

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

August 31, 2019

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

RENDELL L. JONES
CHIEF FINANCIAL OFFICER

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

MANAGEMENT OVERVIEW

August 31, 2019

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 2018 and August 2019, cash and cash equivalents increased by \$3.9 million, primarily due to:

- a. received \$2.0 million in Appropriations from 2019,
- b. received \$4.4 million in loan principal and interest payments,
- c. disbursed \$1.5 million in new loans, and
- d. disbursed \$1.1 million in technical assistance grants.

Between August 2018 and August 2019, loans receivable decreased \$2.8 million as a result of five new loans issued less nine loan maturities and two principal paydowns.

Accrued Technical Assistance Grants represents the grant liability. The grant liability increased from August 2018 to August 2019 primarily because awards were issued in August 2019 compared to October in 2018.

Statements of Revenues, Expenses, and Changes in Fund Balance

During August 2019, the fund earned approximately \$19 thousand in interest revenue.

Note: Minor modifications to the form and content of the CDRLF Fund's monthly financial highlights were made to conform to the annual financial statements.

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
BALANCE SHEETS
As of August 31, 2019 and 2018
(Dollars in thousands)**

	August 2019	August 2018
ASSETS		
Cash and Cash Equivalents	\$ 13,867	\$ 9,954
Loans Receivable	6,185	9,006
Interest Receivable	10	9
TOTAL ASSETS	\$ 20,062	\$ 18,969
 LIABILITIES AND FUND BALANCE		
Accrued Technical Assistance Grants	\$ 4,202	\$ 1,453
Fund Balance		
Fund Capital	13,874	15,676
Accumulated Earnings	1,986	1,840
Total Fund Balance	15,860	17,516
TOTAL LIABILITIES AND FUND BALANCE	\$ 20,062	\$ 18,969

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, 2019 and August 2018

(Dollars in thousands)

	<u>August 2019</u>	<u>Year-to-Date August 2019</u>	<u>Year-to-Date August 2018</u>
REVENUES			
Interest on Cash Equivalents	\$ 15	\$ 119	\$ 65
Interest on Loans	4	27	29
Appropriations Used	1,903	1,903	-
Canceled Technical Assistance Grants	-	(102)	(103)
TOTAL REVENUE	<u>1,922</u>	<u>1,947</u>	<u>(9)</u>
EXPENSES			
Technical Assistance Grants	1,903	1,921	37
Canceled Technical Assistance Grants	-	(102)	(114)
TOTAL EXPENSES	<u>1,903</u>	<u>1,819</u>	<u>(77)</u>
NET INCOME / (LOSS)	<u>\$ 19</u>	<u>\$ 128</u>	<u>\$ 68</u>

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENT OF CHANGES IN FUND BALANCE
For the Periods Ended August 31, 2019 and December 2018
(Dollars in thousands)**

	<u>For Loans</u>	<u>Fund Capital For Technical Assistance</u>	<u>Total Fund Capital</u>	<u>Accumulated Earnings</u>	<u>Total Fund Balance</u>
December 31, 2017	\$ 13,388	\$ 185	\$ 13,573	\$ 1,772	\$ 15,345
Appropriations Received		2,000	2,000		2,000
Appropriations Used		(2,000)	(2,000)		(2,000)
Canceled Appropriations - Returned to Treasury		(1)	(1)		(1)
Canceled Technical Assistance Grants		103	103		103
Net Income / (Loss)				86	86
December 31, 2018	<u>\$ 13,388</u>	<u>\$ 287</u>	<u>\$ 13,675</u>	<u>\$ 1,858</u>	<u>\$ 15,533</u>
Appropriations Received		2,000	2,000		2,000
Appropriations Used		(1,903)	(1,903)		(1,903)
Canceled Appropriations - Returned to Treasury			-		-
Canceled Technical Assistance Grants		102	102		102
Net Income / (Loss)			-	128	128
August 31, 2019	<u><u>\$ 13,388</u></u>	<u><u>\$ 486</u></u>	<u><u>\$ 13,874</u></u>	<u><u>\$ 1,986</u></u>	<u><u>\$ 15,860</u></u>

The balances in the statement above are preliminary and unaudited