

# NATIONAL CREDIT UNION SHARE INSURANCE FUND



## PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS October 31, 2015

A handwritten signature in blue ink, which appears to read "Rendell L. Jones", is positioned above the printed name.

**RENDELL L. JONES  
CHIEF FINANCIAL OFFICER**

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## MANAGEMENT OVERVIEW

October 31, 2015

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### Balance Sheet

Other - Insurance and Guarantee Program Liabilities (Reserves)

Reserves are \$169.7 million as of October 31, 2015; \$7.9 million is for specific natural person credit unions, and \$161.8 million is for general reserves.

### Statement of Net Cost

For the month ended October 31, 2015, the fund had net income of \$4.8 million. The fund recognized gross revenues of \$18.9 million and total operating expenses of \$13.9 million. The fund recognized an insurance loss expense of \$0.2 million during the month of October 2015.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**BALANCE SHEETS**  
**As of October 31, 2015**  
**(Dollars in thousands)**

	<u>October 2015</u>	<u>October 2014</u>
<b>ASSETS</b>		
<b>INTRAGOVERNMENTAL</b>		
Fund Balance with Treasury	\$ 3,637	\$ 1,812
Investments, Net U.S. Treasury Securities	12,120,422	11,559,553
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	10,616	11,957
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	3,733	3,102
Accrued Interest Receivable - Investments	88,108	75,986
Total Intragovernmental Assets	<u>12,226,516</u>	<u>11,652,410</u>
<b>PUBLIC</b>		
Accounts Receivable - Due from Credit Unions	3,282	2,630
Advances	-	21
Accrued Interest Receivable	312	508
Notes Receivable, Net	118,014	196,929
General Property, Plant and Equipment, Net	1,449	-
Other - Receivable from Asset Management Estates, Net	58,115	98,300
Total Public Assets	<u>181,172</u>	<u>298,388</u>
<b>TOTAL ASSETS</b>	<u>\$ 12,407,688</u>	<u>\$ 11,950,798</u>
 <b>LIABILITIES</b>		
<b>INTRAGOVERNMENTAL</b>		
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 52	\$ -
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	544	450
Total Intragovernmental Liabilities	<u>596</u>	<u>450</u>
<b>PUBLIC</b>		
Accounts Payable	1,760	23,706
Capital Lease Liability	357	-
Other - Insurance and Guarantee Program Liabilities (Reserves)	169,695	167,319
Total Public Liabilities	<u>171,812</u>	<u>191,025</u>
<b>TOTAL LIABILITIES</b>	<u>172,408</u>	<u>191,475</u>
 <b>NET POSITION</b>		
Contributed Capital	9,352,626	8,943,853
Cumulative Result of Operations	2,882,654	2,815,470
Total Net Position	<u>12,235,280</u>	<u>11,759,323</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 12,407,688</u>	<u>\$ 11,950,798</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 October 31, 2015**  
**(Dollars in thousands)**

	<b>October 2015</b>	<b>Year-to-Date October 2015</b>	<b>Year-to-Date October 2014</b>
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES (1)</b>			
Employee Pay	\$ 8,541	\$ 86,621	\$ 79,130
Employee Benefits	3,083	32,156	28,521
Travel	503	15,703	14,959
Rent, Communications and Utilities	130	2,342	2,525
Administrative Costs	562	8,106	7,985
Contracted Services	984	15,261	11,133
Training Expense	125	1,304	931
Leasing Expense	12	127	109
Other Insurance Expense	4	33	31
Total Operating Costs	<u>13,944</u>	<u>161,653</u>	<u>145,324</u>
<b>INSURANCE LOSS EXPENSE</b>	<u>212</u>	<u>(17,060)</u>	<u>(51,873)</u>
Total Gross Costs	<u>14,156</u>	<u>144,593</u>	<u>93,451</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(17)	(173)	(192)
Interest Revenue - Other	(261)	(3,028)	(2,552)
Other (Revenue) / Expense	-	(1,243)	(893)
Total Exchange Revenue	<u>(278)</u>	<u>(4,444)</u>	<u>(3,637)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>13,878</u>	<u>140,149</u>	<u>89,814</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	(18,639)	(180,813)	(172,497)
Total Non-Exchange Revenues	<u>(18,639)</u>	<u>(180,813)</u>	<u>(172,497)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>\$ (4,761)</u>	<u>\$ (40,664)</u>	<u>\$ (82,683)</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 71.8% and 69.2% for 2015 and 2014, respectively.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**STATEMENTS OF NET POSITION**

**As of October 31, 2015**

**(Dollars in thousands)**

	<u>October 2015</u>	<u>October 2014</u>
<b>NET POSITION BREAKDOWN</b>		
Credit Union Contributed Capital	\$ 9,352,626	\$ 8,943,853
Retained Earnings	2,721,608	2,687,715
Total Net Position without Unrealized Gain/(Loss)	<u>12,074,234</u>	<u>11,631,568</u>
Unrealized Gain/(Loss) - Investments	<u>161,046</u>	<u>127,755</u>
<b>NET POSITION</b>	<u>\$ 12,235,280</u>	<u>\$ 11,759,323</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**Comparative Analysis of NCUSIF Ratios for As of October 31, 2015**

**As of October 31, 2015**

**Comparative Analysis of NCUSIF Ratios for October 2015**

	<b>October 2015</b>	<b>October 2014</b>
<b>Investments/Total Assets</b>	97.68%	96.73%
<b>Total Equity/Insured Shares (1)</b>	1.29%	1.30%
<b>Available Assets Ratio</b>	1.28%	1.27%
<b>Ins. Loss Exp./Insured Shares</b>	0.00%	0.00%

**Insured Shares as of June 30, 2015 (in billions) \$ 936.3**

**Insured Shares as of June 30, 2014 (in billions) 895.7**

(1) The October 2015 ratios are based on an insured share level of \$936.3 billion as of June 30, 2015.

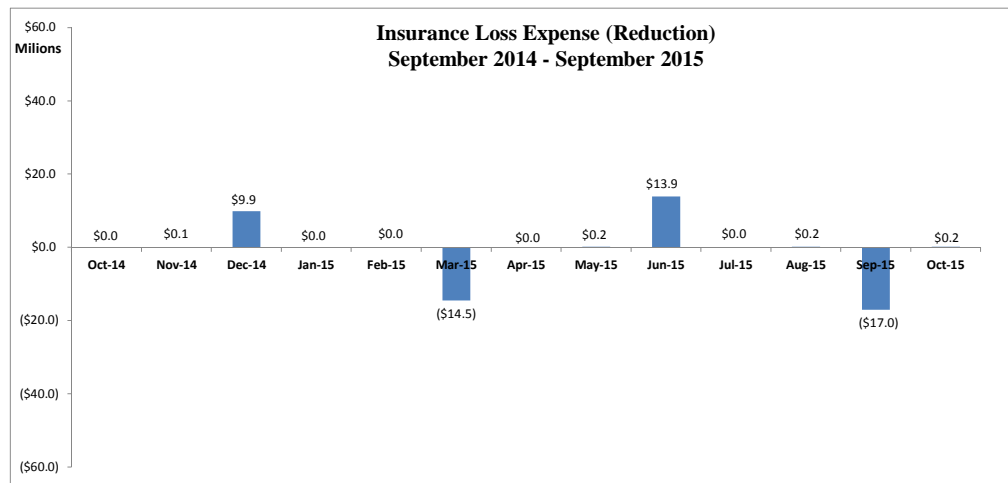
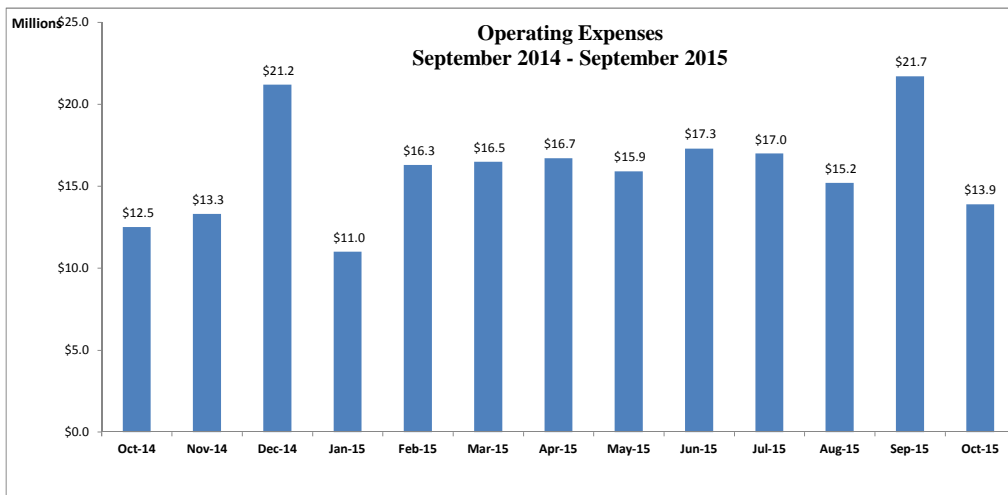
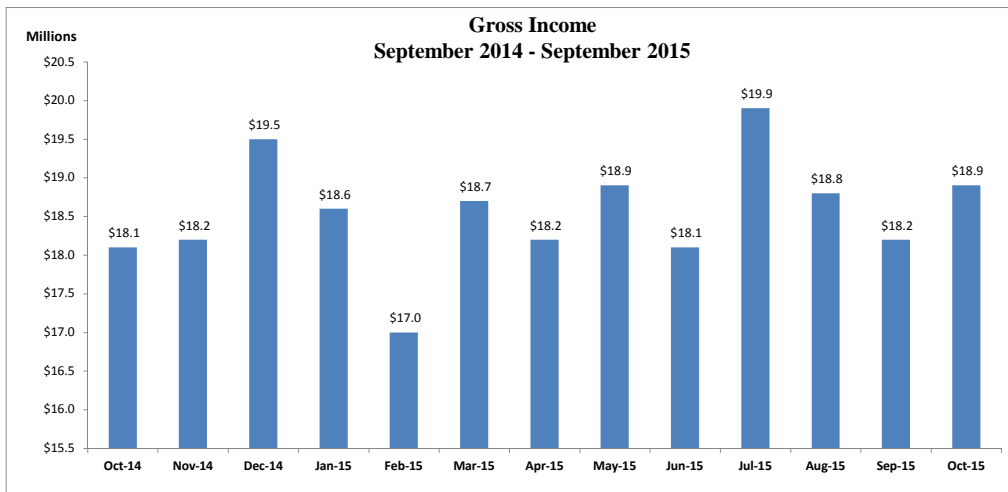
The October 2014 ratios are based on an insured share level of \$895.7 billion as of June 30, 2014.

The balances in the statement above are preliminary and unaudited.

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## STATISTICAL INFORMATION

October 31, 2015



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

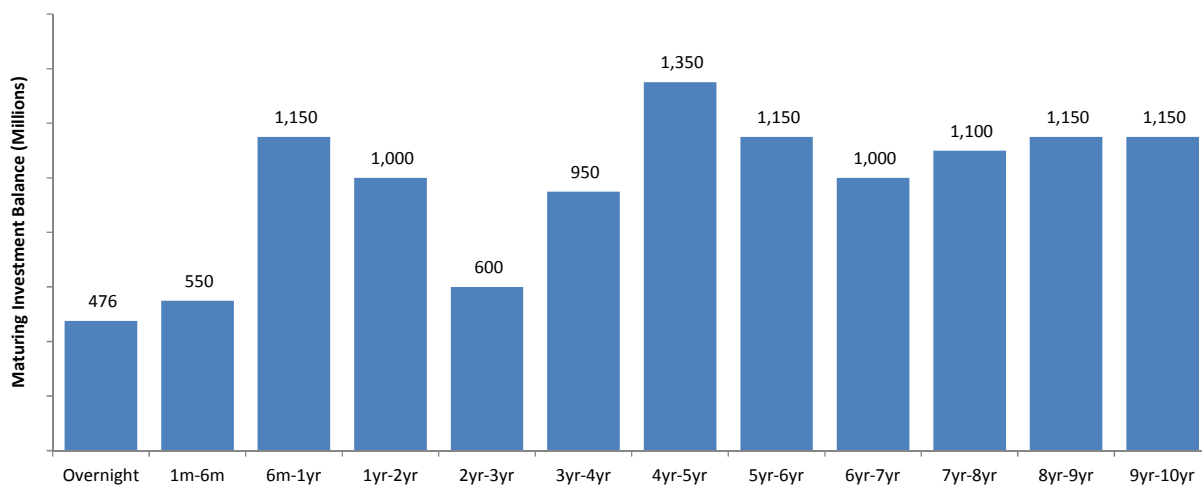
**INVESTMENT PORTFOLIO SUMMARY**  
**October 31, 2015**

<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	\$ 226,453,000	\$ 226,453,000	\$ -	100.00%	0.01%	
U.S. Treasury Notes	11,732,922,915	11,893,968,750	161,045,835	101.37%	1.90%	
<b>Total</b>	<b>\$ 11,959,375,915</b>	<b>\$ 12,120,421,750</b>	<b>\$ 161,045,835</b>	<b>101.35%</b>	<b>1.86%</b>	

<b>II. INVESTMENT PORTFOLIO SUMMARY</b>			
	<b>Last Month</b>	<b>Current Month</b>	<b>CY To Date</b>
Investment Yield	1.88%	1.86%	1.87%
Investment Income	\$ 17,871,472	\$ 18,639,169	\$ 180,813,611
Weighted Avg. Maturity in Days	1,720	1,725	

<b>III. MONTHLY ACTIVITY</b>					
<b>Purchased</b>	<b>Type</b>	<b>Amount</b>	<b>Maturity</b>	<b>Yield</b>	
10/15/2015	T-Note	\$ 100,000,000	9/30/2020	1.32%	
10/15/2015	T-Note	100,000,000	4/30/2020	1.26%	
10/15/2015	T-Note	100,000,000	10/31/2020	1.37%	
<b>TOTAL</b>		<b>\$ 300,000,000</b>			

<b>IV. MATURITY SCHEDULE (par value in millions)</b>		
<b>TOTAL</b>	<b>\$</b>	<b>11,626</b>



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