

# Monthly Financials

Vizo Financial Corporate Credit Union

September 2024 Financials



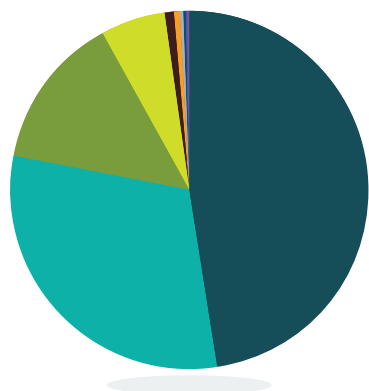
We are pleased to present Vizo Financial Corporate Credit Union's financial statements and supplementary financial information as of September 30, 2024. These pages include information regarding our balance sheet, income statement, asset quality and capital adequacy. We encourage you to share this information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

Vizo Financial added \$2,007,497 to retained earnings this month. Vizo Financial's year-to-date net income after PCC distribution for the months ending September 30, 2024, and September 30, 2023, totaled \$17,269,756 and \$47,259,090, respectively. The higher amount for 2023 reflects a recovery of U.S. Central capital assets of \$36,450,492, \$12.8 million of which was received in September 2023.

A summary of our unaudited results is presented below.

Income Statement YTD	September 2024	YTD 2024	YTD 2023
Net Interest Income	\$ 6,053,874	\$ 49,370,780	\$ 35,997,366
Net Correspondent Income	918,341	8,583,911	11,219,233
Gross Operating Income	6,972,215	57,954,690	47,216,600
Operating Expense	(2,927,940)	(25,864,892)	(24,488,833)
Gain/Loss on Sale of Investments	0	0	(327,750)
Gain/Loss on Other Assets/Goodwill	0	0	(644,780)
CUSO Income	(71,013)	(958,763)	(540,056)
Member Capital Recovery	(507,843)	(2,390,820)	(3,932,086)
Member Incentive	(550,000)	(3,400,000)	0
USC Distribution	0	0	36,450,492
Net Income Before PCC Distributions	2,915,419	25,340,215	53,733,586
Less: Equity Transfer for PCC Distribution	(907,922)	(8,070,459)	(6,474,497)
Net Contribution to Equity:	\$ 2,007,497	\$ 17,269,756	\$ 47,259,090

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 September 30, 2024

- \$ 2,837 - Federal Reserve
- \$ 1,824 - U.S. Gov't Guaranteed
- \$ 818 - U.S. Gov't Agency
- \$ 356 - Asset-Backed Securities
- \$ 40 - Corporate Bonds
- \$ 31 - Member Loans
- \$ 22 - CU/Bank Cash Holdings
- \$ 18 - FHLB Stock
- \$ 9 - CUSOs

\* 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	5.358%	4.602%
Interest/Dividend Expense	-4.308%	-3.716%
<b>Net Interest Margin</b>	<b>1.050%</b>	<b>0.886%</b>
Net Correspondent Service Income	0.183%	0.276%
Operating Expenses	-0.550%	-0.602%
Gain/Loss on Sale of Investments	0.000%	-0.008%
Gain/Loss on Other Assets/Goodwill	0.000%	-0.016%
CUSO Income	-0.020%	-0.013%
USC Distribution	0.000%	0.897%
Member Incentive/Capital Recovery	-0.123%	-0.097%
PCC Distributions	-0.172%	-0.159%
<b>Net Margin</b>	<b>0.367%</b>	<b>1.164%</b>

Capital Adequacy	September 2024	September 2023	Adequately / Well Capitalized
RUDE + Acquired Equity Capital/12-Month Average Net Assets	6.19%	6.34%	NA
Tier 1 (Leverage) Capital/12-Month Average Net Assets	9.71%	10.08%	4%   5%
Total Capital/12-Month Average Net Assets	9.85%	10.23%	NA
Tier 1 Capital/12-Month Average Risk-Weighted Assets	116.05%	90.31%	4%   6%
Total Capital/12-Month Average Risk-Weighted Assets	117.70%	91.65%	8%   10%
<b>Total Capital</b>	<b>\$ 594,122,970</b>	<b>\$ 568,936,901</b>	
Tier 1 (Leverage) Capital	\$ 585,799,962	\$ 560,609,641	
Tier 2 Capital	\$ 8,323,008	\$ 8,327,260	
Monthly Average Net Assets (DANA)	\$ 5,787,214,407	\$ 4,942,441,995	
Year-to-Date Average Assets	\$ 6,281,016,709	\$ 5,435,474,147	
Average 12-Month Assets	\$ 6,034,618,064	\$ 5,563,893,320	

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

Ending Balances	June 2024	July 2024	Aug. 2024	Sept. 2024
Corporate Assets	\$ 6,917,016,778	\$ 5,690,225,638	\$ 6,340,693,738	\$ 6,064,951,448
Daily Average Net Assets	\$ 6,518,676,577	\$ 6,017,955,821	\$ 5,748,669,056	\$ 5,787,214,407
Daily Average Net Assets YTD	\$ 6,495,885,183	\$ 6,427,609,560	\$ 6,342,741,997	\$ 6,281,016,709
12-Month Rolling DANA	\$ 5,868,465,997	\$ 5,921,423,978	\$ 5,964,220,363	\$ 6,034,618,064
Investments	\$ 2,987,711,152	\$ 3,005,029,329	\$ 3,077,535,280	\$ 3,084,359,644
Loans to Members and Third Parties	\$ 10,550,398	\$ 15,894,201	\$ 14,679,733	\$ 30,711,561
Member Shares	\$ 5,494,964,689	\$ 5,006,233,605	\$ 5,674,841,153	\$ 5,118,536,411
Reserves & Undivided Earnings	\$ 370,045,661	\$ 370,914,517	\$ 371,796,178	\$ 373,803,675

## Balance Sheet

Assets	September 2024	September 2023
Investments:		
Investment in CUSOs	\$ 8,929,831	\$ 9,026,866
Investment in FHLB - Stock	17,530,100	4,718,600
Federal Reserve	2,837,236,299	2,256,479,548
Bank and Credit Union Deposits	21,742,101	15,875,526
Asset-Backed Securities - Non-Mortgage	358,296,851	232,724,961
U.S. GSE Securities - Notes	79,627,530	79,417,100
U.S. GSE Securities - CMO	629,119,928	492,327,612
U.S. GSE Securities - MBS	112,278,234	19,916,537
U.S. Gov't. Agency Securities - GNMA	161,373,093	18,057,607
U.S. Gov't. Agency Securities - SBA	1,517,290,888	1,636,637,001
Corporate Bonds	0	19,996,800
Commercial Paper	39,951,600	0
U.S. Treasuries	138,219,487	356,222,674
Loans	30,711,561	62,568,464
Receivables	41,519,014	50,355,370
Accrued Income/Prepaid Expense	30,064,627	28,089,527
Fixed Assets	4,976,752	6,627,889
Other Assets	36,083,551	40,004,972
<b>Total Assets</b>	<b>\$ 6,064,951,448</b>	<b>\$ 5,329,047,054</b>

Liabilities & Equity	September 2024	September 2023
Other Liabilities	\$ 62,855,545	\$ 66,957,516
Dividends/Interest Payable	224,933	9,593,150
Accounts Payable	1,500,374	364,995
Notes Payable	280,000,000	500,000,000
Shares	4,843,547,156	3,805,745,709
Certificates	274,989,255	400,472,205
<b>Total Shares</b>	<b>\$ 5,118,536,411</b>	<b>\$ 4,206,217,914</b>
Non-Perpetual Capital Accounts (NCA)	8,332,575	8,332,575
Perpetual Contributed Capital (PCC)	220,926,118	216,763,055
Reserves & Undivided Earnings	351,241,675	330,311,452
Equity Acquired in Merger	22,562,000	22,562,000
Accumulated Other Comprehensive Loss	(1,228,183)	(32,055,604)
<b>Total Equity</b>	<b>\$ 601,834,185</b>	<b>\$ 545,913,478</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$ 6,064,951,448</b>	<b>\$ 5,329,047,054</b>

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## Liquidity Position

### Liquidity as of September 30, 2024

Total Available Liquidity Sources	\$ 5,765,216,645
Total Liquidity Uses	\$ 280,000,000
Net Available Liquidity	\$ 6,045,216,645

## Interest Rate Risk

Base/Current Rate Environment		Regulation 704 Operating Level	
Net Economic Value (NEV):	\$ 602,635,754	Base Plus	
NEV Ratio:	9.9%		
Up 300bps Rate Environment		Regulation 704 Limits (+300 bps)	
Net Economic Value (NEV):	\$ 551,796,419	Min Value:	\$ 482,108,603
NEV Ratio:	9.2%	Min Value:	2.00%
Percentage Change:	-8.4%	Max NEV Fluctuation:	-20.00%
Down 300bps Rate Environment			
Net Economic Value (NEV):	\$ 638,784,678		
NEV Ratio:	10.5%		
Percentage Change:	6.0%		

## 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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