

# **NATIONAL CREDIT UNION SHARE INSURANCE FUND**



**UNAUDITED  
FINANCIAL HIGHLIGHTS  
December 31, 2016**

A handwritten signature in blue ink, which appears to read "Rendell L. Jones". The signature is fluid and cursive, with a long, sweeping tail.

**RENDELL L. JONES  
CHIEF FINANCIAL OFFICER**

# **NATIONAL CREDIT UNION SHARE INSURANCE FUND**

## **MANAGEMENT OVERVIEW**

**December 31, 2016**

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### **Balance Sheet**

Insurance and Guarantee Program Liabilities Reserves are \$196.6 million as of December 31, 2016; \$2.9 million is for specific natural person credit unions, and \$193.7 million is for general reserves.

### **Statement of Net Cost**

For the month ended December 31, 2016, the fund had a net loss of \$11.1 million. The fund recognized gross revenues of \$19.8 million and total operating expenses of \$22.7 million. The fund recognized an insurance loss expense of \$8.3 million during the month of December 2016.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**BALANCE SHEETS**  
**As of December 31, 2016**  
**(Dollars in thousands)**

	<u>December 2016</u>	<u>December 2015</u>
<b>ASSETS</b>		
<b>INTRAGOVERNMENTAL</b>		
Fund Balance with Treasury	\$ 4,410	\$ 2,411
Investments, Net U.S. Treasury Securities	12,724,719	12,079,490
Accrued Interest Receivable - Investments	71,525	59,867
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	-	106
Note Receivable - Note due from the National Credit Union Administration Operating Fund	<u>9,051</u>	<u>10,392</u>
Total Intragovernmental Assets	<u>12,809,705</u>	<u>12,152,266</u>
<b>PUBLIC</b>		
Accounts Receivable - Due from Credit Unions	-	2
Advances	500	-
Accrued Interest Receivable	-	253
Notes Receivable, Net	-	108,568
General Property, Plant and Equipment, Net	1,192	1,784
Other - Receivable from Asset Management Estates, Net	58,351	65,779
Total Public Assets	<u>60,043</u>	<u>176,386</u>
<b>TOTAL ASSETS</b>	<u>\$ 12,869,748</u>	<u>\$ 12,328,652</u>
 <b>LIABILITIES</b>		
<b>INTRAGOVERNMENTAL</b>		
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 4,059	\$ 3,944
Total Intragovernmental Liabilities	<u>4,059</u>	<u>3,944</u>
<b>PUBLIC</b>		
Accounts Payable	2,118	3,372
Capital Lease Liability	161	318
Other - Insurance and Guarantee Program Liabilities (Reserves)	<u>196,617</u>	<u>164,857</u>
Total Public Liabilities	<u>198,896</u>	<u>168,547</u>
<b>TOTAL LIABILITIES</b>	<u>202,955</u>	<u>172,491</u>
 <b>NET POSITION</b>		
Contributed Capital	9,987,363	9,353,113
Cumulative Result of Operations	<u>2,679,430</u>	<u>2,803,048</u>
Total Net Position	<u>12,666,793</u>	<u>12,156,161</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 12,869,748</u>	<u>\$ 12,328,652</u>

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 December 31, 2016**  
**(Dollars in thousands)**

	<u>December 2016</u>	<u>Year-to-Date December 2016</u>	<u>Year-to-Date December 2015</u>
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES (1)</b>			
Employee Pay	\$ 10,395	\$ 109,225	\$ 103,348
Employee Benefits	4,428	42,175	38,917
Travel	1,806	19,252	19,567
Rent, Communications and Utilities	713	4,184	3,254
Administrative Costs	1,185	9,713	9,731
Contracted Services	3,920	22,712	21,117
Training Expense	166	1,358	1,638
Leasing Expense	53	598	141
Other Insurance Expense	<u>5</u>	<u>43</u>	<u>39</u>
Total Operating Costs	<u>22,671</u>	<u>209,260</u>	<u>197,752</u>
<b>INSURANCE LOSS EXPENSE</b>	<u>8,291</u>	<u>7,870</u>	<u>(35,411)</u>
Total Gross Costs	<u>30,962</u>	<u>217,130</u>	<u>162,341</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(14)	(179)	(206)
Interest Revenue - Other	-	(2,070)	(3,527)
Other (Revenue) / Expense	<u>(18)</u>	<u>(214)</u>	<u>(1,454)</u>
Total Exchange Revenue	<u>(32)</u>	<u>(2,463)</u>	<u>(5,187)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>30,930</u>	<u>214,667</u>	<u>157,154</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	<u>(19,805)</u>	<u>(227,172)</u>	<u>(218,526)</u>
Total Non-Exchange Revenues	<u>(19,805)</u>	<u>(227,172)</u>	<u>(218,526)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>\$ 11,125</u>	<u>\$ (12,505)</u>	<u>\$ (61,372)</u>

(1) 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 73.1% and 71.8% for 2016 and 2015, respectively.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**STATEMENTS OF NET POSITION**

**As of December 31, 2016**

**(Dollars in thousands)**

	<u>December 2016</u>	<u>December 2015</u>
<b>NET POSITION BREAKDOWN</b>		
Credit Union Contributed Capital	\$ 9,987,363	\$ 9,353,113
Retained Earnings	2,754,820	2,742,315
Total Net Position without Unrealized Gain/(Loss)	<u>12,742,183</u>	<u>12,095,428</u>
Unrealized Gain/(Loss) - Investments	<u>(75,390)</u>	<u>60,733</u>
<b>NET POSITION</b>	<u>\$ 12,666,793</u>	<u>\$ 12,156,161</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**Comparative Analysis of NCUSIF Ratios for As of December 31, 2016**

**As of December 31, 2016**

**Comparative Analysis of NCUSIF Ratios for December 2016**

	<b>December 2016</b>	<b>December 2015</b>
<b>Investments/Total Assets</b>	98.87%	97.98%
<b>Total Equity/Insured Shares (1)</b>	1.24%	1.26%
<b>Available Assets Ratio</b>	1.22%	1.24%
<b>Ins. Loss Exp./Insured Shares</b>	0.00%	0.00%

**Insured Shares as of December 31, 2016 (in billions)** **\$ 1,028.7**

**Insured Shares as of December 31, 2015 (in billions)** **961.3**

(1) The December 2016 ratios are based on an insured share level of \$1.0 trillion as of December 31, 2016.

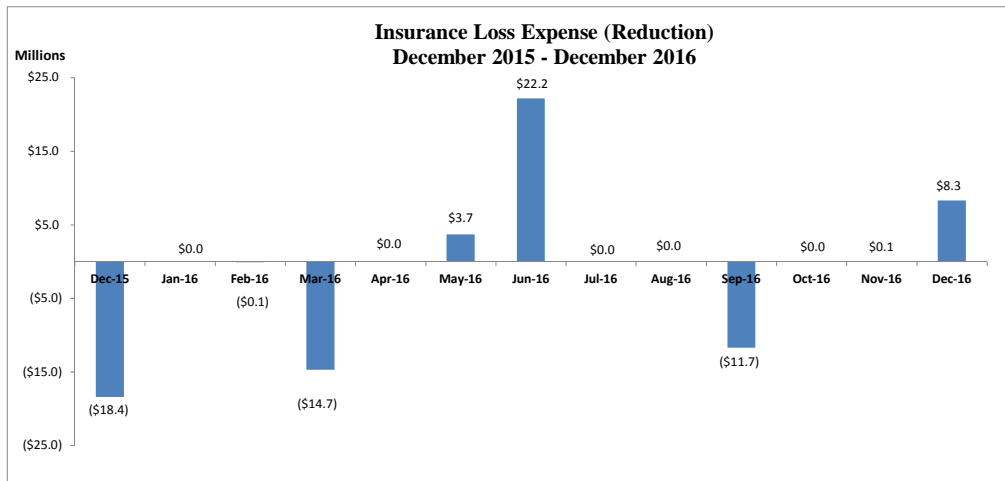
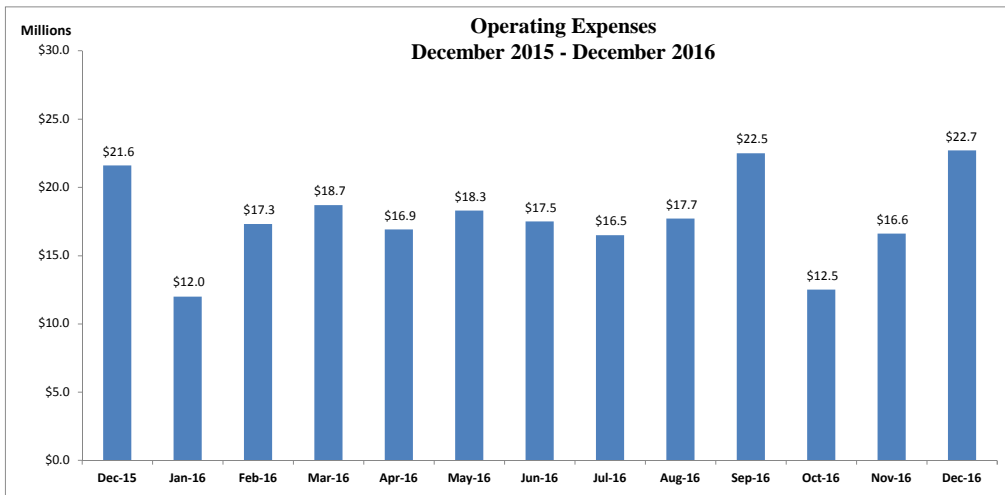
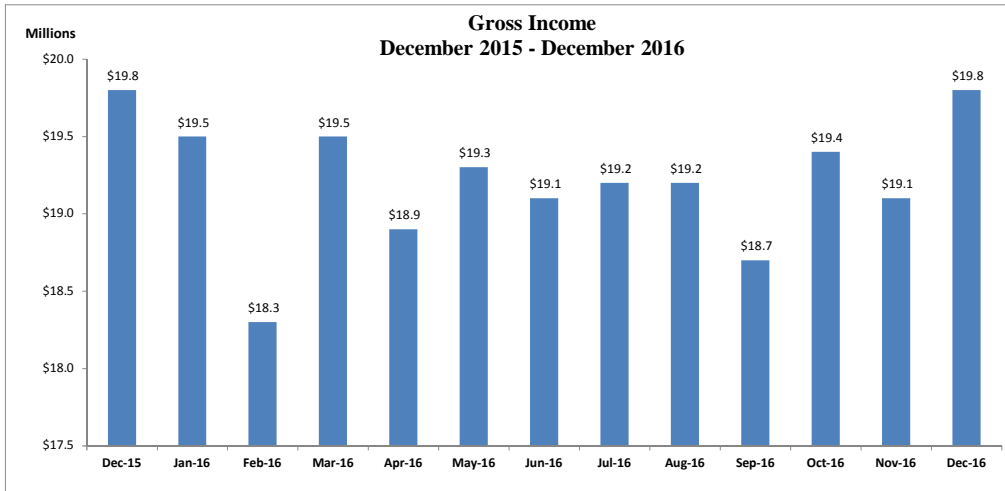
The December 2015 ratios are based on an insured share level of \$961.3 billion as of December 31, 2015.

The balances in the statement above are preliminary and unaudited.

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## STATISTICAL INFORMATION

December 31, 2016



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

