

DECISION MEMORANDUM OF THE FINANCE BOARD

ACTING WITHOUT A QUORUM

Date: December 22, 1994
No. 94-DM-76

ISSUE:

Finance Board approval of 1995 appointment and 1995 base salary for the Managing Director of the Office of Finance (OF), in accordance with the FHLBank Presidents' Compensation Plan.

FACTORS CONSIDERED

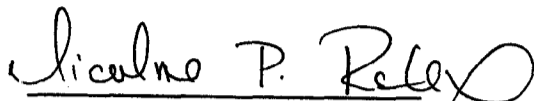
1. The Federal Housing Finance Board (Finance Board) approves the annual appointment of and compensation for the Managing Director of the Office of Finance (12 U.S.C. Section 1432).
2. The Finance Board retains oversight and approval authority over all Office of Finance operations (12 C.F.R. Section 941.3(a) and 941.9(b)(6)).
3. 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 the Managing Director of the Office of Finance.
4. The Finance Board approved 1995 salary ranges and 1995 merit increase guidelines for the Managing Director of the Office of Finance in Decision Memorandum No. 94-DM-45 dated November 2, 1994.
5. The board of directors of the Office of Finance has recommended the reappointment of the current Managing Director.
6. The board of directors of the Office of Finance submitted, to the Finance Board, a 1995 merit increase recommendation for the Managing Director consistent with the approved 1995 merit increase guidelines. The Managing Director's actual 1994 base salary and recommended 1995 base salary and merit increase are reflected in Table 1.

DECISION

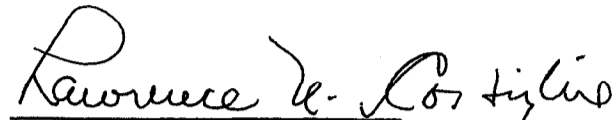
1. To approve the reappointment of the Managing Director of the Office of Finance as recommended by the board of directors and reflected in Table 1, which table is attached to and made a part of this Decision Memorandum.

2. To defer the decision to increase base salary for the Managing Director of the Office of Finance, pending a review of the revised budget and business plan, to be submitted to the Finance Board by the end of February 1995.

Attachment: Table 1.


Nicolas P. Retsinas

December 22, 1994
Date


Lawrence U. Costiglio

December 22, 1994
Date

Table 1

OFFICE OF FINANCE
1995 Managing Director's Appointment and Merit Increase Recommendation

1995 FTE Rank	Presenting and Initial Director Appointment	Salary Range	1994 Base Salary	1995 FTE Rank Recommended Base Salary	Dollar Amount Of Merit Increase	1994 to 1995 Percent Increase
1 OFC OF FINANCE	John K. Darr (6/92)	B	\$239,560	\$255,000 (1)	\$15,440	6.5%

(1) Decision on 1995 recommended base salary increase has been deferred, pending review of 1995 revised budget and business plan.

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.