

Note about the implementation of the 2025 Federal Reserve Bank Budgets

The Federal Reserve Bank budgets represent the maximum amount that is authorized for particular purposes. It does not constitute an obligation to spend funds, and actual spending on budget items may be reduced or eliminated without formal amendment to the budget.

With particular relevance to the 2025 budget, and as has been done historically, the Reserve Banks, in coordination with the Board of Governors, have sought to align where appropriate and within the law with executive orders, including with the federal government hiring freeze announced on January 20, 2025. The Federal Reserve System also announced in May that it has initiated a plan to reduce its overall headcount by ten percent over the next few years.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

DIVISION OF RESERVE BANK OPERATIONS AND PAYMENT SYSTEMS

Below is the 2025 Federal Reserve Bank Budgets that was approved on December 15, 2024. Since that time there have been changes to certain budget items that are not reflected in the document. These include the following. First, actions were taken to reduce full-time equivalents (FTE) for Reserve Banks.¹ In early January, the Reserve Banks initiated a reduction to the 2025 FTE forecast to align with the underrun in actual 2024 year-end performance. The updated forecast serves as the managerial 2025 budget and is the benchmark from which the Reserve Banks, and ultimately the Board, measures spend and holds the Reserve Banks accountable for 2025. Second, the Reserve Banks, in coordination with the Board of Governors, aligned where appropriate and within the law with executive orders, including with the federal government hiring freeze. This alignment has further reduced FTE, relative to the approved budget reported below. Third, the Federal Reserve System announced on May 16 that it would initiate a plan to reduce its overall headcount by ten percent over the next several years. Collectively, these actions result in a significantly reduced FTE forecast for 2025. The following memo outlines what was formally approved in 2024 for 2025 and does not reflect the aforementioned reductions in anticipated Reserve Bank employment.

2025 Federal Reserve Bank Budgets

ACTION

On December 15, 2024, the Board approved the Reserve Bank operating expense, the Authorized Position Threshold (APT), and capital budgets for 2025. The final approved budgets include the following:

1. The 2025 Reserve Bank operating budgets, total \$6,382.5 million, an increase of \$329.3 million, or 5.4 percent, from the 2024 budget and an increase of \$486.1 million, or 8.2 percent, from the 2024 forecasted expenses. Total 2025 budgeted employment for the Reserve Banks and National IT (NIT) is 21,411 FTE, an increase

¹ The FTE statistic represents the workload of an employee. FTE is calculated as follows: an employee's scheduled weekly hours divided by 40 hours (which is the default weekly hours for U.S. jobs).

of 489 FTE, or 2.3 percent, from 2024 forecasted staffing levels.² See the above update section, which explains that subsequent to this approval, forecasted employment has been significantly reduced.

As part of this approval, the chair of the Committee on Federal Reserve Bank Affairs (BAC) designated four components of the operating expense budgets for conditional approval, which may require additional review and approval from the director of the Division of Reserve Bank Operations and Payment Systems (RBOPS) or the Board:

- a. the Accelerate: Cloud and Colo Program (ACC Program),
 - b. the Treasury Retail Investment Manager (TRIM),
 - c. the Markets Transformation program, and;
 - d. incremental staffing resources for local IT.³
2. The 2025 Reserve Bank APT, totaling 22,573 positions.^{4,5}
 3. The 2025 Reserve Bank single and multiyear capital budgets were approved in three categories:
 - a. significant capital expenditures – multiyear approval for significant capital expenditures (typically expenditures exceeding \$1 million) totaling \$1,645.4 million for 2025 and the remaining term of these projects
 - b. other capital expenditures – single-year capital expenditures, by asset class, for less significant expenditures (less than \$1 million per project) totaling \$72.7 million for 2025
 - c. conditional approval – the chair of the BAC designated \$312.4 million in 2025 and a total multiyear budgeted expenditure of \$908.1 million for 2025 and the remaining years for conditional approval, requiring additional review and approval from the director of RBOPS or the Board.

² The operating budget includes expenses for NIT that are chargeable to the Reserve Banks. Expenses exclude assessments for the Board of Governors operating expenses, pension costs, the cost of currency, and the Consumer Financial Protection Bureau.

³ The ACC Program will modernize the data center and migrate applications to modern infrastructure to increase agility, speed, resilience, and operational efficiency. TRIM is a multiyear fiscal agent program that will enable Treasury to sell retail securities through a modernized platform. Markets Transformation is a multiyear program to modernize the Federal Reserve's trading and foreign customer banking businesses to effectively support monetary policy implementation, global financial stability, and the role of the U.S. dollar as the global reserve currency.

⁴ In 2023, the Federal Reserve Board endorsed the creation of an APT as a new budget control, providing greater transparency for positions within or across Reserve Banks for strategic alignment. FRAM 1-049 was updated to include a single APT applicable to the Reserve Banks and NIT. This policy states that a Reserve Bank may plan to hire any authorized position within the System APT approved by the Board and within its budgeted operating expense, unless designated for conditional approval.

⁵ Pending the incremental staffing analysis of local IT FTE (l.d. above), the approved APT amount could increase to accommodate the inclusion of further local IT resources.

DISCUSSION

The Reserve Banks staff have prepared annual budgets for 2025 through a process designed by the Conference of Presidents (COP) to demonstrate the System's commitment to careful stewardship of public funds. The budgets are developed to align with the System's and each individual Reserve Bank's strategic priorities, including

- contributing to the formulation of monetary policy and enhancing monetary policy implementation to become more effective, flexible, and resilient,
- promoting financial stability through effective monitoring, analysis, and policy development,
- promoting safety and soundness of financial institutions through effective supervision, and
- leading efforts to enhance the security, resiliency, functionality, and efficiency of services provided to financial institutions, to the U.S. Department of the Treasury as its fiscal agent, and to the public.

The COP, working closely with the CFVP, structured itself such that five committees (called “umbrella” committees) would be responsible for major operational areas and functional areas.⁶ The umbrella committees are chaired by Presidents and are comprised of Presidents and First Vice Presidents to ensure an efficient governance process over their respective areas, inclusive of aligning strategy to investments. The umbrella committees matured their roles in the budgeting process by setting budget priorities for their respective areas that align with longer term strategies. The chair of each umbrella committee sits on the Committee on Spend Stewardship, which is charged by the COP with aligning the budget with strategic priorities at the System level. The Committee on Spend Stewardship provided guidance to the 12 Reserve Banks throughout the budget process as the Banks developed their budget requests. Board staff analyzed these budgets both individually and, in the aggregate, with a focus on the overall System strategy and its articulation through resource decisions, before providing its recommendations to the BAC. Board staff observed that System leadership took meaningful

⁶ The five umbrella committees are (1) Governance and Risk, (2) People, (3) Payments, (4) Technology and Operations, and (5) Research, Banking, Communities, and Communications.

actions to align spending with strategic priorities, while also encouraging Reserve Bank leadership to further emphasize an enterprise view for priority-setting and improved execution of System initiatives.

2025 Operating Expenses, Net of Revenue and Reimbursements

The 2025 operating budgets of the Reserve Banks, inclusive of Treasury services, total \$6,382.5 million, which is \$486.1 million, or 8.2 percent, higher than the 2024 forecast.

Change in Net Expenses					
(dollars in millions)					
	2024 Budget	2024 Forecast	2025 Budget	2025B-2024F Amount	Percent
Total Expense	\$6,053.2	\$5,896.4	\$6,382.5	\$486.1	8.2%
Less:					
Priced Services Revenue	501.4	522.1	532.1	10.0	1.9%
Reimbursable Claims	879.8	847.0	915.0	68.0	8.0%
Net Expenses	\$4,672.0	\$4,527.3	\$4,935.4	\$408.1	9.0%

Almost a quarter of Reserve Bank expenses in the 2025 budget are offset by either priced services revenue (8.3 percent) or reimbursable claims for services provided to the Treasury and fiscal principals (14.3 percent).⁷ Budgeted 2025 operating expenses, net of revenue and reimbursements, are expected to increase \$408.1 million, or 9.0 percent, from 2024 forecasted expenses. Budgeted 2025 revenue from priced services is 1.9 percent higher than 2024 forecasted revenue, largely due to an increase in Funds, ACH, and Securities revenue driven by higher volumes and fee increases; partially offset by decline in check volumes. Reimbursable claims are expected to increase \$68.0 million, or 8.0 percent, in 2025, primarily because of

⁷ The Federal Reserve provides services to the U.S. government pursuant to the Federal Reserve Act, which stipulates that, when required by the Secretary of the Treasury, Reserve Banks will act as fiscal agents and depositories of the United States. Direct and indirect expenses associated with the services provided to the Treasury are reimbursable. Reimbursable claims include the expenses of fiscal agency and depository services provided to the U.S. Treasury, other government agencies, and other fiscal principals. Reimbursable claims are higher than Treasury service expenses shown in the “Reserve Bank Expenses” table because the reimbursable claims also include expenses associated with the government’s use of the Reserve Banks’ Check, ACH, Fedwire Funds, and Fedwire Securities services; these expenses are included in the “Change in Net Expenses” table.

investments to support the Platform Evolution Program, a technology transformation initiative to migrate Treasury applications to cloud infrastructure.⁸

TOTAL OPERATING EXPENSE SUMMARY

Reserve Bank Operating Expenses							
(dollars in millions)							
	2024 Budget	2024 Forecast	24F to 24B		2025 Budget	25B to 24F	
			Amount	Percent		Amount	Percent
Central Bank Services	\$4,458.1	\$4,375.9	-\$82.2	-1.8%	\$4,733.1	\$357.2	8.2%
Monetary Policy	629.1	614.6	-14.4	-2.3%	654.6	39.9	6.5%
Open Market	299.8	297.9	-1.9	-0.6%	306.5	8.6	2.9%
Public Programs	280.4	281.0	0.7	0.2%	302.4	21.3	7.6%
Supervision	1,784.5	1,740.5	-44.0	-2.5%	1,902.0	161.5	9.3%
Cash	897.9	893.3	-4.7	-0.5%	959.3	66.0	7.4%
All Other Central Bank Services ¹	566.4	548.6	-17.8	-3.1%	608.4	59.8	10.9%
Fee-Based Services²	775.2	753.6	-21.6	-2.8%	797.4	43.8	5.8%
Treasury Services	819.8	785.6	-34.2	-4.2%	852.0	66.4	8.4%
System IT Residual ³	N/A	-18.7	N/A	N/A	N/A	N/A	N/A
Total Operating Expense	\$6,053.2	\$5,896.4	-\$156.7	-2.6%	\$6,382.5	\$486.1	8.2%

Note: Here and in subsequent tables, components may not sum to totals and may not yield percentages shown because of rounding.

¹ Includes Reserve Accounts and Risk Admin, Services to International Organizations, Services to Other Central Banks, and Loans to Depository Institutions.

² Fee-based services are all expenses associated with the Priced Services, including Check, FedACH, Fedwire Funds and National Settlement, Fedwire Securities, and FedNow.

³ System IT residual represents the difference in actual expenses incurred and budgeted expenses for IT services, and are held in an unallocated account until year-end.

N/A: not applicable

2024 Budget Performance

The 2024 total operating expense forecast for the Reserve Banks is \$5,896.4 million, which is \$156.7 million, or 2.6 percent, under the approved 2024 budget of \$6,053.2 million. In Supervision, the underrun is primarily due to timing of hiring staff throughout the year and refined timelines to support strategic IT initiatives. Treasury services reflect delayed investments and less than planned spend for temporary resources in support of migrating applications to the

⁸ Reimbursable claims exclude annual assessments for the supervision of large financial companies pursuant to Regulation TT, which directs the Board to collect assessments for the costs incurred by the Federal Reserve for the supervision and regulation of depository institution holding companies (bank and savings and loan holding companies) with \$100 billion or more in total consolidated assets and nonbank financial firms designated as systemically important by the Financial Stability Oversight Council. These assessment fees are not recognized as revenue as the Federal Reserve transfers all assessment fees collected directly to the U.S. Treasury. The Board collected \$777.7 million in assessment fees in 2023.

cloud and delays in hiring across the portfolio. Fee-based services is forecasted to underrun because of a strategic decision to reassess what staffing is needed to support the cloud migration effort and because of turnover and lag experience above budgeted levels.

Forecasted FTE is 20,922, which is 316, or 1.5 percent, below the 2024 budget, primarily because of extended lags in filling open positions across several areas, including Law Enforcement, Fee-Based Services, Research, and Information Technology.

The forecasted 2024 capital spending for the Reserve Banks and National IT (NIT) is \$911.8 million, which is \$2.0 million less than the 2024 budget, or 0.2 percent. This decrease is predominantly driven by project delays for major cash related strategic initiatives, lower than planned development work for FedNow, and delays in various facilities projects.

2025 Budgeted Operating Expenses

The 2025 total operating expense budget for the Reserve Banks total \$6,382.5 million, which is \$486.1 million, or 8.2 percent, higher than the 2024 forecast. Treasury growth is primarily attributable to investments to support the migration of applications to cloud. Supervision growth is primarily for resource additions to support supervisory portfolio growth. Cash investments has increased across several Districts due to the local implementation of the NextGen program.⁹ All Other Central Bank Services include investments to support the discount window modernization and the impact of cloud migration efforts. Increases in Fee-Based Services are for resource needs to meet cloud migration deadlines and software costs for FedLine and the project to implement ISO 20022 for the Fedwire Funds service. Lastly, growth in Monetary Policy and Public Programs reflect staffing to support regional growth and community outreach efforts.

The chair of the BAC designated for conditional approval the portion of the 2025 operating expense budgets (\$48.8 million) associated with investments for TRIM. Additionally, the chair of the BAC designated for conditional approval commitments related to the ACC Program, the Markets Transformation program, and the incremental growth related to local Reserve Bank IT resources. Investments with the conditional approval designation require additional review and approval from the director of RBOPS or the Board.

⁹ FedCash (formerly the Cash Product Office) is transitioning the existing fleet of high-speed currency processing machines and the sensor suite from the Banknote Processing System platform to the future next-generation (NextGen) processing infrastructure.

2025 Personnel Expenses and Staffing

Reserve Bank officer and staff personnel expenses for 2025 total \$4,670.8 million, an increase of \$341.8 million, or 7.9 percent, above 2024 forecasted expenses. This increase reflects the expenses associated with additional staff, salary administration (that is, merit increases, equity adjustments, and promotions), variable pay, and retirement and other benefit costs.

For 2025, the BAC endorsed 22,573 positions as the Authorized Position Threshold (APT), representing an increase of 144 positions, primarily to accommodate staffing to support Supervision.^{10,11} Total 2025 budgeted employment for Reserve Banks and NIT is 21,411 FTE, an increase of 489 FTE, or 2.3 percent, from 2024 forecasted staff levels. Approximately half of 2025 growth is attributed to Information Technology and Supervision increases. While there continues to be an assessment of IT resources, the largest driver of growth is the modernization, consolidation, and centralization of platforms in support of Supervision work followed by resources to support the ACC program.¹² Growth in Supervision reflects portfolio growth, changes in the complexity of supervised institutions, and evolving banking conditions.

Outside of Information Technology and Supervision, the Support and Overhead function plans to add resources for enhancements to local law enforcement's operating model, for enterprise efforts to align resources with strategy, and for investments to strengthen risk and resiliency efforts across the System. Other areas of growth include All Other Central Bank Services, where increases are for resources to support community outreach efforts and for the discount window modernization; Fee-Based Services, where growth is both the result of an

Significant Staffing (FTE) Changes 2025 Budget to 2024 Forecast	
2024 Forecast	20,922
Information Technology	138
Supervision	109
Support & Overhead (SOH)	69
<i>Law Enforcement</i>	27
<i>Corporate Admin</i>	21
<i>All Other SOH</i>	21
All Other Central Bank Services	61
Fee-Based Services	42
Treasury	35
Research	35
2025 Budget	21,411

¹⁰ In 2023 for the 2024 budget, the Federal Reserve Board endorsed the creation of an APT as a new budget control to support the strategic allocation of resources across the Federal Reserve System. The objective of the effort is to provide greater transparency for positions within and across Reserve Banks so that System leaders are able to fully assess whether resources and expenditures are strategically aligned. The APT, which establishes a maximum number of positions—both filled and open—for the System, provides both a control on hiring and a reporting mandate.

¹¹ Further positions may be added off-cycle pending resource demands.

¹² Included in this growth are IT resources that are designated for conditional approval.

increase in pace of hiring after intentional delays in 2024 and a strategic realignment of staffing with high-priority objectives; and Treasury, where staffing reflects continued and evolving investments in data transparency. Lastly, growth in Research reflects an increase in hiring resources to support regional economic analysis after delayed onboarding in 2024.

2025 Capital Budgets

2025 Capital Budgets
(dollars in thousands)

	2025 Capital	2026 and Beyond Capital	Total
Capital Expenditures Designated for Conditional Approval¹	\$312,353.7	\$595,777.9	\$908,131.5
Projects previously designated	310,853.7	588,977.9	899,831.5
New conditionally approved projects	1,500.0	6,800.0	8,300.0
Significant Capital Expenditures	557,559.5	1,087,811.7	\$1,645,371.2
Other Capital Expenditures	72,739.0		72,739.0
Art	0.0		0.0
Building	14,185.5		14,185.5
Furniture and Equipment	43,473.2		43,473.2
Land and Land Improvements	2,260.4		2,260.4
Leasehold Improvements	630.0		630.0
Software	12,189.9		12,189.9
Total Capital Budget	\$942,652.1	\$1,683,589.6	\$2,626,241.7

¹ Previously designated projects may include amounts that have already been approved by the Director of RBOPS that are not reflected in this chart.

The 2025 capital budgets submitted by Reserve Banks and NIT total \$942.7 million. The 2025 capital budget has increased \$30.8 million, or 3.4 percent, from the 2024 forecast of \$911.8 million. This increase largely reflects ongoing multiyear building investments related to the maintenance of aging buildings, construction of a new cash services center, deployment of currency processors as part of the NextGen program, and the expansion of a cash vault. Increases are also for IT infrastructure investments, including the ACC Program. The chair of the BAC approved the capital budget in two categories: (1) the approval of significant capital expenditures, inclusive of conditionally approved projects, for 2025 and the remaining term of these projects (\$1,645.4 million) and (2) the single-year approval of all other capital expenditures by asset class (\$72.7 million).

Capital expenditures designated for conditional approval

The chair of the BAC designated 10 projects for conditional approval totaling \$312.4 million of capital expenditures for 2025 and a total multiyear budgeted expenditure of \$908.1

million for 2025 and future years. The expenditures designated for conditional approval include investments in technology related to the System's ACC Program as well as large-scale projects related to the development and deployment of currency processors as part of the NextGen program, markets related initiatives, TRIM, and building upgrades related to the future of work and general maintenance.

Significant capital expenditures

Significant capital expenditures (typically expenditures exceeding \$1 million) that have not been designated for conditional approval include total multiyear budgeted expenditures of \$1,645.4 million for 2025 and future years, of which the single-year 2025 budgeted expenditures are \$557.6 million. This category includes necessary infrastructure investments for building and IT projects, and applications support for Cash, Fee-Based Services, Monetary Policy, and Supervision initiatives.

Other capital expenditures

The 2025 capital budgets include \$72.7 million for other capital expenditures that are individually less than \$1 million per project, such as building maintenance expenditures, scheduled software and equipment upgrades, and equipment and furniture replacements.

Statistical Supplement

Table A	Total Expenses of the Federal Reserve Banks, by District
Table B	Total Employment in the Federal Reserve Banks, by District
Table C	Budgeted Changes to Cash Compensation Programs of the Federal Reserve Banks, Officers and Staff, by District
Table D	Capital Outlays of the Federal Reserve Banks, by District

Notes: (1) In the following tables, Reserve Bank expenses include those budgeted by NIT that are chargeable to the Reserve Banks.

(2) In the following tables, totals may not sum due to rounding.

TABLE A: TOTAL EXPENSES OF THE FEDERAL RESERVE BANKS
by District, 2024 and 2025
(Dollars in Thousands)

District	2024 Budget	2024 Forecast	2025 Budget	Variance		Variance	
				24F to 24B		25B to 24F	
Boston	\$438,198.7	\$434,913.7	\$459,994.6	-\$3,285.0	-0.7%	\$25,080.9	5.8%
New York	1,364,070.6	1,325,449.3	1,428,065.9	-38,621.2	-2.8%	102,616.6	7.7%
Philadelphia	243,939.7	244,337.3	257,936.1	397.6	0.2%	13,598.8	5.6%
Cleveland	330,017.1	313,179.0	345,922.6	-16,838.0	-5.1%	32,743.6	10.5%
Richmond	418,418.6	387,561.2	429,894.4	-30,857.4	-7.4%	42,333.2	10.9%
Atlanta	530,444.4	519,006.5	552,161.2	-11,437.9	-2.2%	33,154.7	6.4%
Chicago	557,574.0	544,995.0	578,854.4	-12,578.9	-2.3%	33,859.4	6.2%
St. Louis	491,625.1	479,106.4	518,699.9	-12,518.7	-2.5%	39,593.5	8.3%
Minneapolis	302,198.6	303,069.4	331,547.8	870.8	0.3%	28,478.4	9.4%
Kansas City	484,929.7	468,780.4	503,662.4	-16,149.3	-3.3%	34,882.0	7.4%
Dallas	334,498.7	327,781.4	376,175.4	-6,717.3	-2.0%	48,394.1	14.8%
San Francisco	557,238.2	548,258.9	599,605.3	-8,979.3	-1.6%	51,346.4	9.4%
Total	\$6,053,153.4	\$5,896,438.6	\$6,382,520.1	-\$156,714.9	-2.6%	\$486,081.6	8.2%

**TABLE B: TOTAL EMPLOYMENT
OF THE FEDERAL RESERVE BANKS**
by District, 2024 and 2025
Full Time Equivalent (FTE)

District	2024 Budget	2024 Forecast	2025 Budget	Variance		Variance	
				24F to 24B		25B to 24F	
Boston	1,296	1,273	1,321	-22	-1.7%	48	3.8%
New York	3,073	3,018	3,095	-55	-1.8%	77	2.5%
Philadelphia	884	880	905	-3	-0.4%	25	2.8%
Cleveland	1,114	1,098	1,156	-16	-1.4%	58	5.3%
Richmond	1,617	1,569	1,607	-48	-3.0%	38	2.4%
Atlanta	1,780	1,744	1,765	-36	-2.0%	22	1.2%
Chicago	1,726	1,684	1,731	-42	-2.4%	47	2.8%
St. Louis	1,508	1,509	1,523	1	0.1%	14	0.9%
Minneapolis	1,147	1,152	1,173	5	0.5%	21	1.8%
Kansas City	2,072	2,038	2,075	-34	-1.6%	37	1.8%
Dallas	1,343	1,318	1,342	-24	-1.8%	24	1.8%
San Francisco	1,910	1,868	1,928	-42	-2.2%	59	3.2%
Subtotal	19,468	19,152	19,622	-316	-1.6%	469	2.4%
NIT	1,770	1,770	1,789	0	0.0%	19	1.1%
Total	21,238	20,922	21,411	-316	-1.5%	489	2.3%

**TABLE C: BUDGETED CHANGES TO CASH COMPENSATION PROGRAMS OF THE FEDERAL
RESERVE BANKS
Officers and Staff by District, 2025
(Dollars in Thousands)**

District	Total 12/31/24 Salary Liability (a)	Additions to Salary Base				Change in Variable Pay (e)	Total	
		Merit (b)	Equity Adjustments (c)	Promotions and Reclasses (d)	Percentage Increase to Total 12/31/24 Salary Liability (b + c + d) / (a)		Total (b + c + d + e)	Percentage Increase to Total 12/31/24 Salary Liability (b + c + d + e) / (a)
Boston	\$207,775.4	\$6,648.8	\$623.3	\$2,077.8	4.5%	\$1,533.3	\$10,883.2	5.2%
New York	589,464.3	17,684.2	2,947.4	5,894.7	4.5%	5,239.5	31,765.8	5.4%
Philadelphia	121,918.7	3,660.2	607.0	1,219.2	4.5%	1,007.8	6,494.2	5.3%
Cleveland	138,187.7	4,145.6	691.0	1,381.8	4.5%	1,370.9	7,589.3	5.5%
Richmond	202,289.4	6,271.0	809.2	2,022.9	4.5%	1,585.7	10,688.7	5.3%
Atlanta	222,917.2	7,021.9	780.2	2,229.2	4.5%	957.9	10,989.1	4.9%
Chicago	253,146.8	7,594.4	1,425.6	2,371.7	4.5%	1,753.3	13,144.9	5.2%
St. Louis	196,924.1	5,907.7	984.6	1,969.2	4.5%	864.3	9,725.9	4.9%
Minneapolis	135,556.4	4,066.7	677.8	1,355.6	4.5%	967.7	7,067.7	5.2%
Kansas City	223,340.8	7,146.9	1,116.7	1,786.7	4.5%	1,139.0	11,189.3	5.0%
Dallas	163,813.2	4,914.4	819.1	1,638.1	4.5%	1,685.4	9,057.0	5.5%
San Francisco	281,519.1	8,445.6	1,407.6	2,815.1	4.5%	2,665.8	15,334.0	5.4%
FRIT	271,772.1	8,424.9	1,087.1	2,717.7	4.5%	1,652.3	13,882.0	5.1%
Total	\$3,008,625.3	\$91,932.3	\$13,976.5	\$29,479.7	4.5%	\$22,422.8	\$157,811.2	5.2%

The table above shows the cash compensation components that add to base salary (merit, equity, and promotion) and the 2025 change in variable pay expense compared to those forecasted for 2024.

December 31, 2024 Salary Liability: the annualized salary expense based on the salaries in effect on December 31.

Merit: the amount of 2025 annualized budgeted salary expense that reflects salary increases for individuals based on performance.

Equity Adjustments: the amount of 2025 annualized budgeted salary expense to bring individual salaries to the minimum of a salary range or to better align salaries based on internal or external compensation pressures.

Promotions: the amount of 2025 annualized budgeted salary expense that reflects salary increases for individuals as a result of promotions resulting from a significant increase in job responsibilities.

Variable Pay: the change in 2025 budgeted incentive payments (payment for the achievement of pre-determined goals) and cash awards (awards in recognition of exceptional achievements) compared to the 2024 forecast.

TABLE D: CAPITAL OUTLAYS OF THE FEDERAL RESERVE BANKS
by District, 2024 and 2025
(Dollars in Thousands)

District	2024	2024	2025	Variance		Variance	
	Budget	Forecast	Budget	24F to 24B		25B to 24F	
Boston	\$59,285.1	\$29,114.1	\$33,198.6	-\$30,171.0	-50.9%	\$4,084.5	14.0%
New York	183,057.9	159,702.7	180,300.9	-23,355.1	-12.8%	20,598.2	12.9%
Philadelphia	22,432.5	16,886.9	30,291.5	-5,545.6	-24.7%	13,404.6	79.4%
Cleveland	31,408.1	32,078.2	48,267.4	670.1	2.1%	16,189.2	50.5%
Richmond	18,220.6	17,768.0	21,890.8	-452.6	-2.5%	4,122.8	23.2%
Atlanta	145,902.3	114,702.5	180,226.4	-31,199.8	-21.4%	65,523.9	57.1%
Chicago	30,299.9	27,996.3	34,420.4	-2,303.7	-7.6%	6,424.2	22.9%
St. Louis	32,935.9	35,081.5	28,633.0	2,145.6	6.5%	-6,448.5	-18.4%
Minneapolis	30,694.7	20,209.8	32,559.5	-10,484.9	-34.2%	12,349.7	61.1%
Kansas City	63,885.1	63,755.2	65,657.0	-129.9	-0.2%	1,901.8	3.0%
Dallas	48,089.4	57,644.2	71,069.8	9,554.8	19.9%	13,425.6	23.3%
San Francisco	118,201.4	130,880.1	155,905.8	12,678.7	10.7%	25,025.7	19.1%
Subtotal	\$784,412.9	\$705,819.6	\$882,421.1	-\$78,593.4	-10.0%	\$176,601.6	25.0%
NIT	129,453.8	206,015.1	60,231.0	76,561.3	59.1%	-145,784.1	-70.8%
Total	\$913,866.7	\$911,834.7	\$942,652.1	-\$2,032.1	-0.2%	\$30,817.5	3.4%