



Federal Housing Finance Agency
400 7th Street, SW
Washington, DC 20024

October 26, 2022

RE: FHLBank System at 100: Focusing on the Future

Farmers National Bank is a federally chartered community bank located in Danville, KY with assets of \$890,000,000. Our bank has been serving Central Kentucky for more than 144 years with the same name and ownership structure. We serve many low to moderate income areas. In addition to our residential real estate portfolio, we also serve commercial and agricultural / equine industries.

The FHLB of Cincinnati has been an important part of our long history. We use several resources including:

- Currently pledge 1-4 Family 1st Mortgage Portfolio and Commercial Real Estate Portfolio.
- Historically has been a primary source of off-balance sheet liquidity.
- Have used for match funding loans, long-term borrowings, and short-term borrowings.
- Letter of Credit is utilized for pledging on public funds deposits.
- Safekeeping for securities held in investment subsidiary.
- Seminars and webinars on current topics.

We also participate in the "Welcome Home" grants each year. This program has helped several customers reach their dream of home ownership. Our lenders market the program annually to local realtors. We have also applied for grants through the FHLB of Cincinnati on behalf of Habitat for Humanity.

These programs and the services listed above, continue to help us better serve our customers. Without the FHLB "Welcome Home" grant, the number of first-time home buyers would decrease. FHLB programs and services have become an important part of our bank's effort to manage liquidity needs, pledging, and loan growth.

Sincerely,

Marty Gibson
President & CEO
Farmers National Bank