

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND



**PRELIMINARY & UNAUDITED
FINANCIAL HIGHLIGHTS
March 31, 2020**

A handwritten signature in dark ink, appearing to read 'E. H. Schied', is positioned below the title.

**EUGENE H. SCHIED
ACTING CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND**

MANAGEMENT OVERVIEW

March 31, 2020

Background

The Community Development Revolving Loan Fund (CDRLF) was established by an act of Congress (Public Law 96-123, November 20, 1979) to stimulate economic development in low -income communities. The Community Development Credit Union Transfer Act (Public Law 99-609, November 6, 1986) transferred CDRLF administration to the NCUA. The NCUA Board adopted amendments to Part 705 of NCUA Rules and Regulations on September 16, 1987, and began making loans/deposits to participating credit unions in 1990.

The purpose of the CDRLF is to stimulate economic activities in the communities served by low -income credit unions which will result in increased income, ownership and employment opportunities for low-wealth residents, and other economic growth. The policy of the NCUA is to revolve the loans to qualifying credit unions as often as practical in order to gain maximum impact on as many participating credit unions as possible.

Balance Sheet

Between March 2019 and March 2020, cash and cash equivalents increased by \$2.6 million, primarily due to:

- a. received \$1.5 million in appropriations from Congress,
- b. received \$3.3 million in loan principal and interest payments,
- c. disbursed \$1.0 million in new loans, and
- d. disbursed \$1.4 million in technical assistance grants.

Between March 2019 and March 2020, loans receivable decreased \$2.4 million as a result of four new loans issued less nine loan maturities and one principal paydown.

Statements of Revenues, Expenses, and Changes in Fund Balance

During March 2020, the fund earned approximately \$6 thousand in interest revenue.

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
BALANCE SHEETS
As of March 31, 2020 and 2019
(Dollars in thousands)**

	March 2020	March 2019
ASSETS		
Cash and Cash Equivalents	\$ 15,237	12,682
Loans Receivable	5,280	7,705
Interest Receivable	8	11
TOTAL ASSETS	\$ 20,525	20,398
 LIABILITIES AND FUND BALANCE		
Accrued Technical Assistance Grants	\$ 2,871	2,787
Fund Balance		
Fund Capital	15,675	15,709
Accumulated Earnings	1,979	1,902
Total Fund Balance	17,654	17,611
TOTAL LIABILITIES AND FUND BALANCE	\$ 20,525	20,398

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENTS OF OPERATIONS
For the Periods Ended March 31, 2020 and 2019
(Dollars in thousands)**

	<u>March 2020</u>	<u>Year-to-Date March 2020</u>	<u>Year-to-Date March 2019</u>
REVENUES			
Interest on Cash Equivalents	\$ 3	\$ 27	41
Interest on Loans	\$ 3	\$ 9	11
Appropriations Used			
Canceled Technical Assistance Grants	-	(176)	(34)
TOTAL REVENUE	<u>\$ 6</u>	<u>(140)</u>	<u>18</u>
EXPENSES			
Technical Assistance Grants	-	-	8
Canceled Technical Assistance Grants	-	(193)	(34)
Provision for Loan Losses	-	-	-
TOTAL EXPENSES	<u>-</u>	<u>(193)</u>	<u>(26)</u>
NET INCOME / (LOSS)	<u>\$ 6</u>	<u>53</u>	<u>44</u>

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**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENTS OF CHANGES IN FUND BALANCE
For the Periods Ended March 31, 2020 and December 31, 2019
(Dollars in thousands)**

	<u>For Loans</u>	<u>Fund Capital For Technical Assistance</u>	<u>Total Fund Capital</u>	<u>Accumulated Earnings</u>	<u>Total Fund Balance</u>
December 31, 2018	13,388	\$ 287	\$ 13,675	\$ 1,858	\$ 15,533
Appropriations Received		2,000	2,000		2,000
Appropriations Used		(1,983)	(1,983)		(1,983)
Canceled Appropriations - Returned to Treasury		(33)	(33)		(33)
Canceled Technical Assistance Grants		340	340		340
Net Income / (Loss)				68	68
December 31, 2019	<u>13,388</u>	<u>\$ 611</u>	<u>\$ 13,999</u>	<u>\$ 1,926</u>	<u>\$ 15,925</u>
Appropriations Received		1,500	1,500		1,500
Appropriations Used			-		-
Canceled Appropriations - Returned to Treasury			-		-
Canceled Technical Assistance Grants		176	176		176
Net Income / (Loss)				53	53
March 31, 2020	<u>\$ 13,388</u>	<u>\$ 2,287</u>	<u>\$ 15,675</u>	<u>\$ 1,979</u>	<u>\$ 17,654</u>

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**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENTS OF CASH FLOWS
For the Periods Ended March 31, 2020 and December 31, 2019
(Dollars in thousands)**

	March 31, 2020	December 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income/(Loss)	\$ 53	\$ 68
Adjustments to Reconcile Net Income to Net Cash Used in Operating Activities		
Provision for Loan Loss	-	125
Appropriations Used	-	(1,983)
Canceled Technical Assistance Grants	176	340
Changes in Assets and Liabilities:		
(Increase)/Decrease in Interest Receivable	2	4
Increase/(Decrease) in Accrued Technical Assistance Grants	(932)	773
Net Cash Used in Operating Activities	(701)	(673)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loan Principal Repayments	750	4,550
Loan Disbursements		(1,000)
Net Cash Provided by Investing Activities	750	3,550
CASH FLOWS FROM FINANCING ACTIVITIES:		
Appropriations Received 2020/2021	1,500	
Appropriations Received 2019/2020		2,000
Canceled Appropriations Returned to Treasury - 2013/2014		(33)
Net Cash Provided by Financing Activities	1,500	1,967
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,549	4,844
CASH AND CASH EQUIVALENTS — Beginning of period	13,688	8,844
CASH AND CASH EQUIVALENTS — End of period	\$ 15,237	\$ 13,688

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