



## President's Message to Members

The coronavirus pandemic has brought many changes and challenges, and is creating a new normal for all of us. Given the circumstances, this was a very rapid change, and the team at FHLB Cincinnati has not missed a beat as we have transitioned from the daily office to a remote work environment. This represents the preparation and practice our workforce has committed to in recent years.

The financial markets have been a roller coaster and our members have once again turned to us to provide much needed funding to support their local communities as they manage through this crisis. It is what we are here for, and even though we have had to make adjustments, the fact that we are able to continue meeting our members' needs during these trying times for our communities, our district and our country is a testament to our people at the Bank.

On March 19, the 11 FHLBanks sent a letter to Congressional leadership regarding the responsiveness of the FHLB System and ability of the System to support past, current and future funding needs of our members. In that letter, we said:

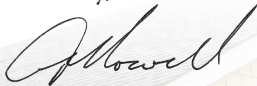
"The FHLBanks are meeting their mission by making advances and providing liquidity despite the volatility of the current financial market. ... Each of the FHLBanks is proactively communicating with their 6,700 aggregate member financial institutions to ensure smooth and effective continued operations. As the situation regarding the novel coronavirus continues to develop, the FHLBanks remain dedicated to meeting their members' funding needs so they may in turn continue to support the housing finance, small business lending and community development needs of their communities. ... As in the past, the FHLBanks stand ready and able to provide liquidity to their members in challenging financial markets."

This has been the commitment of everyone at FHLB Cincinnati to their individual roles and our collective responsibilities as a FHLB and FHLB System. We now have more than 90 percent of our workforce working from home, and we continue to drive that number higher. While working remotely may pose some challenges, this was not a difficult decision to make: The health and safety of our employees is paramount.

I also remind you, our members, to take care of yourself, your families and each other as we navigate these uncertain times. If there is anything the Bank, myself or our Management Team can do to support your efforts please don't hesitate to reach out. Now, more than ever, we need to make sure that we effectively communicate with each other.

In any and all operating environments, the FHLB is focused on remaining a reliable partner to our members. Working together, we will meet the challenges presented by the current environment. We thank you for your membership, and it is times like this that confirm the strength of our cooperative partnership.

Sincerely,



Andrew S. Howell, President and CEO

## Director Elections Will be Conducted Online This Year

New this year, FHLB Cincinnati will conduct the annual Board of Directors election process electronically for both nomination submissions and voting. We expect the election cycle to follow the same schedule as past years, with nominations accepted in June and voting commencing in October. You will receive additional communication from us with detailed, user-friendly instructions about this service and process, well in advance of the 2020 election cycle.

If you have an update to your email address, please contact your relationship manager.

## 'Opening Rate' for REPO Advance Available to Begin Your Day

FHLB now offers an early morning "opening rate" for the Overnight REPO Advance. The opening rate will likely be the most competitive Overnight REPO Advance rate for any given day, and will be effective until approximately 10:30 a.m.

Members who make a funding decision early in the day are encouraged to contact Credit Services at 800-828-4191 to learn more, or email [CreditOperations@fhlbcin.com](mailto:CreditOperations@fhlbcin.com).

## Workshops on A/L Management Held for Banks and Credit Unions

Thanks to all those who attended a commercial bank or credit union facilitation in early March. These Cincinnati and Nashville workshops included sessions on balance sheet optimization, case studies on capital management and liquidity assessment and interest rate risk management best practices. Guest speakers were also on hand to delve further into balance sheet management.



## Housing Programs to Begin Accepting Applications

Two of FHLB Cincinnati’s most popular affordable housing programs will open for applications soon. The Affordable Housing Program will begin taking applications June 1, and the Carol M. Peterson Housing Fund will open June 1 at 10 a.m. (EDT).

The Board of Directors recently approved \$2.0 million for the Carol M. Peterson Housing Fund. This program provides funding for accessibility rehabilitation and emergency repairs for low- and moderate-income special needs and elderly homeowners in Kentucky, Ohio and Tennessee. The fund will provide grants of up to \$7,500 per household and will be reserved on a first-come, first-served basis.

While our in-person AHP Workshops have been cancelled due to COVID-19, many resources are available on our website at [www.fhlbcin.com](http://www.fhlbcin.com), including recorded webinars related to a variety of AHP topics.

Please keep in mind the Community Investment Program, Economic Development Program, Zero Interest Fund and the Disaster Reconstruction Program are open year round.

Should you have any questions, please contact Housing and Community Investment at 888-345-2246.

## Dividend Declaration and Payment

At its March 19, meeting, the FHLB’s Board of Directors declared a dividend for the fourth quarter 2019 at a 2.50 percent annualized rate.

The dividend payment occurred March 19 in the form of cash.

## FHLB Welcomes New Members

The FHLB welcomed the following new member stockholders in the last quarter:

- Lake Chem Community Federal Credit Union, Benton, Ky.
- Kentucky Farmers Bank Corporation, Catlettsburg, Ky.



## Save the Date: FHLB Financial Management Conference

The FHLB optimistically intends to host its annual Financial Management Conference August 12-13 in Cincinnati, Ohio. This agenda will include a wide range of speakers focused on topics that will give members insight into the economy and overall performance strategies. The list of specific speakers will be shared soon.

To kick off the conference, FHLB President and CEO Andrew Howell will address the state of banking in the Fifth District. Seminar participants will also be invited to attend a Reds game. Registration will be available on our website in July.

## Disaster Funds Now Available for Tornado-struck Areas in Tenn.

Households in three Tenn. counties whose homes were damaged by tornadoes and flooding March 3, 2020 may qualify for grants from the Disaster Reconstruction Program (DRP) to aid their recovery. The counties affected are:

- Davidson, Putnam and Wilson

Homeowners whose homes were damaged or destroyed may be eligible for grants of up to \$20,000. Read additional details about DRP at [www.fhlbcin.com](http://www.fhlbcin.com) or contact Housing and Community Investment at 888-345-2246 to participate.

## Regional Meetings Postponed

In accordance with public health guidance surrounding COVID-19, the FHLB Cincinnati has postponed its 2020 Regional Stockholder Meetings, originally scheduled between April 22–May 14. We are planning to reschedule these meetings. Details will follow when available. Thank you for your support of FHLB Cincinnati and our member events.

## Calendar

June 1	Carol M. Peterson Housing Fund reservation request opens	August 6	Affordable Housing Program: application deadline
June 1	Affordable Housing Program: application opens	August 12-13	Financial Management Conference, Cincinnati, Ohio