

# NATIONAL CREDIT UNION SHARE INSURANCE FUND



**PRELIMINARY & UNAUDITED  
FINANCIAL HIGHLIGHTS  
March 31, 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

March 31, 2019

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### **Balance Sheet**

Insurance and Guarantee Program Liabilities Reserves are \$155.2 million as of March 31, 2019; \$44.4 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 March 31, 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 during the second quarter of 2019.

### **Statement of Net Cost**

For the month ended March 31, 2019, the fund had a net loss of \$7.1 million. The fund recognized gross revenues of \$28.2 million and total operating expenses of \$16.6 million. The fund recognized an insurance loss expense of \$18.7 million during the month of March 2019.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**BALANCE SHEETS**  
**As of March 31, 2019 and 2018**  
**(Dollars in thousands)**

	<u>March 2019</u>	<u>March 2018</u>
<b>ASSETS</b>		
<b>INTRAGOVERNMENTAL</b>		
Fund Balance with Treasury	\$ 4,548	\$ 3,164
Investments, Net U.S. Treasury Securities	15,214,879	16,132,382
Accrued Interest Receivable - Investments	75,744	70,187
Note Receivable - Note due from the National Credit Union Administration Operating Fund	<u>6,034</u>	<u>7,375</u>
Total Intragovernmental Assets	<u>15,301,205</u>	<u>16,213,108</u>
<b>PUBLIC</b>		
Accounts Receivable - Due from Credit Unions	182,625	179,281
Advances	993	1,105
Accounts Receivable - Guarantee Fee on NCUA Guarantee Notes	963	1,147
General Property, Plant and Equipment, Net	157	404
Other - Receivable from Asset Management Estates, Net - NPCU AMEs	425,533	15,652
Other - Receivable from Asset Management Estates, Net - Corporate AMEs	<u>299,671</u>	<u>345,497</u>
Total Public Assets	<u>909,942</u>	<u>543,086</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 16,211,147</u></u>	<u><u>\$ 16,756,194</u></u>
<b>LIABILITIES</b>		
<b>INTRAGOVERNMENTAL</b>		
Accounts Payable - Due to the National Credit Union Administration Operating Fund	<u>\$ 2,023</u>	<u>\$ 900</u>
Total Intragovernmental Liabilities	<u>2,023</u>	<u>900</u>
<b>PUBLIC</b>		
Accounts Payable and Other Liabilities	140,212	71,171
Dividends to Insured Credit Unions Payable	160,099	735,679
Capital Lease Liability	119	-
Other - Insurance and Guarantee Program Liabilities (Reserves)	155,180	935,801
Other - Insurance and Guarantee Program Liabilities (CSRP)	<u>-</u>	<u>-</u>
Total Public Liabilities	<u>455,610</u>	<u>1,742,651</u>
<b>TOTAL LIABILITIES</b>	<u>457,633</u>	<u>1,743,551</u>
<b>NET POSITION</b>		
Contributed Capital	11,409,820	10,875,157
Cumulative Result of Operations	<u>4,343,694</u>	<u>4,137,486</u>
Total Net Position	<u>15,753,514</u>	<u>15,012,643</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 16,211,147</u></u>	<u><u>\$ 16,756,194</u></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 March 31, 2019 and 2018**  
**(Dollars in thousands)**

	March 2019	Year-to-Date March 2019	Year-to-Date March 2018
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES <sup>(1)</sup></b>			
Employee Pay	7,782	\$ 23,177	\$ 23,751
Employee Benefits	2,777	9,110	9,398
Travel	1,147	2,450	2,433
Rent, Communications and Utilities	410	1,098	665
Administrative Costs	990	2,723	2,147
Contracted Services	3,351	6,714	4,453
Training Expense	95	212	93
Leasing Expense	8	58	159
Other Insurance Expense	3	9	9
Total Operating Costs	16,563	45,551	43,108
<b>INSURANCE LOSS EXPENSE</b>	18,652	18,652	(4,247)
Total Gross Costs	35,215	64,203	38,861
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(10)	(31)	(30)
Guarantee Fee Revenue - NCUA Guaranteed Notes	(1,301)	(3,683)	(4,558)
Other Gains	(75)	-	-
Other (Revenue) / Expense	(221)	(244)	(905)
Total Exchange Revenues	(1,607)	(3,958)	(5,493)
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	33,608	60,245	33,368
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	(26,469)	(76,300)	(66,507)
Gain on Sales of Investments	-	-	-
Total Non-Exchange Revenues	(26,469)	(76,300)	(66,507)
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	\$ 7,139	\$ (16,055)	\$ (33,139)

<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**

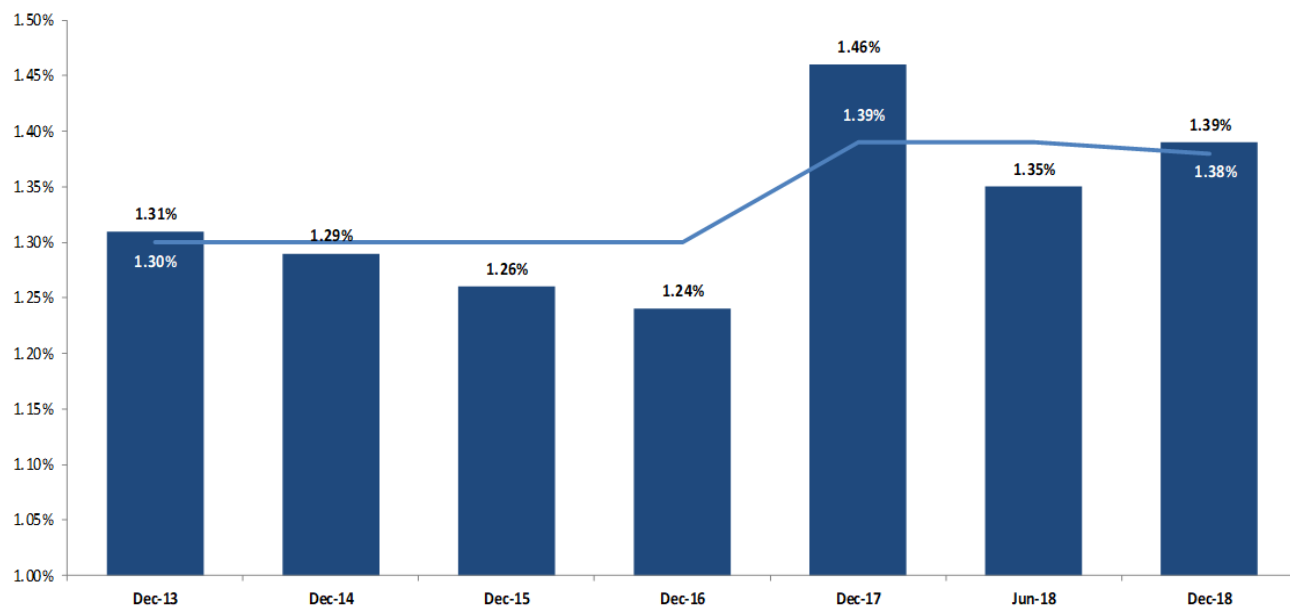
As of March 31, 2019 and 2018

(Dollars in thousands)

<b>NET POSITION BREAKDOWN</b>	<b>March 2019</b>	<b>March 2018</b>
Credit Union Contributed Capital	\$ 11,409,820	\$ 10,875,157
Retained Earnings	4,434,613	4,385,277
Total Net Position without Unrealized Gain/(Loss)	15,844,433	15,260,434
Unrealized Gain/(Loss) - Investments	(90,919)	(247,791)
<b>NET POSITION</b>	<b>\$ 15,753,514</b>	<b>\$ 15,012,643</b>

## NCUSIF Equity Ratio

### CY 2013 – CY 2018



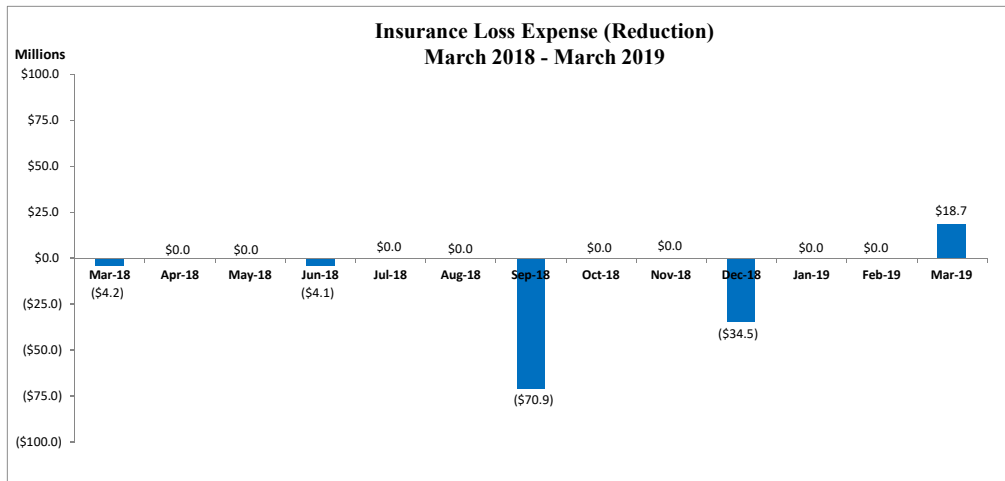
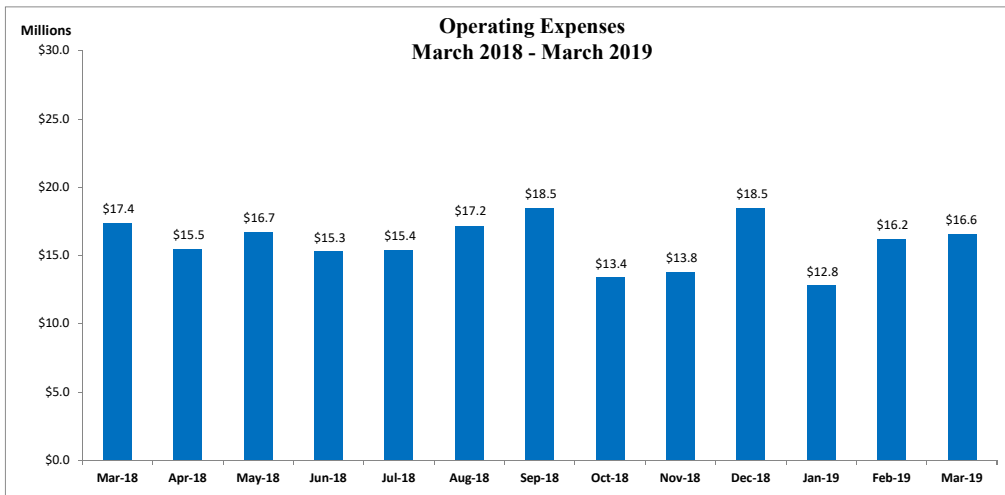
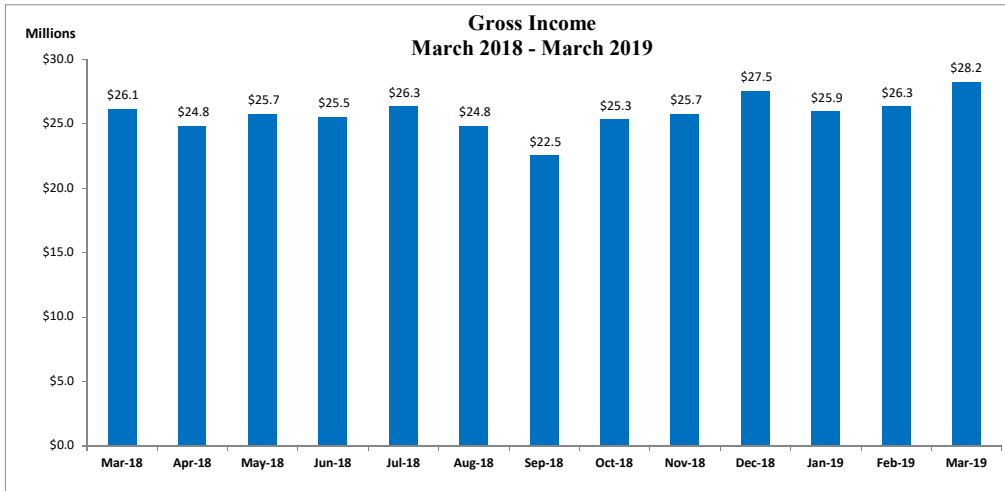
\* The blue line represents the Normal Operating Level over the time period represented on the slide.

The balances in the statement above are preliminary and unaudited.

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## STATISTICAL INFORMATION

March 31, 2019



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

