

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

June 30, 2016

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CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

June 30, 2016

Balance Sheet

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

Current Liabilities: Dividend expenses for Regular members were \$107 thousand in June 2016.

Equity: As of June 30, 2016, year to date net income of \$814 thousand has been reserved for retained earnings.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$266 thousand or current month's annualized yield of 1.2%. This is consistent with prior month's annualized yield.

Expense: Operating expenses for the month were \$49 thousand.

Net Income: Net income before dividends was \$216 thousand for the month which is slightly lower than prior month.

The dividend paid on capital stock and the liquidity reserve was increased from 0.25% to 0.50% for the second quarter of 2016 and is the primary reason net income for the second quarter of 2016 was \$355 thousand compared to \$459 thousand for the first quarter of 2016.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of June 30, 2016 and December 31, 2015, CLF's statutory borrowing authority was \$6.1 billion and \$5.6 billion, respectively.

Investment Purchases: \$2,000,000

Maturities of Treasury Notes: \$3,000,000

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$259,206,862 and U.S. Treasury Cash \$11,612,045.

Regular Membership: 265

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

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of June 30, 2016 and 2015

(Dollars in thousands)

	<u>June 2016</u>	<u>June 2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 11,433	\$ 24,960
Investments, Net U.S. Treasury Securities	259,207	215,764
Accounts Receivable	-	814
Accrued Interest Receivable - Investments	798	607
TOTAL ASSETS	<u>\$ 271,437</u>	<u>\$ 242,145</u>
LIABILITIES		
Accounts Payable	\$ 182	\$ 196
Dividends Payable	-	-
Regular Member Deposits - Liquidity Reserve	976	1,057
Other Liabilities	-	814
TOTAL LIABILITIES	<u>1,158</u>	<u>2,066</u>
MEMBERS' EQUITY		
Capital Stock Regular Members	239,530	210,991
Retained Earnings Prior Year	29,936	28,477
Retained Earnings Current Year	814	611
TOTAL MEMBERS' EQUITY	<u>270,279</u>	<u>240,079</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 271,437</u>	<u>\$ 242,145</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 June 30, 2016 and 2015

(Dollars in thousands)

	<u>June 2016</u>	<u>Year-to-Date June 2016</u>	<u>Year-to-Date June 2015</u>
REVENUES			
Investment Income	\$ 266	\$ 1,518	\$ 1,152
Total Revenues	<u>266</u>	<u>1,518</u>	<u>1,152</u>
EXPENSES			
Employee wages and benefits, net	42	234	251
Rent, communications, and utilities	1	7	5
Other	<u>7</u>	<u>35</u>	<u>30</u>
Total Operating Expenses	<u>50</u>	<u>276</u>	<u>286</u>
NET INCOME BEFORE DIVIDENDS	<u>216</u>	<u>1,242</u>	<u>866</u>
Dividends Accrued	<u>107</u>	<u>428</u>	<u>255</u>
NET INCOME	<u>\$ 109</u>	<u>\$ 814</u>	<u>\$ 611</u>

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NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	2016	2015	2014
Dividend Rate First Quarter	0.25%	0.25%	0.25%
Dividend Rate Second Quarter	0.50%	0.25%	0.25%
Dividend Rate Third Quarter	-	0.25%	0.25%
Dividend Rate Fourth Quarter	-	0.25%	0.25%

SELECTED RATIOS:	6/30/2016	6/30/2015
Stock & Retained Earnings/Total Assets	99.57%	99.15%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.43%	0.85%

OPERATIONS:	6/30//2016 Month	6/30/2016 YTD	6/30/2015 YTD
Total Operating Expenses/Total Revenue	18.29%	18.07%	24.77%
Net Income(before Divds)/Total Revenue	81.26%	81.79%	75.14%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 9,581,195 shares; issued and outstanding: 4,790,598 shares)

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