

# NATIONAL CREDIT UNION SHARE INSURANCE FUND



## PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

May 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

May 31, 2019

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### **Balance Sheet**

Insurance and Guarantee Program Liabilities Reserves are \$154.8 million as of May 31, 2019; \$44.0 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 May 31, 2019.

### **Statement of Net Cost**

For the month ended May 31, 2019, the fund had net income of \$9.8 million. The fund recognized gross revenues of \$27.7 million and total operating expenses of \$18.4 million. The fund recognized an insurance loss reduction of \$0.5 million during the month of May 2019.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**BALANCE SHEETS**

**As of May 31, 2019 and 2018**

**(Dollars in thousands)**

	<u>May 2019</u>	<u>May 2018</u>
<b>ASSETS</b>		
<b>INTRAGOVERNMENTAL</b>		
Fund Balance with Treasury	\$ 5,150	\$ 3,231
Investments, Net U.S. Treasury Securities	15,265,202	16,330,848
Accrued Interest Receivable - Investments	42,424	35,944
Note Receivable - Note due from the National Credit Union Administration Operating Fund	<u>5,811</u>	<u>7,152</u>
Total Intragovernmental Assets	<u>15,318,587</u>	<u>16,377,175</u>
<b>PUBLIC</b>		
Accounts Receivable - Due from Credit Unions	29	412
Advances	993	1,079
Accounts Receivable - Guarantee Fee on NCUA Guarantee Notes	936	1,145
General Property, Plant and Equipment, Net	147	324
Other - Receivable from Asset Management Estates, Net - NPCU AMEs	411,644	14,781
Other - Receivable from Asset Management Estates, Net - Corporate AMEs	<u>296,416</u>	<u>264,257</u>
Total Public Assets	<u>710,165</u>	<u>281,998</u>
<b>TOTAL ASSETS</b>	<u>\$ 16,028,752</u>	<u>\$ 16,659,173</u>
<b>LIABILITIES</b>		
<b>INTRAGOVERNMENTAL</b>		
Accounts Payable - Due to the National Credit Union Administration Operating Fund	<u>\$ 2,546</u>	<u>\$ 1,237</u>
Total Intragovernmental Liabilities	<u>2,546</u>	<u>1,237</u>
<b>PUBLIC</b>		
Accounts Payable and Other Liabilities	267	2,810
Dividends to Insured Credit Unions Payable	173	735,679
Capital Lease Liability	119	-
Other - Insurance and Guarantee Program Liabilities (Reserves)	154,847	935,766
Other - Insurance and Guarantee Program Liabilities (CSRP)	<u>-</u>	<u>-</u>
Total Public Liabilities	<u>155,406</u>	<u>1,674,255</u>
<b>TOTAL LIABILITIES</b>	<u>157,952</u>	<u>1,675,492</u>
<b>NET POSITION</b>		
Contributed Capital	11,412,031	10,877,639
Cumulative Result of Operations	<u>4,458,769</u>	<u>4,106,042</u>
Total Net Position	<u>15,870,800</u>	<u>14,983,681</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 16,028,752</u>	<u>\$ 16,659,173</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 May 31, 2019 and 2018**  
**(Dollars in thousands)**

	May 2019	Year-to-Date May 2019	Year-to-Date May 2018
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES <sup>(1)</sup></b>			
Employee Pay	\$ 8,420	\$ 39,520	\$ 39,836
Employee Benefits	3,229	15,451	15,678
Travel	1,616	5,290	5,160
Rent, Communications and Utilities	409	1,523	1,209
Administrative Costs	468	4,150	3,378
Contracted Services	4,137	11,036	9,521
Training Expense	132	451	328
Leasing Expense	5	68	239
Other Insurance Expense	3	15	15
Total Operating Costs	18,419	77,504	75,364
<b>INSURANCE LOSS EXPENSE</b>	(531)	18,320	(4,282)
Total Gross Costs	17,888	95,824	71,082
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(10)	(50)	(51)
Guarantee Fee Revenue - NCUA Guaranteed Notes	(1,079)	(6,023)	(7,514)
Other (Revenue) / Expense	(2)	(294)	(906)
Total Exchange Revenues	(1,091)	(6,367)	(8,471)
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	16,797	89,457	62,611
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	(26,587)	(128,501)	(114,035)
Gain on Sales of Investments	-	-	-
Total Non-Exchange Revenues	(26,587)	(128,501)	(114,035)
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	\$ (9,790)	\$ (39,044)	\$ (51,424)

<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**

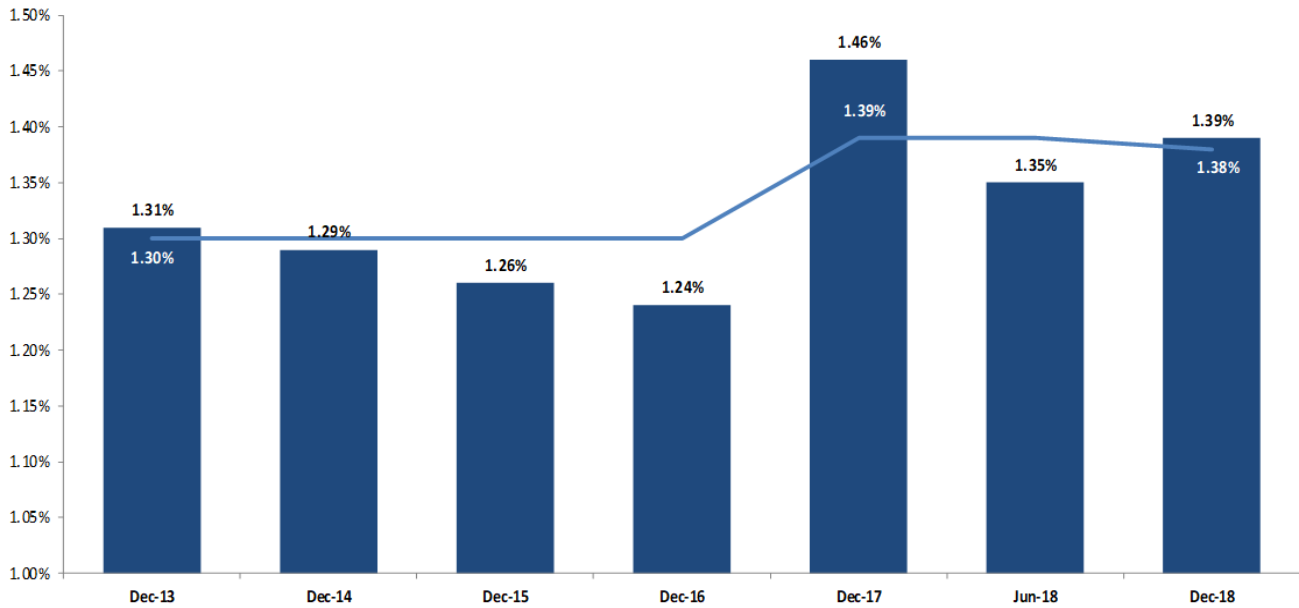
As of May 31, 2019 and 2018

(Dollars in thousands)

	<u>May 2019</u>	<u>May 2018</u>
<b>NET POSITION BREAKDOWN</b>		
Credit Union Contributed Capital	\$ 11,412,031	\$ 10,877,639
Retained Earnings	4,457,603	4,403,561
Total Net Position without Unrealized Gain/(Loss)	<u>15,869,634</u>	<u>15,281,200</u>
Unrealized Gain/(Loss) - Investments	<u>1,166</u>	<u>(297,519)</u>
<b>NET POSITION</b>	<u><u>\$ 15,870,800</u></u>	<u><u>\$ 14,983,681</u></u>

## NCUSIF Equity Ratio

### CY 2013 – CY 2018



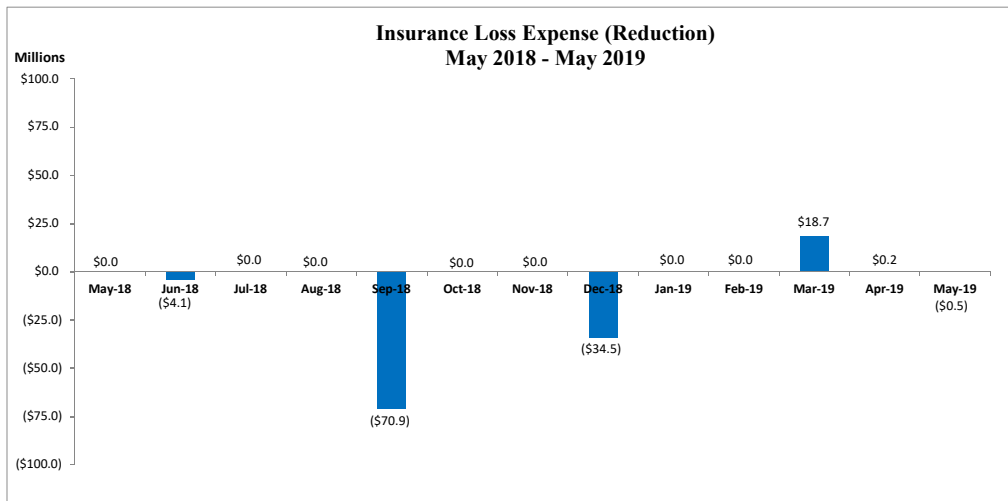
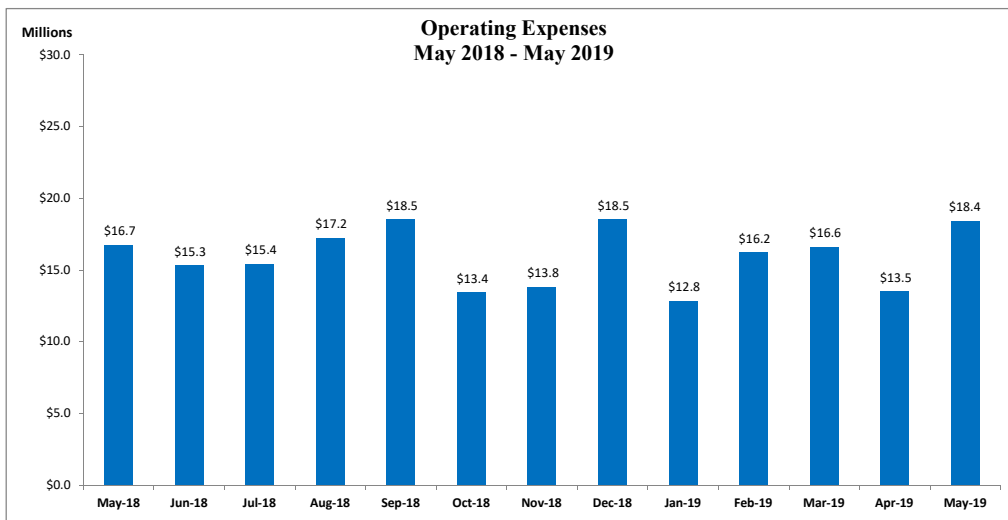
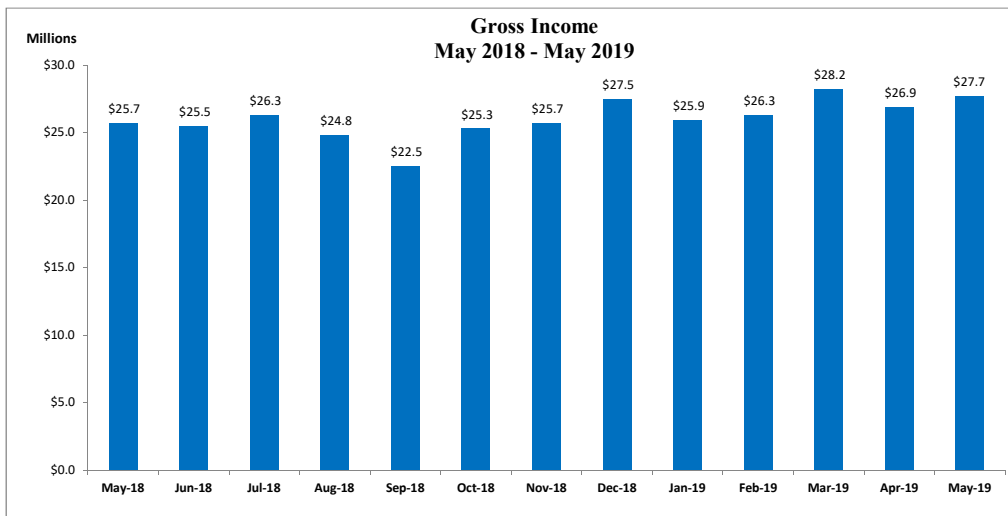
\* The blue line represents the Normal Operating Level over the time period represented on the slide.

The balances in the statement above are preliminary and unaudited.

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## STATISTICAL INFORMATION

May 31, 2019



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

**INVESTMENT PORTFOLIO SUMMARY**

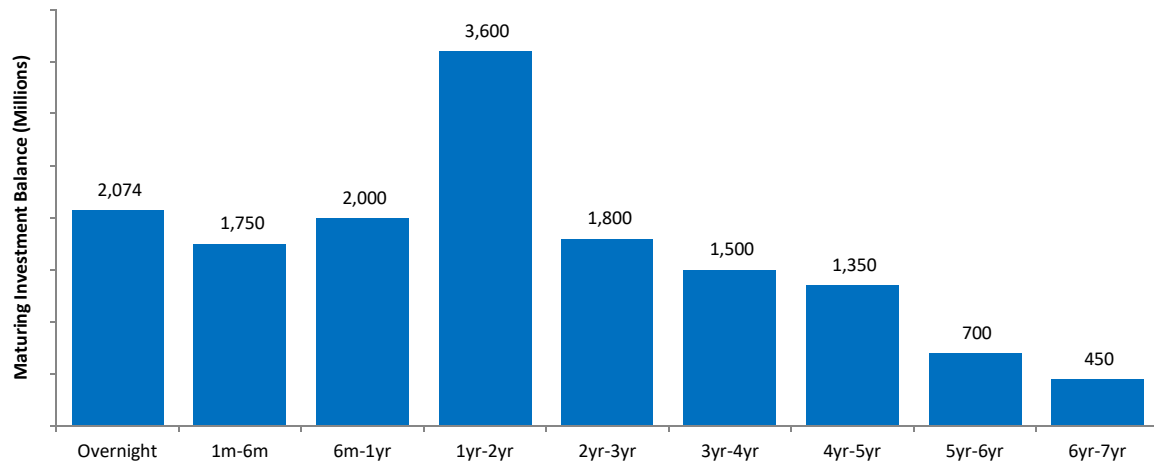
May 31, 2019

<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	\$ 2,074,077,000	\$ 2,074,077,000	\$ -	100.00%	2.37%	
U.S. Treasury Notes	13,189,958,556	13,191,125,000	1,166,444	100.01%	1.99%	
<b>Total</b>	<b>\$ 15,264,035,556</b>	<b>\$ 15,265,202,000</b>	<b>\$ 1,166,444</b>	<b>100.01%</b>	<b>2.04%</b>	

<b>II. INVESTMENT PORTFOLIO SUMMARY</b>				
	<b>Last Month</b>	<b>Current Month</b>	<b>CY To Date</b>	
Investment Yield	2.03%	2.04%	2.03%	
Investment Income	\$ 25,613,519	\$ 26,587,089	\$ 128,501,067	
Weighted Avg. Maturity in Days	758	735		

<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>	\$	15,224



The information provided in the portfolio summary above is preliminary and unaudited.