

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

August 31, 2018

A handwritten signature in blue ink, which appears to read 'Rendell L. Jones', is positioned above the printed name.

RENDELL L. JONES
CHIEF FINANCIAL OFFICER

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND**

MANAGEMENT OVERVIEW

August 31, 2018

Background

The Community Development Revolving Loan Fund (CDRLF) was established by an act of Congress (Public Law 96-123, November 20, 1979) to stimulate economic development in low-income communities. The Community Development Credit Union Transfer Act (Public Law 99-609, November 6, 1986) transferred CDRLF administration to the NCUA. The NCUA Board adopted amendments to Part 705 of NCUA Rules and Regulations on September 16, 1987, and began making loans/deposits to participating credit unions in 1990.

The purpose of the CDRLF is to stimulate economic activities in the communities served by low-income credit unions which will result in increased income, ownership and employment opportunities for low-wealth residents, and other economic growth. The policy of the NCUA is to revolve the loans to qualifying credit unions as often as practical in order to gain maximum impact on as many participating credit unions as possible.

Balance Sheet

Between August 2017 and August 2018, cash and cash equivalents increased by \$2.7 million, primarily due to:

- a. received remaining \$2 million from the 2018 Appropriation,
- b. received \$3 million in loan principal and interest payments,
- c. disbursed \$1.3 million in new loans, and
- d. disbursed \$1 million in technical assistance grants.

Between August 2017 and August 2018, loans receivable decreased \$1.6 million as a result of three new loans issued less nine loan maturities and principal paydowns.

Statements of Revenues, Expenses, and Changes in Fund Balance

During August 2018, the fund earned \$13.5 thousand in interest revenue.

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
BALANCE SHEETS
As of August 31, 2018 and 2017**

	<u>August 2018</u>	<u>August 2017</u>
ASSETS		
Cash and Cash Equivalents	\$ 9,954,318	\$ 7,280,212
Loans Receivable	9,005,598	10,614,722
Interest Receivable	8,904	9,413
TOTAL ASSETS	<u>\$ 18,968,820</u>	<u>\$ 17,904,347</u>
LIABILITIES		
Liabilities - Accrued Technical Assistance	<u>\$ 1,452,621</u>	<u>\$ 2,005,144</u>
TOTAL LIABILITIES	<u>1,452,621</u>	<u>2,005,144</u>
FUND BALANCE		
Fund Capital	15,675,795	14,120,321
Accumulated Earnings	<u>1,840,404</u>	<u>1,778,882</u>
TOTAL FUND BALANCE	<u>17,516,199</u>	<u>15,899,203</u>
	-	-
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 18,968,820</u>	<u>\$ 17,904,347</u>

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENTS OF OPERATIONS
For the Periods Ended August 31, 2018 and 2017**

	<u>August 2018</u>	<u>Year-to-Date August 2018</u>	<u>Year-to-Date August 2017</u>
REVENUES			
Interest on Cash Equivalents	\$ 9,633	\$ 65,486	\$ 19,121
Interest on Loans	3,867	28,945	31,687
Appropriation Revenue			
Expended Appropriations	-	-	1,853,085
Cancelled Technical Assistance	<u>(83,510)</u>	<u>(103,355)</u>	<u>(347,587)</u>
Total Revenues	<u>(70,010)</u>	<u>(8,924)</u>	<u>1,556,306</u>
EXPENSES			
Technical Assistance	15,000	36,907	1,860,585
Cancellation of Aged Technical Assistance	(91,215)	(113,645)	(347,587)
Provision for Loan Losses	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>(76,215)</u>	<u>(76,738)</u>	<u>1,512,998</u>
NET INCOME / (LOSS)	6,205	67,814	43,308

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENTS OF CHANGES IN FUND BALANCE
For the Periods Ended August 31, 2018 and 2017**

	<u>August 2018</u>	<u>Year-to-Date August 2018</u>	<u>Year-to-Date August 2017</u>
FUND BALANCE—Beginning of period	17,426,484	15,345,030	15,361,393
New Appropriations	-	2,000,000	2,000,000
Return to Treasury	-	-	
Cancelled Technical Assistance	83,510	103,355	347,587
Awards			(1,853,085)
Net Income / (Loss)	<u>6,205</u>	<u>67,814</u>	<u>43,308</u>
FUND BALANCE—End of period	<u>\$ 17,516,199</u>	<u>\$ 17,516,199</u>	<u>\$ 15,899,203</u>

The balances in the statement above are preliminary and unaudited