

NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

July 31, 2019

A handwritten signature in blue ink, appearing to read 'Rendell L. Jones', is positioned above the printed name.

**RENDELL L. JONES
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
MANAGEMENT OVERVIEW
July 31, 2019**

Balance Sheet

Receivables from Asset Management Estates Net is \$677.5 million; \$377.5 million is for natural person credit unions (NPCU), and \$300.0 million is for Corporate Credit Unions (CCU).

Insurance and Guarantee Program Liabilities related to Reserves are \$111.9 million; \$5.6 million is for specific reserves for natural person credit unions, and \$106.3 million is for general reserves. There are no Corporate System Resolution Program (CSRP) related Insurance and Guarantee Program Liabilities as of July 31, 2019.

Statement of Net Cost

For the month ended July 31, 2019, the fund had net income of \$11.0 million. The fund recognized gross revenues of \$27.4 million and total gross costs of \$16.4 million. The fund recognized an insurance loss reduction of \$46 thousand during the month of July 2019.

Note: Minor modifications to the form and content of the Share Insurance Fund's monthly financial highlights were made to conform to the annual financial statements.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
BALANCE SHEETS
(Dollars in thousands)**

	<u>July 2019</u>	<u>July 2018</u>
ASSETS		
INTRAGOVERNMENTAL		
Fund Balance with Treasury	\$ 11,897	\$ 7,258
Investments, Net - U.S. Treasury Securities	15,304,325	15,568,198
Accrued Interest Receivable - Investments	79,014	68,441
Accounts Receivable - Due from the NCUA Operating Fund	-	226
Note Receivable - Note due from the NCUA Operating Fund	5,587	6,928
Total Intragovernmental Assets	<u>15,400,823</u>	<u>15,651,051</u>
PUBLIC		
Accounts Receivable - Guarantee Fee on NGNs, Net	814	1,144
General Property, Plant, and Equipment, Net	137	243
Advances and Prepayments	1,030	1,218
Receivables from AMEs, Net*	677,523	296,963
Total Public Assets	<u>679,504</u>	<u>299,568</u>
TOTAL ASSETS	<u>\$ 16,080,327</u>	<u>\$ 15,950,619</u>
LIABILITIES		
INTRAGOVERNMENTAL		
Accounts Payable - Due to the NCUA Operating Fund	\$ 1,828	\$ 131
Total Intragovernmental Liabilities	<u>1,828</u>	<u>131</u>
PUBLIC		
Accounts Payable	886	5,587
Insurance and Guarantee Program Liabilities*	111,875	956,964
Other Liabilities	578	259.00
Total Public Liabilities	<u>113,339</u>	<u>962,810</u>
TOTAL LIABILITIES	<u>115,167</u>	<u>962,941</u>
Commitments and Contingencies		
NET POSITION		
Contributed Capital	11,413,742	10,877,108
Cumulative Result of Operations	4,551,418	4,110,570
Total Net Position	<u>15,965,160</u>	<u>14,987,678</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 16,080,327</u>	<u>\$ 15,950,619</u>

* Receivable from AMEs, Net and Insurance and Guarantee Program Liabilities lines are generally updated quarterly.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF NET COST
(Dollars in thousands)**

	<u>July 2019</u>	<u>July 2019 YTD</u>	<u>July 2018 YTD</u>
GROSS COSTS			
Operating Expenses*	\$ 16,392	\$ 111,735	\$ 106,009
Provision for Insurance Losses			
Reserve Expense (Reduction)	(46)	34,246	40,402
AME Receivable Bad Debt Expense	-	(63,367)	(48,746)
Total Provision for Insurance Losses	<u>(46)</u>	<u>(29,121)</u>	<u>(8,344)</u>
Total Gross Costs	<u>16,346</u>	<u>82,614</u>	<u>97,665</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable from the NCUA			
Operating Fund	(10)	(70)	(71)
Guarantee Fee Revenue - NGNs	(1,053)	(8,196)	(10,373)
Other Revenue	<u>(20)</u>	<u>(339)</u>	<u>(940)</u>
Total Exchange Revenues	<u>(1,083)</u>	<u>(8,605)</u>	<u>(11,384)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>\$ 15,263</u>	<u>\$ 74,009</u>	<u>\$ 86,281</u>
LESS NON-EXCHANGE REVENUES			
Interest Revenue - Investments	<u>(26,294)</u>	<u>(180,244)</u>	<u>(162,965)</u>
Total Non-Exchange Revenues	<u>(26,294)</u>	<u>(180,244)</u>	<u>(162,965)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (11,031)</u>	<u>\$ (106,235)</u>	<u>\$ (76,684)</u>

*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.

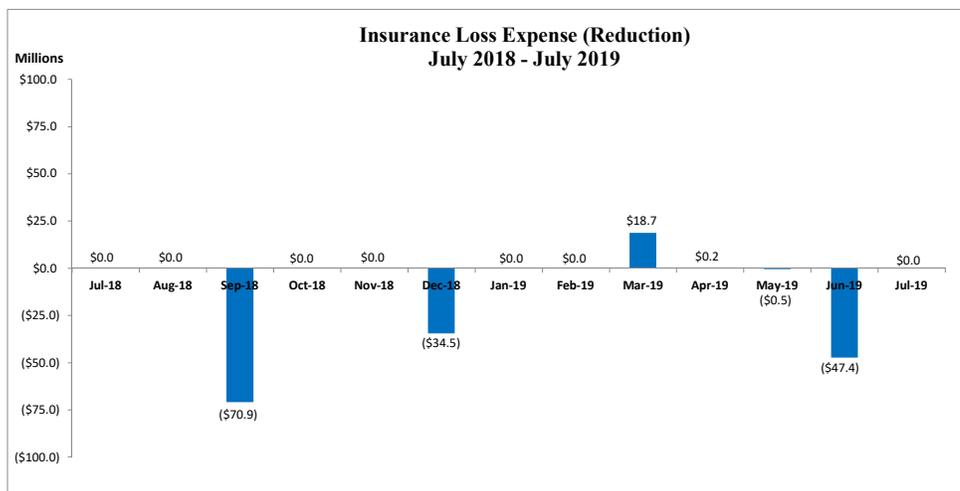
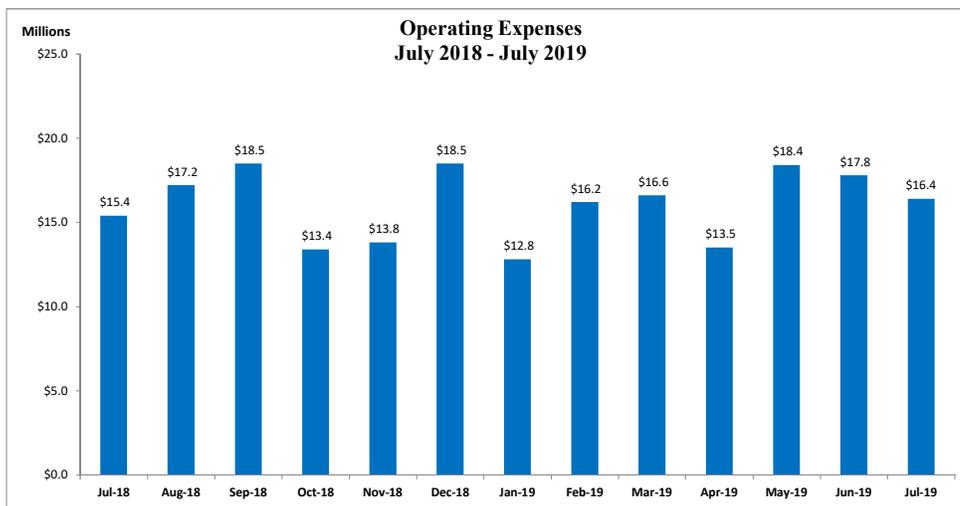
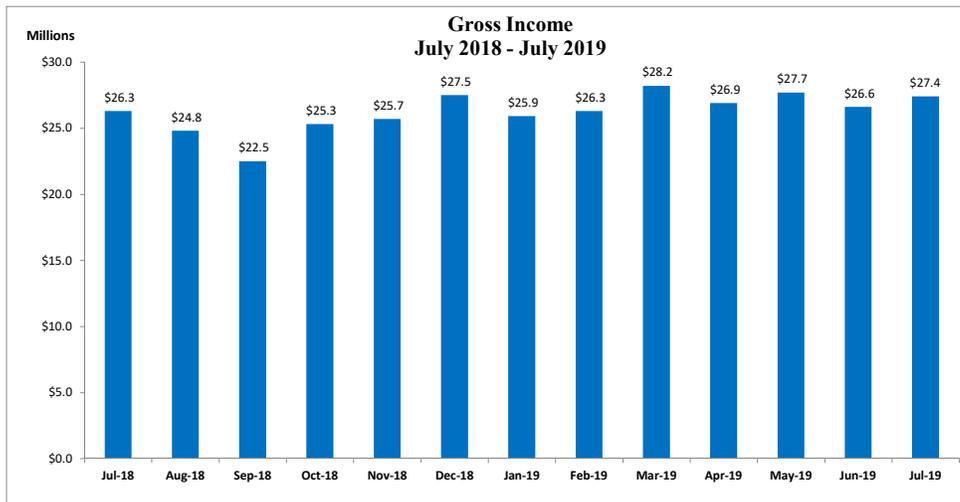
The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF CHANGES IN NET POSITION
(Dollars in Thousands)**

	July 2019	July 2018
CUMULATIVE RESULTS OF OPERATIONS		
Beginning Balances	\$ 4,394,392	\$ 4,971,367
BUDGETARY FINANCING SOURCES		
Non-Exchange Revenue		
Interest Revenue - Investments	180,244	162,965
Distribution to Credit Unions	(160,099)	(735,679)
Total Budgetary Financing Sources	20,145	(572,714)
OTHER FINANCING SOURCES		
Non-Exchange Revenue		
Net Unrealized Gain/(Loss) - Investments	210,889	(201,802)
Total Other Financing Sources	210,890	(201,802)
Total Financing Sources	231,035	(774,516)
Net Income /(Cost) of Operations	(74,009)	(86,281)
Net Change	157,026	(860,797)
CUMULATIVE RESULTS OF OPERATIONS	4,551,418	4,110,570
CONTRIBUTED CAPITAL		
Beginning Balances	11,327,234	10,765,320
Change in Contributed Capital	86,508	111,788
CONTRIBUTED CAPITAL	11,413,742	10,877,108
NET POSITION	\$ 15,965,160	\$ 14,987,678
NET POSITION BREAKDOWN		
Credit Union Contributed Capital	11,413,742	10,877,108
Retained Earnings	4,524,794	4,428,823
Total Net Position Without Unrealized Gain/ (Loss)	15,938,536	15,305,931
Unrealized Gain/ (Loss) - Investments	26,624	(318,253)
NET POSITION	\$ 15,965,160	\$ 14,987,678

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
 SHARE INSURANCE FUND
 STATISTICAL INFORMATION
 July 31, 2019**



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

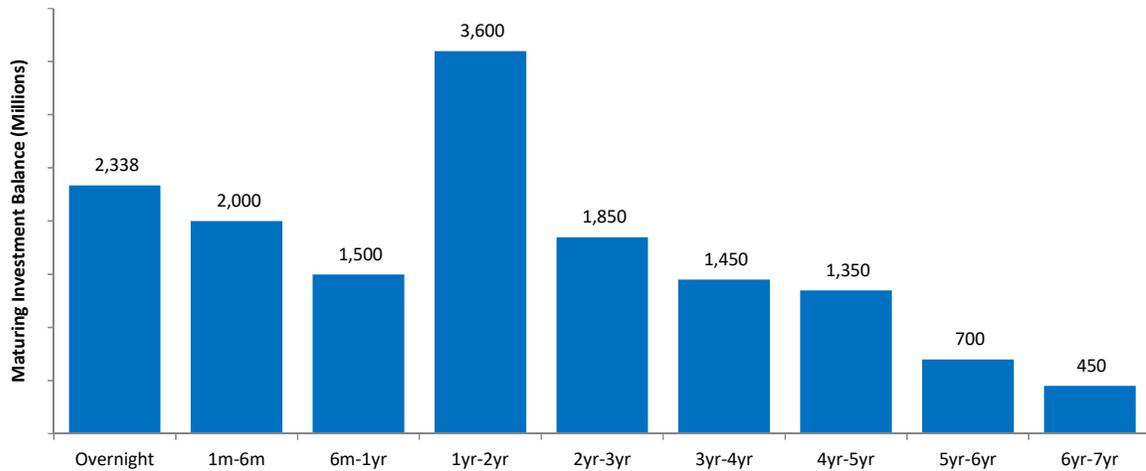
INVESTMENT PORTFOLIO SUMMARY
July 31, 2019

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)						
	Book Value	Market Value	Unrealized Gain or (Loss)	% Market to Book Value	Weighted Average Yield	
Daily Treasury Account	\$ 2,337,887,000	\$ 2,337,887,000	\$ -	100.00%	2.07%	
U.S. Treasury Notes	12,939,813,147	12,966,437,500	26,624,353	100.21%	2.01%	
Total	\$ 15,277,700,147	\$ 15,304,324,500	\$ 26,624,353	100.17%	2.02%	

II. INVESTMENT PORTFOLIO SUMMARY			
	Last Month	Current Month	CY To Date
Investment Yield	2.03%	2.02%	2.02%
Investment Income	\$ 25,449,384	\$ 26,293,898	\$ 180,244,349
Weighted Avg. Maturity in Days	716	682	

III. MONTHLY ACTIVITY				
Purchased	Type	Amount	Maturity	Yield
TOTAL		\$	-	

IV. MATURITY SCHEDULE (par value in millions)	
TOTAL	\$ 15,238



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