

National Credit Union Administration



Operating Fund

***Financial Highlights
January 31, 2013***

For 

**Mary Ann Woodson
Chief Financial Officer**

NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

FINANCIAL HIGHLIGHTS AS OF JANUARY 31, 2013

Balance Sheets

Cash and cash equivalents had a month-end balance of approximately \$34.1 million. Its balance decreased \$2.4 million in the month primarily for the payment of operating expenses. The cash position is considered to be sufficient to cover current and future obligations of the Fund.

Statements of Revenues, Expenses, and Changes in Fund Balance

Net income for the month was \$1,675,000 and net income year to date was \$1,675,000. Interest income on overnight investments has averaged 0.07% during the year, versus 0.03% during the same period last year.

Statements of Cash Flow

The cash position decreased \$2.4 million since last month. Operating activities generated the major portion of the net change in cash. Also, \$15,000 was invested in new capital assets and \$112,000 in cash was used to reduce or repay the NCUSIF note payable long-term liability, which has a balance of \$14.3 million on the balance sheet.

Budget (Year-to-Date)

Agency spending was under the year-to-date budget by \$5.9 million or 27.0 percent, compared to being under the year-to-date budget by approximately \$5.1 million or 25.8 percent during the same period last year. Of the total variance, employee pay and benefits was under budget by \$1.2 million or 7.4%, travel was under budget by \$1.8 million or 75.7%, and the remaining expense categories combined were under budget by \$2.9 million or 88.6%.

The average annualized travel spend per FTE has been \$5,725 this year, which is \$2,041 more than last year.

Vacancies

The Agency had 80 vacancies as of this month -- up 10 from the prior month. Of the 80 vacancies, 42 were in the central office and 38 were in the regions and AMAC. The 80 vacancies represent 6.3% percent of total authorized staff of 1,261.50.

NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

BALANCE SHEETS

AS OF JANUARY 31, 2013 AND JANUARY 31, 2012

(Dollars in thousands)

	1/31/2013	12/31/2012	1/31/2012
ASSETS			
CASH AND CASH EQUIVALENTS	\$ 34,121	\$ 36,521	\$ 32,206
DUE FROM NATIONAL CREDIT UNION SHARE INSURANCE FUND	-	2,040	-
EMPLOYEE ADVANCES	20	25	123
OTHER ACCOUNTS RECEIVABLE , Net	7,956	211	8,020
PREPAID EXPENSES AND OTHER ASSETS	964	1,055	1,092
ASSETS HELD FOR SALE	276	854	397
FIXED ASSETS — Net of accumulated depreciation of \$27,425 as of January 31, 2013	31,273	31,464	31,452
INTANGIBLE ASSETS — Net of accumulated amortization of \$10,982 as of January 31, 2013	<u>5,011</u>	<u>5,232</u>	<u>7,085</u>
TOTAL	<u>\$ 79,621</u>	<u>\$ 77,402</u>	<u>\$ 80,375</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable	\$ 4,161	\$ 4,604	\$ 5,826
Obligations under capital leases	78	78	58
Accrued wages and benefits	11,972	10,178	10,571
Accrued annual leave	13,832	13,832	12,699
Accrued employee travel	-	695	-
Note payable to National Credit Union Share Insurance Fund	<u>14,303</u>	<u>14,415</u>	<u>15,644</u>
Total Liabilities	44,346	43,802	44,798
COMMITMENTS AND CONTINGENCIES			
FUND BALANCE	<u>35,275</u>	<u>33,600</u>	<u>35,577</u>
TOTAL	<u>\$ 79,621</u>	<u>\$ 77,402</u>	<u>\$ 80,375</u>

NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FOR THE PERIODS ENDED JANUARY 31, 2013 AND JANUARY 31, 2012 (Dollars in thousands)

	YEAR-TO-DATE		MONTH	
	2013	2012	2013	2012
REVENUES:				
Operating fees	\$ 7,806	\$ 7,420	\$ 7,806	\$ 7,420
Interest	2	1	2	1
Other	<u>140</u>	<u>65</u>	<u>140</u>	<u>65</u>
Total Revenues	7,948	7,486	7,948	7,486
EXPENSES, NET:				
Employee wages and benefits, net	5,901	5,428	5,901	5,428
Travel	217	135	217	135
Rent, communications, and utilities	27	107	27	107
Contracted services	(44)	171	(44)	171
Depreciation and amortization	427	476	427	476
Administrative	<u>(255)</u>	<u>(287)</u>	<u>(255)</u>	<u>(287)</u>
Total Expenses	<u>6,273</u>	<u>6,030</u>	<u>6,273</u>	<u>6,030</u>
EXCESS OF REVENUES OVER / (UNDER) EXPENSES	1,675	1,456	1,675	1,456
FUND BALANCE—Beginning of period	<u>33,600</u>	<u>34,121</u>	<u>33,600</u>	<u>34,121</u>
FUND BALANCE—End of period	<u>\$ 35,275</u>	<u>\$ 35,577</u>	<u>\$ 35,275</u>	<u>\$ 35,577</u>

NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED JANUARY 31, 2013 AND JANUARY 31, 2012 (Dollars in thousands)

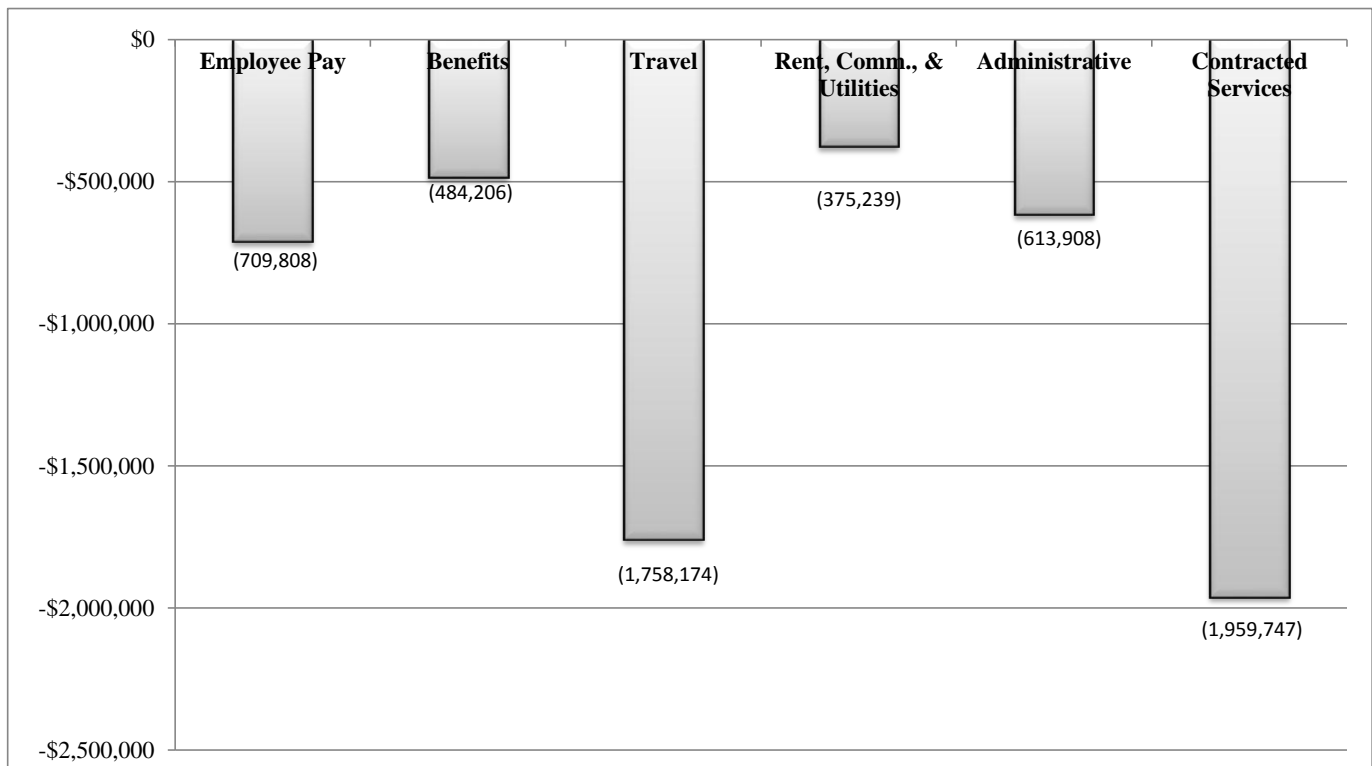
	YEAR-TO-DATE		MONTH	
	2013	2012	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:				
Excess of revenues over expenses	\$ 1,675	\$ 1,456	\$ 1,675	\$ 1,456
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:				
Depreciation and amortization	427	476	427	476
Provision for loss on disposal of employee residences held for sale	-	-	-	-
(Gain) loss on fixed asset retirements	-	-	-	-
(Increase) decrease in assets:				
Due from National Credit Union Share Insurance Fund	2,040	1,182	2,040	1,182
Employee advances	5	(80)	5	(80)
Other accounts receivable	(7,745)	(7,135)	(7,745)	(7,135)
Prepaid expenses and other assets	91	(77)	91	(77)
(Decrease) increase in liabilities:				
Accounts payable	(443)	(1,248)	(443)	(1,248)
Accrued wages and benefits	1,794	1,276	1,794	1,276
Accrued annual leave	-	-	-	-
Accrued employee travel	(695)	(628)	(695)	(628)
Net cash used by operating activities	<u>(2,851)</u>	<u>(4,778)</u>	<u>(2,851)</u>	<u>(4,778)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of fixed and intangible assets	(15)	114	(15)	114
Proceeds from insurance on fixed assets	-	-	-	-
Purchases of employee residences held for sale	-	-	-	-
Proceeds from sale of employee residences held for sale	578	-	578	-
Net cash provided by investing activities	<u>563</u>	<u>114</u>	<u>563</u>	<u>114</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of note payable to National Credit Union Share Insurance Fund	(112)	(112)	(112)	(112)
Principal payments under capital lease obligations	-	-	-	-
Net cash used by financing activities	<u>(112)</u>	<u>(112)</u>	<u>(112)</u>	<u>(112)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,400)	(4,776)	(2,400)	(4,776)
CASH AND CASH EQUIVALENTS—Beginning of period	<u>36,521</u>	<u>36,982</u>	<u>36,521</u>	<u>36,982</u>
CASH AND CASH EQUIVALENTS—End of period	<u>\$ 34,121</u>	<u>\$ 32,206</u>	<u>\$ 34,121</u>	<u>\$ 32,206</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES				
Acquisition of equipment under capital lease	\$ -	\$ -	\$ -	\$ -
Cash Payments for Interest	<u>\$ 22</u>	<u>\$ 27</u>	<u>\$ 22</u>	<u>\$ 27</u>

**NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND**

**YEAR-TO-DATE BUDGET REPORT ANALYSIS (BEFORE OVERHEAD TRANSFER RATE)
AS OF JANUARY 31, 2013 AND JANUARY 31, 2012**

	2013				2012			
	BUDGET	ACTUAL	DIFF	%	BUDGET	ACTUAL	DIFF	%
Employee Pay	11,789,783	11,079,976	(709,808)	-6.0%	10,852,260	10,616,893	(235,367)	-2.2%
Benefits	4,389,642	3,905,436	(484,206)	-11.0%	3,545,922	3,205,425	(340,497)	-9.6%
Travel	2,321,815	563,641	(1,758,174)	-75.7%	2,255,480	360,587	(1,894,893)	-84.0%
Rent, Comm., & Utilities	441,166	65,928	(375,239)	-85.1%	456,532	219,130	(237,402)	-52.0%
Administrative	1,034,472	420,564	(613,908)	-59.3%	1,121,599	9,243	(1,112,356)	-99.2%
Contracted Services	1,851,362	(108,385)	(1,959,747)	-105.9%	1,669,722	363,662	(1,306,060)	-78.2%
TOTAL	21,828,241	15,927,159	(5,901,082)	-27.0%	19,901,515	14,774,940	(5,126,575)	-25.8%

Amount Over (Under) Budget

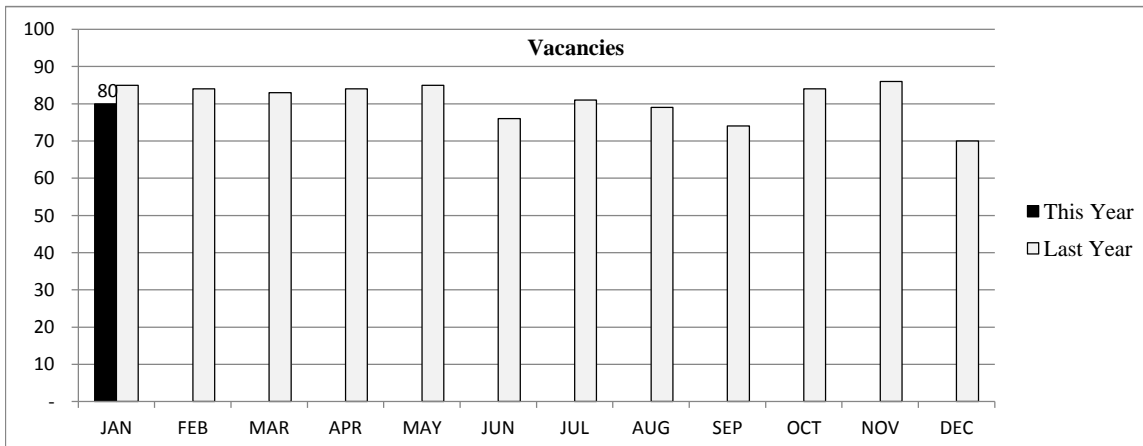
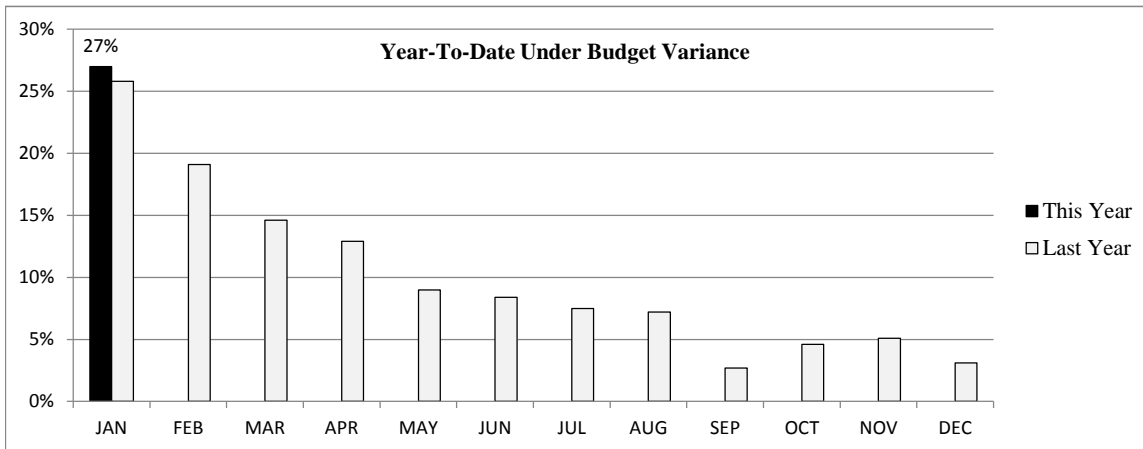
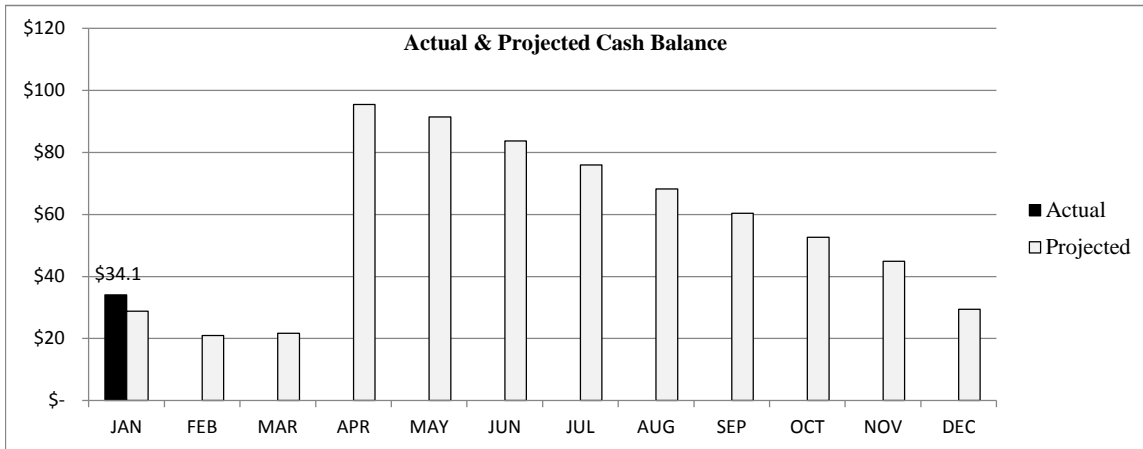


Budget amounts reflects mid-session adjustments.

**NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND**

GRAPHS AND RATIOS

AS OF JANUARY 31, 2013 AND JANUARY 31, 2012



	1/31/2013	1/31/2012
Retained earnings / Total assets	44.30%	44.26%
YTD interest income to average investments (annualized)	0.07%	0.03%
Annualized travel spend per employee	\$5,725	\$3,684
Net year to date cash inflow (outflow) in millions of dollars	(\$2)	(\$5)
Cash and overnight investments / Total assets	42.85%	40.07%
Overhead transfer rate	59.10%	59.30%