

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS June 30, 2020

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J. OWEN COLE, JR.
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

June 30, 2020

Balance Sheet

Assets: Interest receivable consists of investments in U.S. Treasury securities. Accounts Receivable includes 2020 annual stock adjustments.

Current Liabilities: Dividend & Interest expenses for the month were \$289 thousand in June 2020.

Other Liabilities: Other liabilities include 2020 annual stock adjustments for CLF members.

Capital Stock includes \$422 million from corporate credit unions that joined the CLF as Agent Members.

Retained Earnings include year to date net income of \$1,077 thousand.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$466 thousand or current month's average yield of 0.66%. This is consistent with prior month's average yield.

Expense: Operating expenses for the month were \$69 thousand.

Net Income: Net income before dividends was \$397 thousand for the month which is similar to prior month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of June 30, 2020 and June 30, 2019, CLF's statutory borrowing authority were as follows:

(Dollars in billions)	June 30, 2020	June 30, 2019
Under Statutory Borrowing Authority 12 times Capital Stock and Surplus	\$21.2B	\$7.3B
During CARES Act Period* 16 times Capital Stock and Surplus	\$28.2B	n/a

Investment Purchases: \$25,000,000.00.

Maturities of Treasury Notes: \$9,000,000.00

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$830,720,351 and U.S. Treasury Cash \$72,734,568.

Regular Membership: 318. 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 June 30, 2020 and June 30, 2019

(Dollars in thousands)

	<u>June 2020</u>	<u>June 2019</u>
ASSETS		
Cash and Cash Equivalents	\$ 72,735	\$ 13,180
Investments, Net U.S. Treasury Securities	830,720	312,914
Accounts Receivable	346	131
Accrued Interest Receivable - Investments	<u>1,088</u>	<u>1,703</u>
TOTAL ASSETS	<u>\$ 904,889</u>	<u>\$ 327,928</u>
LIABILITIES		
Accounts Payable	\$ 300	\$ 176
Dividends & Interest Payable	-	1,065
Regular Member Deposits - Liquidity Reserve	3,310	3,464
Other Liabilities	<u>465</u>	<u>131</u>
TOTAL LIABILITIES	<u>4,075</u>	<u>4,836</u>
MEMBERS' EQUITY		
Capital Stock Regular Members	442,974	288,427
Capital Stock Agent Members	421,802	-
Retained Earnings Prior Year	34,960	33,932
Retained Earnings Current Year	<u>1,077</u>	<u>734</u>
TOTAL MEMBERS' EQUITY	<u>900,814</u>	<u>323,092</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 904,889</u>	<u>\$ 327,928</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, 2020 and June 30, 2019
(Dollars in thousands)

	June 2020	Year-to-Date June 2020	Year-to-Date June 2019
REVENUES			
Investment Income	\$ 466	\$ 2,818	\$ 3,101
Total Revenues	466	2,818	3,101
EXPENSES			
Employee wages and benefits, net	55	327	193
Rent, communications, and utilities	2	13	13
Other	13	80	49
Total Operating Expenses	69	420	256
NET INCOME BEFORE DIVIDENDS & INTERESTS	397	2,398	2,846
Dividends & Interests	289	1,321	2,112
NET INCOME	\$ 108	\$ 1,077	\$ 734

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	<u>2020</u>	<u>2019</u>	<u>2018</u>
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:	<u>6/30/2020</u>	<u>6/30/2019</u>
Stock & Retained Earnings/Total Assets	99.54%	98.52%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.00%	1.50%

	<u>6/30/2020</u>	<u>6/30/2020</u>	<u>6/30/2019</u>
	<u>Month</u>	<u>YTD</u>	<u>YTD</u>
Total Operating Expenses/Total Revenue	14.26%	14.28%	8.24%
Net Income(before Divds)/Total Revenue	85.81%	84.49%	90.76%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 34,591,056 shares; issued and outstanding: 17,295,528 shares)