

OPERATING FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

January 31, 2022

A handwritten signature in black ink, appearing to read "Eugene H. Schied", is positioned above the name of the Chief Financial Officer.

**EUGENE H. SCHIED
CHIEF FINANCIAL OFFICER**

NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

MANAGEMENT OVERVIEW JANUARY 31, 2022

Balance Sheets

Cash and cash equivalents had a month-end balance of approximately \$122.6 million. The balance decreased by \$7.0 million for the month due to cash disbursements for operating expenses and capital expenditures. The cash position is considered sufficient to cover current and future budgetary obligations of the Fund through April 2022.

Due from National Credit Union Share Insurance Fund represents the receivable for expenses paid by the Operating Fund. It had a month-end balance of \$23 thousand.

Other accounts receivable, net had a month-end balance of approximately \$10.5 million. Its balance increased by approximately \$10.2 million from prior month primarily due to the unbilled receivable for the 2022 Operating Fee. The Operating Fee will be invoiced in March and collected in April.

Accounts payable are trade, relocation and inter-agency payables. The balance increased by \$77 thousand for the month primarily due to vendor/trade and overhead transfer payables.

Accrued wages and benefits are earned by NCUA staff, but remain unpaid at month-end.

Accrued annual leave is leave earned by NCUA staff, but not yet used.

Statements of Revenues, Expenses, and Changes in Fund Balance

Revenues in excess of expenses totaled \$130 thousand for the month. Operating fees reflect one-twelfth of the 2022 Operating Fees. Expenses, net are after the Overhead Transfer Rate adjustment that allocates 62.7 percent of expenses to the Share Insurance Fund.

Statements of Cash Flows

The cash position decreased \$7.0 million from prior month. In the current month, \$7.5 million was used in operating activities and \$471 thousand was provided by investing activities. There were no financing activities in the current month.

Other Information

The NCUA had 58 vacancies as of month-end, which represents 4.8 percent of the total authorized staff of 1,201. Of the 58 vacancies, there were 17 vacancies under the authorized positions in the central office and 41 vacancies under the authorized positions in the regions and Asset Management and Assistance Center (AMAC).

NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND
BALANCE SHEETS
As of January 31, 2022 and 2021
(Dollars in thousands)

	January 2022	January 2021
ASSETS		
Cash and cash equivalents	\$ 122,576	\$ 104,758
Due from National Credit Union Share Insurance Fund	23	120
Employee advances	5	16
Other accounts receivable, Net	10,501	10,550
Prepaid expenses and other assets	4,614	4,547
Fixed assets - Net of accumulated depreciation of \$40,476 and \$39,067 as of January 31, 2022 and January 31, 2021, respectively	28,973	28,077
Intangible assets - Net of accumulated amortization of \$30,268 and \$24,509 as of January 31, 2022 and January 31, 2021, respectively	30,675	34,340
TOTAL ASSETS	\$ 197,367	\$ 182,408
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable and accrued other liabilities	\$ 17,377	\$ 8,483
Obligations under capital leases	26	89
Accrued wages and benefits	9,942	8,837
Accrued FECA and unemployment benefits	175	154
Accrued actuarial FECA benefits	3,999	4,381
Accrued annual leave	22,149	22,338
Accrued employee travel	-	1
TOTAL LIABILITIES	53,668	44,283
FUND BALANCE	143,699	138,125
TOTAL LIABILITIES AND FUND BALANCE	\$ 197,367	\$ 182,408

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND**

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE

For the periods ended January 31, 2022 and 2021

(Dollars in thousands)

	January 2022	Year-to-Date January 2022	Year-to-Date January 2021
REVENUES			
Operating fees	\$ 10,325	\$ 10,325	\$ 10,430
Interest	5	5	7
Other	33	33	4
Total Revenues	10,363	10,363	10,441
EXPENSES, NET¹			
Employee wages and benefits	7,571	7,571	7,312
Travel	9	9	9
Rent, communications, and utilities	68	68	142
Contracted services	2,139	2,139	756
Depreciation and amortization	306	306	302
Administrative	140	140	89
Total Expenses, Net	10,233	10,233	8,610
EXCESS OF REVENUES OVER / (UNDER) EXPENSES	130	130	1,831
FUND BALANCE—Beginning of period	143,569	143,569	136,294
FUND BALANCE—End of period	\$ 143,699	\$ 143,699	\$ 138,125

¹ Operating Fund expenses are the total NCUA operating expenses minus the Share Insurance Fund allocation as determined by the overhead transfer rate of 62.7% and 62.3% for 2022 and 2021, respectively.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND**

**STATEMENTS OF CASH FLOWS
For the periods ended January 31, 2022 and 2021
(Dollars in thousands)**

	January 2022	Year-to-Date January 2022	Year-to-Date January 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of revenues over (under) expenses	\$ 130	\$ 130	\$ 1,831
Adjustments to reconcile excess of revenues over (under) expenses to net cash provided by operating activities:			
Depreciation and amortization	809	809	797
(Increase) decrease in assets:			
Due from National Credit Union Share Insurance Fund	4,894	4,894	3,142
Other accounts receivable, net	(10,202)	(10,202)	(10,235)
Prepaid expenses and other assets	(723)	(723)	(513)
(Decrease) increase in liabilities:			
Accounts payable	77	77	394
Accrued wages and benefits	(2,402)	(2,402)	(1,752)
Accrued employee travel	(93)	(93)	(81)
Net Cash Provided by/(Used in) Operating Activities	(7,510)	(7,510)	(6,417)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed and intangible assets	471	471	(212)
Net Cash Provided by/(Used in) Investing Activities	471	471	(212)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Cash Provided by/(Used in) Financing Activities	-	-	-
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS	(7,039)	(7,039)	(6,629)
CASH AND CASH EQUIVALENTS—Beginning of period	129,615	129,615	111,387
CASH AND CASH EQUIVALENTS—End of period	\$ 122,576	\$ 122,576	\$ 104,758
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES			
Acquisition of equipment under capital lease	\$ -	\$ -	\$ -
CASH PAYMENTS FOR INTEREST	\$ -	\$ -	\$ -

The balances in the statement above are preliminary and unaudited.