

Latino Leadership Class VII

Greater Oklahoma City Hispanic Chamber of Commerce

Federal Reserve Bank of Kansas City
Oklahoma City Branch
May 12, 2020



The Fed, Monetary Policy, and the U.S. Economy

Hispanic Chamber's Latino Leadership Class VII

May 12, 2020

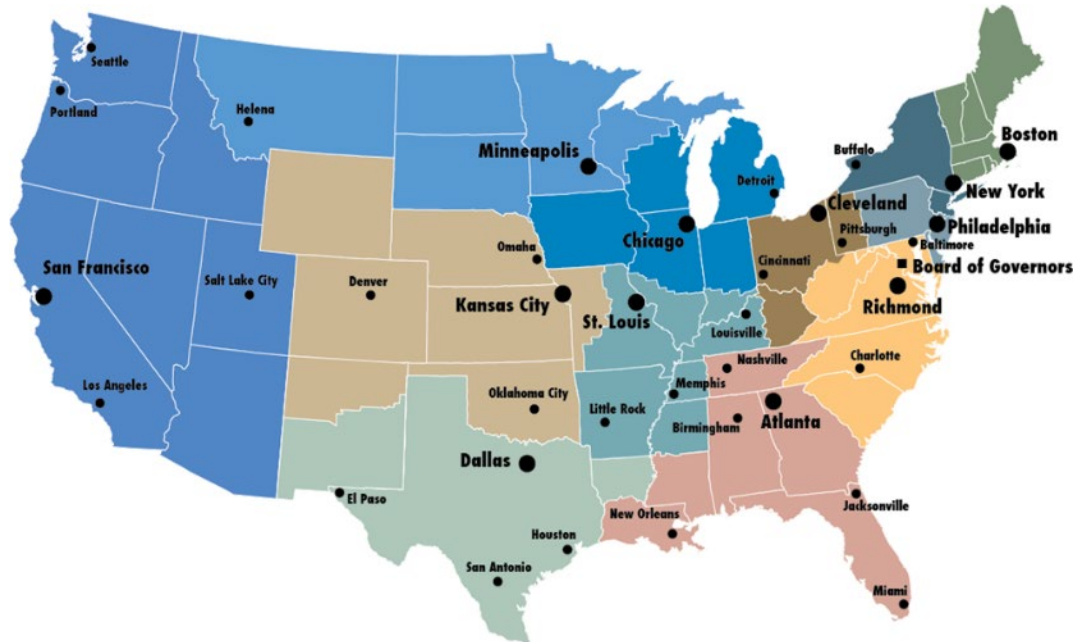
Chad Wilkerson

Vice President and Oklahoma City Branch Executive

*The views expressed herein are those of the presenter only and do not necessarily reflect the views of the Federal Reserve Bank of Kansas City or the Federal Reserve System.



Structure & Functions of the Federal Reserve



The “Fed” consists of three main entities:

- Board of Governors: 7 members appointed by U.S. President
- Federal Reserve Banks: 12 total; semi-independent by design
- Federal Open Market Committee: 19 members; 12 voting

Primary responsibility areas:

- Monetary policy
- Bank regulation
- Financial services



The Federal Reserve's Role in Monetary Policy

- **Dual Mandate from U.S. Congress:**

- 1) Maximum employment
- 2) Price stability

- **Federal Open Market Committee (FOMC):**

Board of Governors

- **Jerome H. Powell**, Chairman
- **Richard H. Clarida**, Vice Chairman
- **Randal K. Quarles**, Vice Chairman of Supervision
- **Lael Brainard**
- **Michelle W. Bowman**
- **Open**
- **Open**



Reserve Bank Presidents


- **John C. Williams**, New York, Vice Chairman
- **Patrick T. Harker**, Philadelphia
- **Robert S. Kaplan**, Dallas
- **Neel Kashkari**, Minneapolis
- **Loretta J. Mester**, Cleveland
- **Thomas I. Barkin**, Richmond
- **Raphael W. Bostic**, Atlanta
- **Mary C. Daly**, San Francisco
- **Charles L. Evans**, Chicago
- **James Bullard**, St. Louis
- **Esther L. George**, Kansas City
- **Eric Rosengren**, Boston



*Permanent voters in bold; 2020 rotating voters in red; 2021 rotating voters in blue

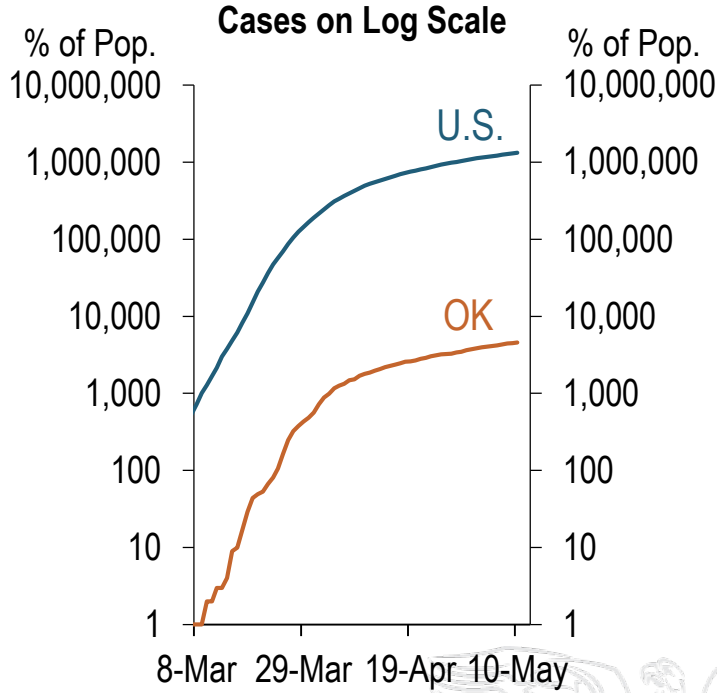
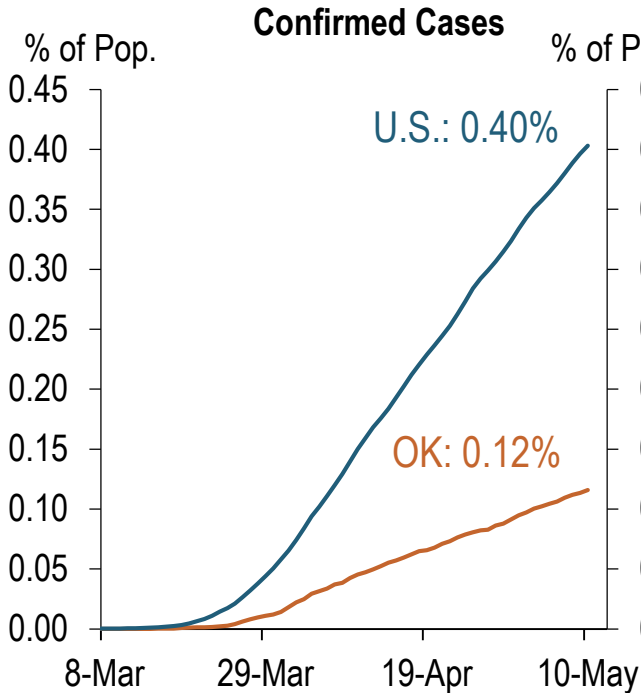


The Oklahoma City Branch of the Federal Reserve Bank of Kansas City

- **2020 Is Our Centennial!** **OKC BRANCH 100** 
- **Functions and purposes ~ 50 staff**
 - Research on U.S. and Oklahoma economies; energy sector and business survey focus
 - Examinations of Oklahoma financial institutions (~45 banks, ~175 holding cos.)
 - Community development programming for low and moderate income groups, workforce focus
 - Economic education and public outreach programming
- **2020 OKC Fed Branch Board of Directors**
 - **Tina Patel (chair)**, Co-Owner & CFO, Promise Hotels, Tulsa
 - **Walt Duncan**, President, Duncan Oil Properties, Oklahoma City
 - **Susan Plumb**, Chair & CEO, Bank of Cherokee County, Tahlequah
 - **Brady Sidwell**, Principal, Sidwell Strategies, Enid
 - **Chris Turner**, President & CFO, First State Bank, Oklahoma City
 - **Katrina Washington**, Owner/Broker, Stratos Realty, Oklahoma City
 - **Dana Weber**, Chair & CEO, Webco Industries, Sand Springs

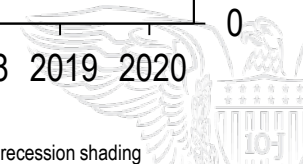
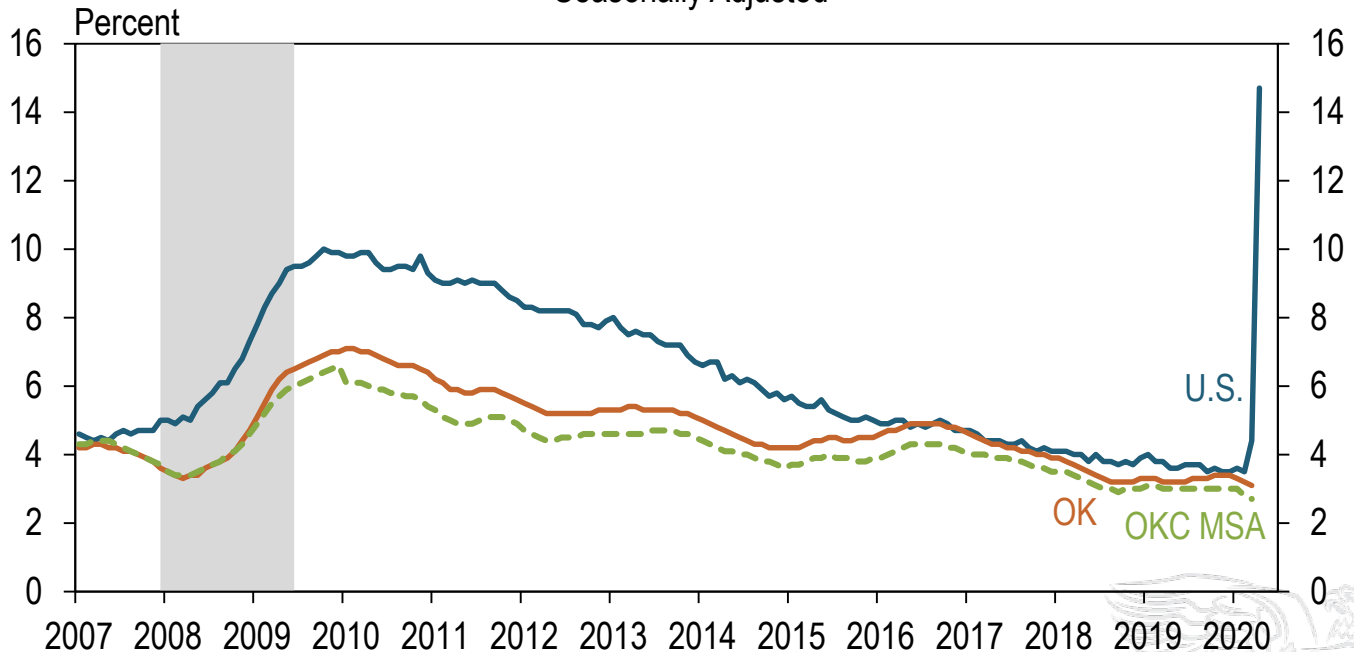


In early 2020, cases of COVID-19 spread rapidly across the nation, and cases in Oklahoma have risen



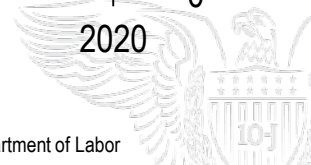
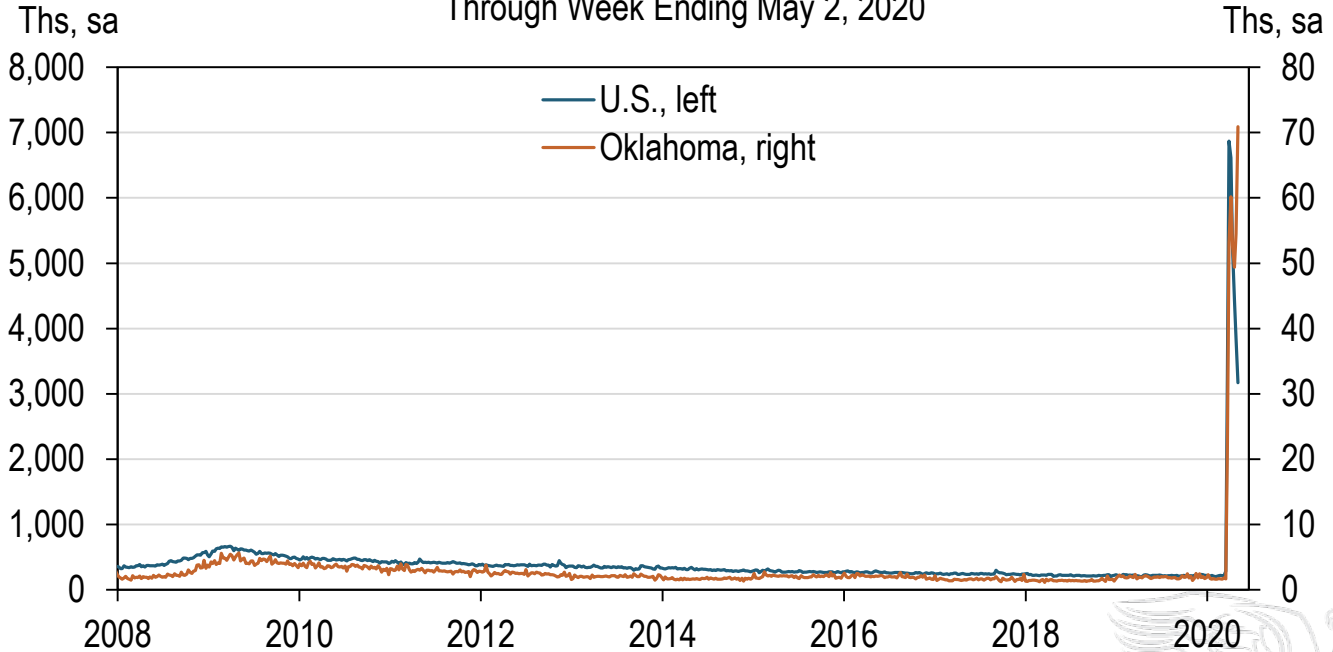
In early 2020 prior to COVID-19, unemployment rates were at historic lows

Unemployment Rates
Seasonally Adjusted



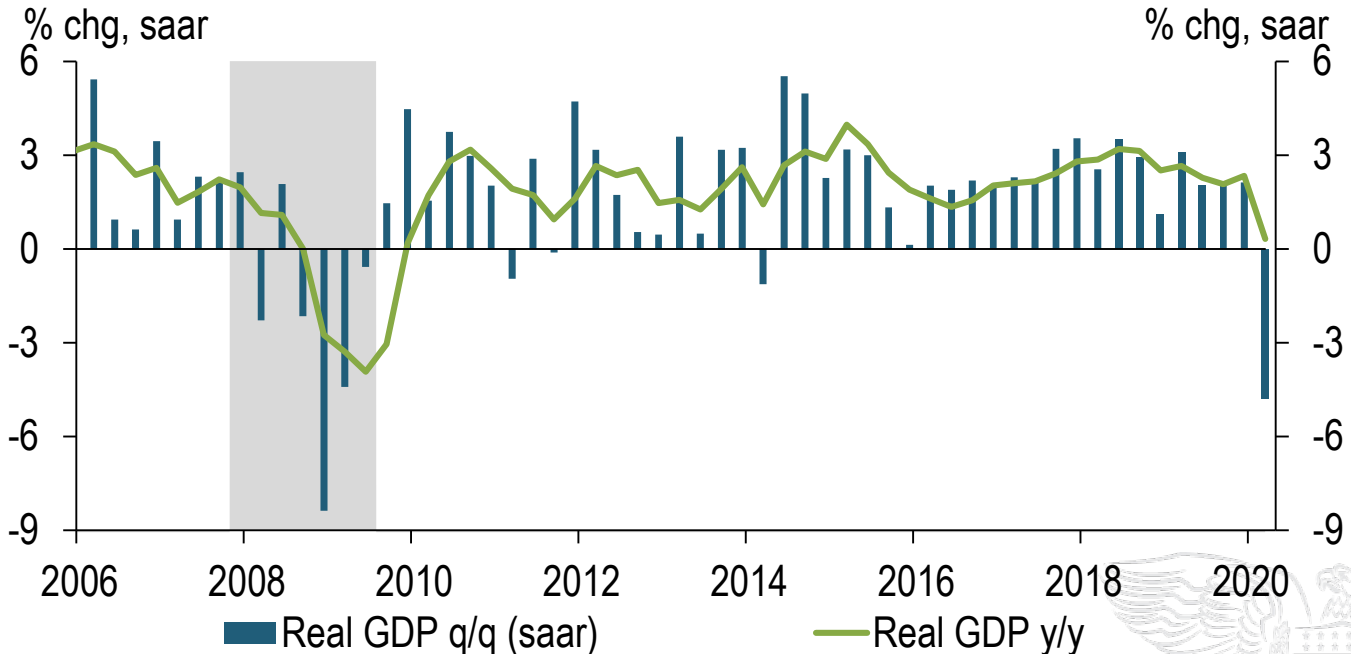
New state claims for unemployment insurance surged past record highs in March and again the first week of May

Weekly Initial UI Claims
Through Week Ending May 2, 2020



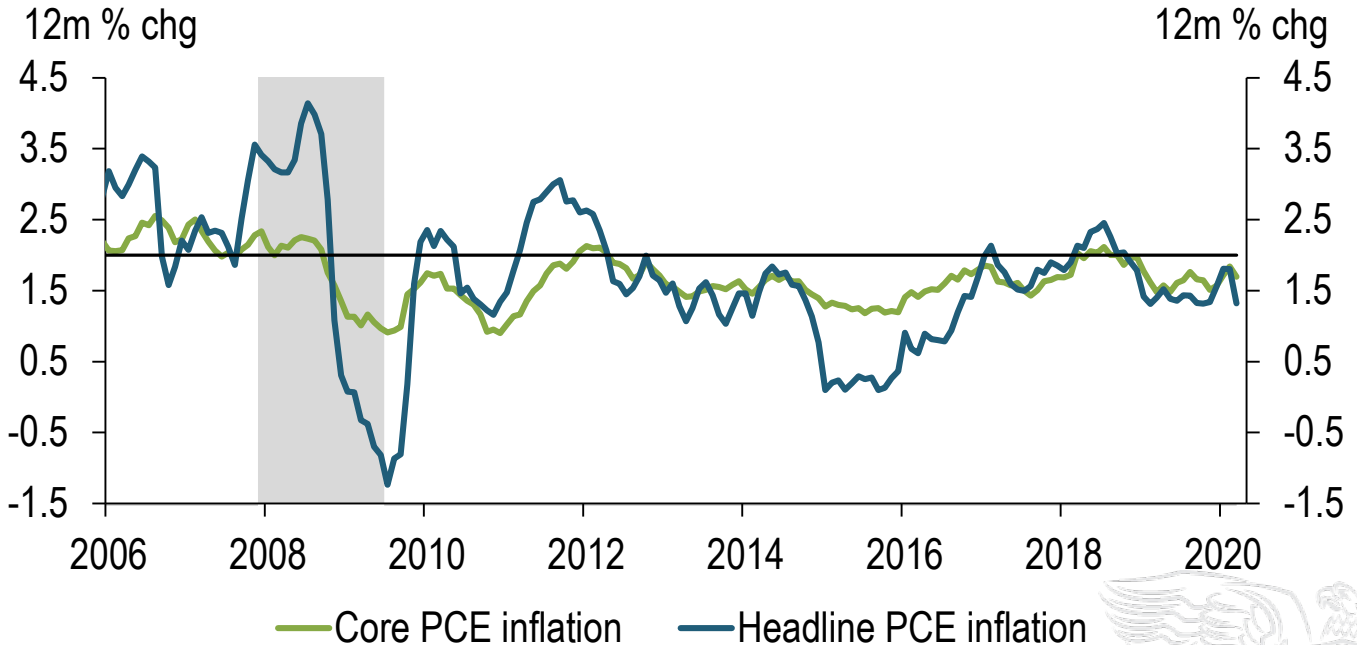
U.S. GDP decreased 4.8 percent in the first quarter of 2020, despite solid months in January and February

Real U.S. GDP Growth



Inflation is likely to remain subdued in the near term

Inflation Rate Change



Questions for discussion today

- In what ways has the spread of coronavirus, including government directives (shelter-in-place, essential businesses, etc.), affected your business?
- How has access or lack of access to credit opportunities further affected your operations, employment, and capital spending plans in this time?



Community Development

An Overview



Community Development at the Fed

Mission of the Department

Develop the capacity of low- and moderate-income (LMI) individuals, their communities and the organizations that serve them to create widely shared prosperity and economic opportunity.

- Promote fair and impartial access to financial products through research, relationship building and resource development.
- Grounded in the Community Reinvestment Act
- Focused on low- and moderate-income communities
- Responsive to local needs and opportunities



Areas of Focus

- Community Development Investments
- Small Business and Economic Development
- Workforce Development
- Digital Inclusion
- Research and Analysis

Relationships, Research and Resources



Investment Connection

Investment Connection

Investment Connection brings community and economic development organizations together with the funding community.



Requirements

- Nonprofit or CDFI
- CRA eligible activity
- One year of reviewed or audited financials.
- Request depends on capacity and project need.
- Online application:
<http://investmentconnection.kcfed.org>

Over \$34 million in connections

“There are many valuable non-profit organizations in our communities. We like to find partners that align with the bank’s strategic initiatives so that both the non-profit and the bank find value. Investment Connection has helped Guaranty Bank identify new partners that fit into our CRA initiatives.”

Nancy Taylor, Guaranty Bank

www.kansascityfed.org/community



Fighting Food Deserts in Kansas

By Jeremy Hegle

December 15, 2017

NEIGHBORHOOD STABILIZATION | New initiative provides funding and technical support to increase healthy food access.

[Learn More >](#)



Financial Education and the Workforce

By Jessie Blackwell

November 28, 2017

WORKFORCE DEVELOPMENT | Conference explores the role of financial education in the classroom and in the workplace.

[Learn More >](#)



Meet Our Team: Dell Gines

By Ana Nixon

November 10, 2017

SMALL BUSINESS | Growing communities through entrepreneurship-led development.

[Learn More >](#)

Focus Areas

- Community Development Investments
- Economic and Small Business Development
- Financial Health
- Strategic Partner Engagement
- Workforce Development

Resources

- Disaster Preparedness and Recovery
- Engaging Workforce Development
- Grow Your Own
- Investment Connection
- Map Your Community
- Putting Your Paycheck to Work
- Workforce Development Policies for the 21st Century

Research

- Tenth District Consumer Credit Report
- Tenth District LMI Economic Conditions
- Implications of Student Loan Relief Programs
- Residential Rent Affordability

[View latest research >](#)

Events

- Apr 25, 2018 | Growing Entrepreneurial Communities Summit

[View all events >](#)

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Sign up to receive our Community Development email newsletter.

[Subscribe now >](#)



Questions?



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————— *Oklahoma City Branch* —————

