2,000	" 2,100
Farrell, John R.	" 1,200	" 1,400
McDowell, Henry	" 1,600	" 1,700
Dyson, Seaton	" 1,500	" 1,550
Banks, Essex	" 1,250	" 1,320
Hargett, Edward L.	" 1,250	" 1,320
Hunley, John H.	" 1,250	" 1,320
Piper, Robert	" 1,250	" 1,320
Simms, R. N.	" 1,250	" 1,320
Skinner, Carl M.	" 1,250	" 1,320
Watkins, F. L.	" 1,250	" 1,320
Marlowe, Ernest	" 1,200	" 1,320
Washington, Lafayette	" 1,200	" 1,320
Wheeler, Rutledge R.	" 1,150	" 1,200
Dyson, Nelson S.	" 1,000	" 1,100
Trescott, Charles G.	" 900	" 1,000

DIVISION OF BANK OPERATIONS:

Van Fossen, John R.	" 6,000	" 6,500
Horbett, J. E.	" 4,400	" 4,700
Caskey, Merret P.	" 2,700	" 2,900
Mitchell, Willis H.	" 2,700	" 2,900
Myrick, L. S.	" 2,700	" 3,000
Scudder, Dilver	" 2,700	" 2,900
Hurley, John J.	" 2,500	" 2,700
Morrisette, O. B.	" 2,500	" 2,600
Walker, F. A.	" 2,200	" 2,400
Dorsey, William B.	" 2,000	" 2,100
Callahan, Frank J.	" 1,700	" 1,800
Chapin, Emma L.	" 1,700	" 1,800
Goheen, Loretta M.	" 1,700	" 1,900
Jones, Marjorie F.	" 1,700	" 1,800
Williams, Mary C.	" 1,700	" 1,800
Conover, Esther W.	" 1,600	" 1,700
Sullivan, Libbie L.	" 1,600	" 1,700
Clark, Helen	" 1,500	" 1,600
Devereux, Flora S.	" 1,500	" 1,600
Foster, Meredith F.	" 1,500	" 1,600
Fugitt, Rita S.	" 1,400	" 1,600
Greene, M. Virginia	" 1,400	" 1,500
Patterson, Thelma C.	" 1,400	" 1,500
McKey, Felipa Moss	" 1,200	" 1,400

DIVISION OF RESEARCH AND STATISTICS:

Parry, Carl E.	" 7,500	" 8,000
Cummings, John	" 4,800	" 5,000
Riefler, Winfield	" 4,500	" 5,400
Stark, W. R.	" 4,200	" 4,800
Gardner, Walter R.	" 4,000	" 4,800
Rackstraw, Elsie	" 3,060	" 3,160
Joy, Aryness I.	" 2,700	" 3,200



DIVISION OF RESEARCH AND STATISTICS: (Cont'd.)

Evans, Mary Sibley	From \$2,500	to \$2,600
Elder, Nora V.	" 2,400	" 2,500
Deeds, Dorothy R.	" 2,100	" 2,200
Caskey, Franc S.	" 1,900	" 2,000
Dyer, Helen R.	" 1,900	" 2,000
Sutton, Blanche L.	" 1,900	" 2,000
Baur, Helene F.	" 1,800	" 2,000
Rhodes, Thomas B.	" 1,800	" 2,600
Taylor, Alice M.	" 1,800	" 1,900
Vincent, Helen	" 1,800	" 1,900
Cockerille, Gladys	" 1,680	" 1,860
Mason, Helen L.	" 1,680	" 1,800
Entriiken, Everett.	" 1,600	" 1,700
Collier, Raymond	" 1,440	" 1,560
Haigh, Julia	" 1,440	" 1,560
Maroney, Mary M.	" 1,440	" 1,560
Moss, Joyce W.	" 1,440	" 1,680
Plitt, Elsie H.	" 1,440	" 1,560
Robinson, Harvey	" 1,200	" 1,320
Kline, William A.	" 900	" 1,000

DIVISION OF EXAMINATION:

Drinneen, Frank J.	" 7,500	" 8,000
Brett, Rolfe H.	" 5,300	" 6,000
Bobb, J. A.	" 4,900	" 5,000
Heising, John D.	" 4,800	" 5,000
Siems, L. A. A.	" 4,800	" 5,400
Leonard, R. F.	" 4,500	" 5,200
Wilkes, M. R.	" 4,500	" 5,000
Barker, C. S.	" 4,300	" 4,800
Farrell, E. A.	" 4,300	" 4,600
Ringen, George M.	" 4,300	" 4,500
Cooke, Robert W.	" 3,500	" 3,800
Koppang, H. O.	" 3,500	" 3,800
Comley, Lorne C.	" 3,200	" 3,500
Furbershaw, James F.	" 2,700	" 2,900
Dougal, W. D.	" 2,500	" 3,200
Bartz, Charles H.	" 2,100	" 2,200

GENERAL COUNSEL:

Wingfield, B. M.	" 4,500	" 5,000
Assistant Counsel	" 2,700	" 3,000
Seitz, S. Earl	" 2,500	" 2,800
Croghan, Ollie M.	" 2,400	" 2,800
Dyer, Sara A.	" 1,680	" 1,800
Bane, Vivian D.	" 1,500	" 1,620
Hooff, Wilson Lee		

FISCAL AGENT:

Lally, Josephine E.	" 2,000	" 2,100
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DIVISION OF ISSUE:

Tucker, W. J.	" 2,760	" 2,820
Durnbaugh, W. K.	" 2,280	" 2,400
Gailes, George A.	" 1,800	" 1,860
Poston, Mary C.	" 1,560	" 1,620

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Memorandum dated December 21st from Fiscal Agent, setting forth estimated expenses for the first six months of 1929, and recommending that to cover same, the Board levy an assessment on the Federal Reserve Banks of ninety-seven thousandths of one per cent (.00097) of their total paid in capital and surplus as at the close of business December 31, 1928.

Upon motion, the following resolution was 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 ninety-seven 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 ninety-seven thousandths of one per cent of the total paid-in capital and surplus of such banks as of December 31, 1928, 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, 1929, and the second half on March 1, 1929."

Memorandum dated December 13th from Counsel, approved by the Law Committee, with reference to the Clayton Act application of Mr. David F. Houston, for permission to serve at the same time as director of the National Bank of Commerce, The Farmers Loan and Trust Company, The International Acceptance Bank and The International Acceptance Trust Company, all of New York City; Counsel stating that there is no legal reason why the application should not be approved as to any three of

the banks included therein, if in the Board's judgment it would not be incompatible with the public interest, and calling attention to the recommendation of the Federal Reserve Agent at New York that the application be approved as to the National Bank of Commerce and any two of the other three banks named in the application.

After discussion, upon motion, it was voted to authorize Mr. Houston to serve at the same time as director of any three of the institutions listed in his application on condition that he sever his connection with the other.

The Secretary then presented draft of a letter addressed to the Federal Reserve Agent at Chicago, prepared by the Chief of the Division of Bank Operations after discussion with individual members of the Board, requesting that beginning with the report to be submitted as of January 2, 1929, member banks in Chicago now reporting the amount of loans to brokers, both for their own account and for account of correspondent banks, report also the amount of such loans for "account of others".

Upon motion, the above letter was approved.

The Secretary then submitted telegrams and letters from all Federal Reserve Agents requesting approval of the appointment for the year 1929 of the following Assistant Federal Reserve Agents, Acting Assistant Federal Reserve Agents and representatives to act for the Federal Reserve Agents in the performance of certain duties heretofore specified:

Boston  
New York

Philadelphia

Cleveland

Richmond

Mr. Charles F. Gettemy  
Mr. W. Randolph Burgess  
Mr. William H. Dillistin  
Mr. Herbert S. Downs  
Mr. Arthur E. Post  
Mr. Ernest C. Hill  
Mr. J. Frank Rehfuß (Acting)  
Mr. William H. Fletcher  
Mr. J. B. Anderson  
Mr. J. G. Fry  
Mr. R. L. Shepherd (Acting)



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Atlanta	Mr. Ward Albertson
Chicago	Mr. William H. White
	Mr. Clifford S. Young (Representative)
	Mr. Carl Schelling (Representative)
St. Louis	Mr. Clarence M. Stewart
Minneapolis	Mr. Curtis L. Mosher
	Mr. F. M. Bailey
	Mr. Oliver S. Powell (Representative)
Kansas City	Mr. A. M. McAdams
Dallas	Mr. Charles C. Hall
	Mr. W. J. Evans
San Francisco	Mr. S. G. Sargent
	Mr. Allan Sproul

Upon motion, the appointments recommended were approved.

Letter dated December 20th, from the Chairman of the Federal Reserve Bank of New York, advising that the board of directors on that date voted, subject to the approval of the Board, to fix the salary of Mr. George L. Harrison, recently elected Governor of the Bank, at \$50,000 per annum, effective January 1, 1929.

After discussion, it was voted to defer action on the above salary until consideration is given to official salaries at all Federal Reserve Banks, when submitted following the first meetings of the new boards of directors in January.

The Board then discussed the matter of reallocation of appointments to the various committees of the Board, which the Governor stated he would like to revise effective January 1, 1929. The members of the Board expressed their individual preferences as to committees on which they would like to serve and the Governor made tentative appointments in conformity with the wishes of the members. He stated that the tentative list will be further discussed at a meeting of the Board when Messrs. Miller and Pole are present before being made effective.

REPORTS OF STANDING COMMITTEES:

Dated, December 19th, Recommending changes in stock at Federal Reserve  
20th, Banks as set forth in the Auxiliary Minute Book  
21st, of this date.

Recommendation approved.

Dated, December 20th, Recommending action on applications for fiduciary  
21st, powers as set forth in the Auxiliary Minute Book  
of this date.

Recommendation approved.

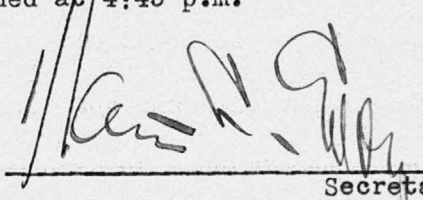
Dated, December 21st, Recommending approval of the application of Mr.  
Wm. A. Moulton for permission to serve at the  
same time as director of the Washington Park  
National Bank, Chicago, Illinois and as director  
of the South Central State Bank, Chicago, Illinois.

Approved.

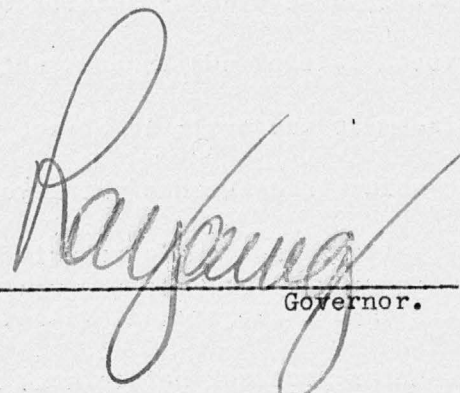
Dated, December 21st, Recommending approval of the application of Mr.  
E. A. Garard for permission to serve at the same  
time as director of the Washington Park National  
Bank, Chicago, Illinois, as director of the South  
Central State Bank, Chicago, Illinois and as officer and  
director of the Garard Trust Company, Chicago,  
Illinois.

Approved.

The meeting adjourned at 4:45 p.m.

  
Secretary.

Approved:

  
Governor.