

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: December 9, 2019

FROM: Office of Examination and Insurance

SUBJ: Briefing for 2020 Normal Operating Level

BOARD BRIEFING: Share Insurance Fund Normal Operating Level

DATE BOARD BRIEFING: December 12, 2019

OTHER OFFICES CONSULTED: Office of Chief Economist
Office of the Chief Financial Officer

BUDGET IMPACT, IF ANY: None

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: No

RESPONSIBLE STAFF MEMBERS: Larry Fazio, Director, Office of Examination & Insurance; Andrew Leventis, Chief Economist, Office of the Chief Economist; Julie Cayse, Director of Risk Management

SUMMARY: In accordance with the Policy for Setting the Normal Operating Level, the NCUA periodically reviews the equity needs of the Share Insurance Fund. Using contemporary (2019) data, staff calculated the normal operating level according to the Board-approved methodology. This resulted in no change to the normal operating level of 1.38 percent.