

# COMMUNITY DEVELOPMENT REVOLVING LOAN FUND



## PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

October 31, 2018

A handwritten signature in blue ink, appearing to read "Rendell L. Jones".

**RENDELL L. JONES**  
**CHIEF FINANCIAL OFFICER**

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

**MANAGEMENT OVERVIEW**

**October 31, 2018**

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**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 October 2017 and October 2018, cash and cash equivalents increased by \$1.7 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 \$2 million in new loans, and
- d. disbursed \$1.3 million in technical assistance grants.

Between October 2017 and October 2018, loans receivable decreased \$910 thousand as a result of five new loans issued less nine loan maturities and two principal paydowns.

**Statements of Revenues, Expenses, and Changes in Fund Balance**

During October 2018, the fund awarded \$2 million in technical assistance from multi-year appropriations and one urgent need award of \$7,500 through the revolving fund. The fund also earned \$14 thousand in interest revenue.

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

	<u>October 2018</u>	<u>October 2017</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 8,949,028	\$ 7,204,127
Loans Receivable	9,705,000	10,614,722
Interest Receivable	13,238	14,968
<b>TOTAL ASSETS</b>	<u>\$ 18,667,266</u>	<u>\$ 17,833,817</u>
<b>LIABILITIES</b>		
Liabilities - Accrued Technical Assistance	\$ 3,132,948	\$ 1,969,585
<b>TOTAL LIABILITIES</b>	<u>3,132,948</u>	<u>1,969,585</u>
<b>FUND BALANCE</b>		
Fund Capital	13,674,545	14,108,439
Accumulated Earnings	1,859,773	1,755,793
<b>TOTAL FUND BALANCE</b>	<u>15,534,318</u>	<u>15,864,232</u>
	-	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 18,667,266</u>	<u>\$ 17,833,817</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 October 31, 2018 and 2017**

	<u>October 2018</u>	<u>Year-to-Date October 2018</u>	<u>Year-to-Date October 2017</u>
<b>REVENUES</b>			
Interest on Cash Equivalents	\$ 9,567	\$ 84,252	\$ 25,248
Interest on Loans	4,237	37,048	39,971
Appropriation Revenue			
Expended Appropriations	2,000,000	2,000,000	1,853,085
Cancelled Technical Assistance	-	(103,355)	(362,020)
Total Revenues	<u>2,013,804</u>	<u>2,017,945</u>	<u>1,556,284</u>
<b>EXPENSES</b>			
Technical Assistance	2,007,500	2,044,407	1,898,085
Cancellation of Aged Technical Assistance	-	(113,645)	(362,020)
Provision for Loan Losses	-	-	-
Total Expenses	<u>2,007,500</u>	<u>1,930,762</u>	<u>1,536,065</u>
<b>NET INCOME / (LOSS)</b>	6,304	87,183	20,219

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 October 31, 2018 and 2017**

	<u>October 2018</u>	<u>Year-to-Date October 2018</u>	<u>Year-to-Date October 2017</u>
<b>FUND BALANCE—Beginning of period</b>	17,528,014	15,345,030	15,361,393
New Appropriations	-	2,000,000	2,000,000
Return to Treasury	-	(1,250)	(26,315)
Cancelled Technical Assistance	-	103,355	362,020
Awards	(2,000,000)	(2,000,000)	(1,853,085)
Net Income / (Loss)	6,304	87,183	20,219
<b>FUND BALANCE—End of period</b>	<u>\$ 15,534,318</u>	<u>\$ 15,534,318</u>	<u>\$ 15,864,232</u>

The balances in the statement above are preliminary and unaudited