

National Credit Union Administration



Operating Fund

***Financial Highlights
November 30, 2010***

**Mary Ann Woodson
Chief Financial Officer**

National Credit Union Administration Operating Fund
Financial Highlights
November 30, 2010

Balance Sheet

Overnight Investments decreased \$4.6 million for payment of operating expenses.

Accounts Payable decreased \$2.5 million primarily for payment of employee payables (e.g., travel and reimbursement claims) and vendor invoices.

Other Current Liabilities decreased \$7.2 million as a result of deferred operating fee income that will be recognized evenly over the remaining calendar period.

Statement of Revenue and Expenses

Net income for the month was \$641,000 higher than planned due to all expense categories except travel being under budget.

Statement of Cash Flow

Cash decreased by \$4.6 million for the month, reflecting payments for operating expenses, fixed assets, home purchase program and notes payable in excess of receipts from interest and other income.

Budget (Year-to-Date)

Agency spending was under budget by \$8.4 million or 4.6 percent. Pay, benefits and travel were under budget by \$6.2 million or 4.0 percent.. The remaining variance of \$2.2 million was derived mainly from rent, communications & utilities and contracted services.

Vacancies

The agency had 41 vacancies as of November 20, 2010. Of the 41 vacancies, there were 14 in the central office and 27 in the regional offices and AMAC. The vacancies represent 3.6 percent of total authorized staff of 1,130.85.

National Credit Union Administration Operating Fund
Balance Sheets & Changes in Fund Balance
November 30, 2010

	November 2009	October 2010	November 2010
ASSETS			
ASSETS:			
Current Assets			
Cash	\$ 102,683.54	\$ 500,092.31	\$ 500,152.27
Overnight Investments	26,506,000.00	43,329,000.00	38,720,000.00
Accounts Receivable	4,484,614.71	3,924,146.24	347,679.84
Interest Receivable	0.00	0.00	0.00
Prepaid Expenses	2,991,861.80	1,784,301.05	1,790,256.85
Home Purchase Program	915,570.00	1,034,502.00	1,067,924.78
Other	645,993.50	0.00	0.00
<i>Total Current Assets</i>	35,646,723.55	50,572,041.60	42,426,013.74
Property, Plant, and Equipment			
Land	3,946,263.95	3,946,263.95	3,946,263.95
Buildings	24,931,984.15	24,889,302.15	24,946,976.84
Capital Lease	41,928.00	24,952.33	23,570.33
Equipment	3,858,655.00	6,054,876.67	5,813,479.99
Assets Under Construction	3,159,726.62	2,154,113.57	2,238,158.99
<i>Total Property, Plant, and Equipment</i>	35,938,557.72	37,069,508.67	36,968,450.10
TOTAL ASSETS	\$ 71,585,281.27	\$ 87,641,550.27	\$ 79,394,463.84
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Current Liabilities			
Accounts Payable	\$ 786,935.65	\$ 4,451,804.92	\$ 1,998,090.25
Accrued Employee Compensation	17,133,921.60	17,589,072.50	18,452,846.67
Other Current Liabilities	7,803,058.36	14,512,231.27	7,281,115.64
<i>Total Current Liabilities</i>	25,723,915.61	36,553,108.69	27,732,052.56
Non-Current Liabilities			
Notes Payable	18,549,636.28	17,320,443.59	17,208,698.80
Other	174,517.81	234,425.46	230,892.74
<i>Total Non-Current Liabilities</i>	18,724,154.09	17,554,869.05	17,439,591.54
TOTAL LIABILITIES	44,448,069.70	54,107,977.74	45,171,644.10
FUND BALANCE:			
Unappropriated	26,137,211.57	32,533,572.53	33,222,819.74
Appropriated	1,000,000.00	1,000,000.00	1,000,000.00
TOTAL FUND BALANCE	27,137,211.57	33,533,572.53	34,222,819.74
TOTAL LIABILITIES AND FUND BALANCE	\$ 71,585,281.27	\$ 87,641,550.27	\$ 79,394,463.84

National Credit Union Administration Operating Fund
Statement of Revenue & Expenses
November 30, 2010

	November 2010 Monthly Actual	November 2010 Monthly Budget	November 2010 Year-To-Date Actual	November 2010 Year-To-Date Budget	November 2009 Year-To-Date Actual
REVENUE:					
Interest Income	\$ 5,862.70	\$ 4,166.67	\$ 59,168.60	\$ 78,333.33	\$ 40,108.83
Program-related Income	7,231,115.63	7,117,500.00	79,547,287.95	135,232,500.00	74,154,357.10
Other Income	98,061.04	25,000.00	1,007,428.86	473,333.33	277,411.26
Total Revenue	7,335,039.37	7,146,666.67	80,613,885.41	135,784,166.67	74,471,877.19
EXPENSES:					
Employee Pay	3,870,158.31	4,089,297.40	42,684,617.58	44,238,762.80	42,833,918.17
Employee Benefits	1,014,996.83	1,182,442.66	11,389,520.92	12,791,879.71	11,005,965.34
Employee Travel	909,973.92	829,597.11	8,231,879.24	9,125,568.21	7,388,686.55
Rent/Communications/Utilities	123,774.14	167,561.25	1,454,739.57	1,843,173.75	1,618,716.02
Administrative Costs	355,880.39	417,603.74	5,060,719.11	4,593,641.14	3,940,689.14
Contracted Services	498,767.23	539,675.86	4,935,237.14	5,936,434.46	3,080,858.08
Total Expenses	6,773,550.82	7,226,178.02	73,756,713.56	78,529,460.07	69,868,833.30
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 561,488.55	\$ (79,511.35)	\$ 6,857,171.85	\$ 57,254,706.60	\$ 4,603,043.89

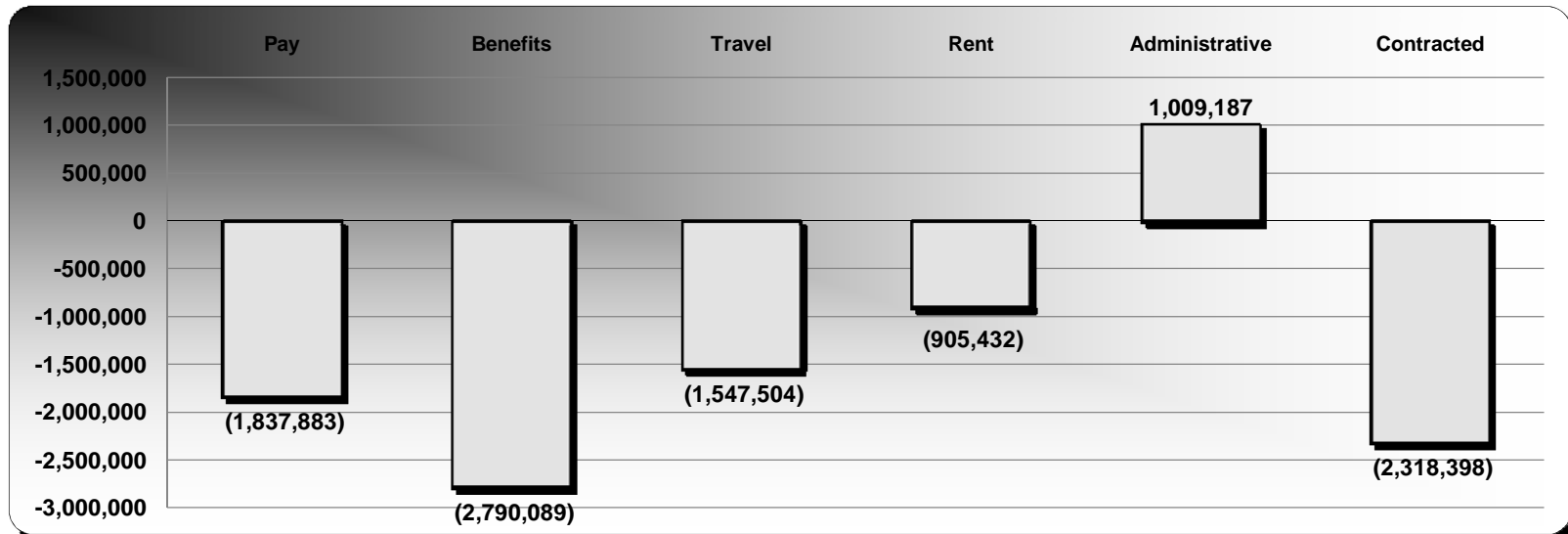
National Credit Union Administration Operating Fund
Statement of Cash Flow
November 30, 2010

	Month November 2009	Month November 2010	Y-T-D November 2009	Y-T-D November 2010
CASH FLOWS FROM OPERATING ACTIVITIES:				
Income from operating fees	\$ -	\$ -	\$ 83,811,547.13	\$ 86,769,141.37
Interest received from cash and cash equivalents	1,429.64	5,862.70	40,108.83	59,168.60
Other income received	17,181.38	98,061.04	277,411.26	1,007,428.86
(Cash paid for operating expenses)	(6,003,448.53)	(4,369,021.61)	(71,457,632.09)	(67,278,177.46)
Net cash (used) in operating activities	(5,984,837.51)	(4,265,097.87)	12,671,435.13	20,557,561.37
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds (purchases) of fixed assets	(26,862.26)	(198,674.60)	(4,978,148.10)	(3,856,737.26)
Proceeds (purchases) home purchase program	0.00	(33,422.78)	(703,513.31)	(573,104.78)
Net cash (used) in investing activities	(26,862.26)	(232,097.38)	(5,681,661.41)	(4,429,842.04)
CASH FLOWS FROM FINANCING ACTIVITIES:				
(Repayments) of notes payable	(111,744.79)	(111,744.79)	(1,229,192.69)	(1,229,192.69)
(Capital lease payments)	(1,714.61)	0.00	(744,236.31)	0.00
Net cash (used) in financing activities	(113,459.40)	(111,744.79)	(1,973,429.00)	(1,229,192.69)
NET INCREASE (DECREASE) IN CASH	(6,125,159.17)	(4,608,940.04)	5,016,344.72	14,898,526.64
Cash and cash equivalents at beginning of period	32,733,842.71	43,829,092.31	21,592,338.82	24,321,625.63
Cash and cash equivalents at end of period	\$ 26,608,683.54	\$ 39,220,152.27	\$ 26,608,683.54	\$ 39,220,152.27
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Net income (loss)	\$ (142,764.33)	\$ 561,488.55	\$ 4,603,043.89	\$ 6,857,171.85
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	239,340.00	427,491.83	2,438,857.86	4,727,340.73
Unrealized (gain) loss	0.00	0.00	0.00	0.00
(Gain) loss on disposal of fixed assets	0.00	0.00	0.00	0.00
(Gain) loss on disposal of homes	0.00	0.00	305,443.31	0.00
Interest expense on leases	0.00	0.00	0.00	0.00
Miscellaneous allowances	0.00	(0.00)	(0.00)	(0.00)
Change in current assets and liabilities				
(Increase) decrease in assets:				
SIF repayment of Operating Fund for leases	0.00	0.00	90,058.97	0.00
Accounts receivable	(1,685,628.41)	3,576,466.40	(3,940,014.71)	958,916.73
Interest receivable	0.00	0.00	0.00	0.00
Prepaid expenses	0.00	(5,955.80)	663,180.27	258,676.06
Other assets	(480,283.95)	0.00	(645,893.50)	0.00
Increase (decrease) in liabilities:				
Accounts payable	(528,267.97)	(2,453,714.67)	(2,594,266.67)	(401,977.61)
Accrued employee compensation	2,851,539.91	863,774.17	3,643,841.54	2,125,599.43
Other non current liabilities	140.00	(3,532.72)	380,677.20	67,365.84
Other current liabilities	(6,238,912.76)	(7,231,115.63)	7,726,506.97	7,221,698.34
Total adjustments	(5,842,073.18)	(4,826,586.42)	8,068,391.24	14,957,619.52
Net cash (used) in operating activities	\$ (5,984,837.51)	\$ (4,265,097.87)	\$ 12,671,435.13	\$ 21,814,791.37

**National Credit Union Administration Operating Fund
(Before Overhead Transfer)
Year-To-Date Budget Report Analysis
November 30, 2010**

	2010				2009			
	BUDGET	ACTUAL	DIFFERENCE	% DIFF	BUDGET	ACTUAL	DIFFERENCE	% DIFF
Employee Pay	103,361,595	101,523,712	(1,837,883)	-1.8%	92,613,358	94,714,838	2,101,480	2.3%
Benefits	29,887,569	27,097,480	(2,790,089)	-9.3%	26,651,421	24,350,503	(2,300,918)	-8.6%
Travel	21,321,421	19,773,917	(1,547,504)	-7.3%	18,425,782	16,528,170	(1,897,611)	-10.3%
Rent, Communications, & Utilities	4,306,481	3,401,049	(905,432)	-21.0%	3,866,393	3,504,962	(361,430)	-9.3%
Administrative	10,732,806	11,741,994	1,009,187	9.4%	11,731,125	8,539,120	(3,192,005)	-27.2%
Contracted Services	13,870,174	11,551,777	(2,318,398)	-16.7%	9,688,723	6,682,978	(3,005,745)	-31.0%
TOTAL	183,480,047	175,089,929	(8,390,118)	-4.6%	162,976,801	154,320,571	(8,656,230)	-5.3%

**Amount Over (Under) Budget
November 30, 2010**

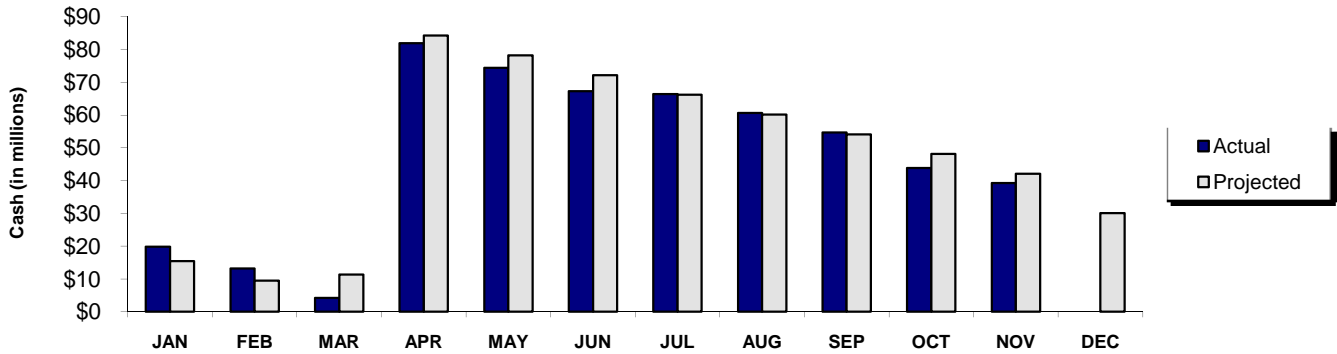


National Credit Union Administration Operating Fund

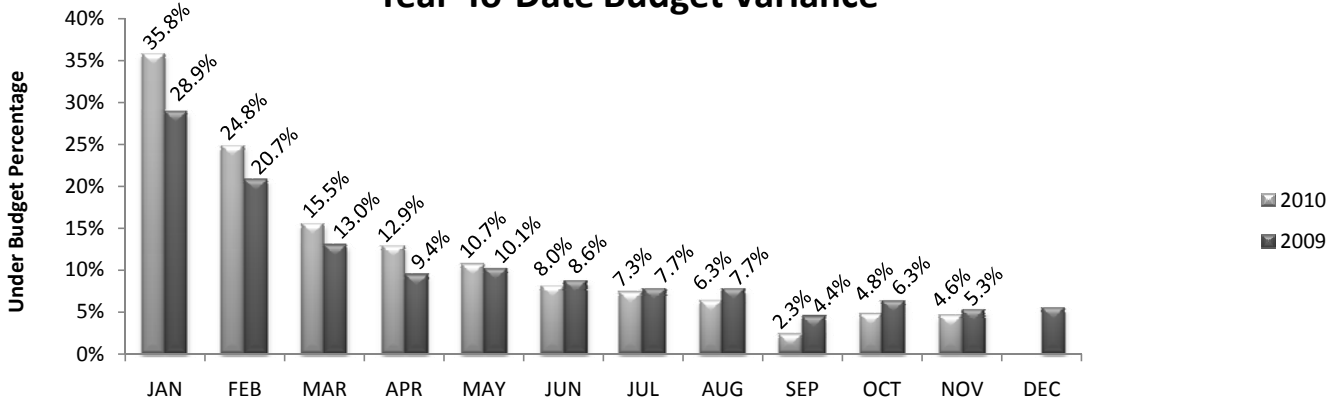
Graphs and Ratios

November 30, 2010

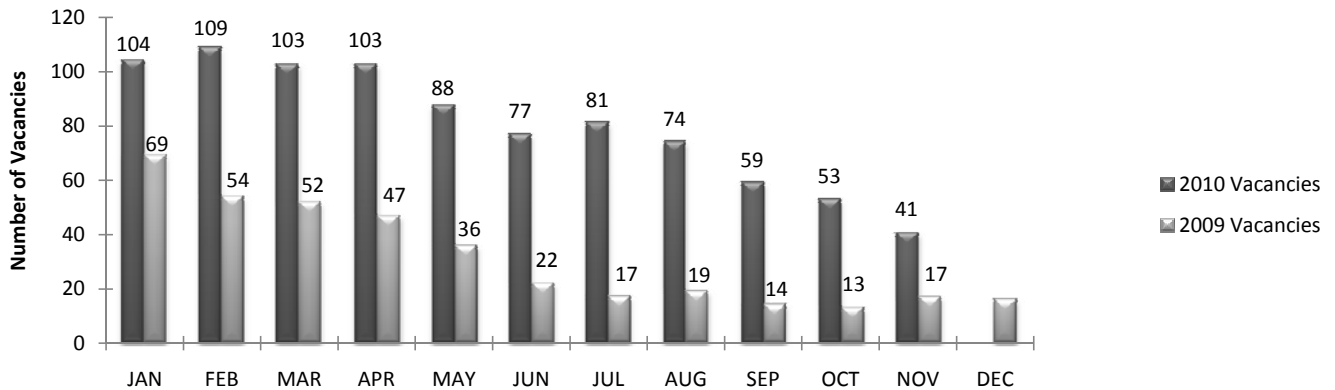
Actual & Projected Cash Balance



Year-To-Date Budget Variance



Vacancies



	November 2009	November 2010
Retained earnings / Total assets	37.91%	43.10%
Monthly interest income to average investments (annualized)	0.05%	0.13%
YTD Travel per full-time equivalent, before overhead transfer, (annualized)	\$18,323	\$18,468
Net year to date cash inflow (outflow) in millions of dollars	\$5.0	\$15.6
Cash and Overnight investments / Total assets	37.2%	49.4%
Overhead Transfer Rate	53.80%	57.20%