

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS August 31, 2022

ANTHONY
CAPPETTA

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ANTHONY CAPPETTA
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

August 31, 2022

Balance Sheet

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

Current Liabilities: Dividend & Interest expenses for the month were \$2,226 thousand in August 2022.

Capital Stock includes \$402 million from corporate credit unions that joined the CLF as Agent Members.

Retained Earnings include year to date net income of \$1,124 thousand.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$2,179 thousand or current month's average yield of 2.04%. This is higher than prior month's average yield of 1.8%.

Expense: Operating expenses for the month were \$98 thousand.

Net Income: Monthly net income before dividend and interest was \$2,081 thousand which is higher than last month. It is offset in part by higher dividend accrual for August resulting in a net loss of \$145 thousand for the month. However, the year-to-date net income remains positive at \$1,124 thousand.

Borrowing Authority, Investment Activity, Membership and Loans

CLF's Borrowing Authority were as follows:

(Dollars in billions)	<u>Aug 31, 2022</u>	<u>Aug 31, 2021</u>
Under Statutory Borrowing Authority		
12 times Capital Stock and Surplus	\$29.7B	\$27.1B
During CARES Act Period*		
16 times Capital Stock and Surplus	N/A	\$36.1B

*The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") spans from the date it was signed into law on March 27, 2020 and the Consolidated Appropriations Act (CAA) extends the ending date through December 31, 2021.

Investment Purchases: \$0.

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

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$1,113,166,321 and U.S. Treasury Cash \$151,207,747.

Regular Membership: 351. Agent Membership: 10.

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
BALANCE SHEETS
As of **August 31, 2022 and August 31, 2021**
(Dollars in thousands)

	August 2022	August 2021
ASSETS		
Cash and Cash Equivalents	\$ 151,208	\$ 391,909
Investments, Net U.S. Treasury Securities	1,113,166	757,024
Accrued Interest Receivable - Investments	1,873	694
TOTAL ASSETS	\$ 1,266,247	\$ 1,149,627
LIABILITIES		
Accounts Payable	\$ 315	\$ 252
Dividends & Interest Payable	4,452	281
Regular Member Deposits - Liquidity Reserve	3,131	2,402
TOTAL LIABILITIES	7,897	2,935
MEMBERS' EQUITY		
Capital Stock Regular Members	815,794	692,203
Capital Stock Agent Members	402,043	415,664
Retained Earnings Prior Year	39,389	37,414
Retained Earnings Current Year	1,124	1,411
TOTAL MEMBERS' EQUITY	1,258,350	1,146,692
TOTAL LIABILITIES AND EQUITY	\$ 1,266,247	\$ 1,149,627

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
STATEMENTS OF OPERATIONS**

For the Periods Ended August 31, 2022 and August 31, 2021

(Dollars in thousands)

	August 2022	Year-to-Date August 2022	Year-to-Date August 2021
REVENUES			
Investment Income	\$ 2,179	\$ 9,289	\$ 3,098
Total Revenues	2,179	9,289	3,098
EXPENSES			
Employee wages and benefits, net	84	622	508
Rent, communications, and utilities	2	16	16
Other	12	85	93
Total Operating Expenses	98	724	616
NET INCOME BEFORE DIVIDENDS & INTERESTS	2,081	8,566	2,481
Dividends & Interests	2,226	7,442	1,070
NET INCOME	\$ (145)	\$ 1,124	\$ 1,411

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	<u>2022</u>	<u>2021</u>	<u>2020</u>
Dividend Rate First Quarter	0.20%	0.15%	0.75%
Dividend Rate Second Quarter	0.82%	0.15%	0.50%
Dividend Rate Third Quarter		0.15%	0.25%
Dividend Rate Fourth Quarter		0.15%	0.15%

SELECTED RATIOS:	<u>8/31/2022</u>	<u>8/31/2021</u>
Stock & Retained Earnings/Total Assets	99.38%	99.74%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.63%	0.26%

	<u>8/31/2022</u>	<u>8/31/2022</u>	<u>8/31/2021</u>
	<u>Month</u>	<u>YTD</u>	<u>YTD</u>
Total Operating Expenses/Total Revenue	4.50%	7.79%	19.93%
Net Income(before Divds)/Total Revenue	95.50%	92.21%	80.07%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 48,713,484 shares; issued and outstanding: 24,356,742 shares)