

# NATIONAL CREDIT UNION SHARE INSURANCE FUND



## PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

April 30, 2019

A handwritten signature in blue ink, appearing to read 'Rendell L. Jones', is positioned above the printed name and title.

**RENDELL L. JONES**  
**CHIEF FINANCIAL OFFICER**

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## MANAGEMENT OVERVIEW

April 30, 2019

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### Balance Sheet

Insurance and Guarantee Program Liabilities Reserves are \$155.4 million as of April 30, 2019; \$44.6 million is for specific reserves for natural person credit unions, and \$110.8 million is for general reserves.

There is no Insurance and Guarantee Program Liability for the Corporate System Resolution Program (CSRP) as of April 30, 2019.

On March 7, 2019, the NCUA Board approved a \$160.1 million Share Insurance distribution, which will be paid in the form of a dividend in May, 2019.

### Statement of Net Cost

For the month ended April 30, 2019, the fund had net income of \$13.2 million. The fund recognized gross revenues of \$26.9 million and total operating expenses of \$13.5 million. The fund recognized an insurance loss expense of \$0.2 million during the month of April 2019.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**BALANCE SHEETS**  
**As of April 30, 2019 and 2018**  
**(Dollars in thousands)**

	<u>April 2019</u>	<u>April 2018</u>
<b>ASSETS</b>		
<b>INTRAGOVERNMENTAL</b>		
Fund Balance with Treasury	\$ 6,194	\$ 3,162
Investments, Net U.S. Treasury Securities	15,266,210	16,189,279
Accrued Interest Receivable - Investments	84,200	75,952
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	577	47
Note Receivable - Note due from the National Credit Union Administration Operating Fund	<u>5,922</u>	<u>7,263</u>
Total Intragovernmental Assets	<u>15,363,103</u>	<u>16,275,703</u>
<b>PUBLIC</b>		
Accounts Receivable - Due from Credit Unions	1,165	3,691
Advances	993	1,092
Accounts Receivable - Guarantee Fee on NCUA Guarantee Notes	1,009	1,207
General Property, Plant and Equipment, Net	152	364
Other - Receivable from Asset Management Estates, Net - NPCU AMEs	418,382	14,927
Other - Receivable from Asset Management Estates, Net - Corporate AMEs	<u>297,223</u>	<u>323,850</u>
Total Public Assets	<u>718,924</u>	<u>345,131</u>
<b>TOTAL ASSETS</b>	<u>\$ 16,082,027</u>	<u>\$ 16,620,834</u>
<b>LIABILITIES</b>		
<b>INTRAGOVERNMENTAL</b>		
Accounts Payable - Due to the National Credit Union Administration Operating Fund	<u>\$ 99</u>	<u>\$ 132</u>
Total Intragovernmental Liabilities	<u>99</u>	<u>132</u>
<b>PUBLIC</b>		
Accounts Payable and Other Liabilities	351	2,554
Dividends to Insured Credit Unions Payable	160,099	735,679
Capital Lease Liability	119	-
Other - Insurance and Guarantee Program Liabilities (Reserves)	155,378	935,766
Other - Insurance and Guarantee Program Liabilities (CSRP)	<u>-</u>	<u>-</u>
Total Public Liabilities	<u>315,947</u>	<u>1,673,999</u>
<b>TOTAL LIABILITIES</b>	<u>316,046</u>	<u>1,674,131</u>
<b>NET POSITION</b>		
Contributed Capital	11,412,003	10,875,662
Cumulative Result of Operations	<u>4,353,978</u>	<u>4,071,041</u>
Total Net Position	<u>15,765,981</u>	<u>14,946,703</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 16,082,027</u>	<u>\$ 16,620,834</u>

\* Other-Receivable from Asset Management Estates, Net line items are generally updated quarterly.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**  
**STATEMENTS OF NET COST, INCLUDING NON-EXCHANGE REVENUES**  
**For the Periods Ending April 30, 2019 and 2018**  
**(Dollars in thousands)**

	April 2019	Year-to-Date April 2019	Year-to-Date April 2018
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES <sup>(1)</sup></b>			
Employee Pay	7,924	\$ 31,100	\$ 31,394
Employee Benefits	3,112	12,222	12,344
Travel	1,225	3,674	3,741
Rent, Communications and Utilities	16	1,113	912
Administrative Costs	959	3,682	2,966
Contracted Services	185	6,900	6,864
Training Expense	107	319	196
Leasing Expense	5	63	199
Other Insurance Expense	3	12	12
Total Operating Costs	13,536	59,085	58,628
<b>INSURANCE LOSS EXPENSE</b>	198	18,851	(4,282)
Total Gross Costs	13,734	77,936	54,346
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(10)	(40)	(40)
Guarantee Fee Revenue - NCUA Guaranteed Notes	(1,261)	(4,944)	(6,108)
Other Gains	-	-	-
Other (Revenue) / Expense	(48)	(292)	(905)
Total Exchange Revenues	(1,319)	(5,276)	(7,053)
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	12,415	72,660	47,293
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	(25,614)	(101,914)	(89,719)
Gain on Sales of Investments	-	-	-
Total Non-Exchange Revenues	(25,614)	(101,914)	(89,719)
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	\$ (13,199)	\$ (29,254)	\$ (42,426)

<sup>(1)</sup> Share Insurance Fund operating expenses are an allocation of total NCUA operating expenses, as determined by the overhead transfer rate set by the Board of 60.5% and 61.5% for 2019 and 2018, respectively.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**STATEMENTS OF NET POSITION**

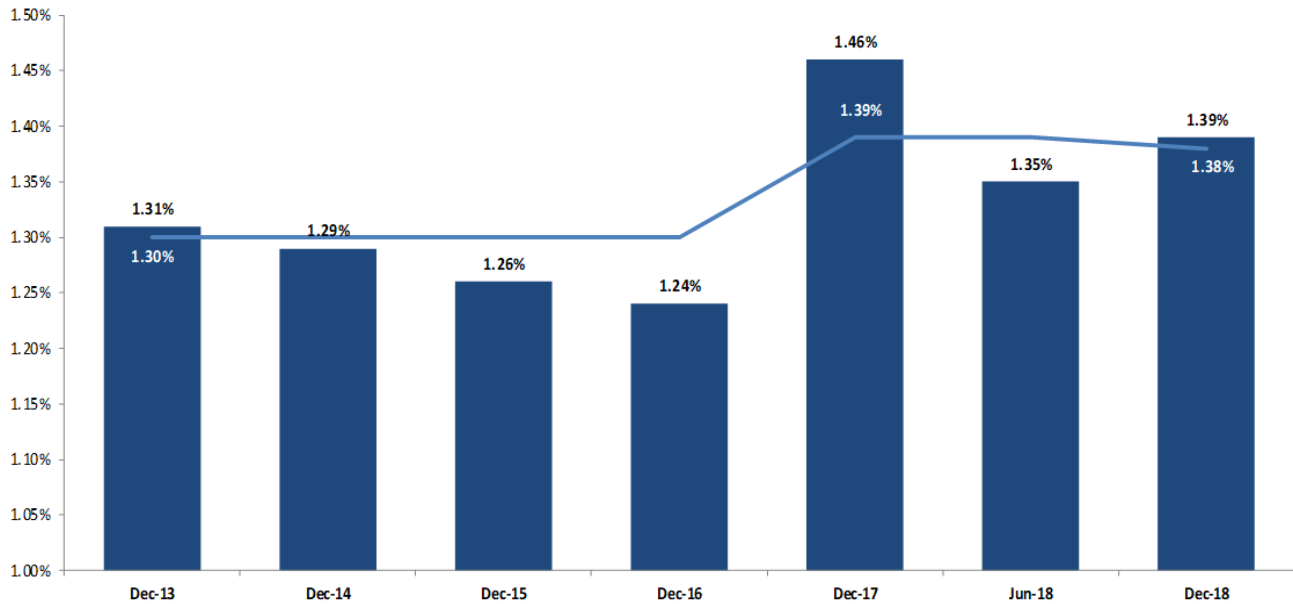
As of April 30, 2019 and 2018

(Dollars in thousands)

<b>NET POSITION BREAKDOWN</b>	<b>April 2019</b>	<b>April 2018</b>
Credit Union Contributed Capital	\$ 11,412,003	\$ 10,875,662
Retained Earnings	4,447,812	4,394,564
Total Net Position without Unrealized Gain/(Loss)	15,859,815	15,270,226
Unrealized Gain/(Loss) - Investments	(93,835)	(323,523)
<b>NET POSITION</b>	<b>\$ 15,765,980</b>	<b>\$ 14,946,703</b>

## NCUSIF Equity Ratio

### CY 2013 – CY 2018



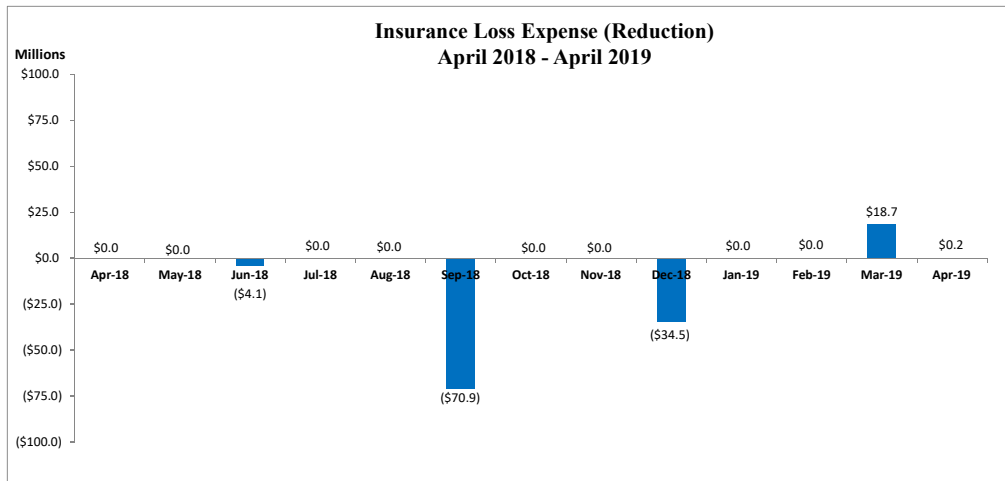
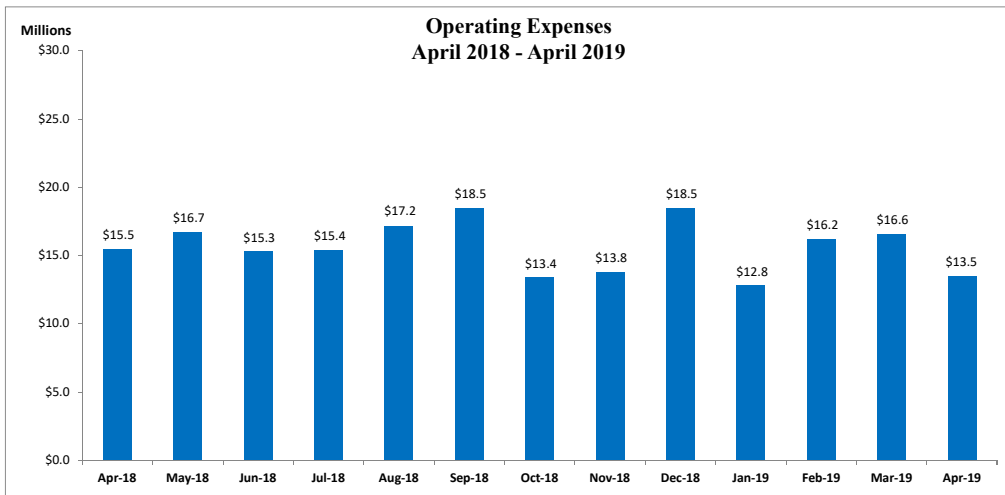
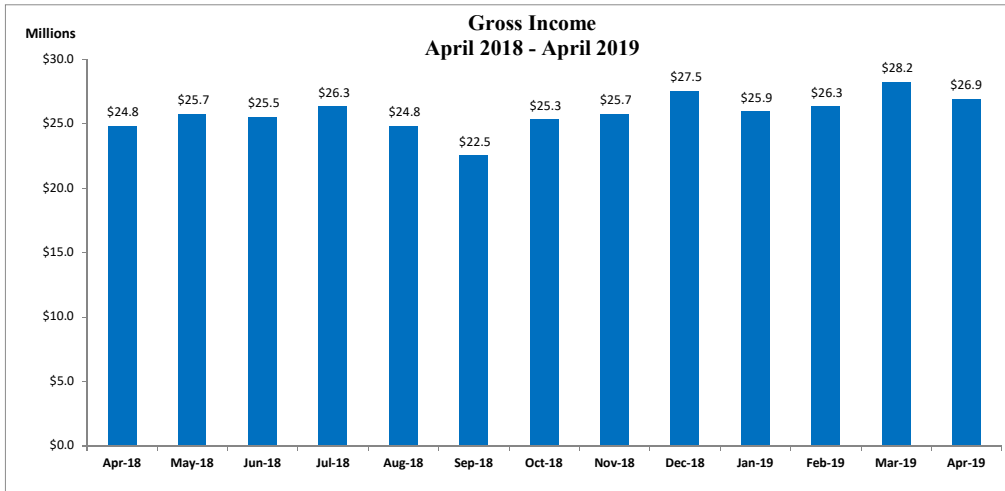
\* The blue line represents the Normal Operating Level over the time period represented on the slide.

The balances in the statement above are preliminary and unaudited.

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## STATISTICAL INFORMATION

April 30, 2019



The information provided in the supporting statement above is preliminary and unaudited.

**INVESTMENT PORTFOLIO SUMMARY**

April 30, 2019

<b>I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)</b>																											
	<b>Book Value</b>		<b>Market Value</b>		<b>Unrealized Gain or (Loss)</b>	<b>% Market to Book Value</b>	<b>Weighted Average Yield</b>																				
Daily Treasury Account	\$	1,420,257,000	\$	1,420,257,000	\$ -	100.00%	2.45%																				
U.S. Treasury Notes		13,939,787,729		13,845,953,125	(93,834,604)	99.33%	1.98%																				
<b>Total</b>	<b>\$</b>	<b>15,360,044,729</b>	<b>\$</b>	<b>15,266,210,125</b>	<b>\$ (93,834,604)</b>	<b>99.39%</b>	<b>2.03%</b>																				
<b>II. INVESTMENT PORTFOLIO SUMMARY</b>																											
	<b>Last Month</b>		<b>Current Month</b>		<b>CY To Date</b>																						
Investment Yield		2.02%		2.03%	2.02%																						
Investment Income	\$	26,469,463	\$	25,613,519	\$ 101,913,978																						
Weighted Avg. Maturity in Days		790		758																							
<b>III. MONTHLY ACTIVITY</b>																											
<b>Purchased</b>	<b>Type</b>		<b>Amount</b>		<b>Maturity</b>		<b>Yield</b>																				
<b>TOTAL</b>																											
			\$		-																						
<b>IV. MATURITY SCHEDULE (par value in millions)</b>																											
<b>TOTAL</b>		\$		15,320																							
<table border="1"> <caption>Maturing Investment Balance (Millions)</caption> <thead> <tr> <th>Maturity Bucket</th> <th>Balance (Millions)</th> </tr> </thead> <tbody> <tr> <td>Overnight</td> <td>1,420</td> </tr> <tr> <td>1m-6m</td> <td>1,850</td> </tr> <tr> <td>6m-1yr</td> <td>1,900</td> </tr> <tr> <td>1yr-2yr</td> <td>3,950</td> </tr> <tr> <td>2yr-3yr</td> <td>1,750</td> </tr> <tr> <td>3yr-4yr</td> <td>1,650</td> </tr> <tr> <td>4yr-5yr</td> <td>1,550</td> </tr> <tr> <td>5yr-6yr</td> <td>700</td> </tr> <tr> <td>6yr-7yr</td> <td>550</td> </tr> </tbody> </table>								Maturity Bucket	Balance (Millions)	Overnight	1,420	1m-6m	1,850	6m-1yr	1,900	1yr-2yr	3,950	2yr-3yr	1,750	3yr-4yr	1,650	4yr-5yr	1,550	5yr-6yr	700	6yr-7yr	550
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