

FINANCING VEHICLES AND THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE

This chapter contains descriptions of, and data on, financing vehicles and the Board of Governors of the Federal Reserve System (Board). The Resolution Funding Corporation provided financing for the Resolution Trust Corporation (RTC) and is subject to the general oversight and direction of the Secretary of the Treasury.

The Board's transactions are not included in the Budget because of its unique status in the conduct of monetary policy. The Board provides data on its administrative budget, which is included here for information. Its budget is not subject to review by the President and is executed and presented here on a calendar-year basis. The previous year's data reflects the final budget, as approved by the Board.

The 2022 balance sheet for the Resolution Funding Corporation is as of December 31, 2022, and the 2023 balance sheet is as of September 30, 2023.

RESOLUTION FUNDING CORPORATION

The Resolution Funding Corporation (REFCORP) is a mixed-ownership Government corporation established by Title V of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 or FIRREA (P.L. 101-73). The sole purpose of REFCORP was to provide financing for the Resolution Trust Corporation (RTC). Pursuant to FIRREA, REFCORP was authorized to issue debentures, bonds, and other obligations, subject to limitations contained in the Act and regulations established by the Thrift Depositor Protection Oversight Board. The proceeds of the debt (less any discount, plus any premium, net of issuance cost) were used solely to purchase nonredeemable capital certificates of RTC or to refund any previously issued obligations.

Until October 29, 1998, REFCORP was subject to the general oversight and direction of the Thrift Depositor Protection Oversight Board. At that time, the Oversight Board was abolished and its authority and duties were transferred to the Secretary of the Treasury. The day-to-day operations of REFCORP are under the management of a three-member Directorate composed of the Chief Executive Officer of the Office of Finance of the Federal Home Loan Banks and two members selected from among the presidents of the 11 Federal Home Loan Banks (FHLBs). Members of the Directorate serve without compensation, and REFCORP is not permitted to have any paid employees.

FIRREA, as amended, and the regulations adopted by the Thrift Depositor Protection Oversight Board and the Secretary of the Treasury required that FHLBs contribute 20 percent of net earnings annually to assist in the payment of interest on bonds issued by REFCORP until such time as the total payments are equivalent to a \$300 million annual annuity with a final maturity date of April 15, 2030. The FHLBs fulfilled this obligation on August 5, 2011. Since then, with the exception of funds derived from the sale of former RTC assets managed by the Federal Deposit Insurance Corporation's Federal Savings and Loan Insurance Corporation (FSLIC) Resolution Fund, only the U.S. Treasury has paid interest on REFCORP's long-term obligations. For details, please see the Payment to the Resolution Funding Corporation account in the Department of the Treasury section of the *Appendix* volume of the Budget.

Balance Sheet (in millions of dollars)

Identification code 920-4981-0-4-373	2022 actual	2023 actual
ASSETS:		
Federal assets:		
Investments in U.S. securities:		
1102 Principal fund account investment, net	6,164	6,516
1206 Non-Federal assets: Assessments receivable for interest expense	301	314
1999 Total assets	6,465	6,830
LIABILITIES:		
Non-Federal liabilities:		
2202 Accrued interest payable on long-term obligations	301	314
2203 Debt	10,547	10,543
2999 Total liabilities	10,848	10,857
NET POSITION:		
3100 Nonvoting capital stock issued to FHLBanks	2,513	2,513
3300 Cumulative results of operations	23,333	23,689
3300 RTC nonredeemable capital certificates	-31,286	-31,286
3300 Contributed capital - principal fund assessments	1,057	1,057
3999 Total net position	-4,383	-4,027
4999 Total liabilities and net position	6,465	6,830

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Program and Financing (in millions of dollars)

Identification code 920-4982-0-4-803	2022 actual	2023 est.	2024 est.
Obligations by program activity:			
0801 Monetary policy and Financial Stability	235	238	260
0802 Consumer Protection and Community Development	32	32	35
0803 Supervision and Regulation	194	205	223

Object Classification (in millions of dollars)

Identification code 920-4982-0-4-803	2022 actual	2023 est.	2024 est.
Reimbursable obligations:			
11.1 Personnel compensation: Full-time permanent	547	588	642
12.1 Civilian personnel benefits	108	117	123
13.0 Benefits for former personnel	30	16	14
21.0 Travel and transportation of persons	5	6	9
22.0 Transportation of things	26	32	29

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Continued

Object Classification—Continued

Identification code 920-4982-0-4-803	2022 actual	2023 est.	2024 est.
23.2 Rental payments to others	38	40	42
23.3 Communications, utilities, and miscellaneous charges	9	9	10

25.1 Advisory and assistance services	125	140	157
25.2 Other services from non-Federal sources	66	68	65
25.4 Operation and maintenance of facilities	3	4	5
25.7 Operation and maintenance of equipment	7	8	8
26.0 Supplies and materials	1	1	1
31.0 Equipment	42	44	48
99.9 Total new obligations, unexpired accounts	1,007	1,073	1,153