

July 11, 2024

The Honorable Sandra Thompson  
Director Federal Housing Finance Agency  
400 7<sup>th</sup> Street, SW  
Washington, DC 20219

Re: Federal Home Loan Bank Mission RFI

Dear Director Thompson:

I am the President/CEO of Community Resource Bank, a community bank located in Northfield, Minnesota with branches in Roseville, MN and Cannon Falls, MN. Our bank and our bankers serve small businesses, farmers and families in these three communities and in the area in between. Our bank builds liquidity to serve the lending needs through the deposit relationships made with our customers. We pride ourselves on our ability to serve our customers and communities. As economic cycles and interest rates change, from time to time we rely on funding sources, like FHLB, outside the traditional bank deposits to support our liquidity and our loan demand. The FHLB is an important partner for our success, and we appreciate the efficiency and consistency that our FHLB provides.

I support the current mission of the FHLBs. The consistent and efficient source of liquidity that our bank can access through FHLB is also enjoyed by all the member banks. Consistency and efficiency are benchmarks that we strive to maintain in our day-to-day banking practices. On a much larger level, consistency and efficiency of the current mission of the FHLBank system are each essential support for ongoing faith and confidence in our banking industry. I encourage the FHFA to work with Congress if the agency wants to change the FHLBank system's mission.

Please, first do no harm. Substantive change by rulemaking rather than by congressional action sets a slippery slope and creates an environment that avoids the transparency and due process afforded by congressional process. I urge you to carefully read and consider that the FHLB system is there to provide reliable and stable funding that supports housing, small business and community development. It is designed to expand and contract and provide liquidity to all its members as needed through all economic cycles.

The safety and resiliency of the Federal Home Loan Bank provides member institutions with the financial stability to access liquidity through all economic cycles. All current members of

FHLB, both large and small, must continue to have the same access to FHLBank liquidity or funding that they do today.

Inexpensive, dependable, on-demand liquidity provided by the FHLBank system helps keep credit more available for consumers and businesses and provides stability to the broader financial system. A consistent and efficient source of liquidity helps us do what we do best, serve our customers and our communities.

Thank you very much for your attention.

Sincerely,



James E. Loe,  
President/CEO