

DECISION MEMORANDUM OF THE FINANCE BOARD

ACTING WITHOUT A QUORUM

Date: December 22, 1994

No. 94-DM-75

ISSUE: Finance Board approval of the 1995 appointments and 1995 base salaries for FHLBank Presidents, in accordance with the FHLBank Presidents' Compensation Plan.

FACTORS CONSIDERED

1. The Federal Housing Finance Board (Finance Board) approves the annual appointments of and compensation for FHLBank Presidents (12 U.S.C. Section 1432).
2. The Finance Board adopted the FHLBank Presidents' Compensation Plan (Plan) (Finance Board resolution #91-565 dated November 19, 1991), which establishes a method of determining total cash compensation for FHLBank Presidents.
3. The Finance Board approved 1995 salary ranges and 1995 merit increase guidelines for FHLBank Presidents in Decision Memorandum No. 94-DM-45 dated November 2, 1994.
4. All district boards recommended the reappointment of their Presidents for 1995.
5. Each district board of directors submitted, to the Finance Board, 1995 merit increase recommendations for their respective FHLBank Presidents consistent with the approved 1995 merit increase guidelines. These recommendations are reflected in the attached Table 1. (Table 1 provides a summary of FHLBank Presidents' actual 1994 base salaries and recommended 1995 base salaries).
6. The FHLBank of Dallas board of directors recommended, in addition to a merit increase, that the President of the FHLBank of Dallas receive a \$20,000 bonus based upon 1994 performance.

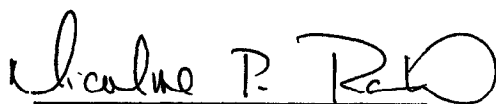
DECISION

1. To approve the reappointment of the FHLBank Presidents as recommended by each FHLBank's board of directors and reflected in Table 1, which table is attached to and made a part of this Decision Memorandum.

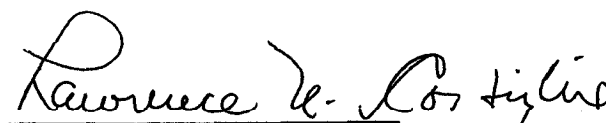
To approve the FHLBank Presidents' 1995 base salaries as recommended by each FHLBank's board of directors and reflected in Table 1.

To deny the additional request, submitted by the FHLBank of Dallas board of directors, for a \$20,000 bonus payable to the FHLBank President of Dallas.

Attachment: Table 1.

  
Nicolas P. Retsinas

Nicolas P. Retsinas

  
Lawrence U. Costiglio

Lawrence U. Costiglio

December 22, 1994

Date

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Table 1

**FEDERAL HOME LOAN BANK PRESIDENTS**  
**1995 FHLBank Presidents' Appointments and Merit Increase Recommendations**

FHLBank	President and Date of Appointment	Salary Range	1994 Base Salary	1995 FHLBank Recommended Base Salary	Dollar Amount of Merit Increase	1994 to 1995 Percent Increase
1 BOSTON	Michael A. Jessee (5/89)	B	\$240,000	\$256,800	\$16,800	7.0%
2 NEW YORK	Alfred A. DelliBovi (11/92)	B	\$237,600	\$256,600	\$19,000	8.0%
3 PITTSBURGH	James D. Roy (11/87)	B	\$242,676	\$257,232	\$14,556	6.0%
4 ATLANTA	Robert E. Showfety (2/88)	B	\$265,000	\$280,000	\$15,000	5.7%
5 CINCINNATI	Charles L. Thiemann (1/76)	C	\$260,000	\$260,000	\$0 (1)	0.0%
6 INDIANAPOLIS	Martin L. Heger (2/92)	C	\$210,600	\$227,448	\$16,848	8.0%
7 CHICAGO	Alex J. Pollock (10/91)	B	\$223,560	\$241,445	\$17,885	8.0%
8 DES MOINES	Thurman C. Connell (4/87)	C	\$225,000	\$231,750	\$6,750	3.0%
9 DALLAS	George M. Barclay (11/87)	B	\$220,000	\$230,000	\$10,000	4.5%
10 TOPEKA	Frank A Lowman (4/89)	C	\$230,000	\$238,000	\$8,000	3.5%
11 SAN FRANCISCO	Dean M. Schultz (3/91)	A	\$274,000	\$290,400	\$16,400	6.0%
12 SEATTLE	James R. Faulstich (6/79)	B	\$260,000	\$275,000	\$15,000	5.8%
<b>TOTALS</b>			<b>\$2,888,436</b>	<b>\$3,044,675</b>	<b>\$156,239</b>	<b>5.9% (2)</b>

(1) Salary at range maximum.

(2) Percent total does not include the FHLBank of Cincinnati.

**1995 Salary Ranges**

A: \$215,000 - \$280,000 - \$345,000  
 B: \$175,000 - \$227,500 - \$280,000  
 C: \$160,000 - \$208,000 - \$260,000

**1995 Merit Increase Guidelines**

a. 4% merit increase benchmark;  
 b. 8% maximum merit increase;  
 c. Recommended merit increases in excess of the benchmark should be clearly justified in writing; and  
 d. Merit increases shall be limited by salary range maximums within each salary range.