

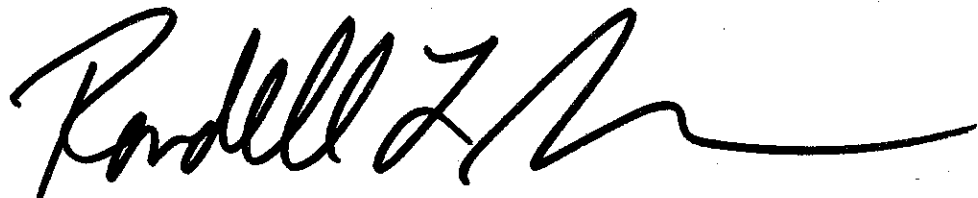
# NATIONAL CREDIT UNION SHARE INSURANCE FUND

Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the United States Government

# NCUA

National Credit Union Administration, a U.S. Government Agency

**UNAUDITED  
FINANCIAL HIGHLIGHTS  
December 31, 2014**



**RENDELL L. JONES  
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION  
SHARE INSURANCE FUND**

**FINANCIAL HIGHLIGHTS  
December 31, 2014**

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**Balance Sheet:**

**Other - Insurance and Guarantee Program Liabilities (Reserves):** Reserves are \$178.3 million as of December 31, 2014; \$5.7 million is for specific natural person credit unions, and \$172.6 million is for general reserves.

**Statement of Net Cost:**

For the month ended December 31, 2014, the fund had net cost of \$11.6 million. The fund recognized gross revenues of \$19.5 million and total operating expenses of \$21.2 million. The fund recognized an increase in insurance loss expense of \$9.9 million during the month of December 2014.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**UNAUDITED BALANCE SHEETS**

**As of December 31, 2014**

**(Dollars in thousands)**

	<u>December 2014</u>	<u>November 2014</u>	<u>December 2013</u>
<b>ASSETS</b>			
<b>INTRAGOVERNMENTAL</b>			
Fund Balance with Treasury	\$ 10,493	\$ 1,462	\$ 2,501
Investments, Net U.S. Treasury Securities	11,611,538	11,640,625	11,199,001
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	11,733	11,845	13,074
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	-	2,322	-
Accrued Interest Receivable, Investments	<u>59,700</u>	<u>53,704</u>	<u>59,597</u>
Total Intragovernmental Assets	<u>11,693,464</u>	<u>11,709,958</u>	<u>11,274,173</u>
<b>PUBLIC</b>			
Accounts Receivable - Due from Credit Unions	1,586	238	-
General Property, Plant, and Equipment, Net	128	-	-
Notes Receivable, Net	174,213	195,571	212,208
Accrued Interest Receivable	396	560	329
Advances	35	10	27
Other - Receivable from Asset Management Estates, Net	<u>87,785</u>	<u>90,102</u>	<u>119,863</u>
Total Public Assets	<u>264,143</u>	<u>286,481</u>	<u>332,427</u>
<b>TOTAL ASSETS</b>	<u>\$ 11,957,607</u>	<u>\$ 11,996,439</u>	<u>\$ 11,606,600</u>
<b>LIABILITIES</b>			
<b>INTRAGOVERNMENTAL</b>			
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 3,509	\$ -	\$ 3,313
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	-	6	3,910
Other - Distribution Payable to the Temporary Corporate Credit Union Stabilization Fund	<u>-</u>	<u>-</u>	<u>95,291</u>
Total Intragovernmental Liabilities	<u>3,509</u>	<u>6</u>	<u>102,514</u>
<b>PUBLIC</b>			
Accounts Payable	425	280	2,332
Other - Insurance and Guarantee Program Liabilities (Reserves)	<u>178,318</u>	<u>167,371</u>	<u>220,651</u>
Total Public Liabilities	<u>178,743</u>	<u>167,651</u>	<u>222,983</u>
<b>TOTAL LIABILITIES</b>	<u>182,252</u>	<u>167,657</u>	<u>325,497</u>
<b>NET POSITION</b>			
Contributed Capital	8,944,099	8,943,457	8,661,174
Cumulative Result of Operations	<u>2,831,256</u>	<u>2,885,325</u>	<u>2,619,929</u>
Total Net Position	<u>11,775,355</u>	<u>11,828,782</u>	<u>11,281,103</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 11,957,607</u>	<u>\$ 11,996,439</u>	<u>\$ 11,606,600</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**UNAUDITED STATEMENTS OF NET COST**

**For the Periods Ending December 31, 2014**

**(Dollars in thousands)**

	<u>December 2014</u>	<u>CY to Date December 2014</u>	<u>CY to Date December 2013</u>
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES (1)</b>			
Employee Pay	\$ 7,585	\$ 93,858	\$ 78,655
Employee Benefits	3,857	34,868	28,432
Travel	1,826	18,473	16,650
Rent, Communications, and Utilities	540	3,410	2,881
Administrative Costs	1,145	9,743	6,929
Contracted Services	5,987	18,057	13,256
Training Expense	217	1,224	1,264
Leasing Expense	36	145	184
Other Insurance Expense	7	40	61
Total Operating Costs	<u>21,200</u>	<u>179,818</u>	<u>148,312</u>
<b>INSURANCE LOSS EXPENSE</b>	9,896	(41,840)	(48,638)
Total Gross Costs	<u>31,096</u>	<u>137,978</u>	<u>99,674</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(19)	(229)	(249)
Interest Revenue - Other	(360)	(3,143)	(3,476)
Other Revenue	(938)	(2,261)	(825)
Total Exchange Revenue	<u>(1,317)</u>	<u>(5,633)</u>	<u>(4,550)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>29,779</u>	<u>132,345</u>	<u>95,124</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	(18,203)	(208,259)	(198,264)
Total Non-Exchange Revenues	<u>(18,203)</u>	<u>(208,259)</u>	<u>(198,264)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>\$ 11,576</u>	<u>\$ (75,914)</u>	<u>\$ (103,140)</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 69.2% and 59.1% for 2014 and 2013, respectively.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**UNAUDITED STATEMENTS OF NET POSITION**

**December 31, 2014**

**(Dollars in thousands)**

	<u>December 2014</u>	<u>November 2014</u>	<u>December 2013</u>
<b>NET POSITION BREAKDOWN</b>			
CU Contributed Capital	\$ 8,944,099	\$ 8,943,457	\$ 8,661,174
Retained Earnings	<u>2,680,944</u>	<u>2,692,520</u>	<u>2,605,029</u>
Total Net Position without Unrealized Gain/(Loss)	<u>11,625,043</u>	<u>11,635,977</u>	<u>11,266,203</u>
Unrealized Gain/(Loss) - Investments	<u>150,312</u>	<u>192,805</u>	<u>14,900</u>
<b>NET POSITION</b>	<u>\$ 11,775,355</u>	<u>\$ 11,828,782</u>	<u>\$ 11,281,103</u>

**Comparative Analysis of NCUSIF Ratios for December 2014**

	<b>December 2014</b>	<b>November 2014</b>	<b>December 2013</b>
<b>Investments/Total Assets</b>	97.11%	97.03%	96.49%
<b>Total Equity/Insured Shares (1)</b>	1.29%	1.30%	1.30%
<b>Available Assets Ratio</b>	1.27%	1.28%	1.26%
<b>Ins. Loss Exp./Insured Shares</b>	0.00%	0.00%	0.00%

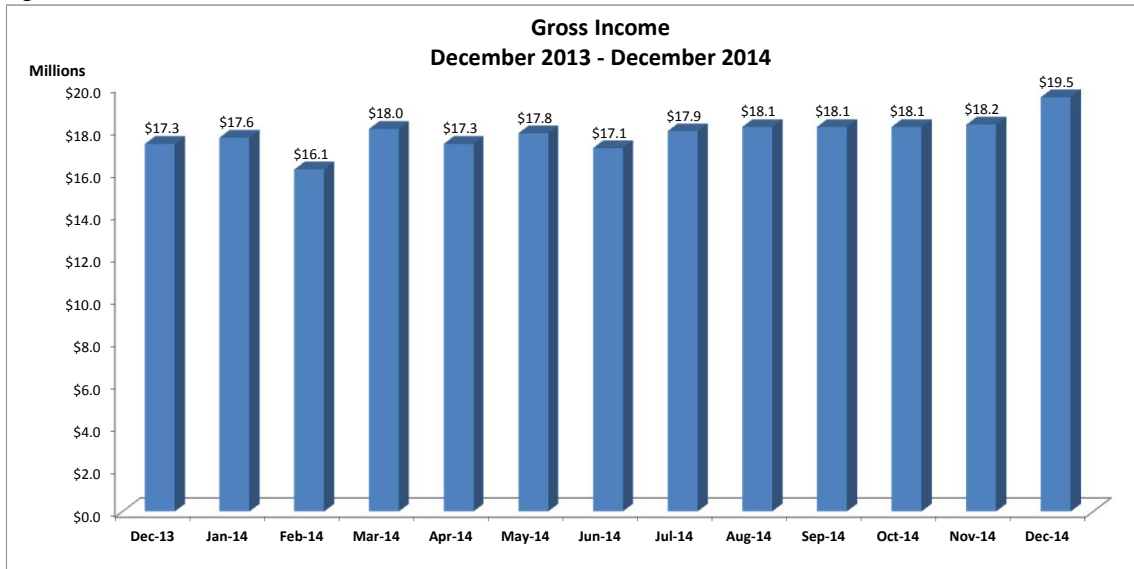
<b>Insured Shares as of December 31, 2014 (in billions)</b>	<b>\$ 903.0</b>
<b>Insured Shares as of June 30, 2014 (in billions)</b>	<b>895.7</b>
<b>Insured Shares as of December 31, 2013 (in billions)</b>	<b>866.3</b>

(1) The preliminary December 2014 ratios are based on an estimated insured share level of \$903.0 billion as of December 31, 2014.

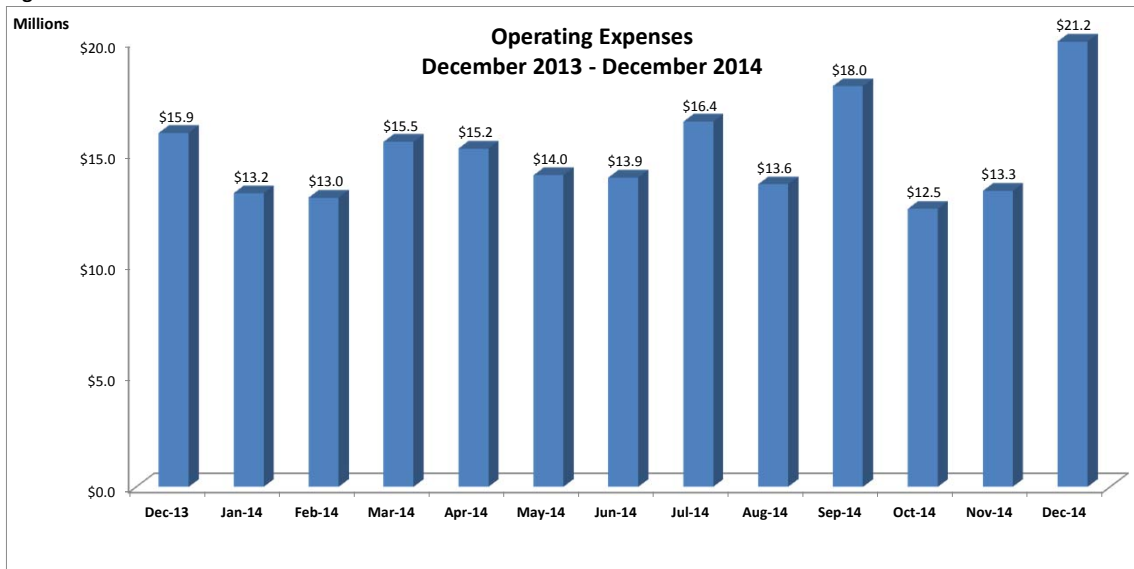
The November 2014 ratios is based on an actual insured share level of \$895.7 billion as of June 30, 2014.

The December 2013 ratios is based on an actual insured share level of \$866.3 billion as of December 31, 2013.

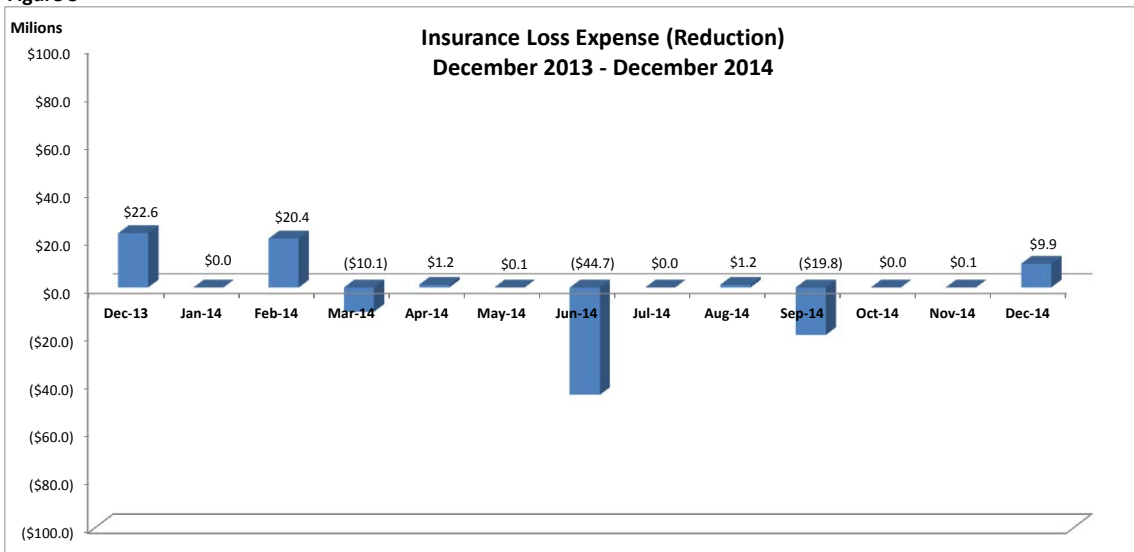
**Figure 1**



**Figure 2**



**Figure 3**



**INVESTMENT PORTFOLIO SUMMARY**  
December 31, 2014

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	\$ 173,635,000	\$ 173,635,000	\$ -	100.00%	0.03%
U.S. Treasury Notes	11,287,590,133	11,437,903,125	150,312,992	101.33%	1.89%
<b>Total</b>	<b>\$ 11,461,225,133</b>	<b>\$ 11,611,538,125</b>	<b>\$ 150,312,992</b>	<b>101.31%</b>	<b>1.87%</b>

II. INVESTMENT PORTFOLIO SUMMARY			
	Last Month	Current Month	CY To Date
Investment Yield	1.87%	1.87%	1.86%
Investment Income	\$ 17,558,922	\$ 18,203,148	\$ 208,258,688
Weighted Avg. Maturity in Days	1,591	1,551	

III. MONTHLY ACTIVITY				
Purchased	Type	Amount	Maturity	Yield
No purchases in December 2014.				
<b>TOTAL</b>		<b>\$ -</b>		

IV. MATURITY SCHEDULE (par value in millions)	
<b>TOTAL</b>	<b>\$ 11,344</b>

