

National Credit Union Administration



Operating Fund

***Financial Highlights
November 30, 2009***

**Mary Ann Woodson
Chief Financial Officer**

National Credit Union Administration Operating Fund
Financial Highlights
November 30, 2009

Balance Sheet

Overnight Investments decreased \$6.1 million for payment of operating expenses.

Accounts Receivable increased 1.7 million due to the National Credit Union Share Insurance Fund obligation to the Operating Fund for overhead transfer.

Accrued Employee Compensation increased \$2.9 million due to the accrual for 6 days at the end of November versus 5 days in the previous month. On the first working day of the month, accruals are reversed.

Other Current Liabilities decreased \$6.2 million as a result of deferred operating fee income that will be recognized evenly over the remaining calendar period.

Statement of Revenue and Expenses

Net income for the month was \$179,000 lower than planned due to all employee pay, employee benefits and employee travel being over budget.

Statement of Cash Flow

Cash decreased by \$6.1 million for the month, reflecting payments for operating expenses, notes payable, and fixed assets in excess of receipts from interest and other income.

Budget (Year-to-Date)

Agency spending was under budget by \$8.7 million or 5.3 percent. Employee Pay was over budget by \$2.1 million due to accruals that will be reversed in December; the final year-end figure will likely be slightly under budget. The remaining variance was derived mainly from travel, administrative, and contracted services.

Vacancies

The agency had 17 vacancies as of November 21, 2009. Of the 17 vacancies, there were 23 in the central office, 13 in the regional offices and AMAC, and a net over-hire of 19 vacancies in the field staff. The vacancies represent 1.7 percent of total authorized staff of 1,023.05.

National Credit Union Administration Operating Fund
Balance Sheets & Changes in Fund Balance
November 30, 2009

	November 2008	October 2009	November 2009
ASSETS			
ASSETS:			
Current Assets			
Cash	\$ 100,290.83	\$ 100,842.71	\$ 102,683.54
Overnight Investments	29,174,000.00	32,633,000.00	26,506,000.00
Accounts Receivable	1,047,432.48	2,798,986.30	4,484,614.71
Interest Receivable	0.00	0.00	0.00
Prepaid Expenses	665,126.14	2,991,861.80	2,991,861.80
Home Purchase Program	517,500.00	915,570.00	915,570.00
Other	117,278.00	165,709.55	645,993.50
<i>Total Current Assets</i>	31,621,627.45	39,605,970.36	35,646,723.55
Property, Plant, and Equipment			
Land	3,946,263.95	3,946,263.95	3,946,263.95
Buildings	25,766,113.00	25,007,223.89	24,931,984.15
Capital Lease	313,941.30	43,306.00	41,928.00
Equipment	1,398,939.00	3,994,515.00	3,858,655.00
Assets Under Construction	1,154,301.24	3,159,726.62	3,159,726.62
<i>Total Property, Plant, and Equipment</i>	32,579,558.49	36,151,035.46	35,938,557.72
TOTAL ASSETS	\$ 64,201,185.94	\$ 75,757,005.82	\$ 71,585,281.27
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Current Liabilities			
Accounts Payable	\$ 1,446,661.46	\$ 1,315,203.62	\$ 786,935.65
Accrued Employee Compensation	12,933,517.88	14,282,381.69	17,133,921.60
Other Current Liabilities	6,306,129.15	14,041,971.12	7,803,058.36
<i>Total Current Liabilities</i>	20,686,308.49	29,639,556.43	25,723,915.61
Non-Current Liabilities			
Notes Payable	19,890,573.76	18,661,381.07	18,549,636.28
Other	451,350.68	176,092.42	174,517.81
<i>Total Non-Current Liabilities</i>	20,341,924.44	18,837,473.49	18,724,154.09
TOTAL LIABILITIES	41,028,232.93	48,477,029.92	44,448,069.70
FUND BALANCE:			
Unappropriated	22,172,953.01	26,279,975.90	26,137,211.57
Appropriated	1,000,000.00	1,000,000.00	1,000,000.00
TOTAL FUND BALANCE	23,172,953.01	27,279,975.90	27,137,211.57
TOTAL LIABILITIES AND FUND BALANCE	\$ 64,201,185.94	\$ 75,757,005.82	\$ 71,585,281.27

National Credit Union Administration Operating Fund
Statement of Revenue & Expenses
November 30, 2009

	November 2009 Monthly Actual	November 2009 Monthly Budget	November 2009 Year-To-Date Actual	November 2009 Year-To-Date Budget	November 2008 Year-To-Date Actual
REVENUE:					
Interest Income	\$ 1,429.64	\$ 83,333.33	\$ 40,108.83	\$ 916,666.67	\$ 772,356.54
Program-related Income	6,733,924.00	6,773,333.33	74,154,357.10	74,506,666.67	66,525,524.72
Other Income	17,181.38	25,000.00	277,411.26	275,000.00	179,721.29
Total Revenue	6,752,535.02	6,881,666.67	74,471,877.19	75,698,333.33	67,477,602.55
EXPENSES:					
Employee Pay	4,395,657.24	3,889,761.02	42,833,918.17	42,783,044.80	40,754,208.14
Employee Benefits	1,124,316.51	1,119,359.68	11,005,965.34	12,277,116.13	10,706,749.05
Employee Travel	804,372.93	773,882.87	7,388,686.55	8,736,566.30	6,747,009.05
Rent/Communications/Utilities	166,867.42	162,388.43	1,618,716.02	1,832,334.43	1,613,145.80
Administrative Costs	139,839.97	492,707.28	3,940,689.14	5,014,288.99	3,872,706.12
Contracted Services	264,245.28	406,926.35	3,080,858.08	4,682,699.72	2,995,136.60
Total Expenses	6,895,299.35	6,845,025.64	69,868,833.30	75,326,050.37	66,688,954.76
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (142,764.33)	\$ 36,641.02	\$ 4,603,043.89	\$ 372,282.96	\$ 788,647.79

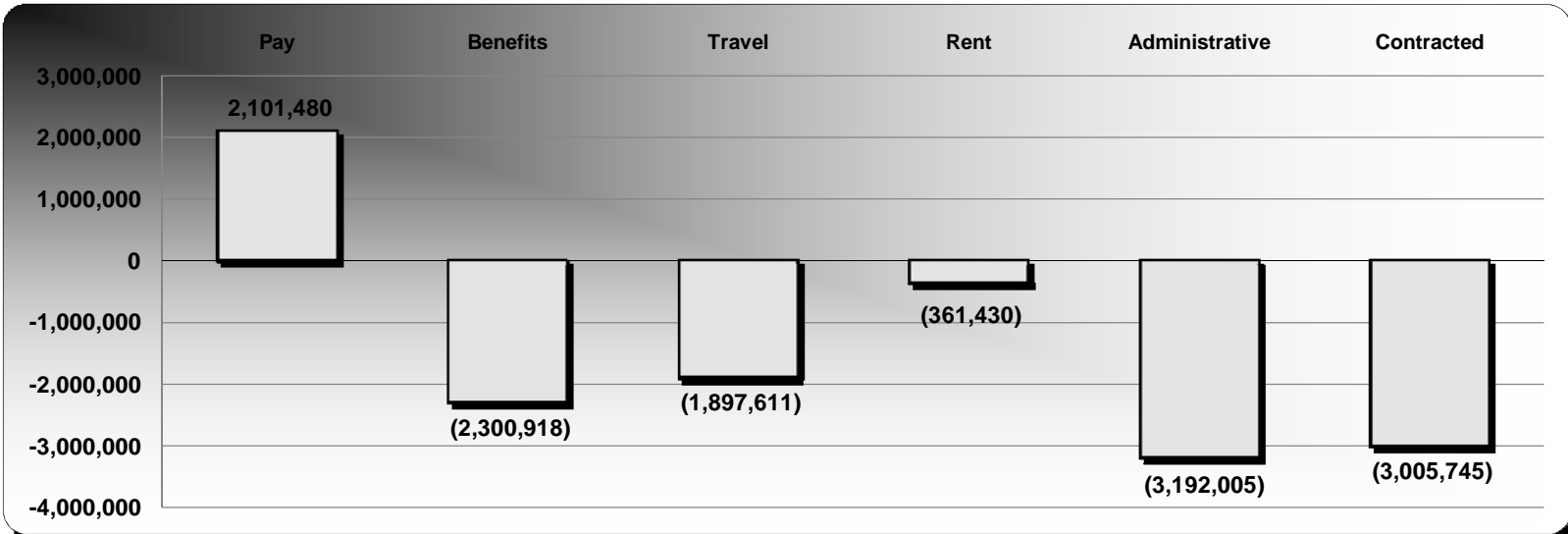
National Credit Union Administration Operating Fund
Statement of Cash Flow
November 30, 2009

	Month November 2008	Month November 2009	Y-T-D November 2008	Y-T-D November 2009
CASH FLOWS FROM OPERATING ACTIVITIES:				
Income from operating fees	\$ 2,740.95	\$ -	\$ 72,424,381.21	\$ 83,811,547.13
Interest received from cash and cash equivalents	3,087.43	1,429.64	772,356.54	40,108.83
Other income received	20,168.10	17,181.38	179,721.29	277,411.26
(Cash paid for operating expenses)	(6,790,587.94)	(6,003,448.53)	(64,577,975.02)	(71,457,632.09)
Net cash (used) in operating activities	(6,764,591.46)	(5,984,837.51)	8,798,484.02	12,671,435.13
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds (purchases) of fixed assets	(45,088.79)	(26,862.26)	(1,308,652.40)	(4,978,148.10)
Proceeds (purchases) home purchase program	223,705.50	0.00	160,537.53	(703,513.31)
Net cash (used) in investing activities	178,616.71	(26,862.26)	(1,148,114.87)	(5,681,661.41)
CASH FLOWS FROM FINANCING ACTIVITIES:				
(Repayments) of notes payable	(111,744.79)	(111,744.79)	(1,229,192.69)	(1,229,192.69)
(Capital lease payments)	(3,608.20)	(1,714.61)	(1,322,374.18)	(744,236.31)
Net cash (used) in financing activities	(115,352.99)	(113,459.40)	(2,551,566.87)	(1,973,429.00)
NET INCREASE (DECREASE) IN CASH	(6,701,327.74)	(6,125,159.17)	5,098,802.28	5,016,344.72
Cash and cash equivalents at beginning of period	3,575,618.57	32,733,842.71	24,175,488.55	21,592,338.82
Cash and cash equivalents at end of period	\$ (3,125,709.17)	\$ 26,608,683.54	\$ 29,274,290.83	\$ 26,608,683.54
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Net income (loss)	\$ 266,369.80	\$ (142,764.33)	\$ 788,647.79	\$ 4,603,043.89
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	265,508.00	239,340.00	2,941,776.42	2,438,857.86
Unrealized (gain) loss	0.00	0.00	141,345.49	0.00
(Gain) loss on disposal of fixed assets	0.00	0.00	0.00	0.00
(Gain) loss on disposal of homes	33,561.11	0.00	181,451.05	305,443.31
Interest expense on leases	0.00	0.00	16,292.21	0.00
Miscellaneous allowances	0.00	0.00	0.00	(0.00)
Change in current assets and liabilities				
(Increase) decrease in assets:				
SIF repayment of Operating Fund for leases	0.00	0.00	360,235.88	90,058.97
Accounts receivable	(869,785.43)	(1,685,628.41)	(466,352.18)	(3,940,014.71)
Interest receivable	0.00	0.00	0.00	0.00
Prepaid expenses	85,522.85	0.00	132,937.10	663,180.27
Other assets	1,405.00	(480,283.95)	(117,278.00)	(645,893.50)
Increase (decrease) in liabilities:				
Accounts payable	(1,279,598.97)	(528,267.97)	(1,484,942.50)	(2,594,266.67)
Accrued employee compensation	391,988.66	2,851,539.91	(330,555.35)	3,643,841.54
Other non current liabilities	(839.99)	140.00	(1,920.66)	380,677.20
Other current liabilities	(5,658,722.49)	(6,238,912.76)	6,270,546.77	7,726,506.97
Total adjustments	(7,030,961.26)	(5,842,073.18)	7,643,536.23	8,068,391.24
Net cash (used) in operating activities	\$ (6,764,591.46)	\$ (5,984,837.51)	\$ 8,432,184.02	\$ 12,671,435.13

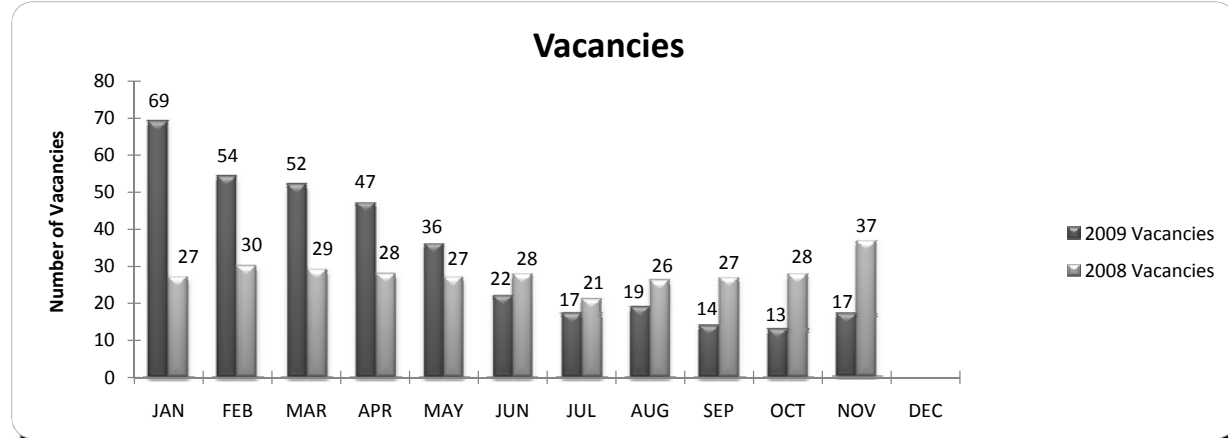
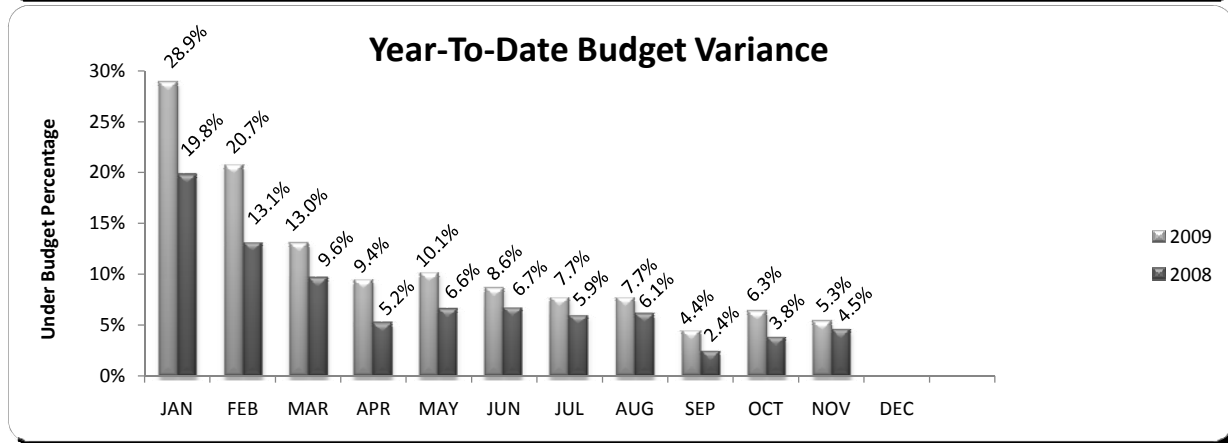
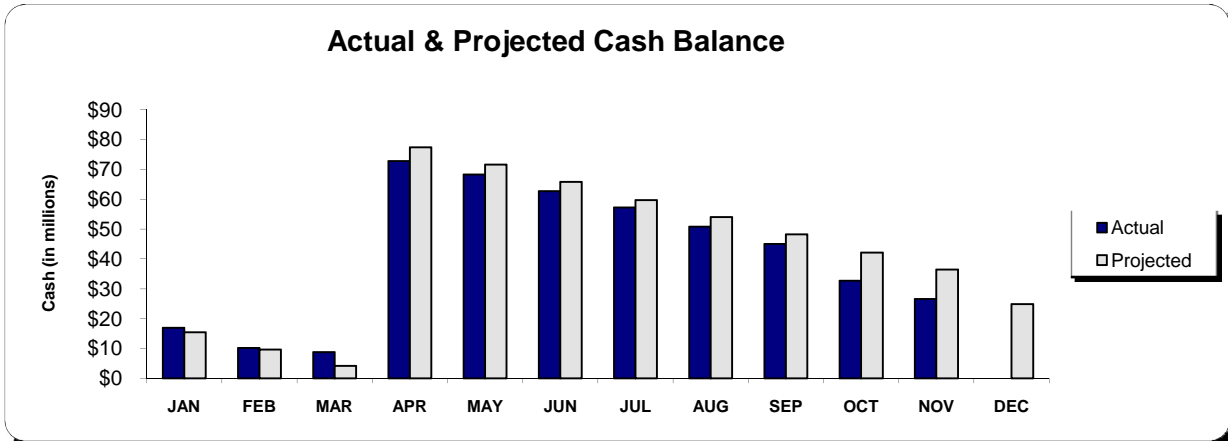
**National Credit Union Administration Operating Fund
(Before Overhead Transfer)
Year-To-Date Budget Report Analysis
November 30, 2009**

	2009				2008			
	BUDGET	ACTUAL	DIFFERENCE	% DIFF	BUDGET	ACTUAL	DIFFERENCE	% DIFF
Employee Pay	92,613,358	94,714,838	2,101,480	2.3%	84,007,006	84,904,600	897,594	1.1%
Benefits	26,651,421	24,350,503	(2,300,918)	-8.6%	23,909,099	22,305,727	(1,603,372)	-6.7%
Travel	18,425,782	16,528,170	(1,897,611)	-10.3%	15,187,143	14,056,269	(1,130,874)	-7.4%
Rent, Communications, & Utilities	3,866,393	3,504,962	(361,430)	-9.3%	3,747,779	3,360,720	(387,059)	-10.3%
Administrative	11,731,125	8,539,120	(3,192,005)	-27.2%	10,190,239	8,068,138	(2,122,101)	-20.8%
Contracted Services	9,688,723	6,682,978	(3,005,745)	-31.0%	8,373,256	6,239,868	(2,133,388)	-25.5%
TOTAL	162,976,801	154,320,571	(8,656,230)	-5.3%	145,414,523	138,935,322	(6,479,200)	-4.5%

**Amount Over (Under) Budget
November 30, 2009**



National Credit Union Administration Operating Fund
Graphs and Ratios
November 30, 2009



Ratios

	November 2008	November 2009
Retained earnings / Total assets	36.09%	37.91%
Monthly interest income to average investments (annualized)	0.10%	0.05%
YTD Travel per full-time equivalent, before overhead transfer, (annualized)	\$ 17,739	\$ 18,323
Net year to date cash inflow (outflow) in millions of dollars	\$ 5.1	\$ 5.0
Cash and Overnight investments / Total assets	45.6%	37.2%