

Monthly Financials

Vizo Financial Corporate Credit Union

June 2024 Financials



We are pleased to present Vizo Financial Corporate Credit Union's financial statements and supplementary financial information as of June 30, 2024. These pages include information regarding our balance sheet, income statement, asset quality and capital adequacy. We encourage you to share this information with your management team and directors to aid in reviewing the Corporate's financial strength and ongoing performance.

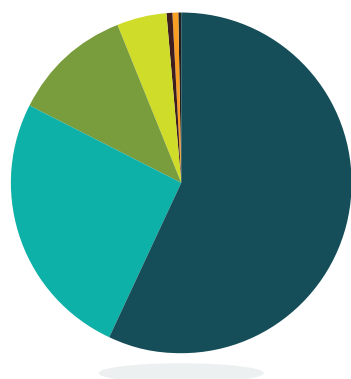
Vizo Financial added \$2,142,610 to retained earnings this month. Vizo Financial's year-to-date net income after PCC distribution for the months ending June 30, 2024, and June 30, 2023, totaled \$13,511,742 and \$30,731,274 respectively. The higher amount for 2023 reflects a recovery of U.S. Central capital assets of \$23,720,772 that was received in March 2023.

A summary of our unaudited results is presented below.

Income Statement YTD	June 2024	YTD 2024	YTD 2023
Net Interest Income	\$ 6,133,308	\$ 33,735,735	\$ 23,756,933
Net Correspondent Income	916,112	5,575,071	5,939,101
Gross Operating Income	7,049,420	39,310,806	29,696,034
Operating Expense	(3,161,637)	(17,052,492)	(15,941,335)
Gain/Loss on Sale of Investments	0	0	(327,750)
Gain/Loss on Other Assets/Goodwill	0	0	(176,447)
CUSO Income	(88,309)	(723,676)	(353,680)
Member Capital Recovery	0	(386,417)	(1,732,086)
Member Incentive	(750,000)	(2,350,000)	0
USC Distribution	0	0	23,720,772
Net Income Before PCC Distributions	3,049,474	18,798,222	34,885,508
Less: Equity Transfer for PCC Distribution	(906,864)	(5,286,480)	(4,154,234)
Net Contribution to Equity:	\$ 2,142,610	\$ 13,511,742	\$ 30,731,274

Our balance sheet continues to be a blend of cash, primarily held at the Federal Reserve Bank, and a variety of high-quality and highly-rated investments.

Credit Quality Book Value as of June 30, 2024



- \$ 3,796 - Federal Reserve
- \$ 1,794 - U.S. Gov't Guaranteed
- \$ 804 - U.S. Gov't Agency
- \$ 326 - Asset-Backed Securities
- \$ 39 - Corporate Bonds
- \$ 23 - CU/Bank Cash Holdings
- \$ 11 - Member Loans
- \$ 9 - CUSOs
- \$ 4 - FHLB Stock

* All figures in the charts above are in millions.

Vizo Financial's Investment Policy states that at the time of purchase, investments with short-term ratings must be rated no lower than A-1 (or equivalent), and investments with long-term ratings must be rated no lower than AA- (or equivalent) by at least two NRSROs. Vizo Financial's Investment Policy states that deposits in federally insured depository institutions require at least one NRSRO rating no lower than A-1 (or equivalent).

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Earnings Margin	YTD 2024	YTD 2023
Return on Average Assets	5.362%	4.481%
Interest/Dividend Expense	-4.318%	-3.619%
Net Interest Margin	1.044%	0.862%
Net Correspondent Service Income	0.173%	0.215%
Operating Expenses	-0.528%	-0.578%
Gain/Loss on Sale of Investments	0.000%	-0.012%
Gain/Loss on Other Assets/Goodwill	0.000%	-0.006%
CUSO Income	-0.022%	-0.013%
USC Distribution	0.000%	0.860%
Member Incentive/Capital Recovery	-0.085%	-0.063%
PCC Distributions	-0.164%	-0.151%
Net Margin	0.418%	1.115%

Capital Adequacy	June 2024	June 2023	Adequately / Well Capitalized
RUDE + Acquired Equity Capital/12-Month Average Net Assets	6.31%	5.90%	NA
Tier 1 (Leverage) Capital/12-Month Average Net Assets	9.91%	9.53%	4% 5%
Total Capital/12-Month Average Net Assets	10.05%	9.67%	NA
Tier 1 Capital/12-Month Average Risk-Weighted Assets	125.21%	75.12%	4% 6%
Total Capital/12-Month Average Risk-Weighted Assets	127.01%	76.27%	8% 10%

Total Capital	\$ 589,901,582	\$ 551,538,025
Tier 1 (Leverage) Capital	\$ 581,577,511	\$ 543,209,702
Tier 2 Capital	\$ 8,324,071	\$ 8,328,323
Monthly Average Net Assets (DANA)	\$ 6,518,676,577	\$ 5,373,631,391
Year-to-Date Average Assets	\$ 6,495,885,183	\$ 5,559,875,473
Average 12-Month Assets	\$ 5,868,465,997	\$ 5,700,866,145

The table below shows trends in asset measures, member activity and retained earnings over the past four months.

Ending Balances	March 2024	April 2024	May 2024	June 2024
Corporate Assets	\$ 7,475,085,710	\$ 6,704,008,875	\$ 7,018,826,791	\$ 6,917,016,778
Daily Average Net Assets	\$ 6,897,709,125	\$ 6,930,533,693	\$ 6,662,711,677	\$ 6,518,676,577
Daily Average Net Assets YTD	\$ 6,287,796,383	\$ 6,448,480,710	\$ 6,491,326,904	\$ 6,495,885,183
12-Month Rolling DANA	\$ 5,573,777,952	\$ 5,682,416,564	\$ 5,773,045,565	\$ 5,868,465,997
Investments	\$ 2,839,043,864	\$ 2,904,772,561	\$ 2,951,877,316	\$ 2,987,711,152
Loans to Members and Third Parties	\$ 6,203,679	\$ 12,220,076	\$ 4,780,138	\$ 10,550,398
Member Shares	\$ 6,083,628,536	\$ 5,316,333,130	\$ 5,617,952,817	\$ 5,494,964,689
Reserves & Undivided Earnings	\$ 363,350,980	\$ 365,478,810	\$ 367,903,051	\$ 370,045,661

Balance Sheet

Assets	June 2024	June 2023
Investments:		
Investment in CUSOs	\$ 9,164,918	\$ 9,713,242
Investment in FHLB - Stock	4,230,100	3,370,400
Federal Reserve	3,796,199,732	2,639,145,125
Bank and Credit Union Deposits	23,017,879	20,764,161
Asset-Backed Securities - Non-Mortgage	325,765,055	301,003,928
U.S. GSE Securities - Notes	79,490,084	79,427,687
U.S. GSE Securities - CMO	606,863,238	519,509,341
U.S. GSE Securities - MBS	113,621,840	376,352
U.S. Gov't. Agency Securities - GNMA	128,496,637	18,752,779
U.S. Gov't. Agency Securities - SBA	1,561,187,500	1,740,510,362
Corporate Bonds	0	29,976,210
Commercial Paper	39,390,400	0
U.S. Treasuries	96,483,501	406,546,481
Loans	10,550,398	53,563,204
Receivables	47,493,651	49,632,112
Accrued Income/Prepaid Expense	28,274,575	27,598,751
Fixed Assets	5,416,753	7,089,349
Other Assets	41,370,517	39,766,920
Total Assets	\$ 6,917,016,778	\$ 5,946,746,406

Liabilities & Equity	June 2024	June 2023
Other Liabilities	\$ 66,760,962	\$ 68,445,044
Dividends/Interest Payable	16,236,165	9,775,889
Accounts Payable	2,207,814	440,452
Notes Payable	750,000,000	1,000,000,000
Shares	5,214,000,433	3,878,139,369
Certificates	280,964,255	462,842,657
Total Shares	\$ 5,494,964,689	\$ 4,340,982,026
Non-Perpetual Capital Accounts (NCA)	8,332,575	\$ 8,505,410
Perpetual Contributed Capital (PCC)	220,696,768	\$ 216,577,308
Reserves & Undivided Earnings	347,483,661	\$ 313,783,637
Equity Acquired in Merger	22,562,000	\$ 22,562,000
Accumulated Other Comprehensive Loss	(12,227,855)	\$ (34,325,360)
Total Equity	\$ 586,847,149	\$ 527,102,994
Total Liabilities & Equity	\$ 6,917,016,778	\$ 5,946,746,406

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Liquidity Position

Liquidity as of June 30, 2024

Total Available Liquidity Sources	\$ 6,749,344,762
Total Liquidity Uses	\$ (750,000,000)
Net Available Liquidity	\$ 5,999,344,762

Interest Rate Risk

Base/Current Rate Environment		Regulation 704 Operating Level	
Net Economic Value (NEV):	\$ 591,315,405	Base Plus	
NEV Ratio:	8.6%		
Up 300bps Rate Environment		Regulation 704 Limits (+300 bps)	
Net Economic Value (NEV):	\$ 538,838,489	Min Value:	\$ 473,052,324
NEV Ratio:	7.9%	Min Value:	2.00%
Percentage Change:	-8.9%	Max NEV Fluctuation:	-20.00%
Down 300bps Rate Environment			
Net Economic Value (NEV):	\$ 625,859,485		
NEV Ratio:	9.0%		
Percentage Change:	5.8%		

Required Credit Analysis Under Regulation 703

Except for investments that are issued or fully guaranteed as to principal and interest by the U.S. Government or its agencies, enterprises or corporations or fully insured (including accumulated interest) by the National Credit Union Administration or the Federal Deposit Insurance Corporation, you must conduct and document a credit analysis of the issuing entity and/or investment before you purchase the investment. You must update the analysis at least annually as long as you hold the investment.

Retain this report as part of the credit analysis required under Regulation 703.

Financial Soundness Report

Our highest priority will remain the financial strength and safety of the organization and transparency in the reporting of our financial condition. We are grateful to our members for their continued support and for the trust you place in us. If you have any questions, please do not hesitate to contact us.

Fred Eisel, President & CEO
Mark Brown, SVP/CFO

For more information concerning the content in this unaudited financial report, please contact Vizo Financial at (800) 622-7494.



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