

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS August 31, 2020

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J. OWEN COLE, JR.
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

August 31, 2020

Balance Sheet

Assets: Interest receivable consists of investments in U.S. Treasury securities.

Current Liabilities: Dividend & Interest expenses for the month were \$183 thousand in August 2020.

Other Liabilities: Other liabilities include pending redemption of \$119 thousand that was reclassified from capital stock.

Capital Stock includes \$418 million from corporate credit unions that joined the CLF as Agent Members.

Retained Earnings include year to date net income of \$1,518 thousand.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$470 thousand or current month's average yield of 0.59%. This is consistent with prior month's average yield.

Expense: Operating expenses for the month were \$68 thousand.

Net Income: Net income before dividends was \$401 thousand for the month which is similar to prior month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of August 31, 2020 and August 31, 2019, CLF's statutory borrowing authority were as follows:

(Dollars in billions)	August 31, 2020	August 31, 2019
Under Statutory Borrowing Authority		
12 times Capital Stock and Surplus	\$22.4B	\$7.3B
During CARES Act Period*		
16 times Capital Stock and Surplus	\$29.9B	n/a

Investment Purchases: \$30,000,000.00.

Maturities of Treasury Notes: \$7,000,000.00

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$939,840,302, and U.S. Treasury Cash \$16,235,171.

Regular Membership: 332. Agent Membership: 11.

Loans: \$0, Borrowing Activity: \$0.

*The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") spans from the date it was signed into law until the date it sunsets (March 27, 2020 through December 31, 2020).

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of August 31, 2020 and August 31, 2019

(Dollars in thousands)

	<u>August 2020</u>	<u>August 2019</u>
ASSETS		
Cash and Cash Equivalents	\$ 16,235	\$ 6,594
Investments, Net U.S. Treasury Securities	939,840	323,224
Accrued Interest Receivable - Investments	<u>881</u>	<u>1,222</u>
TOTAL ASSETS	<u>\$ 956,957</u>	<u>\$ 331,040</u>
 LIABILITIES		
Accounts Payable	\$ 219	\$ 131
Dividends & Interest Payable	366	850
Regular Member Deposits - Liquidity Reserve	3,709	4,529
Other Liabilities	<u>119</u>	<u>2,720</u>
TOTAL LIABILITIES	<u>4,413</u>	<u>8,230</u>
 MEMBERS' EQUITY		
Capital Stock Regular Members	498,131	287,973
Capital Stock Agent Members	417,934	-
Retained Earnings Prior Year	34,960	33,932
Retained Earnings Current Year	<u>1,518</u>	<u>906</u>
TOTAL MEMBERS' EQUITY	<u>952,544</u>	<u>322,811</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 956,957</u>	<u>\$ 331,040</u>

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
STATEMENTS OF OPERATIONS**

For the Periods Ended August 31, 2020 and August 31, 2019

(Dollars in thousands)

	August 2020	Year-to-Date August 2020	Year-to-Date August 2019
REVENUES			
Investment Income	\$ 470	\$ 3,766	\$ 4,208
Other Income	-	-	3
Total Revenues	470	3,766	4,210
EXPENSES			
Employee wages and benefits, net	52	436	253
Rent, communications, and utilities	3	18	19
Other	13	107	70
Total Operating Expenses	68	561	342
NET INCOME BEFORE DIVIDENDS & INTERESTS	401	3,205	3,868
Dividends & Interests	183	1,687	2,962
NET INCOME	\$ 219	\$ 1,518	\$ 906

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	2020	2019	2018
Dividend Rate First Quarter	0.75%	1.50%	1.00%
Dividend Rate Second Quarter	0.50%	1.50%	1.25%
Dividend Rate Third Quarter		1.75%	1.25%
Dividend Rate Fourth Quarter		1.75%	1.50%

SELECTED RATIOS:	8/31/2020	8/31/2019
Stock & Retained Earnings/Total Assets	99.54%	97.51%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.46%	0.02%

	8/31/2020	8/31/2020	8/31/2019
	Month	YTD	YTD
Total Operating Expenses/Total Revenue	13.98%	14.28%	8.03%
Net Income(before Divds)/Total Revenue	85.49%	84.63%	90.90%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 36,642,606 shares; issued and outstanding: 18,321,303 shares)