

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
THE FEDERAL RESERVE BANK OF KANSAS CITY HELD IN
KANSAS CITY ON JANUARY 18, 2024

The meeting convened at 8:30 a.m. with Chair Patrick A. Dujakovich presiding and the following individuals in attendance:

HEAD OFFICE DIRECTORS

Chair	Patrick A. Dujakovich	Todd Aadland
Deputy Chair	Jandel Allen-Davis	Senior Vice President
Directors	Ruben Alonso III	Amy Cole
	Ramin Cherafat	Senior Vice President
	Paul Maass	Tara Humston
	Kyle Heckman	Senior Vice President
	Susan Chapman Plumb	Craig C. Zahnd
	Alex Williams	Senior Vice President and General Counsel

DENVER BRANCH

Janice J. Lucero

OKLAHOMA CITY BRANCH

Dana S. Weber

Scott Case

OMAHA BRANCH

DJ Eihusen

BANK MANAGEMENT COMMITTEE

Jeffrey R. Schmid

President and Chief Executive Officer

Kelly J. Dubbert

First Vice President

Josias Aleman

Executive Vice President

Denise Connor

Executive Vice President

Joseph W. Gruber

Executive Vice President and Director of
Research

Kim Robbins

Executive Vice President

ATTENDEES

Porcia Block

Senior Vice President and General

Auditor

Kara Bemboom

Senior Vice President, Corporate Secretary
and Chief of Staff

Hailie Turner

Assistant Secretary and Vice President

Bonnie Lyons

Assistant Secretary and Assistant Vice
President

PRESENTER

José Mustre-del-Río

Research and Policy Officer

VISITOR

Chad Wilkerson

Senior Vice President and Oklahoma City
Branch Executive

APPROVAL ITEMS

On motion duly made and seconded, approval¹ was given for the minutes of the Board of Directors meeting of December 7, 2023, the Executive Committee meetings of November 30, December 21, 2023, and January 4, 2024, and the Digest of Management Committee Proceedings from November 23, 2023 through January 3, 2024.

ACCEPTANCE OF SECRETARY'S LETTER

The following matters, which had been brought to the attention of the Board of Directors in a letter dated January 11, 2024, were noted, and the Secretary’s Letter was accepted:

The Bank received communications on December 4 and December 13, 2023 from the Board of Governors indicating the Board maintained the primary credit rate of 5 ½ percent and approved the renewal of the formulas for determining secondary and seasonal credit rates.

The District made no earnings remittances to the U.S. Treasury in December 2023. Weekly remittances were temporarily suspended at the end of September 2022, and a deferred asset has been booked (\$483.6 million as of December 29). The temporary suspension of Treasury remittances is due to insufficient earnings as interest expense has exceeded SOMA interest income.

The District’s net holdings in the System Open Market Account (SOMA) decreased \$2.6 billion during the month of December 2023. As of December 29, 2023, the District’s net SOMA holdings were \$79.3 billion, a \$7.9 billion decrease from the \$87.2 billion reported for the same time last year.

The Bank processed the semi-annual dividends payment to member banks on December 29, 2023; dividends totaled \$10.2 million.

2024 UPDATED BOARD OF DIRECTORS MEETING DATES

Senior Vice President, Chief of Staff and Corporate Secretary Bemboom briefed directors on proposed revisions to the 2024 board meeting schedule and format. On motion duly made and seconded, the Board approved the following 2024 head office Board of Directors revised meeting schedule:

<u>2024</u>	<u>DAY</u>
March 13	Wednesday
March 14	Thursday

¹One director whose term began on January 1, 2024, abstained from voting.

April 10	Wednesday
April 11	Thursday
June 5	Wednesday
June 6	Thursday
July 17	Wednesday
July 18	Thursday
September 11	Wednesday
September 12	Thursday
October 9	Wednesday
October 10	Thursday
December 11	Wednesday
December 12	Thursday

ADOPTION OF RETIREMENT RESOLUTION FOR KELLY J. DUBBERT

On motion duly made and seconded, the following resolution honoring First Vice President Kelly J. Dubbert was approved:

WHEREAS, Kelly J. Dubbert joined the Bank’s staff on June 9, 1986, and was appointed to the official staff on January 1, 1993, thereafter serving in various official capacities until his appointment as First Vice President and Chief Operating Officer on January 16, 2012; and, WHEREAS, Mr. Dubbert will retire as First Vice President and Chief Operating Officer on February 29, 2024, after more than 37 years of Federal Reserve service; and, WHEREAS, Mr. Dubbert has developed a deep expertise for the Bank’s varied and diverse work, having overseen numerous functions including Information Technology, Customer Support, Treasury Services, Financial Services, Payment Strategies and Administrative Services; and, WHEREAS, Mr. Dubbert provided exceptional service to the Federal Reserve System and Federal Reserve Bank of Kansas City throughout the Covid-19 pandemic, serving as chair of the System Crisis Management Team which handled coordination and communication on numerous pandemic-related issues impacting the Federal Reserve’s operations and employees, and providing important leadership to the Bank’s pandemic response; and,

WHEREAS, Mr. Dubbert throughout his career has exhibited strong leadership to the Bank and System in a variety of roles including as branch manager of the Bank's Oklahoma City Branch, as the Bank's Chief Information Officer and as chair of the Conference of First Vice Presidents and the Technology Services Council, and also assuming for several months the duties of the Bank President including those involving the Federal Open Market Committee during the presidential transition process; and,

WHEREAS, Mr. Dubbert's Federal Reserve career is particularly exceptional in that he initially joined the Bank as an intern in 1985 and became a Bank employee the following year and thus encompassed a tenure at every level of the organization; and,

WHEREAS, Mr. Dubbert, throughout his career, has acted with courage, loyalty, decisiveness, diplomacy, congeniality, intelligence and fidelity; and,

WHEREAS, The directors, officers and employees of the Federal Reserve Bank of Kansas City have appreciated the leadership, example, dedication, judgment and friendship of First Vice President Dubbert;

NOW, THEREFORE, BE IT RESOLVED, That the members of the Board of Directors of the Federal Reserve Bank of Kansas City express, and do hereby record, their deep appreciation for the service rendered by Kelly J. Dubbert, and, for themselves and on behalf of the officers of the Bank, tender to him their abiding gratitude for the privilege of being associated with him; and,

BE IT FURTHER RESOLVED, That this resolution be made part of the permanent records of this Bank, and that a copy be presented to First Vice President Dubbert.

BANK UPDATE

Senior Vice President and General Counsel Zahnd updated directors on a pending legal matter and reminded them of the eligibility requirements for director service, including political activity restrictions. First Vice President Dubbert provided an overview of the 2024 performance evaluation process. Senior Vice President, Chief of Staff and Corporate Secretary Bemboom

presented the 2024 committee roster. Executive Vice President and Director of Research Gruber shared a recent news article discussing the Federal Reserve's financial statements.

PRESIDENT'S REPORT

Executive Vice President Robbins provided an overview of her onboarding process and transition to the First Vice President role, effective March 1. President and Chief Executive Officer Schmid informed directors of his recent and upcoming engagements and the confirmed appointment of Alberto Musalem as President of the Federal Reserve Bank of St. Louis, effective April 2. He also provided a recap of the recent Management Committee strategic planning retreat and debriefed directors on the priorities and membership of Federal Reserve System committees.

REPORT ON ECONOMIC AND MONETARY POLICY DEVELOPMENTS

Research and Policy Officer José Mustre-del-Río briefed directors on national economic conditions.

DIRECTOR COMMENTS ON ECONOMIC CONDITIONS

A roundtable discussion ensued with directors reporting on economic and financial conditions in their respective regions of the Tenth District.

DISCOUNT RATE DISCUSSION

The meeting continued with directors, President and Chief Executive Officer Schmid, First Vice President Dubbert, Executive Vice President and Director of Research Gruber, Senior Vice President Humston, Senior Vice President, Chief of Staff and Corporate Secretary Bemboom, Senior Vice President and General Counsel Zahnd, and Assistant Secretary and Vice President Turner. All other meeting attendees were dismissed. Chair Dujakovich invited directors' comments and observations regarding the impending rate decision. At the conclusion of the discussion, Chair Dujakovich requested President Schmid's rate recommendation.

RATES

Upon motion duly made and seconded, the Board unanimously adopted President and Chief Executive Officer Schmid's recommendation and voted to maintain the discount rate at 5 ½ percent.

Consequently, subject to approval by the Board of Governors, rates were established as follows:

	<u>Rate Per Annum</u>
Advances to and discounts for depository institutions, and U.S. Branches and Agencies of Foreign Banks subject to reserve requirements under Federal Reserve Regulation D:	
(a) Primary Credit Rate pursuant to Section 201.4 (a) of Regulation A	5 ½ %
(b) Secondary Credit Rate pursuant to Section 201.4 (b) of Regulation A	*
(c) Seasonal Credit Rate pursuant to Section 201.4 (c) of Regulation A	**

*Rate to be calculated based on a formula adopted effective January 9, 2003.

**Rate to be calculated based on a formula adopted effective January 9, 1992.

ADJOURNMENT

Directors received the current consolidated balance sheet for the Federal Reserve Banks, executive speech schedule, and information regarding the Paycheck Protection Program Liquidity Facility and the Bank Term Funding Program. The meeting adjourned at 11:24 a.m. The next regularly scheduled meeting of the Board of Directors will be held March 13-14, 2024, in Kansas City, Missouri.

EXECUTIVE SESSION

An executive session convened with head office directors, President and Chief Executive Officer Schmid, First Vice President Dubbert, Executive Vice President Robbins, and Senior Vice President Cole. President and Chief Executive Officer Schmid reviewed the Bank's 2024 business plan. First Vice President Dubbert and Executive Vice President Robbins conducted the annual review of the emergency executive succession plan. The directors accepted the plan, and documentation is on file with the Corporate Secretary.

First Vice President Dubbert and Executive Vice President Robins were dismissed, and the session continued with head office directors, President and Chief Executive Officer Schmid and Senior Vice President Cole. President and Chief Executive Officer Schmid reviewed the current performance and 2023 compensation for First Vice President Dubbert. Upon motion duly made and seconded, the proposed compensation action was unanimously approved. Senior Vice President Cole reminded directors of the Board of Governors compensation policy and annual salary increase for Federal Reserve Presidents. Then, President and Chief Executive Officer Schmid summarized his 2023 performance.

President and Chief Executive Officer Schmid was dismissed, and the session continued with head office directors and Senior Vice President Cole. Chair Dujakovich began to facilitate an open feedback discussion regarding President and Chief Executive Officer Schmid's performance evaluation. Then, Senior Vice President Cole was dismissed and Chair Dujakovich continued the discussion with head office directors.

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
THE FEDERAL RESERVE BANK OF KANSAS CITY HELD IN
KANSAS CITY ON MARCH 13, 2024

The meeting convened at 3:50 p.m. with Chair Patrick A. Dujakovich presiding and the following individuals in attendance:

HEAD OFFICE DIRECTORS

Chair Patrick A. Dujakovich
Deputy Chair Jandel Allen-Davis
Directors Ruben Alonso III
Kyle Heckman
Susan Chapman Plumb
Alex Williams

Amy Cole
Senior Vice President
Craig C. Zahnd
Senior Vice President and General Counsel

FEDERAL ADVISORY COUNCIL

MEMBER

Jill Castilla

ATTENDEES

Porcia Block
Senior Vice President and General Auditor
Nicholas Sly
Vice President and Denver Branch Executive
Ingrid Wong
Assistant Secretary, Vice President, and Assistant General Counsel
Hailie Turner
Assistant Secretary and Vice President
Bonnie Lyons
Assistant Secretary and Assistant Vice President

DENVER BRANCH

Del Esparza

OKLAHOMA CITY BRANCH

Terry Salmon

OMAHA BRANCH

L. Javier Fernandez

BANK MANAGEMENT COMMITTEE

Jeffrey R. Schmid
President and Chief Executive Officer
Kim Robbins
First Vice President
Josias Aleman
Executive Vice President
Denise Connor
Executive Vice President
Joseph W. Gruber
Executive Vice President and Director of Research

VISITORS

Adam Winzenried
Group Vice President
Jami Kennedy
Vice President
Dustyn DeSpain
Assistant Vice President
Tim Todd
Executive Writer and Historian

EVOLUTION OF THE RESERVE BANK DIRECTOR ROLE

Senior Vice President and General Counsel Zahnd provided an overview to directors of the Federal Reserve Bank director role.

FEDERAL RESERVE GOVERNANCE AND AREAS OF STRATEGIC FOCUS

Executive Vice President Aleman, Group Vice President Winzenried, Vice President Kennedy, Assistant Vice President DeSpain briefed directors on Federal Reserve governance and strategic areas of focus for the Federal Reserve System.

CLOSING REMARKS

First Vice President Robbins provided closing remarks that included a brief update on Bank operations.

ADJOURNMENT

The meeting adjourned at 5:31 p.m. The next regularly scheduled meeting of the Board of Directors will be held March 14, 2024, in Kansas City, Missouri.

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
THE FEDERAL RESERVE BANK OF KANSAS CITY HELD IN
KANSAS CITY ON MARCH 14, 2024

The meeting convened at 7:30 a.m. with Chair Patrick A. Dujakovich presiding and the following individuals in attendance:

HEAD OFFICE DIRECTORS

Chair Patrick A. Dujakovich
Deputy Chair Jandel Allen-Davis
Directors Paul Maass
Ruben Alonso III
Kyle Heckman
Susan Chapman Plumb
Alex Williams

Joseph W. Gruber
Executive Vice President and Director of
Research
Amy Cole
Senior Vice President
Craig C. Zahnd
Senior Vice President and General Counsel

FEDERAL ADVISORY COUNCIL
MEMBER

Jill Castilla

DENVER BRANCH

Del Esparza

OKLAHOMA CITY BRANCH

Terry Salmon

OMAHA BRANCH

L. Javier Fernandez

BANK MANAGEMENT COMMITTEE

Jeffrey R. Schmid
President and Chief Executive Officer
Kim Robbins
First Vice President
Josias Aleman
Executive Vice President
Denise Connor
Executive Vice President

ATTENDEES

Porcia Block
Senior Vice President and General
Auditor
Nicholas Sly
Vice President and Denver Branch
Executive
Ingrid Wong
Assistant Secretary, Vice President, and
Assistant General Counsel
Hailie Turner
Assistant Secretary and Vice President
Bonnie Lyons
Assistant Secretary and Assistant Vice
President

PRESENTER

Andrew Glover
Research and Policy Advisor

EXECUTIVE SESSION

An executive session convened with directors, President and Chief Executive Officer Schmid, First Vice President Robbins, Senior Vice President Cole, and Senior Vice President and General Counsel Zahnd. Senior Vice President and General Counsel Zahnd informed directors of the Office of the Inspector General's recent investigation reports relating to trading violations by Board Governors and Reserve Bank Presidents, changes to the FOMC's Investment and Trading Policy, and an employee ethics matter. Senior Vice President and General Counsel Zahnd was dismissed, and the session continued with directors, President and Chief Executive Officer Schmid, First Vice President Robbins, and Senior Vice President Cole. Senior Vice President Cole provided an update on executive transitions.

Senior Vice President Cole was dismissed, and the session continued with directors, President and Chief Executive Officer Schmid and First Vice President Robbins. President and Chief Executive Officer Schmid and First Vice President Robbins provided an overview of Team 26, a group made up of the 12 Reserve Bank Presidents and First Vice Presidents, the System Chief Information Officer and the Chief Payments Executive. The executive session concluded, all meeting attendees convened, and the board meeting continued.

APPROVAL ITEMS

On motion duly made and seconded, approval was given for the minutes of the Board of Directors meeting of January 18, the Executive Committee meetings of February 1, February 15, and February 29, and the Digest of Management Committee Proceedings from January 4 through February 28, 2024.

ACCEPTANCE OF SECRETARY'S LETTER

The following matters, which had been brought to the attention of the Board of Directors in a letter dated March 8, 2024, were noted, and the Secretary's Letter was accepted:

The Bank received communications on January 31 and February 20, 2024, from the Board of Governors indicating the Board maintained the primary credit rate of 5 ½ percent and approved the renewal of the formulas for determining secondary and seasonal credit rates.

The District made no earnings remittances to the U.S. Treasury in February 2024. Weekly remittances were temporarily suspended at the end of September 2022, and a deferred asset has been booked (\$556.8 million as of February 29). The temporary suspension of Treasury remittances is due to insufficient earnings as interest expense has exceeded SOMA interest income.

The District's net holdings in the System Open Market Account (SOMA) increased \$4.6 billion during the months of January and February 2024. As of February 29, 2024, the District's net SOMA holdings were \$83.9 billion, a \$5.0 billion decrease from the \$88.9 billion reported for the same time last year.

AUDIT COMMITTEE REPORT

Director Alex Williams reported on the Audit Committee Meeting held on March 13, 2024.

FEDERAL ADVISORY COUNCIL REPORT

Federal Advisory Council Member Jill Castilla summarized the meeting of the Federal Advisory Council and Board of Governors held on February 6-8, 2024.

BANK UPDATE

Executive Vice President Connor reviewed with directors the fourth quarter 2023 Performance Report and Senior Vice President and General Counsel Zahnd updated directors on a pending legal matter. Executive Vice President Aleman updated directors on Federal Reserve Financial Services, Treasury Support, and Credit Risk Management Support Office strategic and operational performance. Executive Vice President and Director of Research Gruber shared an overview of the newly launched Community Conditions survey and Assistant Secretary and Assistant Vice President Lyons notified directors of the Tenth District director special election and other upcoming director events.

2023 DISTRICT PERFORMANCE EVALUATION

Directors unanimously endorsed the 2023 Bank performance evaluation presented by First Vice President Kim Robbins.

PRESIDENT'S REPORT

President and Chief Executive Officer Schmid and Executive Vice President Aleman provided directors an overview of the Bank's 2024 business plan and a 2025-2029 strategic planning update. President and Chief Executive Officer Schmid also discussed his recent and upcoming engagements and briefed directors of the 2024 Conference of Presidents umbrella committees, including Tenth District membership.

REPORT ON ECONOMIC AND MONETARY POLICY DEVELOPMENTS

Research and Policy Advisor Andrew Glover briefed directors on national economic conditions.

DIRECTOR COMMENTS ON ECONOMIC CONDITIONS

A roundtable discussion ensued with directors reporting on economic and financial conditions in their respective regions of the Tenth District.

DISCOUNT RATE DISCUSSION

The meeting continued with directors, President and Chief Executive Officer Schmid, First Vice President Robbins, Executive Vice President and Director of Research Gruber, Senior Vice President and General Counsel Zahnd, Assistant Secretary and Assistant Vice President Lyons, and Assistant Secretary and Vice President Turner. All other meeting attendees were dismissed. Chair Dujakovich invited directors' comments and observations regarding the impending rate decision. At the conclusion of the discussion, Chair Dujakovich requested President Schmid's rate recommendation.

RATES

Upon motion duly made and seconded, the Board unanimously adopted President and Chief Executive Officer Schmid's recommendation and voted to maintain the discount rate at 5 ½ percent.

Consequently, subject to approval by the Board of Governors, rates were established as follows:

	<u>Rate Per Annum</u>
Advances to and discounts for depository institutions, and U.S. Branches and Agencies of Foreign Banks subject to reserve requirements under Federal Reserve Regulation D:	
(a) Primary Credit Rate pursuant to Section 201.4 (a) of Regulation A	5 ½ %
(b) Secondary Credit Rate pursuant to Section 201.4 (b) of Regulation A	*
(c) Seasonal Credit Rate pursuant to Section 201.4 (c) of Regulation A	**

*Rate to be calculated based on a formula adopted effective January 9, 2003.

**Rate to be calculated based on a formula adopted effective January 9, 1992.

CONFERENCE OF CHAIRS UPDATE

Chair Dujakovich briefed directors regarding the Conference of Chairs meeting held on February 7, 2024.

ADJOURNMENT

Directors received the executive speech schedule and information regarding the Paycheck Protection Program Liquidity Facility and the Bank Term Funding Program. The meeting adjourned at 12:02 p.m. The next regularly scheduled meetings of the Board of Directors will be held April 10-11, 2024, in Kansas City, Missouri.

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
THE FEDERAL RESERVE BANK OF KANSAS CITY HELD IN
KANSAS CITY ON APRIL 10, 2024

The meeting convened at 3:45 p.m. with Chair Patrick A. Dujakovich presiding and the following individuals in attendance:

HEAD OFFICE DIRECTORS

Chair Patrick A. Dujakovich
Deputy Chair Jandel Allen-Davis
Directors Paul Maass
Ruben Alonso III¹
Ramin Cherafat
Kyle Heckman
Susan Chapman Plumb
Alex Williams

OKLAHOMA CITY BRANCH

J. Walter Duncan IV

OMAHA BRANCH

Carmen Tapio

BANK MANAGEMENT COMMITTEE

Jeffrey R. Schmid
President and Chief Executive Officer
Kim Robbins
First Vice President
Josias Aleman
Executive Vice President
Denise Connor
Executive Vice President
Joseph W. Gruber
Executive Vice President and Director of
Research
Todd Aadland
Senior Vice President
Amy Cole
Senior Vice President
Tara Humston
Senior Vice President
Brosie Strada
Senior Vice President
Craig C. Zahnd
Senior Vice President and General Counsel

ATTENDEES

Porcia Block
Senior Vice President and General Auditor

Kara Bemboom
Senior Vice President, Chief of Staff,
and Corporate Secretary
Nathan Kauffman
Senior Vice President and Omaha Branch
Executive
Nicholas Sly
Vice President and Denver Branch
Executive
Ingrid Wong
Assistant Secretary, Vice President, and
Assistant General Counsel
Hailie Turner
Assistant Secretary and Vice President
Bonnie Lyons
Assistant Secretary and Assistant Vice
President

VISITORS

Raphael Bostic
President and Chief Executive Officer,
Federal Reserve Bank of Atlanta
Jennifer Hopkins
Vice President
Teesha Miller
Vice President and OMWI Director
Christina Robertson
Vice President
Sarah Crumley
Assistant Vice President and Equal
Employment Opportunity Officer
Keely Kropf
Assistant Vice President
Gwen Hampton
Assistant Manager
Grace Morrison
Supervisor
Mallory Schmidlein
Senior Analyst

¹Mr. Alonso joined the meeting during the 2024 People Strategy Review.

SYSTEM UMBRELLA COMMITTEE UPDATE

President and Chief Executive Officer Schmid, First Vice President Robbins, and Executive Vice President Aleman provided directors an update regarding the Federal Reserve Bank System Umbrella Committees.

2024 PEOPLE STRATEGY REVIEW

Senior Vice President Cole, Vice President and OMWI Director Miller, Vice President Robertson, Assistant Vice President and Equal Opportunity Employment Officer Crumley, and Assistant Vice President Kropf provided an overview of the Bank's 2024 People Strategy.

BRANCH UPDATE

Senior Vice President and Omaha Branch Executive Kauffman provided a branch update.

FIRST VICE PRESIDENT'S REPORT

First Vice President Robbins provided closing remarks that included an update on the Bank budget.

ADJOURNMENT

The meeting adjourned at 5:30 p.m. The next regularly scheduled meeting of the Board of Directors will be held April 11, 2024, in Kansas City, Missouri.

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
THE FEDERAL RESERVE BANK OF KANSAS CITY HELD IN
KANSAS CITY ON APRIL 11, 2024

The meeting convened at 7:30 a.m. with Chair Patrick A. Dujakovich presiding and the following individuals in attendance:

HEAD OFFICE DIRECTORS

Chair Patrick A. Dujakovich
Deputy Chair Jandel Allen-Davis
Directors Paul Maass
Ruben Alonso III
Ramin Cherifat
Kyle Heckman
Alex Williams

Tara Humston
Senior Vice President
Brosie Strada⁴
Senior Vice President
Craig C. Zahnd
Senior Vice President and General Counsel

OKLAHOMA CITY BRANCH

J. Walter Duncan IV

OMAHA BRANCH

Carmen Tapio

BANK MANAGEMENT COMMITTEE

Jeffrey R. Schmid¹
President and Chief Executive Officer
Kim Robbins
First Vice President
Josias Aleman²
Executive Vice President
Denise Connor
Executive Vice President
Joseph W. Gruber
Executive Vice President and Director of
Research
Todd Aadland³
Senior Vice President
Amy Cole
Senior Vice President

ATTENDEES

Porcia Block
Senior Vice President and General
Auditor
Kara Bemboom
Senior Vice President, Chief of Staff,
And Corporate Secretary
Nathan Kauffman
Senior Vice President and Omaha Branch
Executive
Nicholas Sly
Vice President and Denver Branch
Executive
Hailie Turner
Assistant Secretary and Vice President
Bonnie Lyons
Assistant Secretary and Assistant Vice
President

PRESENTER

Alison Felix
Senior Research and Policy Advisor

¹Mr. Schmid joined the meeting during the Panel Discussion on Economic Conditions.

²Mr. Aleman left the meeting during the Report on Economic and Monetary Policy Developments.

³Mr. Aadland joined the meeting during the Review of the 2018 Federal Open Market Committee Transcripts.

⁴Mr. Strada left the meeting during the Report on Economic and Monetary Policy Developments and returned during the Panel Discussion on Economic Conditions.

EXECUTIVE SESSION

An executive session convened with directors, First Vice President Robbins, and Senior Vice President Cole. Senior Vice President Cole presented an overview of the senior leadership team, including responsibilities of the current Executive and Senior Vice Presidents with division oversight responsibilities. She also provided an overview of Bank leadership talent management planning. First Vice President Robbins requested, and the Board of Directors unanimously approved, a compensation action for senior vice president Brosie Strada, effective April 15, 2024. Senior Vice President and General Auditor Block joined the session and informed directors of a request for the Kansas City audit team to lead a special review. The executive session concluded, all meeting attendees convened, and the board meeting continued.

APPROVAL ITEMS

On motion duly made and seconded, approval was given for the minutes of the Board of Directors meetings of March 13-14, the Executive Committee meeting of March 28, and the Digest of Management Committee Proceedings from February 29 through March 27, 2024.

ACCEPTANCE OF SECRETARY'S LETTER

The following matters, which had been brought to the attention of the Board of Directors in a letter dated April 5, 2024, were noted, and the Secretary's Letter was accepted:

The Bank received a communication on February 20 and March 20, 2024, from the Board of Governors indicating the Board maintained the primary credit rate of 5 ½ percent and approved the renewal of the formulas for determining secondary and seasonal credit rates.

The District made no earnings remittances to the U.S. Treasury in March 2024. Weekly remittances were temporarily suspended at the end of September 2022, and a deferred asset has been booked (\$556.8 million as of March 31). The temporary suspension of Treasury remittances is due to insufficient earnings as interest expense has exceeded SOMA interest income.

The District's net holdings in the System Open Market Account (SOMA) decreased \$2.2 billion during the month of March 2024 from February 2024. As of March 29, 2024, the District's net SOMA holdings were \$81.7 billion, a \$4.1 billion decrease from the \$85.8 billion reported for the same time last year.

BANK EVALUATION MEETING UPDATE

Chair Dujakovich and Deputy Chair Allen-Davis updated directors on the April 8, 2024 meeting with the Bank Affairs Committee regarding the Bank's performance.

BANK UPDATE

Executive Vice President and Director of Research Gruber provided directors a recap of the April 2, 2024 Future of Banking Workshop. Senior Vice President and General Counsel Zahnd provided a legal update. Senior Vice President, Corporate Secretary and Chief of Staff Bemboom provided director updates regarding the Board Effect Portal and recent and upcoming director events.

MONITORING COMMERCIAL REAL ESTATE CONDITIONS

Vice President and Denver Branch Executive Sly briefed directors on commercial real estate conditions and a new tool to measure them.

A REVIEW OF THE 2018 FEDERAL OPEN MARKET COMMITTEE TRANSCRIPTS

Executive Vice President and Director of Research Gruber provided directors with an overview of the 2018 Federal Open Market Committee transcripts which are released to the public on a five year lag.

PRESIDENT'S REPORT

In the absence of President and Chief Executive Officer Schmid, First Vice President Robbins provided directors a recap of the Team 26 meeting on March 26, 2024. Executive Vice President Aleman provided a 2025-2029 strategic planning update and Senior Vice President Strada provided a FedNow Service adoption update. Senior Vice President, Corporate Secretary and Chief of Staff Bemboom also summarized President Schmid's recent and upcoming engagements.

REPORT ON ECONOMIC AND MONETARY POLICY DEVELOPMENTS

Senior Research and Policy Advisor Felix briefed directors on national economic conditions.

DIRECTOR COMMENTS ON ECONOMIC CONDITIONS

A roundtable discussion ensued with directors reporting on economic and financial conditions in their respective regions of the Tenth District.

DISCOUNT RATE DISCUSSION

The meeting continued with directors, President and Chief Executive Officer Schmid, First Vice President Robbins, Executive Vice President and Director of Research Gruber, Senior Vice President Humston, Senior Vice President and General Counsel Zahnd, Senior Vice President, Corporate Secretary and Chief of Staff Bemboom, and Assistant Secretary and Vice President Turner. All other meeting attendees were dismissed. Chair Dujakovich invited directors' comments and observations regarding the impending rate decision. At the conclusion of the discussion, Chair Dujakovich requested President and Chief Executive Officer Schmid's rate recommendation.

RATES

Upon motion duly made and seconded, the Board unanimously adopted President and Chief Executive Officer Schmid's recommendation and voted to maintain the discount rate at 5 ½ percent.

Consequently, subject to approval by the Board of Governors, rates were established as follows:

	<u>Rate Per Annum</u>
Advances to and discounts for depository institutions, and U.S. Branches and Agencies of Foreign Banks subject to reserve requirements under Federal Reserve Regulation D:	
(a) Primary Credit Rate pursuant to Section 201.4 (a) of Regulation A	5 ½ %
(b) Secondary Credit Rate pursuant to Section 201.4 (b) of Regulation A	*

(c) Seasonal Credit Rate
pursuant to Section 201.4 (c)
of Regulation A

**

*Rate to be calculated based on a formula adopted effective January 9, 2003.

**Rate to be calculated based on a formula adopted effective January 9, 1992.

ADJOURNMENT

Directors received the 2024 first quarter consolidated balance sheet for the Federal Reserve Banks, executive speech schedule and information regarding the Paycheck Protection Program Liquidity Facility and the Bank Term Funding Program. The meeting adjourned at 11:54 a.m. The next regularly scheduled meetings of the Board of Directors will be held June 5-6, 2024, in Kansas City, Missouri.

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
THE FEDERAL RESERVE BANK OF KANSAS CITY HELD IN
KANSAS CITY ON JUNE 5, 2024

The meeting convened at 3:37 p.m. with Chair Patrick A. Dujakovich presiding and the following individuals in attendance:

HEAD OFFICE DIRECTORS

Chair Patrick A. Dujakovich
Deputy Chair Jandel Allen-Davis
Directors Paul Maass
Ruben Alonso III¹
Ramin Cherafat
Kyle Heckman
Susan Chapman Plumb
Alex Williams

FEDERAL ADVISORY COUNCIL

MEMBER

Jill Castilla

DENVER BRANCH

John J. Coyne III

OKLAHOMA CITY BRANCH

Mark Burrage

BANK MANAGEMENT COMMITTEE

Jeffrey R. Schmid
President and Chief Executive Officer
Kim Robbins
First Vice President
Josias Aleman
Executive Vice President
Denise Connor
Executive Vice President
Joseph W. Gruber
Executive Vice President and Director of
Research
Todd Aadland
Senior Vice President
Amy Cole
Senior Vice President
Tara Humston
Senior Vice President
Brosie Strada
Senior Vice President

Craig C. Zahnd
Senior Vice President and General Counsel

ATTENDEES

Porcia Block
Senior Vice President and General Auditor
Kara Bemboom
Senior Vice President, Chief of Staff,
and Corporate Secretary
Nathan Kauffman
Senior Vice President and Omaha Branch
Executive
Ingrid Wong
Assistant Secretary, Vice President, and
Assistant General Counsel
Hailie Turner
Assistant Secretary and Vice President
Bonnie Lyons
Assistant Secretary and Assistant Vice
President

VISITORS

Todd Mackey
Senior Vice President
Jami Kennedy
Vice President
Jeremy Hegle
Assistant Vice President and Community
Affairs Officer
Blake Williams
Product Management Specialist
Lauren Gauvain
Supervisor
Corey Schoeber
Senior Analyst

¹Mr. Alonso joined the meeting during Executive Session.

EXECUTIVE SESSION

An executive session convened for all meeting attendees except visitors. First Vice President Robbins informed directors of a recent policy change regarding on-site work expectations. The executive session concluded, all meeting attendees convened, and the board meeting continued.

2025-2029 BANK STRATEGIC PLANNING

Executive Vice President Aleman provided an overview of the Bank's 2025-2029 strategic plan.

FIRST VICE PRESIDENT'S REPORT

First Vice President Robbins provided directors an update of recent meetings of the Federal Reserve Bank System Umbrella Committees and an upcoming Team 26 meeting. She also briefed directors on an executive leadership training and the preliminary results of an internal review conducted by the Board of Governors Division of Reserve Bank Operations and Payment Systems.

ADJOURNMENT

President and Chief Executive Officer Schmid offered closing remarks including next steps on strategic planning and the meeting adjourned at 5:15 p.m. The next regularly scheduled meeting of the Board of Directors will be held June 6, 2024, in Kansas City, Missouri.

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
THE FEDERAL RESERVE BANK OF KANSAS CITY HELD IN
KANSAS CITY ON JUNE 6, 2024

The meeting convened at 7:30 a.m. with Chair Patrick A. Dujakovich presiding and the following individuals in attendance:

HEAD OFFICE DIRECTORS

Chair Patrick A. Dujakovich
Deputy Chair Jandel Allen-Davis
Directors Paul Maass
Ruben Alonso III
Ramin Cherafat
Kyle Heckman
Susan Chapman Plumb
Alex Williams

FEDERAL ADVISORY COUNCIL

MEMBER

Jill Castilla

DENVER BRANCH

John J. Coyne III

OKLAHOMA CITY BRANCH

Mark Burrage

BANK MANAGEMENT COMMITTEE

Jeffrey R. Schmid
President and Chief Executive Officer
Kim Robbins
First Vice President
Josias Aleman
Executive Vice President
Joseph W. Gruber
Executive Vice President and Director of
Research
Todd Aadland
Senior Vice President
Amy Cole¹
Senior Vice President

Tara Humston
Senior Vice President
Brosie Strada
Senior Vice President
Craig C. Zahnd
Senior Vice President and General Counsel

ATTENDEES

Porcia Block
Senior Vice President and General
Auditor
Kara Bemboom
Senior Vice President, Chief of Staff,
and Corporate Secretary
Nathan Kauffman
Senior Vice President and Omaha Branch
Executive
Hailie Turner
Assistant Secretary and Vice President
Bonnie Lyons
Assistant Secretary and Assistant Vice
President

PRESENTER

Lee Smith
Senior Vice President and Economist

VISITOR

Jeremy Hegle
Assistant Vice President and Community
Affairs Officer

¹Ms. Cole left the meeting during the Panel Discussion on Economic Conditions.

EXECUTIVE SESSION

An executive session convened with directors and Senior Vice President and General Counsel Zahnd to inform directors of an ethics matter involving a Bank officer. President and Chief Executive Officer Schmid, First Vice President Robbins and Senior Vice President, Chief of Staff, and Corporate Secretary Bemboom then joined the session. Senior Vice President, Chief of Staff, and Corporate Secretary Bemboom and Senior Vice President and General Counsel Zahnd informed directors of the Tenth District's director recruitment process, reminded directors of their political restrictions in accordance with Board of Governors policy, and prepared directors for the director-employee luncheon that would occur following the board meeting. Chair Dujakovich dismissed all Bank attendees and facilitated an open feedback discussion. The executive session concluded, all meeting attendees convened, and the board meeting continued.

APPROVAL ITEMS

On motion duly made and seconded, approval was given for the minutes of the Board of Directors meetings of April 10-11, the Executive Committee meetings of April 25, May 9, and May 23, and the Digest of Management Committee Proceedings from March 28 through May 22, 2024.

ACCEPTANCE OF SECRETARY'S LETTER

The following matters, which had been brought to the attention of the Board of Directors in a letter dated May 31, 2024, were noted, and the Secretary's Letter was accepted:

The Bank received communications on April 8, April 22, and May 1, 2024, from the Board of Governors indicating the Board maintained the primary credit rate of 5 ½ percent and approved the renewal of the formulas for determining secondary and seasonal credit rates.

The District made no earnings remittances to the U.S. Treasury in May 2024. Weekly remittances were temporarily suspended at the end of September 2022, and a deferred asset has been booked (\$586.5 million as of May 31). The temporary suspension of Treasury remittances is due to insufficient earnings as interest expense has exceeded SOMA interest income.

The District's net holdings in the System Open Market Account (SOMA) decreased \$12.7 billion during the months of May 2024 from March 2024, primarily due to the System's annual reallocation of SOMA holdings. As of May 31, 2024, the District's net SOMA

holdings were \$69.0 billion, a \$1.1 billion decrease from the \$70.1 billion reported for the same time last year.

AUDIT COMMITTEE REPORT

Director Ramin Cherafat reported on the Audit Committee Meeting held on June 5, 2024.

CONFERENCE OF CHAIRS UPDATE

Chair Dujakovich and Deputy Chair Allen-Davis briefed directors regarding the Conference of Chairs meeting held at the Board of Governors in Washington, D.C., on May 8-9, 2024.

FEDERAL ADVISORY COUNCIL REPORT

Federal Advisory Council Member Jill Castilla summarized the meeting of the Federal Advisory Council and Board of Governors held on May 21-23, 2024.

BANK UPDATE

Executive Vice President and Director of Research Gruber provided directors an overview of the Bank's role in authoring the Financial Stability Oversight Council annual report. Senior Vice President, Corporate Secretary, and Chief of Staff Bemboom reminded directors of the executive speech schedule and, along with President and Chief Executive Officer Schmid, informed them of upcoming engagements with members of the Board of Governors of the Federal Reserve System.

REGIONAL UPDATE AND AG SUMMIT RECAP

Senior Vice President and Omaha Branch Executive Nate Kauffman updated directors on regional economic conditions and provided a summary of the Agricultural Econ Summit held on May 14-15, 2024.

PRESIDENT'S REPORT

President and Chief Executive Officer Schmid reviewed with directors the first quarter 2024 Bank scorecard and provided an update on the 2025-2029 Bank strategy. During this discussion, First Vice President Robbins updated directors on the Bank's budget, Senior Vice President Cole provided a people strategy overview, and Senior Vice President Aadland informed directors of the status of a Treasury project. President and Chief Executive Officer Schmid informed directors of

System leadership vacancies and confirmed the appointment of Beth Hammack as president of the Federal Reserve Bank of Cleveland, effective August 21. He also summarized for directors his recent and upcoming engagements.

REPORT ON ECONOMIC AND MONETARY POLICY DEVELOPMENTS

Senior Vice President and Economist Smith briefed directors on national economic conditions.

DIRECTOR COMMENTS ON ECONOMIC CONDITIONS

A roundtable discussion ensued with directors reporting on economic and financial conditions in their respective regions of the Tenth District.

DISCOUNT RATE DISCUSSION

The meeting continued with directors, President and Chief Executive Officer Schmid, First Vice President Robbins, Executive Vice President and Director of Research Gruber, Senior Vice President Humston, Senior Vice President and General Counsel Zahnd, Senior Vice President, Corporate Secretary, and Chief of Staff Bemboom, and Assistant Secretary and Vice President Turner. All other meeting attendees were dismissed. Chair Dujakovich invited directors' comments and observations regarding the impending rate decision. At the conclusion of the discussion, Chair Dujakovich requested President and Chief Executive Officer Schmid's rate recommendation.

RATES

Upon motion duly made and seconded, the Board unanimously adopted President and Chief Executive Officer Schmid's recommendation and voted to maintain the discount rate at 5 ½ percent.

Consequently, subject to approval by the Board of Governors, rates were established as follows:

	<u>Rate Per Annum</u>
Advances to and discounts for depository institutions, and U.S. Branches and Agencies of Foreign Banks subject to reserve requirements under Federal Reserve Regulation D:	
(a) Primary Credit Rate pursuant to Section 201.4 (a) of Regulation A	5 ½ %
(b) Secondary Credit Rate pursuant to Section 201.4 (b) of Regulation A	*
(c) Seasonal Credit Rate pursuant to Section 201.4 (c) of Regulation A	**

*Rate to be calculated based on a formula adopted effective January 9, 2003.

**Rate to be calculated based on a formula adopted effective January 9, 1992.

ADJOURNMENT

Directors received the executive speech schedule and information regarding the Paycheck Protection Program Liquidity Facility and the Bank Term Funding Program. The meeting adjourned at 11:51 a.m. The next regularly scheduled meetings of the Board of Directors will be held July 17-18, 2024, in Kansas City, Missouri.