

Monthly Financials

Vizo Financial Corporate Credit Union

May 2024 Financials



We are pleased to present Vizo Financial Corporate Credit Union's financial statements and supplementary financial information as of May 31, 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.

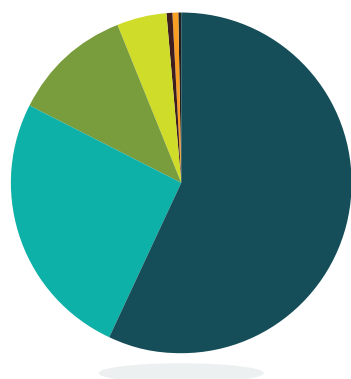
Vizo Financial added \$2,424,240 to retained earnings this month. Vizo Financial's year-to-date net income after PCC distribution for the months ending May 31, 2024, and May 31, 2023, totaled \$11,369,132 and \$29,526,432 respectively. The higher amount for 2023 reflects a recovery of U.S. Central Asset Trust funds that were received in March 2023.

A summary of our unaudited results is presented below.

Income Statement YTD	May 2024	YTD 2024	YTD 2023
Net Interest Income	\$ 5,868,516	\$ 27,602,427	\$ 19,924,876
Net Correspondent Income	1,025,765	4,658,959	4,955,589
Gross Operating Income	6,894,282	32,261,386	24,880,465
Operating Expense	(2,859,404)	(13,890,855)	(13,197,959)
Gain/Loss on Sale of Investments	0	0	(281,763)
Gain/Loss on Other Assets/Goodwill	0	0	(176,447)
CUSO Income	(52,582)	(635,366)	(276,243)
Member Capital Recovery	(386,417)	(386,417)	(1,700,000)
Member Incentive	(250,000)	(1,600,000)	0
USC Distribution	0	0	23,720,772
Net Income Before PCC Distributions	3,345,879	15,748,747	32,968,825
Less: Equity Transfer for PCC Distribution	(921,639)	(4,379,616)	(3,442,393)
Net Contribution to Equity:	\$ 2,424,240	\$ 11,369,132	\$ 29,526,432

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 May 31, 2024



- \$ 3,949 - Federal Reserve
- \$ 1,782 - U.S. Gov't Guaranteed
- \$ 788 - U.S. Gov't Agency
- \$ 328 - Asset-Backed Securities
- \$ 39 - Corporate Bonds
- \$ 22 - CU/Bank Cash Holdings
- \$ 9 - CUSOs
- \$ 5 - Member Loans
- \$ 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).

unaudited financials

Earnings Margin	YTD 2024	YTD 2023
Return on Average Assets	5.338%	4.437%
Interest/Dividend Expense	-4.314%	-3.577%
Net Interest Margin	1.024%	0.860%
Net Correspondent Service Income	0.173%	0.214%
Operating Expenses	-0.515%	-0.570%
Gain/Loss on Sale of Investments	0.000%	-0.012%
Gain/Loss on Other Assets/Goodwill	0.000%	-0.008%
CUSO Income	-0.024%	-0.012%
USC Distribution	0.000%	1.024%
Member Incentive/Capital Recovery	-0.074%	-0.073%
PCC Distributions	-0.162%	-0.149%
Net Margin	0.422%	1.275%

Capital Adequacy	May 2024	May 2023	Adequately / Well Capitalized
RUDE + Acquired Equity Capital/12-Month Average Net Assets	6.37%	5.84%	N/A
Tier 1 (Leverage) Capital/12-Month Average Net Assets	10.03%	9.43%	4% 5%
Total Capital/12-Month Average Net Assets	10.18%	9.58%	N/A
Tier 1 Capital/12-Month Average Risk-Weighted Assets	126.42%	71.39%	4% 6%
Total Capital/12-Month Average Risk-Weighted Assets	128.24%	72.49%	8% 10%
Total Capital	\$ 587,640,371	\$ 549,901,824	
Tier 1 (Leverage) Capital	\$ 579,315,946	\$ 541,573,146	
Tier 2 Capital	\$ 8,324,425	\$ 8,328,678	
Monthly Average Net Assets (DANA)	\$ 6,662,711,677	\$ 5,575,163,671	
Year-to-Date Average Assets	\$ 6,491,326,904	\$ 5,597,124,289	
Average 12-Month Assets	\$ 5,773,045,565	\$ 5,742,241,795	

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

Ending Balances	Feb. 2024	Mar. 2024	Apr. 2024	May 2024
Corporate Assets	\$ 6,551,820,367	\$ 7,475,085,710	\$ 6,704,008,875	\$ 7,018,826,791
Daily Average Net Assets	\$ 6,096,575,182	\$ 6,897,709,125	\$ 6,930,533,693	\$ 6,662,711,677
Daily Average Net Assets YTD	\$ 5,982,840,011	\$ 6,287,796,383	\$ 6,448,480,710	\$ 6,491,326,904
12-Month Rolling DANA	\$ 5,437,160,038	\$ 5,573,777,952	\$ 5,682,416,564	\$ 5,773,045,565
Investments	\$ 2,872,211,371	\$ 2,839,043,864	\$ 2,904,772,561	\$ 2,951,877,316
Loans to Members and Third Parties	\$ 12,175,923	\$ 6,203,679	\$ 12,220,076	\$ 4,780,138
Member Shares	\$ 5,170,696,413	\$ 6,083,628,536	\$ 5,316,333,130	\$ 5,617,952,817
Reserves & Undivided Earnings	\$ 360,556,185	\$ 363,350,980	\$ 365,478,810	\$ 367,903,051

Balance Sheet

Assets	May 2024	May 2023
Investments:		
Investment in CUSOs	\$ 9,253,227	\$ 9,790,678
Investment in FHLB - Stock	4,230,100	3,370,400
Federal Reserve	3,949,130,287	1,868,973,174
Bank and Credit Union Deposits	21,635,301	15,460,908
Asset-Backed Securities - Non-Mortgage	326,614,703	333,112,717
U.S. GSE Securities - Notes	79,467,966	79,385,858
U.S. GSE Securities - CMO	587,243,051	530,051,022
U.S. GSE Securities - MBS	114,275,794	400,357
U.S. Gov't. Agency Securities - GNMA	113,678,188	18,962,128
U.S. Gov't. Agency Securities - SBA	1,560,086,802	1,778,042,706
Corporate Bonds	0	29,935,620
Commercial Paper	39,226,400	0
U.S. Treasuries	96,165,785	406,098,229
Loans	4,780,138	88,551,602
Receivables	38,703,779	50,774,222
Accrued Income/Prepaid Expense	27,470,033	31,527,871
Fixed Assets	5,511,126	7,256,259
Other Assets	41,354,113	39,689,020
Total Assets	\$ 7,018,826,791	\$ 5,291,382,772

Liabilities & Equity	May 2024	May 2023
Other Liabilities	\$ 59,228,750	\$ 62,386,894
Dividends/Interest Payable	13,301,918	6,048,492
Accounts Payable	2,084,050	304,536
Notes Payable	750,000,000	1,000,000,000
Shares	5,330,840,562	3,228,954,081
Certificates	287,112,255	467,368,657
Total Shares	\$ 5,617,952,817	\$ 3,696,322,739
Non-Perpetual Capital Accounts (NCA)	8,332,575	\$ 8,505,410
Perpetual Contributed Capital (PCC)	220,666,123	\$ 216,223,030
Reserves & Undivided Earnings	345,341,051	\$ 312,578,794
Equity Acquired in Merger	22,562,000	\$ 22,562,000
Accumulated Other Comprehensive Loss	(20,642,492)	\$ (33,549,122)
Total Equity	\$ 576,259,256	\$ 526,320,111
Total Liabilities & Equity	\$ 7,018,826,791	\$ 5,291,382,772

unaudited financials

Liquidity Position

Liquidity as of May 31, 2024

Total Available Liquidity Sources	\$ 6,859,840,668
Total Liquidity Uses	\$ (750,000,000)
Net Available Liquidity	\$ 6,109,840,668

Interest Rate Risk

Base/Current Rate Environment

Net Economic Value (NEV):	\$ 581,762,509
NEV Ratio:	8.3%

Regulation 704 Operating Level

Base Plus

Up 300bps Rate Environment

Net Economic Value (NEV):	\$ 532,004,149
NEV Ratio:	7.7%
Percentage Change:	-8.6%

Regulation 704 Limits (+300 bps)

Min Value:	\$ 465,410,007
Min Value:	2.00%
Max NEV Fluctuation:	-20.00%

Down 300bps Rate Environment

Net Economic Value (NEV):	\$ 617,306,125
NEV Ratio:	8.7%
Percentage Change:	6.1%

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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