

A meeting of the Executive Committee of the Board of Governors of the Federal Reserve System was held in Washington on Monday, October 7, 1935, at 3:00 p. m.

PRESENT: Mr. Thomas, Vice Chairman
Mr. James
Mr. Szymczak

Mr. Bethea, Assistant Secretary
Mr. Carpenter, Assistant Secretary

The Committee acted upon the following matters:

Telegram to Mr. Walsh, Chairman of the Federal Reserve Bank of Dallas, reading as follows:

"Your telegram. Board approves for your bank rate of $2\frac{1}{2}\%$ per annum on advances to member banks under section 10(b) of Federal Reserve Act as amended by Banking Act of 1935, effective October 8, and notes with approval the establishment without change of the other rates of discount and purchase in effect at your bank."

Approved unanimously.

Telegram from Mr. Powell, Secretary of the Federal Reserve Bank of Minneapolis, advising of the establishment without change by his bank today of the rates of discount and purchase in effect at the bank.

Noted with unanimous approval.

Memorandum dated October 3, 1935, from Mr. Smead, Chief of the Division of Bank Operations, recommending approval of the following changes in the inter-district time schedule for cash items, which had been requested by the Federal Reserve Bank of Kansas City and agreed to by the other Federal reserve banks affected:

	<u>From</u>	<u>To</u>
Kansas City to New York	3 days	2 days
Kansas City to Seattle	4 "	3 "
Denver to Charlotte	4 "	3 "
Denver to Minneapolis	3 "	2 "

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Omaha to Helena

From
3 daysTo
2 days

The recommendation was approved by two members of the Board on October 5, 1935.

Approved unanimously.

Telegram to Mr. Clark, Secretary of the Federal Reserve Bank of Atlanta, reading as follows:

"Referring your October 3 letter, Board interposes no objection to expenditure of not exceeding \$250 authorized by your Executive Committee for entertainment of the National Association of Supervisors of State Banks at its annual convention in Atlanta on November 7, 8 and 9, such entertainment to be in the form of a luncheon or dinner."

Approved unanimously.

Letter to Mr. Wm. H. Livingston, an associate of Paul P. Cret, Architect for the Board's new building, Philadelphia, Pennsylvania, reading as follows:

"Receipt is acknowledged of your letter of September 24, 1935, and inclosures, in regard to the location of the telephone operating and terminal rooms in the Board's new building.

"It appears from the correspondence between the telephone company and Moody & Hutchison that the telephone company is very definitely of the opinion that such rooms should not be located on the ground floor, although the consulting engineers have advised you that they appreciate the service troubles which can occur by reason of dampness affecting telephone equipment and have given these due consideration in urging the acceptance of the ground floor space.

"It appears also that you have given the problem serious consideration and that you feel the telephone company may have adopted a policy against the approval of ground floor locations for their equipment and will, therefore, not approve such a location, despite the fact that adequate measures have been taken to meet its objections in this instance.

"As you know, the space assignments in the northeast wing on the ground floor of the building were made with the idea of having certain service functions grouped together and near the

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"night entrance and the guard room at that entrance, and the location of the telephone room on some other floor of the building would disrupt this plan. Moreover, it is believed that the telephone rooms, from the standpoint of logical building arrangement, should be located on the ground floor and that desirable office space on another floor should not be taken for that service.

"However, if, after the consulting engineers have reviewed the entire situation with representatives of the telephone company, the company still insists that it will be necessary, in order to insure satisfactory telephone service, to place the telephone rooms on another floor, the Board will give consideration to locating the rooms in the space immediately east of the womens' toilet in the northeast wing of the first floor. If this change were made, it does not appear that it would be necessary to provide separate toilet facilities for the telephone rooms as an entrance to the adjoining toilet room could be provided.

"If the telephone company should agree that a satisfactory installation could be made in the space provided on your sketch SK-69, it is believed that you should consider whether the additional expense which would be involved in providing for air space under the entire floor of the telephone rooms and in other necessary steps to avoid dampness in the rooms would be justified as against the location of the telephone rooms in the space on the first floor above referred to which would also provide for unforeseen expansion, and the Board would like to have an expression of your views on this point.

"It is felt that further consideration of the matter should be approached from the standpoint of reviewing carefully with representatives of the telephone company the question whether the provision which will be made for air conditioning and humidity control in the space originally provided for the telephone rooms will not satisfactorily overcome the difficulties which have been experienced by the telephone company in other ground floor locations in Washington, bearing in mind, of course, that it is essential that entirely satisfactory telephone service be provided in the new building. In this connection, inasmuch as it will be possible to keep the windows on the ground floor closed during all seasons of the year, it would seem that street noises should not be a factor in determining the location of the telephone rooms.

"In the circumstances, it will be appreciated if you will canvass the situation in the light of this letter with the view to reaching a decision as to a location for the telephone operating and terminal rooms, which will be acceptable to all concerned, advising this office of the conclusions reached.

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"Mr. Morrill has been consulted regarding the problem and he is in general agreement with the views expressed herein."

Approved unanimously.

There were then presented the following applications for changes in stock of Federal reserve banks:

<u>Application for ORIGINAL Stock:</u>	<u>Shares</u>	
<u>District No. 4.</u>		
The Youngsville National Bank, Youngsville, Pennsylvania.	44	44
<u>Applications for ADDITIONAL Stock:</u>		
<u>District No. 4.</u>		
The First National Bank of Garrettsville, Garrettsville, Ohio.	4	
The Old Phoenix National Bank of Medina, Medina, Ohio.	9	
The Marine National Bank of Erie, Erie, Pennsylvania.	240	
First National Bank in Indiana, Indiana, Pennsylvania.	<u>3</u>	256
<u>District No. 6.</u>		
The Barnett National Bank of Cocoa, Cocoa, Florida.	3	
First Atlantic National Bank of Daytona Beach, Daytona Beach, Florida.	1	
The Barnett National Bank of Deland, Deland, Florida.	12	
The Atlantic National Bank of Jacksonville, Jacksonville, Florida.	9	
The Sanford Atlantic National Bank, Sanford, Florida.	1	
West Palm Beach Atlantic National Bank, West Palm Beach, Florida.	1	
The Hamilton National Bank of Knoxville, Knoxville, Tennessee.	<u>60</u>	87
<u>District No. 7.</u>		
The First National Bank of Springfield, Springfield, Illinois.	60	
The Gerber State Bank, Argenta, Illinois.	2	
The National Security Bank of Chicago, Chicago, Illinois.	3	
First National Bank of Woodstock, Woodstock, Illinois.	<u>15</u>	80

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Applications for ADDITIONAL Stock: (Cont'd)District No. 8.The Southern Illinois National Bank of East
St. Louis, East St. Louis, Illinois.Shares

7

The Farmers National Bank of Madisonville,
Madisonville, Kentucky.

6

The First National Bank of Cape Girardeau,
Cape Girardeau, Missouri.5

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District No. 12.

The Bank of Carmel, Carmel, California.

3

Monterey County Trust & Savings Bank,
Salinas, California.

12

Peoples Bank and Trust Company, Seattle,
Washington.

38

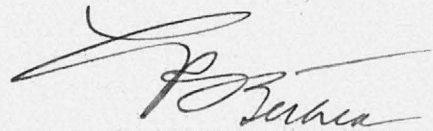
The United States National Bank of Portland,
Portland, Oregon.3083

Total

524

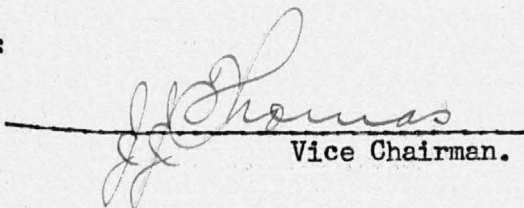
Approved unanimously.

Thereupon the meeting adjourned.



Assistant Secretary.

Approved:



Vice Chairman.