

National Credit Union Administration



Operating Fund

***Financial Highlights
April 30, 2011***

Mary Ann Woodson

**Mary Ann Woodson
Chief Financial Officer**

NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

FINANCIAL HIGHLIGHTS
AS OF APRIL 30, 2011

Balance Sheets

Cash and cash equivalents had a month-end balance of \$87.9 million. The balance increased \$71.7 million primarily due to collection of operating fees and other receivables due in April. The cash position is considered to be sufficient to cover current and future obligations of the Fund.

Statements of Revenues, Expenses, and Changes in Fund Balance

Net loss for the month was approximately \$522,000. Interest income on overnight investments has averaged 0.04% during the year, equivalent to the income earned during the same period last year.

Statements of Cash Flow

The cash position increased \$72 million since last month. Operating activities generated the major portion of the net change in cash. Also, a total of \$109,000 was invested in new capital assets and a total of \$112,000 in cash was used to reduce or repay the NCUSIF note payable long-term liability, which has a balance of \$17 million on the balance sheet.

Budget (Year-to-Date)

Agency spending was under the year-to-date budget by \$8.1 million or 10.8 percent, compared to being under the year-to-date budget by \$8.6 million or 12.9 percent during the same period last year. Of the total variance, employee pay and benefits was under budget by \$3.8 million or 7.1%, travel was under budget by \$1.5 million or 19.0%, and the remaining expense categories were under budget by \$2.7 million or 21.7%.

The average annualized travel spend per FTE has been \$17,614 this year, which is approximately \$2,090 more than last year.

Vacancies

The agency had 74 vacancies as of this month -- down 11 from the prior month. Of the 74 vacancies, 44 were in the central office and 30 were in the regions and AMAC. The 74 vacancies represent 6.1% percent of total authorized staff of 1,208.60.

NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

BALANCE SHEETS

AS OF APRIL 30, 2011 AND APRIL 30, 2010

(Dollars in thousands)

	4/30/2011	3/31/2011	4/30/2010
ASSETS			
CASH AND CASH EQUIVALENTS	\$ 87,870	\$ 16,202	\$ 81,877
DUE FROM NATIONAL CREDIT UNION SHARE INSURANCE FUND	865	4	1,339
EMPLOYEE ADVANCES	84	72	571
OTHER ACCOUNTS RECEIVABLE	1,551	21,646	4,323
PREPAID EXPENSES AND OTHER ASSETS	1,493	1,484	2,001
ASSETS HELD FOR SALE	198	198	261
FIXED ASSETS — Net of accumulated depreciation of \$24,066 as of April 30, 2011	31,339	31,443	30,012
INTANGIBLE ASSETS — Net of accumulated amortization of \$7,325 as of April 30, 2011	<u>5,174</u>	<u>5,304</u>	<u>7,119</u>
TOTAL	<u>\$ 128,574</u>	<u>\$ 76,353</u>	<u>\$ 127,503</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable	\$ 59,836	\$ 1,952	\$ 65,403
Obligations under capital leases	24	24	41
Accrued wages and benefits	5,233	10,262	4,726
Accrued annual leave	11,401	11,401	9,922
Accrued employee travel	-	-	-
Note payable to National Credit Union Share Insurance Fund	<u>16,650</u>	<u>16,762</u>	<u>17,991</u>
Total liabilities	93,144	40,401	98,083
COMMITMENTS AND CONTINGENCIES			
FUND BALANCE	<u>35,430</u>	<u>35,952</u>	<u>29,420</u>
TOTAL	<u>\$ 128,574</u>	<u>\$ 76,353</u>	<u>\$ 127,503</u>

**NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND**

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE

AS OF APRIL 30, 2011 AND APRIL 30, 2010

(Dollars in thousands)

	YEAR-TO-DATE		MONTH	
	2011	2010	2011	2010
REVENUES:				
Operating fees	\$ 28,684	\$ 28,470	\$ 7,174	\$ 7,117
Interest	9	7	1	5
Other	<u>228</u>	<u>35</u>	<u>71</u>	<u>4</u>
Total Revenues	28,921	28,512	7,246	7,126
EXPENSES, NET:				
Employee wages and benefits, net	19,812	20,638	5,476	5,452
Travel	2,546	2,520	916	787
Rent, communications, and utilities	528	361	178	141
Contracted services	1,626	1,152	563	433
Other	<u>1,887</u>	<u>1,723</u>	<u>635</u>	<u>587</u>
Total Expenses	<u>26,399</u>	<u>26,394</u>	<u>7,768</u>	<u>7,400</u>
EXCESS OF REVENUES OVER EXPENSES	2,522	2,118	(522)	(274)
FUND BALANCE—Beginning of year	<u>32,908</u>	<u>27,302</u>	<u>35,952</u>	<u>29,694</u>
FUND BALANCE—End of year	<u>\$ 35,430</u>	<u>\$ 29,420</u>	<u>\$ 35,430</u>	<u>\$ 29,420</u>

NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

STATEMENTS OF CASH FLOWS AS OF APRIL 30, 2011 AND APRIL 30, 2010 (Dollars in thousands)

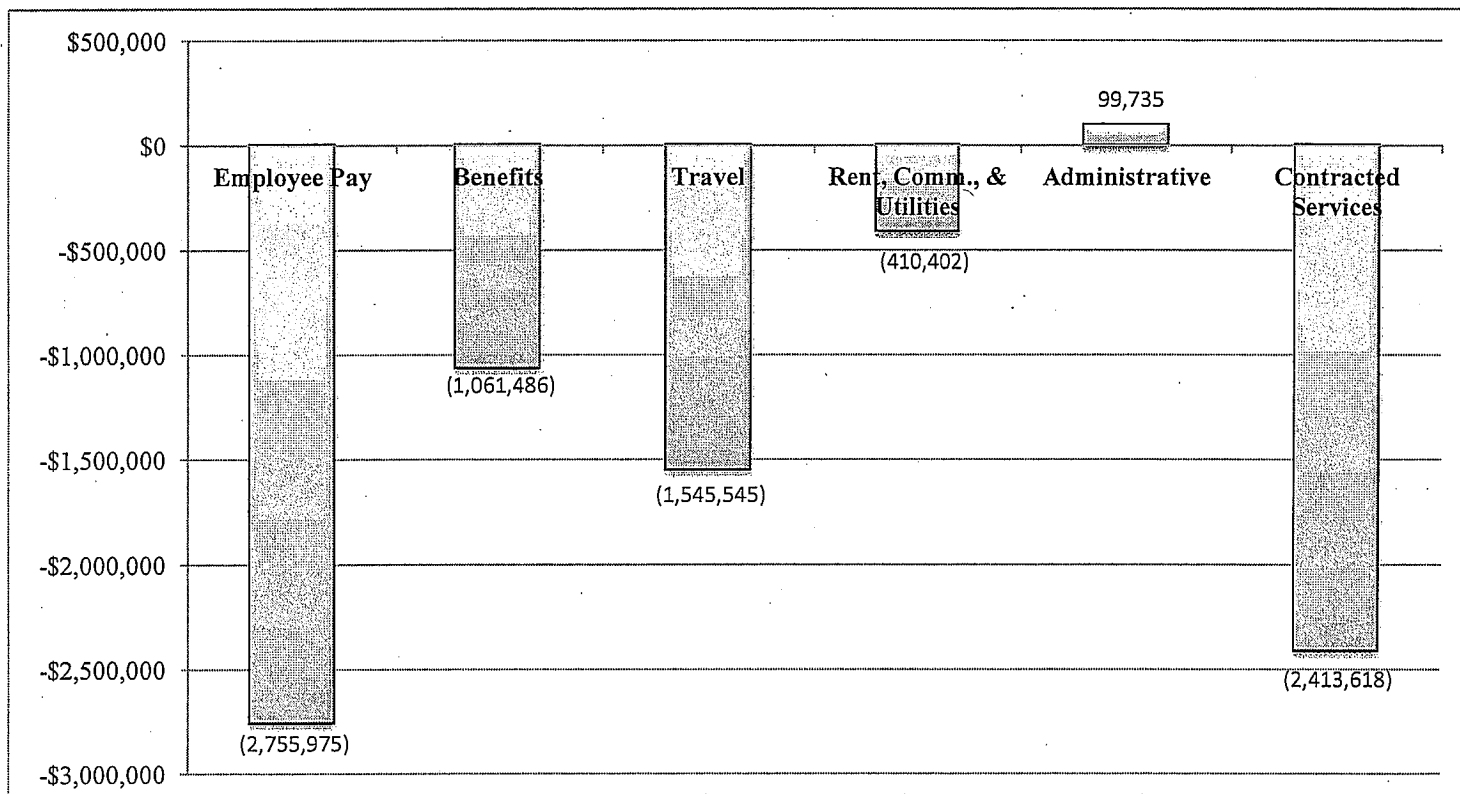
	YEAR-TO-DATE		MONTH	
	2011	2010	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:				
Excess of revenues over expenses	\$ 2,522	\$ 2,118	\$ (522)	\$ (274)
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:				
Depreciation and amortization	1,625	1,059	343	258
Provision for loss on disposal of employee residences held for sale	84	20	-	20
(Gain) loss on fixed asset retirements	-	-	-	-
(Increase) decrease in assets:				
Due from National Credit Union Share Insurance Fund	1,992	919	(861)	1,119
Employee advances	(34)	(405)	(12)	(400)
Other accounts receivable	(1,202)	(4,049)	20,095	82,655
Prepaid expenses and other assets	(122)	(991)	(9)	1
(Decrease) increase in liabilities:				
Accounts payable	54,793	62,368	57,884	(2,043)
Accrued wages and benefits	(3,348)	(2,383)	(5,029)	(3,839)
Accrued annual leave	-	-	-	-
Accrued employee travel	(532)	(179)	-	-
Net cash provided by operating activities	<u>55,778</u>	<u>58,477</u>	<u>71,889</u>	<u>77,497</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of fixed assets	(517)	(688)	(109)	59
Purchases of employee residences held for sale	(173)	-	-	-
Proceeds from sale of employee residences held for sale	584	214	-	214
Net cash used in investing activities	<u>(106)</u>	<u>(474)</u>	<u>(109)</u>	<u>273</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of note payable to National Credit Union Share Insurance Fund	(447)	(447)	(112)	(112)
Principal payments under capital lease obligations	-	-	-	-
Net cash used in financing activities	<u>(447)</u>	<u>(447)</u>	<u>(112)</u>	<u>(112)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	55,225	57,556	71,668	77,658
CASH AND CASH EQUIVALENTS—Beginning of year	<u>32,645</u>	<u>24,321</u>	<u>16,202</u>	<u>4,219</u>
CASH AND CASH EQUIVALENTS—End of year	<u>\$ 87,870</u>	<u>\$ 81,877</u>	<u>\$ 87,870</u>	<u>\$ 81,877</u>
CASH PAYMENTS FOR INTEREST	<u>\$ 119</u>	<u>\$ 132</u>	<u>\$ 30</u>	<u>\$ 34</u>

**NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND**

**YEAR-TO-DATE BUDGET REPORT ANALYSIS (BEFORE OVERHEAD TRANSFER RATE)
AS OF APRIL 30, 2011 AND APRIL 30, 2010**

	2011				2010			
	BUDGET	ACTUAL	DIFF	%	BUDGET	ACTUAL	DIFF	%
Employee Pay	41,531,951	38,775,976	(2,755,975)	-6.6%	37,372,606	35,140,188	(2,232,418)	-6.0%
Benefits	12,329,725	11,268,239	(1,061,486)	-8.6%	10,816,035	9,529,816	(1,286,219)	-11.9%
Travel	8,148,622	6,603,077	(1,545,545)	-19.0%	7,753,244	5,454,925	(2,298,319)	-29.6%
Rent, Comm., & Utilities	1,709,341	1,298,939	(410,402)	-24.0%	1,565,993	782,359	(783,634)	-50.0%
Administrative	4,483,962	4,583,697	99,735	2.2%	3,902,839	4,478,031	575,192	14.7%
Contracted Services	6,387,004	3,973,386	(2,413,618)	-37.8%	5,077,033	2,493,346	(2,583,687)	-50.9%
TOTAL	74,590,605	66,503,314	(8,087,291)	-10.8%	66,487,750	57,878,665	(8,609,085)	-12.9%

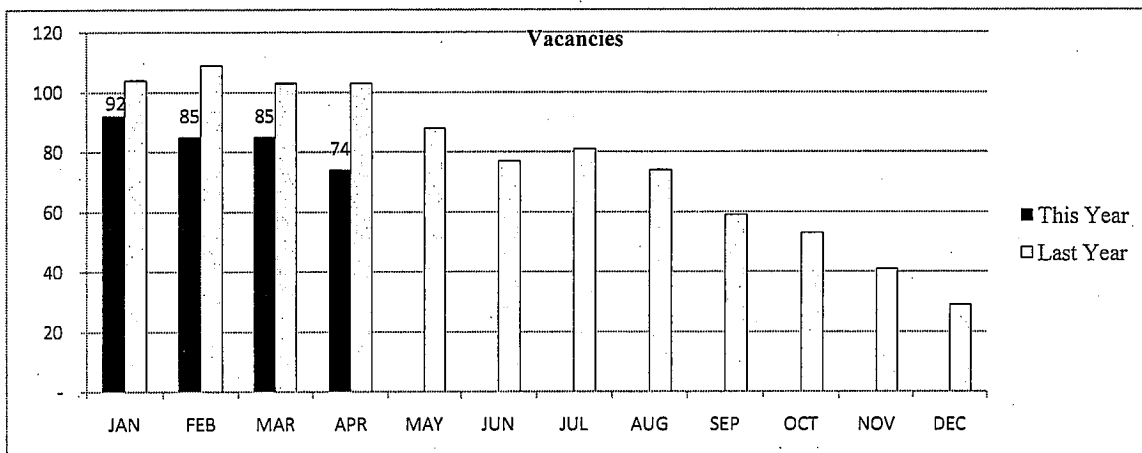
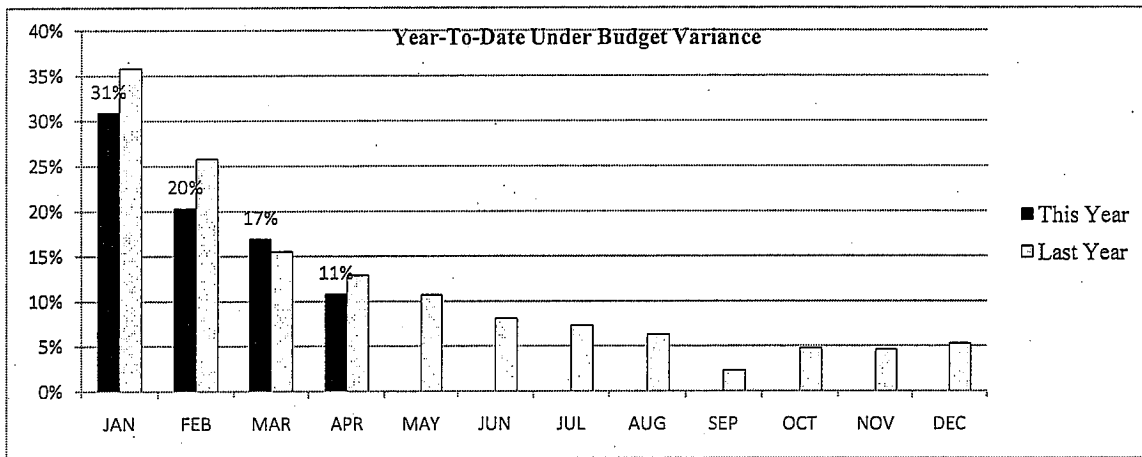
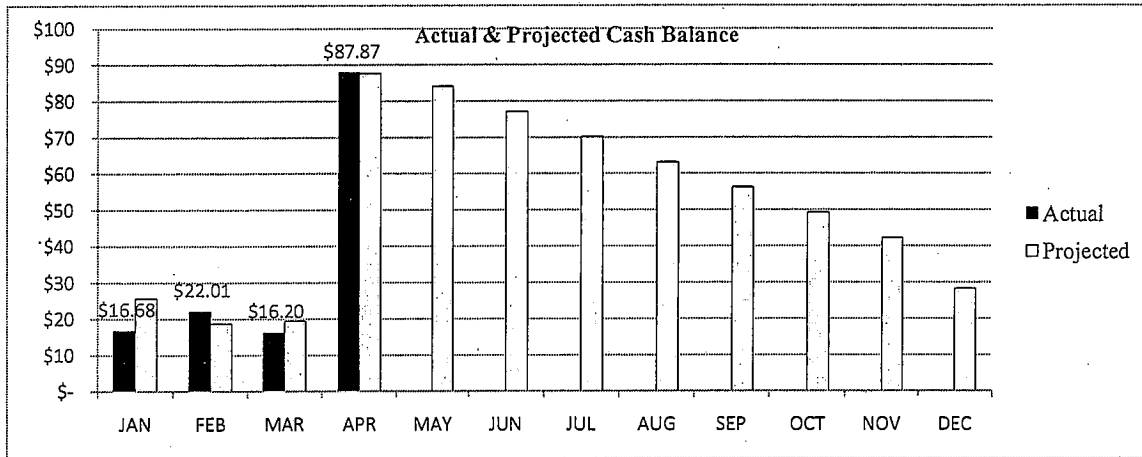
Amount Over (Under) Budget



**NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND**

GRAPHS AND RATIOS

AS OF APRIL 30, 2011 AND APRIL 30, 2010



	4/30/2011	4/30/2010
Retained earnings / Total assets	27.56%	23.07%
YTD interest income to average investments (annualized)	0.04%	0.04%
Annualized travel spend per employee	\$17,614	\$15,525
Net year to date cash inflow (outflow) in millions of dollars	\$55	\$58
Cash and overnight investments / Total assets	68.34%	64.22%
Overhead transfer rate	58.90%	57.20%