

FEDERAL RESERVE BANK OF CHICAGO
MINUTES OF THE JOINT MEETING
OF THE BOARDS OF DIRECTORS
JULY 18, 2024

A joint meeting of the Chicago and Detroit Branch Boards of Directors of the Federal Reserve Bank of Chicago convened at 1:00 p.m. on Thursday, July 18, 2024, pursuant to notice duly given.

MEETING PARTICIPANTS

Chair: Ms. Scanlon

Chicago Directors: Mr. Habiger
Ms. Hubbard
Ms. Jojo
Mr. Murphy
Mr. O'Grady
Mr. Salgado
Ms. Whitson

Detroit Directors: Ms. Goss
Mr. Hall
Mr. Nicholson

Bank Management: Mr. Austan Goolsbee, President & Chief Executive Officer
Ms. Ellen Bromagen, First Vice President & Chief Operating Officer
Ms. Tiffany Butler, VP, Corporate Administration and Office of Directors
Ms. Theresa Chiang, Manager, Office of Directors
Mr. Michael Keppler, EVP, Central Bank Services & District Cash Services
Mr. Spencer Krane, SVP, Research, Policy, & Public Engagement
Mr. Fred Martin, EVP & CFO, Administrative Services & Finance
Mr. Rick Mattoon, VP & Regional Executive, Detroit Branch
Ms. Leslie McGranahan, SVP & Director of Regional Research, Research,
Policy, & Public Engagement
Ms. Anna Paulson, EVP & Director of Research, Research, Policy, & Public
Engagement
Mr. Mark Peters, AVP, Public Affairs
Ms. Ellen Rissman, AVP, Business Cycle Analysis & Communications,
Research, Policy, & Public Engagement
Ms. Kathy Schrepfer, EVP, Legal, Office of Directors, IS, Strategy, & Risk
Mr. Brett Schur, SVP, General Auditor
Ms. Julie Williams, EVP, Supervision & Regulation, Talent Management
Operations & Training
Ms. Katie Wisby, EVP & CIO, IT, Innovation, and System Leadership Initiative

Economic Research: Mr. Benjamin Henken, Business Economist

Office of the Directors: Ms. Melissa Joslyn, Senior Business Project Manager

Not Present: Ms. Chavez
Mr. Bonner
Mr. Smith

CHAIR'S REMARKS

Ms. Scanlon welcomed everyone to the meeting and provided an overview of the agenda.

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APPROVAL OF CONSENT AGENDA

UPON MOTION duly made and seconded, the Chicago Board unanimously approved the following consent agenda items:

1. Board Meeting Minutes

- D-2291 – April 4, 2024; Discount Rate Telephone Meeting
- D-2292 – April 18, 2024; In-person Board Meeting
- D-2293 – May 2, 2024; Discount Rate Telephone Meeting
- D-2294 – May 16, 2024; Discount Rate Notational Vote
- D-2295 – May 30, 2024; Discount Rate Telephone Meeting
- D-2296 – June 13, 2024; Discount Rate Telephone Meeting

2. Election of FOMC Voting Member and Alternate

Resolved that, **Elizabeth M. Hammack**, incoming President of the Federal Reserve Bank of Cleveland, be elected a member of the Federal Open Market Committee (FOMC) to represent the Federal Reserve Bank of Cleveland and the Federal Reserve Bank of Chicago during the period beginning on the date Elizabeth M. Hammack assumes the office of President, August 21, 2024, through the conclusion of the day immediately before the date of the first regularly scheduled meeting of the FOMC in 2025.

Be it further resolved that **Austan D. Goolsbee**, President of the Federal Reserve Bank of Chicago, be elected to serve as Alternate in the absence of the President of the Federal Reserve Bank of Cleveland as a member of the FOMC representing the Federal Reserve Bank of Cleveland and the Federal Reserve Bank of Chicago during the same period.

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PRESIDENT'S REMARKS

Mr. Goolsbee updated the directors on Bank activities.

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REPORTS FROM DIRECTORS ON BUSINESS DEVELOPMENTS

The directors discussed business conditions in their respective sectors of the economy. Their comments are reflected in the letter from Mr. Goolsbee to Secretary Misback dated July 19, 2024.

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DISCOUNT RATE RECOMMENDATION

Mr. Goolsbee shared his perspectives on monetary policy and recommended that the directors lower the primary credit rate from its current level of 5.5 percent to 5.25 percent and to determine the secondary and seasonal credit rates according to the agreed upon formulas.

UPON MOTION duly made and seconded, the directors voted 6 to 2 to reduce the primary credit rate by 25 basis points to 5.25 percent, to reaffirm that the rate for secondary credit be set 50 basis points above the primary credit rate, and to continue setting the rate for seasonal credit according to the approved formula.

AUDIT COMMITTEE REPORT

Mr. Murphy reported on the Audit Committee meeting held June 21, 2024. He updated directors on the following:

- Mr. Murphy shared key discussions from the May Joint Audit Committee Chairs & General Auditors (COGA) meeting.
- KPMG presented the results of their annual survey and a look ahead toward their 2024 audit plan.
- KPMG informed the Committee that the Bank's auditor's 5-year term with the Bank will be ending with the completion of the 2024 audit. Efforts are underway to select a replacement.
- Bank management provided an update from Internal Audit and highlighted progress on the 2024 audit plan, as well as efforts to fulfill the role of Coordinating General Auditor (CGA) for the Credit Risk Management function.
- The Committee approved two minor changes to the 2024 audit plan.

Mr. Murphy reported that there are no situations that require action by the full Board.

The Regular Session adjourned at 2:53 p.m.

EXECUTIVE SESSION

(All attendees except Chicago directors, Mr. Goolsbee, Ms. Bromagen, and Ms. Paulson exited the meeting.)

The meeting moved into Executive Session with the Chicago directors, Mr. Goolsbee, Ms. Bromagen, and Ms. Paulson.

Personnel Item

Bank Management presented and recommended the following officer promotion:

- Gene Amromin, Senior Vice President, Research, Policy, & Public Engagement

This promotion is effective August 1, 2024.

UPON MOTION duly made and seconded, the directors voted unanimously to approve the officer promotion.

(Mr. Goolsbee, Ms. Bromagen, and Ms. Paulson exited the meeting.)

The meeting continued in Executive Session with the Chicago directors.

The Executive Session adjourned at 3:01 p.m.

- Corporate Secretary