

FEDERAL HOUSING FINANCE BOARD

Approval of 1993 Operating and Capital Expenditures Budgets
Federal Home Loan Bank of New York

WHEREAS, the Federal Home Loan Bank Act, as amended, established the Federal Housing Finance Board ("Finance Board") to supervise the Federal Home Loan Banks ("FHLBanks") and to ensure that they carry out their housing finance mission in a safe and sound manner; and

WHEREAS, to fulfill these responsibilities, pursuant to 12 C.F.R. § 934.6, the Finance Board has reviewed the 1993 operating and capital expenditures budgets of the FHLBanks within the context of establishing and maintaining a financial plan for the entire FHLBank System; and

WHEREAS, to ensure that the FHLBanks efficiently achieve their housing finance mission, the Finance Board has established the following key objectives for the System for 1993.

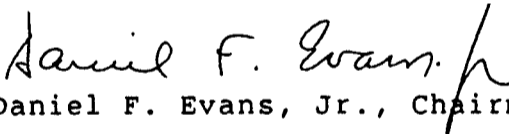
1. Enhance the availability of low-cost mortgage credit;
2. Achieve a level of net income that limits the burden of Resolution Funding Corporation ("REFCorp") payments and provides a dividend sufficient to attract and retain members committed to housing finance;
3. Reduce the cost of providing housing finance by improving the efficiency of Bank System operations;
4. Support affordable housing by increasing the participation and amount in the Community Investment Program and enhancing the ability of the System's members to meet community credit needs; and

WHEREAS, to evaluate individual FHLBank budgets and financial performance in accordance with these key objectives, the Finance Board has established certain operating targets for 1993.

NOW THEREFORE BE IT RESOLVED, that, upon review by the Finance Board, the 1993 operating and capital expenditures budgets of the Federal Home Loan Bank of New York ("Bank") are hereby approved in the amount of \$19,874,000 for operating expenses including \$83,000 for the imputed interest cost of compensating balances and \$763,000 for capital expenditures- subject to the following terms and conditions:

1. That, no later than 30 days after the end of each quarter, the Bank shall provide the Finance Board with a written report and financial statements regarding the Bank's actual-to-budget performance for such quarter including analysis of the Bank's performance relative to the established 1993 performance targets. Additionally, the report shall contain a progress report on the Bank's implementation of its Data Processing Plan including an analysis of actual versus projected data processing expenses as approved by the System Efficiencies Task Force.
2. That, the Bank shall adhere to the operating budget submitted to and approved by the Finance Board. With district Bank board of directors approval, the Bank may exceed functional area or line item budget amounts, as defined by the Finance Board, so long as the Bank's approved total budget is not exceeded.
3. That, the Bank may reallocate funds within the capital expenditures budget with district Bank board of directors approval so long as the total approved capital expenditures budget is not exceeded.

By the Federal Housing Finance Board


Daniel F. Evans, Jr., Chairman