

No.: 95-33
Date: October 5, 1995

FEDERAL HOUSING FINANCE BOARD

Adoption of 1996 Salary Ranges and Merit Increase Guidelines
for the FHLBank Presidents' Compensation Plan

WHEREAS, the Federal Housing Finance Board (Finance Board) approves the annual compensation of Federal Home Loan Bank (FHLBank) Presidents (12 U.S.C. Section 1432) and the Finance Board has oversight and approval authority over all Office of Finance operations (12 C.F.R. Section 941.3(a) and 941.9(b)(6)); and

WHEREAS, the Finance Board approved the FHLBank Presidents' Compensation Plan (Plan) on November 19, 1991 (#91-565), which established a method of determining compensation for FHLBank Presidents and the Managing Director of the Office of Finance; and

WHEREAS, on an annual basis, the Finance Board determines base salary ranges and merit increase guidelines, in accordance with the Plan, based on changes that have occurred within the FHLBanks and the financial industry from year to year for use by the FHLBank boards of directors in recommending annual base salary merit increases for their respective FHLBank Presidents for Finance Board approval; and

WHEREAS, the Finance Board contracted with The Wyatt Company, an international compensation consulting firm, to provide the information on which 1996 base salary range and merit increase guidelines were determined.

NOW, THEREFORE BE RESOLVED, effective January 1, 1996, the FHLBank Presidents' Compensation Plan shall include two salary ranges, "A" and "B" and the minimum, midpoint and maximum of Salary Range "A" shall be \$240,000, \$305,000 and \$385,000, respectively and the minimum, midpoint and maximum of Salary Range "B" shall be \$195,000, \$245,000, and \$310,000, respectively; and

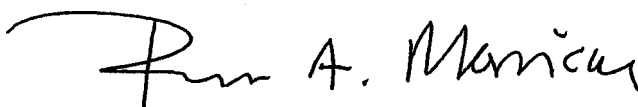
BE IT FURTHER RESOLVED, that the FHLBank of San Francisco shall be assigned to Salary Range "A", and the FHLBanks of Atlanta, New York, Dallas, Pittsburgh, Seattle, Des Moines, Boston, Cincinnati, Chicago, Indianapolis, Topeka and the Office of Finance shall be assigned to Salary Range "B", and Salary Range "C," previously incorporated in the Plan, shall be deleted effective January 1, 1996; and

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FURTHER RESOLVED, that 1996 merit increase guidelines for FHLBank Presidents and the Managing Director of the Office of Finance shall consist of:

- a. 4.5% "benchmark" or average increase,
- b. 9.0% 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 to salary range maximums for each salary range.

By the Federal Housing Finance Board

A handwritten signature in black ink, appearing to read "Bruce A. Morrison". The signature is written in a cursive style with a large, sweeping initial "B".

Bruce A. Morrison
Chairman