

A meeting of the Board of Directors of the Federal Reserve Bank of San Francisco was held on Thursday, December 5, 2024, at the San Francisco Head Office. The meeting was called to order at 1:30 p.m. (Pacific).

**PARTICIPANTS:**

**San Francisco Head Office Directors**

David P. White, Chair  
Russell A. (Chip) Childs, Deputy Chair  
Mario Cordero  
Maritza Diaz  
Karin Kimbrough  
Arthur F. (Skip) Oppenheimer  
Clint E. Stein  
Laura Lee (Laurie) Stewart

**Visiting Branch Board Directors**

James Zachary Gene (Zach) Moon, Los Angeles Branch Director  
Stacey M.L. Dodson, Portland Branch Director  
O. Randall (Randy) Woodbury, Salt Lake City Branch Director  
Michael Senske, Seattle Branch Director

**Federal Reserve Bank Participants**

Mary C. Daly, President and Chief Executive Officer  
Sarah E. Devany, First Vice President and Chief Operating Officer  
Mark A. Gould, Chief Payments Executive, Federal Reserve Financial Services  
Laura Choi, Executive Vice President, Public Engagement and Office of the Secretary  
Sylvain Leduc, Executive Vice President and Director of Economic Research and Data Insights and Analytics  
Laura Monfredini, Executive Vice President and General Counsel, Legal and Risk  
Louise Willard, Executive Vice President and Chief Information Officer, Information and Technology Services  
Neil Willardson, Executive Vice President (interim), Supervision and Credit  
Kathleen A. Young, Executive Vice President and Chief of FedCash Services, Federal Reserve Financial Services  
Sum-Yu Chiu, Senior Vice President and Chief Financial Officer, Financial Management  
Shari Novik, Senior Vice President and General Auditor, Audit  
Rob Valletta, Senior Vice President and Associate Director of Economic Research  
Vanessa Yanez, Senior Vice President and Public Information Officer, External Communications  
Justin Wray, Group Vice President, Supervision and Credit  
Qiana Charles, Vice President and Los Angeles Regional Executive, Public Engagement  
Stephen DeLay, Vice President and San Francisco Regional Executive, Public Engagement  
Nicole Frisch, Vice President, Government and Civic Relations, Public Engagement  
Ian Galloway, Vice President and Portland Regional Executive, Public Engagement  
Adam Healy, Vice President and Chief of Staff, Executive Office  
Abby McLennan, Vice President and Salt Lake City Regional Executive, Public Engagement  
Christina Prkic, Vice President and Seattle Regional Executive, Public Engagement  
Adam Shapiro, Vice President, Economic Research  
Christopher Vignoles, Vice President and Chief Risk Officer, Legal and Risk

**Federal Reserve Bank Participants (continued)**

Jennie Held, Assistant Vice President, External Communications

Golnaz Motiey, Assistant Vice President and Secretary of the Board, Office of the Secretary

Tina Chong, Senior Manager, Digital Channels, External Communications

Amy Ferraz, Manager and Associate Secretary of the Board, Office of the Secretary

Kevin Ortiz, Deputy Chief of Staff, Executive Office

Hamza Abdelrahman, Senior Economic Analyst, Economic Research

Andrew Blaylock, Senior Strategist, Government and Civic Relations, Public Engagement

Evgeniya Duzhak, Regional Policy Economist, Economic Research

Christopher Kennedy, Senior Executive Communications Advisor, External Communications

Karen Lau, Corporate Governance Specialist, Office of the Secretary

Heather Lee, Assistant General Counsel, Legal and Risk

Luiz Oliveira, Lead Associate Economist, Economic Research

**OPEN DISCUSSION**

1. **Welcoming Remarks:** Chair David White and President Daly welcomed Directors and guests.
2. **Conference of Chairs (COC) Report:** Chair White and Deputy Chair Childs reported on the November 19-20, 2024 Year-End COC meeting in Washington, D.C.
3. **Report on Audit & Risk Management Committee (ARMC) Meeting:** ARMC Chair Oppenheimer reported on the November 21, 2024 ARMC meeting.
4. **First Vice President's Report:** Ms. Devany provided her First Vice President's Report and responded to questions. Subjects included the Bank's financial performance and staffing.

*[Mr. Gould joined the meeting at 2:00 p.m.]*

5. **Federal Reserve Financial Services (FRFS) Report:** Mr. Gould and Ms. Young provided an update on FRFS initiatives, including NextGen.
6. **Recent Economic Developments and the Outlook:** Economic Research staff presented on recent economic developments and the outlook, discussing inflation, economic activity, the labor market, and financial markets, and responded to questions from the Directors.
7. **Director's Economic Discussion:** Discussion ensued among Directors about consumer spending and purchasing power.
8. **Monetary Policy Comments:** President Daly observed that despite some signs of easing this year, economic activity and the labor market remain solid, and inflation is still somewhat elevated. She noted that she expects improved labor availability and slower economic activity going forward to contribute to the return of inflation to the average goal of 2 percent over the next years. President Daly highlighted that risks to economic activity are largely balanced and risks to inflation have shifted slightly to the upside recently. She reiterated that policy remains data

dependent and highlighted the importance of maintaining optionality in responding to emerging risks and incoming information on the economy and inflation.

*[[Non-designated personnel left the meeting prior to the next agenda item.]]*

9. **Rates of Discount:** Based on her monetary policy comments, President Daly recommended that the discount rate be decreased to 4.50 percent for primary credit.

Branch Directors Moon, Dodson, Woodbury, and Senske reported the votes on the management recommendation from their respective branch board meetings supporting the recommendation.

Upon motion duly made and seconded, the Head Office Board of Directors

VOTED unanimously to decrease the rate of discount, subject to final approval by the Board of Governors:

- (a) Rate for discounts and advances under the

**Primary credit program**.....4.50%

- (b) Formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs:

**Secondary credit rate:** primary credit rate plus 50 basis points

**Seasonal credit rate:** the average of the effective federal funds rate and 90-day secondary market CD rate averaged over the preceding maintenance period.

*[[Branch Directors and non-designated personnel left the meeting prior to the Executive Session.]]*

**EXECUTIVE SESSION**

1. **Resolution for Representative of the 2025 Federal Open Market Committee:** Chair White presented the following Resolution for Representative of the 2025 Federal Open Market Committee for approval.

“WHEREAS, Under the provisions of Section 12A of the Federal Reserve Act, as amended, the Board of Directors of the Federal Reserve Banks of Kansas City, Minneapolis, and San Francisco are annually required to elect a representative and an alternate representative on the Federal Open Market Committee (FOMC) of the Banks hereinabove named.”

“NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of this Bank does hereby vote to elect Jeffrey R. Schmid, President of the Federal Reserve Bank of Kansas City, as representative of the Federal Reserve Banks of Kansas City, Minneapolis, and San Francisco on the Federal Open Market Committee created by Section 12A of the Federal Reserve Act, as amended, to serve as such representative for the period beginning on the date of the first regularly scheduled meeting of the FOMC in 2025 through the conclusion of the day immediately before the date of

the first regularly scheduled meeting of the FOMC in 2026, and does hereby vote to elect Neel Kashkari, President of the Federal Reserve Bank of Minneapolis, to serve during the same period as an alternate on the FOMC in the absence of President Schmid, or if President Schmid ceases being president of the Federal Reserve Bank of Kansas City until such time as the president of the Federal Reserve Bank of Kansas City assumes office, at which point he or she would then be the representative during the voting period this resolution covers.”

Upon motion duly made and seconded, the Board of Directors VOTED to approve the Resolution for Representative of the 2025 Federal Open Market Committee.

2. **Emergency Succession List:** Chair White presented the Bank’s updated Emergency Succession List which reflects updates to the Executive Leadership Team’s composition.

Upon motion duly made and seconded, it was unanimously VOTED to approve the Bank’s updated Emergency Succession List.

3. **Audit and Risk Management Committee (ARMC) Charter:** Committee Chair Oppenheimer summarized recent updates to the ARMC charter.

Upon motion duly made and seconded, it was unanimously VOTED to approve the updates to the ARMC charter.

4. **Audit Committee Recommendations:** Committee Chair Oppenheimer provided a summary of the Audit and Risk Management Committee (ARMC) meeting held earlier in the day [REDACTED]

[REDACTED]

The meeting adjourned at 4:34 p.m. (Pacific).

Secretary of the Board