

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS February 28, 2023

ANTHONY
CAPPETTA

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ANTHONY CAPPETTA
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

February 28, 2023

Balance Sheet

Assets: Total assets were \$783,152 thousand as of February 2023 consisting of cash, U.S. Treasury securities and associated interest receivable.

Current Liabilities: Accrued dividends and interests expenses for the month were \$2,695 thousand.

Capital Stock: Capital stock shares increased by \$2,919 thousand in February 2023. In December 2022, with expiration of the CARES Act, Agent members redeemed their outstanding capital stock shares.

Equity: As of February 28, 2023, \$525 thousand has been reduced from retained earnings.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings decreased slightly from \$2,632 thousand in January to \$2,529 thousand in February despite an increased average yield of 4.24% due to lower actual number of days in the month.

Expense: Operating expenses for the month were \$176 thousand.

Net Income: Monthly net income before dividends was \$2,303 thousand which is \$114 thousand lower than prior month primarily due to lower interest income.

Dividends: Estimated dividend expense for the month was \$2,646 thousand.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of February 28, 2023 and February 28, 2022, CLF's statutory borrowing authority were \$17.9 billion and \$27.1 billion, respectively.

Investment Purchases: \$11,000,000.

Maturities of Treasury Notes: \$1,000,000.

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$773,400,800 and U.S. Treasury Cash \$7,112,418.

Regular Membership: 357. Agent Membership: 0.

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

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
BALANCE SHEETS
As of February 28, 2023 and February 28, 2022
(Dollars in thousands)

	February 2023	February 2022
ASSETS		
Cash and Cash Equivalents	\$ 7,112	\$ 18,638
Investments, Net U.S. Treasury Securities	773,401	1,131,847
Accrued Interest Receivable - Investments	2,638	756
TOTAL ASSETS	\$ 783,152	\$ 1,151,242
LIABILITIES		
Accounts Payable	\$ 390	\$ 309
Dividends and Interest Payable	5,344	271
Regular Member Deposits - Liquidity Reserve	13,404	2,772
TOTAL LIABILITIES	19,138	3,353
MEMBERS' EQUITY		
Capital Stock Regular Members	724,597	703,321
Capital Stock Agent Members	-	404,718
Retained Earnings Prior Year	39,942	39,389
Retained Earnings Current Year	(525)	461
TOTAL MEMBERS' EQUITY	764,014	1,147,889
TOTAL LIABILITIES AND EQUITY	\$ 783,152	\$ 1,151,242

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
STATEMENTS OF OPERATIONS
For the Periods Ended February 28, 2023 and February 28, 2022
(Dollars in thousands)

	<u>February 2023</u>	<u>Year-to-Date February 2023</u>	<u>Year-to-Date February 2022</u>
REVENUES			
Investment Income	\$ 2,529	\$ 5,161	\$ 924
Total Revenues	<u>2,529</u>	<u>5,161</u>	<u>924</u>
EXPENSES			
Employee Wages and Benefits, Net	113	235	167
Rent, Communications, and Utilities	2	4	3
Other General and Administrative Expenses	<u>62</u>	<u>102</u>	<u>22</u>
Total Operating Expenses	177	341	192
Interest - Member Deposits	<u>49</u>	<u>98</u>	<u>1</u>
Total Expenses	<u>226</u>	<u>439</u>	<u>193</u>
NET INCOME BEFORE DIVIDENDS	<u>2,303</u>	<u>4,722</u>	<u>731</u>
Dividends	<u>2,646</u>	<u>5,247</u>	<u>270</u>
NET AMOUNT AFTER DIVIDENDS	<u>\$ (343)</u>	<u>\$ (525)</u>	<u>\$ 461</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>2022</u>	<u>2021</u>	<u>2020</u>
Dividend Rate First Quarter	0.20%	0.15%	0.75%
Dividend Rate Second Quarter	0.82%	0.15%	0.50%
Dividend Rate Third Quarter	2.24%	0.15%	0.25%
Dividend Rate Fourth Quarter	3.71%	0.15%	0.15%

SELECTED RATIOS:	<u>2/28/2023</u>	<u>2/28/2022</u>
Stock & Retained Earnings/Total Assets	97.56%	99.71%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	2.50%	0.29%

	<u>2/28/2023</u>	<u>2/28/2023</u>	<u>2/28/2022</u>
	<u>Month</u>	<u>YTD</u>	<u>YTD</u>
Total Operating Expenses/Total Revenue	6.97%	6.61%	20.76%
Net Income(before Divds)/Total Revenue	91.08%	91.49%	79.17%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 28,983,862 shares; issued and outstanding: 14,491,931 shares)