

CENTRAL LIQUIDITY FACILITY (CLF)



**PRELIMINARY & UNAUDITED
FINANCIAL HIGHLIGHTS
February 28, 2018**

A handwritten signature in blue ink, reading 'J. Owen Cole, Jr.', is positioned below the title.

**J. OWEN COLE, JR.
CLF PRESIDENT**

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

June 30, 2018

Balance Sheet

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

Current Liabilities: Dividends payable of \$838 thousand represents the second quarter dividends to be paid in July. Dividend expenses for the month were \$298 thousand.

Equity: As of June 30, 2018, year-to-date net income of \$556 thousand has been reserved for retained earnings.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$436 thousand or current month's average yield of 1.7%. This is consistent with prior month's average yield.

Expense: Operating expenses for the month were \$26 thousand.

Net Income: Net income before dividends was \$404 thousand for the month which is higher than last month. Variance is primarily due to lower administrative costs.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of June 30, 2018 and June 30, 2017, CLF's statutory borrowing authority were \$7.0 billion and \$6.6 billion, respectively.

Investment Purchases: \$10,000,000.

Maturities of Treasury Notes: \$2,500,000.

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$304,382,150 and U.S. Treasury Cash \$3,276,340.

Regular Membership: 271.

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

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of June 30, 2018 and 2017

(Dollars in thousands)

	<u>June 2018</u>	<u>June 2017</u>
ASSETS		
Cash and Cash Equivalents	\$ 4,279	\$ 10,024
Investments, Net U.S. Treasury Securities	304,382	281,038
Accrued Interest Receivable - Investments	1,574	1,017
TOTAL ASSETS	<u>\$ 310,235</u>	<u>\$ 292,080</u>
LIABILITIES		
Accounts Payable	\$ 220	\$ 219
Dividends Payable	838	470
Regular Member Deposits - Liquidity Reserve	2,158	1,764
Other Liabilities	7	3
TOTAL LIABILITIES	<u>3,223</u>	<u>2,456</u>
MEMBERS' EQUITY		
Capital Stock Regular Members	273,819	257,450
Retained Earnings Prior Year	32,637	31,560
Retained Earnings Current Year	556	614
TOTAL MEMBERS' EQUITY	<u>307,012</u>	<u>289,624</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 310,235</u>	<u>\$ 292,080</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 June 30, 2018 and 2017
(Dollars in thousands)

	<u>June 2018</u>	<u>Year-to-Date June 2018</u>	<u>Year-to-Date June 2017</u>
REVENUES			
Investment Income	\$ 436	\$ 2,392	\$ 1,866
Total Revenues	<u>436</u>	<u>2,392</u>	<u>1,866</u>
EXPENSES			
Employee wages and benefits, net	17	291	270
Rent, communications, and utilities	1	12	9
Other	<u>14</u>	<u>57</u>	<u>59</u>
Total Operating Expenses	<u>32</u>	<u>361</u>	<u>338</u>
NET INCOME BEFORE DIVIDENDS	<u>404</u>	<u>2,031</u>	<u>1,528</u>
Dividends Accrued	<u>298</u>	<u>1,475</u>	<u>914</u>
NET INCOME	<u>\$ 106</u>	<u>\$ 556</u>	<u>\$ 614</u>

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NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	2018	2017	2016
Dividend Rate First Quarter	1.00%	0.75%	0.25%
Dividend Rate Second Quarter	1.25%	0.75%	0.50%
Dividend Rate Third Quarter		1.00%	0.50%
Dividend Rate Fourth Quarter		1.00%	0.50%

SELECTED RATIOS:	6/30/2018	6/30/2017
Stock & Retained Earnings/Total Assets	98.95%	99.16%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	1.05%	0.85%

OPERATIONS:	6/30/2018	6/30/2018	6/30/2017
	Month	YTD	YTD
Total Operating Expenses/Total Revenue	5.87%	14.47%	17.81%
Net Income(before Divs)/Total Revenue	92.59%	84.93%	81.86%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 10,952,762 shares; issued and outstanding: 5,476,381 shares)