



For Immediate Release
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FCA board receives report on Building Association financial audit, approves direct final rule on Farmer Mac reporting

McLEAN, Va., May 13, 2021 — At its monthly meeting today, the Farm Credit Administration board received an auditor’s report on the 2020 financial statements of the FCS Building Association. Cherry Bekaert LLP, an independent auditing firm, provided an unqualified opinion of the Building Association’s financial statements for the years ended Dec. 31, 2020 and 2019.

According to the report, the Building Association’s financial statements present fairly, in all material respects, the financial position of the FCS Building Association as of Dec. 31, 2020 and 2019, and the results of its operations and its cash flows for those years conformed with accounting principles generally accepted in the United States.

Direct final rule on Farmer Mac reporting

In other business, the board approved a direct final rule to eliminate the requirement for the Federal Agricultural Mortgage Corporation (Farmer Mac) to submit paper copies of certain reports that it is required to submit to FCA. As a result of this change, Farmer Mac is required to submit only electronic copies. This rule amends previously approved regulations under 12 CFR part 655, subparts B and C.

FCA used a direct final rulemaking because the changes are administrative and do not substantively alter the rights or responsibilities of any party.

This direct final rule will soon be published in the Federal Register. It will take effect no earlier than 30 days after its publication during which either or both houses of Congress are in session, provided no significant adverse comment is received.

Annual review of significant regulatory actions

The FCA board concluded that no regulatory action listed in FCA’s Spring 2021 Abstract of the Unified Agenda of Federal Regulatory and Deregulatory Actions meets the definition of a “significant regulatory action.” As a result, FCA is not required to develop a regulatory plan for submission to the Office of Information and Regulatory Affairs.

Closed session

During the closed session, the FCA board received a periodic report from the Office of Secondary Market Oversight and a report on the FCS Building Association audit.

Notational votes

Since the April 8 FCA board meeting, four notational votes have occurred. Notational votes are actions the FCA board takes between board meetings.

On May 5, the FCA board determined not to object to a proposed offering circular of Compeer Financial for the issuance of up to \$200 million in subordinated notes.

On April 29, the board voted to authorize the general counsel to negotiate and sign a consent order related to part one of a recommendation (#21-1) made by FCA's Regulatory Enforcement Committee. The board also voted to extend the deadline until May 5 for the respondent to request a hearing.

On April 23, the FCA board authorized the agency's chief financial officer to reallocate funds within the FCA budget.

On April 13, the board approved a recommendation by FCA's Regulatory Enforcement Committee.

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The Farm Credit Administration is the safety and soundness regulator of the Farm Credit System. The System consists of two government-sponsored enterprises — a nationwide network of cooperative banks and associations established in 1916, and a secondary market entity known as the Federal Agricultural Mortgage Corporation (Farmer Mac), which was established in 1988. The System's borrower-owned banks and associations provide credit to farmers, ranchers, residents of rural communities, agricultural and rural utility cooperatives, and other eligible and creditworthy borrowers. Farmer Mac provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. FCA news releases are available on the web at www.fca.gov.