A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, December 30, 1931, at 11:30 a. m.

PRESENT: Governor Meyer
Mr. Hamlin
Mr. Miller
Mr. James
Mr. Pole

Mr. Morrill, Secretary
Mr. McClelland, Assistant Secretary
Mr. Harrison, Assistant to the Governor.

The following matters of business were considered and acted upon by the Board:

Letter, approved by five members of the Board on December 29, to the Federal Reserve Agent at Atlanta, advising that in accordance with the recommendation contained in his letter of December 18 reporting that the First National Bank of Russellville, Alabama, has been deficient in its required reserves for more than six consecutive months, the Board will defer action on the matter pending receipt of the further report which the Agent stated would be submitted to the Board in January of next year, and that a copy of the letter is being sent to the Comptroller of the Currency for the information of his office.

Letter approved.

Letter, approved by five members of the Board on December 29, to the Comptroller of the Currency enclosing a copy of a letter received under date of December 16 from the Federal Reserve Bank of Dallas reporting that the Clyde National Bank, Clyde, Texas, was deficient in its required reserves for the period June 1 to November 30, 1931, and recommending that the matter be called to the attention of the Comptroller of the Currency; the Board's letter stating that it will be necessary for the bank to take vigorous steps in order to accomplish a satisfactory reduction in its loans and discounts and a restoration of its reserves, and requesting that the Comptroller ad-

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vise the Board of any further developments in the matter.

Letter approved.

Consideration was then given to the individual budgets of the several divisions of the Board's organization for the year 1932, including salaries of employees, which were approved, as was also the combined budget, aggregating $824,319.00, and consisting of the following items:

Personal Services	$658,060.00
Non-Personal Services:	
Supplies & Materials	5,850.00
Subsistence Expenses	50,900.00
Transportation Expenses	21,250.00
Communication Service	17,450.00
Ptg., Engr., Bdg., etc.	43,150.00
Heat and Light	900.00
Rents - Building	16,125.00
Rents - Equipment	54.00
Repairs - Equipment	735.00
Equipment	7,450.00
Special & Miscellaneous	2,395.00
Non-Personal Services Total	$166,259.00
Complete Total	$824,319.00

Memorandum dated December 28 from the Board's Fiscal Agent recommending that the Board levy an assessment on the Federal Reserve banks of eight hundred twenty-two ten thousandths of one per cent (.000822) of their total paid-in capital and surplus as at the close of business December 31, 1931, to cover the expenses of the Federal Reserve Board for the first six months of 1932.

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

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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 to and considered by the Federal Reserve Board that it is necessary that a fund equal to eight hundred twenty-two ten thousandths of one per cent (.000822) 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 BY THE FEDERAL RESERVE BOARD; That:

(1) There is hereby levied upon the several Federal reserve banks an assessment in an amount equal to eight hundred twenty-two ten thousandths of one per cent (.000822) of the total paid-in capital and surplus of each such bank at the close of business on December 31, 1931;

(2) Such assessment shall be paid by each Federal reserve bank in two equal installments on January 2, 1932, and March 1, 1932, respectively; by crediting the amount thereof on the books of the Federal reserve bank in the General Account of the Treasurer of the United States, for credit to the Federal Reserve Board in an account designated and known as 'Salaries and Expenses, Federal Reserve Board, Special Fund;'

(3) For each such installment of such assessment, each Federal reserve bank shall issue and send to the Treasurer of the United States a certificate of deposit evidencing said deposit and the fact that it is in payment of the assessment levied by the Federal Reserve Board for its general expenses and is to be credited to the Federal Reserve Board in an account designated and known as 'Salaries and Expenses, Federal Reserve Board, Special Fund;' and

(4) A duplicate copy of each such certificate of deposit, together with a statement showing the amount of the capital and surplus of the Federal reserve bank at the close of business on December 31, 1931, shall be sent to the Federal Reserve Board on the date of the payment of each installment."

Consideration was then given to the organization of the Board's Committees for the coming year and the following appointments were made, the Governor being an ex-officio member of each Committee:

EXECUTIVE: (First Quarter)
Mr. Meyer, Chairman
Mr. Hamlin
Mr. Miller

LAW:
Mr. Hamlin, Chairman
Mr. Miller

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EXAMINATIONS:
Mr. Magee, Chairman
Mr. James

RESEARCH AND STATISTICS:
Mr. Miller, Chairman
Mr. Hamlin

SALARIES AND EXPENDITURES OF FEDERAL RESERVE BANKS:
Mr. James, Chairman
Mr. Magee

DISTRICT COMMITTEES:

Boston:
Mr. Hamlin, Chairman
Mr. Miller

New York:
Mr. Hamlin, Chairman
Mr. James

Philadelphia:
Mr. Miller, Chairman
Mr. Hamlin

Cleveland:
Mr. Miller, Chairman
Mr. Hamlin

Richmond:
Mr. Hamlin, Chairman
Mr. Magee

Atlanta:
Mr. James, Chairman
Mr. Magee

Chicago:
Mr. Magee, Chairman
Mr. Miller

St. Louis:
Mr. James, Chairman
Mr. Hamlin

Minneapolis:
Mr. Magee, Chairman
Mr. Miller

Kansas City:
Mr. Magee, Chairman
Mr. James

Dallas:
Mr. James, Chairman
Mr. Magee

San Francisco:
Mr. Miller, Chairman
Mr. James

The meeting adjourned at 12:00 noon.

Chester Morrill
Secretary.

Approved: Eugene Meyer
Governor.

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