

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON

X-9777



ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

December 31, 1936.

Dear Sir:

In confirmation of my telegram of December 31, 1936, there is attached a copy of a resolution adopted by the Board of Governors of the Federal Reserve System levying an assessment upon the various Federal reserve banks in an amount equal to seven hundred twenty-three thousandths of one per cent (.00723) of the total paid-in capital and surplus (Section 7 and Section 13b) of the Federal reserve banks as of the close of business December 31, 1936, to defray the estimated expenses and salaries of the members and employees of the Board from January 1 to June 30, 1937, together with \$1,424,000 to be applied upon the cost of the erection of a building for the Board of Governors of the Federal Reserve System.

The resolution also confirms the instructions contained in the telegram with regard to the manner in which the payments on the assessment shall be deposited with the Federal Reserve Bank of Richmond.

Very truly yours,

A handwritten signature in cursive script, reading "O. E. Foulk".

O. E. Foulk,  
Fiscal Agent.

Inclosure

TO CHAIRMEN OF ALL FEDERAL RESERVE BANKS.

## RESOLUTION LEVYING ASSESSMENT

WHEREAS, Section 10 of the Federal Reserve Act, as amended, contains the following provisions:

"The Board of Governors of the Federal Reserve System shall have power to levy semiannually upon the Federal reserve banks, in proportion to their capital stock and surplus, an assessment sufficient to pay its estimated expenses and the salaries of its members and employees for the half year succeeding the levying of such assessment, together with any deficit carried forward from the preceding half year, and such assessments may include amounts sufficient to provide for the acquisition by the Board in its own name of such site or building in the District of Columbia as in its judgment alone shall be necessary for the purpose of providing suitable and adequate quarters for the performance of its functions. After approving such plans, estimates, and specifications as it shall have caused to be prepared, the Board may, notwithstanding any other provision of law, cause to be constructed on the site so acquired by it a building suitable and adequate in its judgment for its purposes and proceed to take all such steps as it may deem necessary or appropriate in connection with the construction, equipment, and furnishing of such building. The Board may maintain, enlarge, or remodel any building so acquired or constructed and shall have sole control of such building and space therein.

" \* \* \* \* \*

"The Board shall determine and prescribe the manner in which its obligations shall be incurred and its disbursements and expenses allowed and paid, and may leave on deposit in the Federal reserve banks the proceeds of assessments levied upon them to defray its estimated expenses and the salaries of its members and employees, \* \* \* \* and funds derived from such assessments shall not be construed to be Government funds or appropriated moneys."

WHEREAS, it appears from a consideration of the estimated expenses of the Board of Governors of the Federal Reserve System for the six-months period beginning January 1, 1937, and of the amounts which in the judgment of the Board may be needed during such period to provide for the costs, or part thereof, of the erection of a building suitable and adequate for the Board's quarters,

that it is necessary that a fund equal to seven hundred twenty-three thousandths of one per cent (.00723) of the total paid-in capital stock and surplus (Section 7 and Section 13b) of the Federal reserve banks be created for such purposes, exclusive of the cost of printing, issuing and redeeming Federal reserve notes;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, That:

(1) There is hereby levied upon the several Federal reserve banks an assessment in an amount equal to seven hundred twenty-three thousandths of one per cent (.00723) of the total paid-in capital and surplus (Section 7 and Section 13b) of each such bank at the close of business December 31, 1936.

(2) Seventeen and six-tenths per cent of such assessment shall be paid in on January 2, 1937, seventeen and six-tenths per cent thereof shall be paid in on March 1, 1937, and the remainder (sixty-four and eight-tenths per cent) shall be paid at such times and in such amounts as the Board may call for the payment thereof during such six-months period beginning January 1, 1937.

(3) Every Federal reserve bank except the Federal Reserve Bank of Richmond shall pay such assessment by transferring the amounts specified for transfer on January 2 and March 1 through the Interdistrict Settlement Fund to the Federal Reserve Bank of Richmond for credit to the Board's Special Fund Account on the books of that bank, with telegraphic advice to Richmond of the purpose and amount of the credit. The remainder of the assessment shall be paid at such times and in such amounts as the Board may call for the payment thereof during the six-months period by transferring the amount called through the Interdistrict Settlement Fund to the Federal Reserve Bank of Richmond for credit to the Board of Governors of the Federal Reserve System - Building Account, on the books of that bank. The Federal Reserve Bank of Richmond shall pay its assessment by crediting to the proper accounts on its books on the dates stated the amounts specified above.