

CENTRAL LIQUIDITY FACILITY (CLF)



**PRELIMINARY & UNAUDITED
FINANCIAL HIGHLIGHTS
October 31, 2019**

A handwritten signature in blue ink, which appears to read "J. Owen Cole, Jr.".

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

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

October 31, 2019

Balance Sheet

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

Current Liabilities: Dividend & Interest expenses for the month were \$435 thousand in October 2019.

Other Liabilities: Other liabilities include pending redemption of \$3,196 thousand that was reclassified from capital stock.

Equity: As of October 31, 2019, year to date net income of \$992 thousand has been reserved for retained earnings.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$544 thousand or current month's average yield of 1.93%. 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 \$475 thousand for the month which is similar to prior month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of October 31, 2019 and October 31, 2018, CLF's statutory borrowing authority were \$7.3 billion and \$7.0 billion, respectively.

Investment Purchases: \$0.

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

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$316,226,890 and U.S. Treasury Cash \$15,166,639.

Regular Membership: 276.

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

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of October 31, 2019 and 2018

(Dollars in thousands)

| | <u>October 2019</u> | <u>October 2018</u> |
|---|----------------------------|----------------------------|
| ASSETS | | |
| Cash and Cash Equivalents | \$ 16,167 | \$ 20,008 |
| Investments, Net U.S. Treasury Securities | 316,227 | 292,427 |
| Accrued Interest Receivable - Investments | <u>1,214</u> | <u>1,247</u> |
| TOTAL ASSETS | <u><u>\$ 333,607</u></u> | <u><u>\$ 313,682</u></u> |
| LIABILITIES | | |
| Accounts Payable | \$ 123 | \$ 84 |
| Dividends & Interest Payable | 435 | 337 |
| Regular Member Deposits - Liquidity Reserve | 5,833 | 3,876 |
| Other Liabilities | <u>3,196</u> | <u>1,889</u> |
| TOTAL LIABILITIES | <u><u>9,588</u></u> | <u><u>6,201</u></u> |
| MEMBERS' EQUITY | | |
| Capital Stock Regular Members | 289,096 | 273,790 |
| Retained Earnings Prior Year | 33,932 | 32,637 |
| Retained Earnings Current Year | <u>992</u> | <u>1,054</u> |
| TOTAL MEMBERS' EQUITY | <u><u>324,020</u></u> | <u><u>307,481</u></u> |
| TOTAL LIABILITIES AND EQUITY | <u><u>\$ 333,607</u></u> | <u><u>\$ 313,682</u></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 October 31, 2019 and 2018
(Dollars in thousands)

| | <u>October 2019</u> | <u>Year-to-Date October 2019</u> | <u>Year-to-Date October 2018</u> |
|--|---------------------|--------------------------------------|--------------------------------------|
| REVENUES | | | |
| Investment Income | \$ 544 | \$ 5,289 | \$ 4,244 |
| Other Income | <u>-</u> | <u>3</u> | <u>-</u> |
| Total Revenues | <u>544</u> | <u>5,292</u> | <u>4,244</u> |
| EXPENSES | | | |
| Employee wages and benefits, net | 55 | 316 | 384 |
| Rent, communications, and utilities | 3 | 24 | 21 |
| Other | <u>11</u> | <u>109</u> | <u>71</u> |
| Total Operating Expenses | <u>68</u> | <u>449</u> | <u>475</u> |
| NET INCOME BEFORE DIVIDENDS & INTERESTS | <u>475</u> | <u>4,843</u> | <u>3,768</u> |
| Dividends & Interests | <u>435</u> | <u>3,851</u> | <u>2,714</u> |
| NET INCOME | <u>\$ 40</u> | <u>\$ 992</u> | <u>\$ 1,054</u> |

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>2019</u> | <u>2018</u> | <u>2017</u> |
|------------------------------|-------------|-------------|-------------|
| Dividend Rate First Quarter | 1.50% | 1.00% | 0.75% |
| Dividend Rate Second Quarter | 1.50% | 1.25% | 0.75% |
| Dividend Rate Third Quarter | 1.75% | 1.25% | 1.00% |
| Dividend Rate Fourth Quarter | | 1.50% | 1.00% |

| SELECTED RATIOS: | <u>10/31/2019</u> | <u>10/31/2018</u> |
|---|-------------------|-------------------|
| Stock & Retained Earnings/Total Assets | 97.12% | 98.01% |
| Loans/Total Assets | 0.00% | 0.00% |
| Loans/Stock & Retained Earnings | 0.00% | 0.00% |
| Total Liabilities/Stock & Retained Earnings | 2.96% | 2.02% |

| OPERATIONS: | <u>10/31/2019</u> | <u>10/31/2019</u> | <u>10/31/2018</u> |
|--|-------------------|-------------------|-------------------|
| | <u>Month</u> | <u>YTD</u> | <u>YTD</u> |
| Total Operating Expenses/Total Revenue | 12.15% | 7.99% | 11.20% |
| Net Income(before Divds)/Total Revenue | 86.11% | 90.42% | 87.88% |
| Loan/Total Revenue | 0.00% | 0.00% | 0.00% |

CAPITAL STOCK:

Required (\$50 par value; authorized: 11,563,828 shares; issued and outstanding: 5,781,914 shares)