

# ENGAGED

## LAKE SUNAPEE BANK

Founded in 1868 — 44 locations in New Hampshire and Vermont

**Laura Jacobi, first senior vice president, chief financial officer, chief accounting officer, corporate secretary**

“ IN MANY WAYS, FHLB BOSTON does what we try to do: constantly analyze and understand the needs of the customer to provide innovative products and services that meet those needs.

We’ve recently had a lot of loan growth. Our lending ratio is greater than our deposits, and we anticipate that 40 percent of future loan growth will come from wholesale funding. Our regulators are much more comfortable with FHLB advances than alternative sources, and that makes it easier for us to do business. Our advance portfolio is fairly well staggered maturity-wise. We’ve taken advantage of special long-term opportunities, but we also keep a good portion short-term.

As we grew our loans while managing our asset level, we looked to reduce the balances in our investment portfolio. Our investments were being utilized to provide collateral for deposit pledge agreements. To accommodate our changing balance-sheet composition while maintaining these deposit relationships, we utilized FHLB letters of credit. We find the nominal cost of the letters is less than the opportunity cost of managing our investment portfolio to pledges.

We’ve also become an active seller to MPF, and we retain servicing to maintain customer relationships. And we love Community Development advances. I don’t know why someone wouldn’t take advantage of them. We use them for small business initiatives and development programs.

In short, FHLB Boston is truly interested and **engaged** in what we want. ”



FHLBBos

LOOKING SOUTH ON PARK STREET BEFORE NEW POST OFFICE