**Memorandum**

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| Sawyer Savings Bank |

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| To: FHFA |  |
| From: Douglas P. Sturges, CEO |  |
| CC: |  |
| Date: September 22, 2022 |  |
| Re: FHLB of New York |  |
| I have been involved in banking in various professional capacities for over 30 years now. From auditing banks to CFO for 20+ years and now the CEO at Sawyer Savings Bank since 2019. The FHLB of New York has always been a critical partner in maintaining liquidity at the bank. Between long term funding opportunities and overnight lines of credit, the FHLB was always considered a critical vendor in the operations of the bank.  I believe the FHLB system plays a role even indirectly in the market. Many institutions use the FHLB borrowing rate as an index for pricing their products. But more importantly, other market pricing is driven by the FHLB daily pricing. I am sure the wholesale CD market understands they need to beat the FHLB pricing structure in order to gain any traction. Without the FHLB indication, the wholesale CD market would be less aggressive and bank profitability would be negatively impacted decreasing overall bank capital levels.  The FHLB has also been a source for education with several different programs through the years. Sawyer Savings also uses the FHLB MULOC product to provide collateral for municipal funding. And the dividends paid by the FHLB of NY have been well over market rates for several years at this point.  The FHLB system supports the banking environment both directly and indirectly. It would be very difficult to accurately quantify the positive impact of the FHLB system. |  |