

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

July 31, 2020

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J. OWEN COLE, JR.
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

July 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 July 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 \$1,299 thousand.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$478 thousand or current month's average yield of 0.64%. This is consistent with prior month's average yield.

Expense: Operating expenses for the month were \$73 thousand.

Net Income: Net income before dividends was \$404 thousand for the month which is similar to prior month.

Borrowing Authority, Investment Activity, Membership and Loans

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

Dollars in billions	July 31, 2020	July 31, 2019
Under Statutory Borrowing Authority 12 times Capital Stock and Surplus	\$21.7B	\$7.3B
During CARES Act Period 16 times Capital Stock and Surplus	\$28.9B	n/a

Investment Purchases: \$90,000,000.00.

Maturities of Treasury Notes: \$4,000,000.00

Outstanding Investments Treasury securities listed at carrying amount : U.S. Treasury Notes \$916,792,512, and U.S. Treasury Cash \$8,928,084.

Regular Membership: 326. 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 July 31, 2020 and July 31, 2019

(Dollars in thousands)

	<u>July 2020</u>	<u>July 2019</u>
ASSETS		
Cash and Cash Equivalents	\$ 8,928	\$ 20,320
Investments, Net U.S. Treasury Securities	916,793	308,907
Accrued Interest Receivable - Investments	<u>1,074</u>	<u>1,261</u>
TOTAL ASSETS	<u>\$ 926,795</u>	<u>\$ 330,487</u>
 LIABILITIES		
Accounts Payable	\$ 151	\$ 90
Dividends & Interest Payable	183	425
Regular Member Deposits - Liquidity Reserve	3,709	4,529
Other Liabilities	<u>119</u>	<u>2,720</u>
TOTAL LIABILITIES	<u>4,162</u>	<u>7,764</u>
 MEMBERS EQUITY		
Capital Stock Regular Members	468,260	287,972
Capital Stock Agent Members	418,114	-
Retained Earnings Prior Year	34,960	33,932
Retained Earnings Current Year	<u>1,299</u>	<u>819</u>
TOTAL MEMBERS EQUITY	<u>922,633</u>	<u>322,723</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 926,795</u>	<u>\$ 330,487</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 July 31, 2020 and July 31, 2019

(Dollars in thousands)

	July 2020	Year-to-Date July 2020	Year-to-Date July 2019
REVENUES			
Investment Income	\$ 478	\$ 3,296	\$ 3,655
Other Income	-	-	3
Total Revenues	478	3,296	3,657
EXPENSES			
Employee wages and benefits, net	57	384	224
Rent, communications, and utilities	2	15	18
Other	13	94	59
Total Operating Expenses	73	493	301
NET INCOME BEFORE DIVIDENDS & INTERESTS	404	2,803	3,356
Dividends & Interests	183	1,504	2,537
NET INCOME	\$ 222	\$ 1,299	\$ 819

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:	7/31/2020	7/31/2019
Stock Retained Earnings/Total Assets	99.55%	97.64%
Loans/Total Assets	0.00%	0.00%
Loans/Stock Retained Earnings	0.00%	0.00%
Total Liabilities/Stock Retained Earnings	0.45%	2.41%

	7/31/2020 Month	7/31/2020 YTD	7/31/2019 YTD
Total Operating Expenses/Total Revenue	14.59%	14.32%	8.17%
Net Income before Divds /Total Revenue	84.62%	84.51%	90.78%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required \$50 par value; authorized: 35,454,934 shares; issued and outstanding: 17,727,467 shares