



Federal Housing Finance Board

DECISION MEMORANDUM OF THE BOARD OF DIRECTORS ACTING
WITHOUT A QUORUM

Date: December 21, 1994
No. 94-DM-56

ISSUE:

The Office of Administration requests the Federal Housing Finance Board (Finance Board) to approve the 1995 agency budget and two semiannual assessments on the Federal Home Loan Banks (FHLBanks) for the agency's 1995 operating expenses.

FACTORS CONSIDERED:

Section 2B(a)(4) of the Federal Home Loan Bank Act (Bank Act) authorizes the Finance Board to determine its necessary expenditures and the manner in which they shall be incurred, allowed, and paid. See 12 U.S.C. §1422b(a)(4).

Section 18(b)(1) of the Bank Act authorizes the Finance Board to collect its operating funds from the FHLBanks by formal assessments, conducted semiannually. See *id.* § 1438(b)(1).

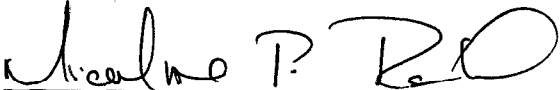
The Bank Act requires the Finance Board to net out any surplus funds from the amount assessed, based on the Finance Board's semiannual operating needs as reflected in its budget. See *id.* § 1438(b)(3).

The Finance Board staff recommends approval of the 1995 budget, attached hereto and made a part hereof.

The Finance Board staff further recommends approval to assess the FHLBanks for the first and second halves of the year for the 1995 budget, less any surplus funds (unobligated funds) from prior assessments.

DECISIONS:

Based on the factors set forth above and the authority set forth in sections 2B and 18 of the Bank Act, the Finance Board hereby approves the agency's 1995 budget, attached hereto, and two semiannual assessments for the first and second halves of 1995.


Nicolas P. Retsinas


Lawrence U. Costiglio

Attachment