

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS May 31, 2020

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J. OWEN COLE, JR.
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

May 31, 2020

Balance Sheet

Assets: Interest receivable consists of investments in U.S. Treasury securities. Accounts Receivable includes 2020 annual stock adjustments.

Current Liabilities: Dividend & Interest expenses for the month were \$278 thousand in May 2020.

Other Liabilities: Other liabilities include 2020 annual stock adjustments for CLF members.

Capital Stock includes \$423 million from corporate credit unions that joined the CLF as Agent Members.

Retained Earnings include year to date net income of \$969 thousand.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$452 thousand or current month's average yield of 0.9%. This is 0.52% less than prior month's average yield.

Expense: Operating expenses for the month were \$68 thousand.

Net Income: Net income before dividends was \$384 thousand for the month which is similar to prior month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of May 31, 2020 and May 31, 2019, CLF's statutory borrowing authority were as follows:

(Dollars in billions)	May 31, 2020	May 31, 2019
Under Statutory Borrowing Authority		
12 times Capital Stock and Surplus	\$19.4B	\$7.2B
During CARES Act Period*		
16 times Capital Stock and Surplus	\$25.8B	n/a

Investment Purchases: \$493,000,000.00.

Maturities of Treasury Notes: \$4,000,000.00

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$814,653,384.00, and U.S. Treasury Cash \$14,225,969.29.

Regular Membership: 297. Agent Membership: 11.

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

*The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") spans from the date it was signed into law until the date it sunsets (March 27, 2020 through December 31, 2020).

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of May 31, 2020 and May 31, 2019

(Dollars in thousands)

	<u>May 2020</u>	<u>May 2019</u>
ASSETS		
Cash and Cash Equivalents	\$ 14,226	\$ 12,308
Investments, Net U.S. Treasury Securities	814,653	312,913
Accounts Receivable	346	915
Accrued Interest Receivable - Investments	<u>1,097</u>	<u>1,195</u>
TOTAL ASSETS	<u><u>\$ 830,322</u></u>	<u><u>\$ 327,331</u></u>
LIABILITIES		
Accounts Payable	\$ 157	\$ 137
Dividends & Interest Payable	473	734
Regular Member Deposits - Liquidity Reserve	3,306	6,415
Other Liabilities	<u>419</u>	<u>2,443</u>
TOTAL LIABILITIES	<u>4,356</u>	<u>9,729</u>
MEMBERS' EQUITY		
Capital Stock Regular Members	366,677	283,083
Capital Stock Agent Members	423,359	-
Retained Earnings Prior Year	34,960	33,932
Retained Earnings Current Year	<u>969</u>	<u>587</u>
TOTAL MEMBERS' EQUITY	<u>825,966</u>	<u>317,602</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 830,322</u></u>	<u><u>\$ 327,331</u></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 May 31, 2020 and May 31, 2019
(Dollars in thousands)

	<u>May 2020</u>	<u>Year-to-Date May 2020</u>	<u>Year-to-Date May 2019</u>
REVENUES			
Investment Income	\$ 452	\$ 2,352	\$ 2,572
Total Revenues	<u>452</u>	<u>2,352</u>	<u>2,572</u>
EXPENSES			
Employee wages and benefits, net	52	272	165
Rent, communications, and utilities	2	10	11
Other	13	67	41
Total Operating Expenses	<u>68</u>	<u>351</u>	<u>217</u>
NET INCOME BEFORE DIVIDENDS & INTERESTS	<u>384</u>	<u>2,001</u>	<u>2,355</u>
Dividends & Interests	<u>278</u>	<u>1,032</u>	<u>1,768</u>
NET INCOME	<u>\$ 105</u>	<u>\$ 969</u>	<u>\$ 587</u>

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NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	<u>2020</u>	<u>2019</u>	<u>2018</u>
Dividend Rate First Quarter	0.75%	1.50%	1.00%
Dividend Rate Second Quarter		1.50%	1.25%
Dividend Rate Third Quarter		1.75%	1.25%
Dividend Rate Fourth Quarter		1.75%	1.50%

SELECTED RATIOS:	<u>5/31/2020</u>	<u>5/31/2019</u>
Stock & Retained Earnings/Total Assets	99.47%	97.02%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.00%	0.00%

OPERATIONS:	<u>5/31/2020</u>	<u>5/31/2020</u>	<u>5/31/2019</u>
	<u>Month</u>	<u>YTD</u>	<u>YTD</u>
Total Operating Expenses/Total Revenue	14.42%	14.28%	8.43%
Net Income(before Divds)/Total Revenue	84.42%	84.23%	90.86%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 31,601,462 shares; issued and outstanding: 15,800,731 shares)

The information in the supplement above are preliminary and unaudited