



**Golden Belt Bank**

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March 21, 2023

Federal Housing Finance Agency  
Attention: Sandra L. Thompson  
400 7<sup>th</sup> Street, SW  
Washington, D.C. 20024

Dear Director Thompson:

Golden Belt Bank is sending this letter on behalf of the Federal Home Loan Bank System (FHLB) to let you know how they play an important role in supporting our bank and our communities. Our bank is headquartered in Hays, Kansas, and are a \$300 million asset community bank. We have two additional branches with one located in Ellis, Kansas, and another in Fort Morgan, Colorado. Our bank is known as a leader in the mortgage market in our communities as well as Western Kansas. Golden Belt Bank has had a long-term relationship with the FHLB of Topeka as we are a former thrift institution. The model of the FHLB system is that all banks and credit unions are members of their specific FHLB. This is very effective as we are all working towards the same goal and I would not want to see the FHLB system expanded outside of these members. The FHLB, banks, and credit unions are all federally regulated and have similar operating structure and evaluate risk in a similar manner. This system has worked very well for over 90 years, and I hope that continues for the next 100 years.

FHLB is a great partner and has helped us be a leader in providing home financing to as many customers as possible. The FHLB's MPF program has been a great tool for us to provide fixed rate mortgage loans to our customers at great rates with minimal fees, and we get to retain the servicing of these loans, so our customers get to work with us for the life of loan. This is very important to our customers and the reason we are considered the go to lender for mortgage loans. Severe thunderstorms are a common occurrence in this part of the country, and after a hail storm our customers can come in and work with their local bank to get access to their insurance funds for property repairs immediately. I have often heard of horror stories from individuals that used a National Mortgage Outfit and it takes six months to a year to even get access to their insurance funds.

FHLB also helps provide first-time home buyers with grants of up to \$7,500 that can be used as down payment and/or closing costs assistance when purchasing a home. We have been participating in the Homeownership Set-Aside Program (HSP) since its inception. We average approximately \$135,000 per year in funds distributed in our communities through the HSP program. This has helped get many customers into homes that they would not have qualified for without an HSP grant because they didn't have the necessary down payment. Our communities are stronger by having more home ownership with this type of first-time homebuyer program.



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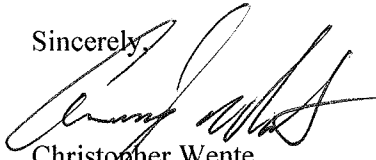
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Most recently, the failures of Silicon Valley Bank and Signature Bank highlight the need for banks to have reliable access to liquidity. This is exactly how FHLB assist community banks in helping manage their balance sheets and supplement core deposits with both long-term and short-term funding strategies. FHLB has the ability to model funding strategies that can then be modeled within each bank's interest rate risk tool. The ability to offer many different funding products and strategies allows for customization which can also help us offer fixed rate loans to our customers. The ability to pledge loans and securities as collateral gives us unprecedented borrowing capacity to help manage the bank in a safe and sound manner. As seen over the past couple of weeks, banks must have reliable sources for quick liquidity to ensure we can meet our customer's demands. We also utilize quarterly reports from FHLB to monitor and audit our collateral to insure it meets our needs and their requirements.

The final thing I would like to mention about FHLB is that the structure of the banks being geographically divided into 11 different regions is very important to the system. Just as my community members want a local bank they can rely on for their financing needs, we as banks, want to know that we have a relationship with the employees and staff at our FHLB. It is very important that when we need help, we feel comfortable with that FHLB employee and they understand our bank and our customers. FHLB is focused on helping educate its members on current economic issues, new products, and funding strategies as they change in the industry. It is nice to know that their board of directors at the FHLB of Topeka is composed of fellow bankers that I can call on for advice and industry expertise. I believe it is very important that the board continue to be supported by fellow bankers from the district. Relationships are what community banking is built upon, and with FHLB I feel that we have a partner and life-long relationship to help support the needs of the communities we serve.

Thank you for your time and consideration.

Sincerely,



Christopher Wentz  
President/CEO