

# **NATIONAL CREDIT UNION SHARE INSURANCE FUND**



## **PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS**

**February 28, 2017**

A handwritten signature in blue ink, appearing to read "Rendell L. Jones", is written in a cursive style.

**RENDELL L. JONES  
CHIEF FINANCIAL OFFICER**

# **NATIONAL CREDIT UNION SHARE INSURANCE FUND**

## **MANAGEMENT OVERVIEW**

**February 28, 2017**

---

### **Balance Sheet**

Insurance and Guarantee Program Liabilities Reserves are \$196.6 million as of February 28, 2017; \$2.9 million is for specific natural person credit unions, and \$193.7 million is for general reserves.

### **Statement of Net Cost**

For the month ended February 28, 2017, the fund had a net loss of \$1.3 million. The fund recognized gross revenues of \$15.0 million and total operating expenses of \$16.3 million. The fund did not recognize any insurance loss expense during the month of February 2017.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**BALANCE SHEETS**  
**As of February 28, 2017**  
**(Dollars in thousands)**

	<u>February 2017</u>	<u>February 2016</u>
<b>ASSETS</b>		
<b>INTRAGOVERNMENTAL</b>		
Fund Balance with Treasury	\$ 2,496	\$ 1,475
Investments, Net U.S. Treasury Securities	12,772,206	12,383,593
Accrued Interest Receivable - Investments	43,908	51,469
Accounts Receivable - Due from the National		
Credit Union Administration Operating Fund	1,213	1,202
Note Receivable - Note due from the National		
Credit Union Administration Operating Fund	8,828	10,169
Total Intragovernmental Assets	<u>12,828,651</u>	<u>12,447,908</u>
<b>PUBLIC</b>		
Accrued Interest Receivable	-	209
Notes Receivable, Net	-	105,552
General Property, Plant and Equipment, Net	1,087	1,719
Other - Receivable from Asset Management Estates, Net	54,221	53,705
Total Public Assets	<u>55,308</u>	<u>161,185</u>
<b>TOTAL ASSETS</b>	<u>\$ 12,883,959</u>	<u>\$ 12,609,093</u>
<b>LIABILITIES</b>		
<b>INTRAGOVERNMENTAL</b>		
Accounts Payable - Due to the National Credit Union Administration		
Operating Fund	\$ 1	\$ 62
Total Intragovernmental Liabilities	<u>1</u>	<u>62</u>
<b>PUBLIC</b>		
Accounts Payable	504	1,548
Capital Lease Liability	161	318
Other - Insurance and Guarantee Program Liabilities (Reserves)	196,617	162,887
Total Public Liabilities	<u>197,282</u>	<u>164,753</u>
<b>TOTAL LIABILITIES</b>	<u>197,283</u>	<u>164,815</u>
<b>NET POSITION</b>		
Contributed Capital	9,986,599	9,352,963
Cumulative Result of Operations	2,700,077	3,091,315
Total Net Position	<u>12,686,676</u>	<u>12,444,278</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 12,883,959</u>	<u>\$ 12,609,093</u>

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**  
**STATEMENTS OF NET COST, INCLUDING NON-EXCHANGE REVENUES**  
**For the Periods Ending February 28, 2017**  
**(Dollars in thousands)**

	<b>February 2017</b>	<b>Year-to-Date February 2017</b>	<b>Year-to-Date February 2016</b>
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES <sup>(1)</sup></b>			
Employee Pay	\$ 7,702	\$ 16,579	\$ 18,264
Employee Benefits	4,293	7,831	6,922
Travel	1,019	1,176	1,388
Rent, Communications and Utilities	209	218	182
Administrative Costs	587	857	1,066
Contracted Services	2,394	2,559	1,339
Training Expense	47	118	91
Leasing Expense	52	105	65
Other Insurance Expense	3	6	6
Total Operating Costs	<u>16,306</u>	<u>29,449</u>	<u>29,323</u>
<b>INSURANCE LOSS EXPENSE</b>	-	-	(92)
Total Gross Costs	<u>16,306</u>	<u>29,449</u>	<u>29,231</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(10)	(24)	(32)
Interest Revenue - Other	-	-	(414)
Insurance and Guarantee Premium Revenue	(121)	(121)	(13)
Total Exchange Revenue	<u>(131)</u>	<u>(145)</u>	<u>(459)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>16,175</u>	<u>29,304</u>	<u>28,772</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	(14,847)	(33,718)	(37,329)
Gain on Sales of Investments	-	(132)	-
Total Non-Exchange Revenues	<u>(14,847)</u>	<u>(33,850)</u>	<u>(37,329)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>\$ 1,328</u>	<u>\$ (4,546)</u>	<u>\$ (8,557)</u>

<sup>(1)</sup> 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 67.7% and 73.1% for 2017 and 2016, respectively.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**STATEMENTS OF NET POSITION**

**As of February 28, 2017**

**(Dollars in thousands)**

	<u>February 2017</u>	<u>February 2016</u>
<b>NET POSITION BREAKDOWN</b>		
Credit Union Contributed Capital	\$ 9,986,599	\$ 9,352,963
Retained Earnings	2,759,362	2,750,872
Total Net Position without Unrealized Gain/(Loss)	<u>12,745,961</u>	<u>12,103,835</u>
Unrealized Gain/(Loss) - Investments	<u>(59,285)</u>	<u>340,443</u>
<b>NET POSITION</b>	<u>\$ 12,686,676</u>	<u>\$ 12,444,278</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**Comparative Analysis of NCUSIF Ratios for As of February 28, 2017**

**As of February 28, 2017**

**Comparative Analysis of NCUSIF Ratios for February 2017**

	<b>February 2017</b>	<b>February 2016</b>
<b>Investments/Total Assets</b>	99.13%	98.21%
<b>Total Equity/Insured Shares <sup>(1)</sup></b>	1.24%	1.26%
<b>Available Assets Ratio</b>	1.22%	1.27%
<b>Ins. Loss Exp./Insured Shares</b>	0.00%	0.00%

<b>Insured Shares as of December 31, 2016 (in billions)</b>	<b>\$ 1,028.7</b>
<b>Insured Shares as of December 31, 2015 (in billions)</b>	<b>961.3</b>

(1) The February 2017 ratios are based on an insured share level of \$1.0 trillion as of December 31, 2016.

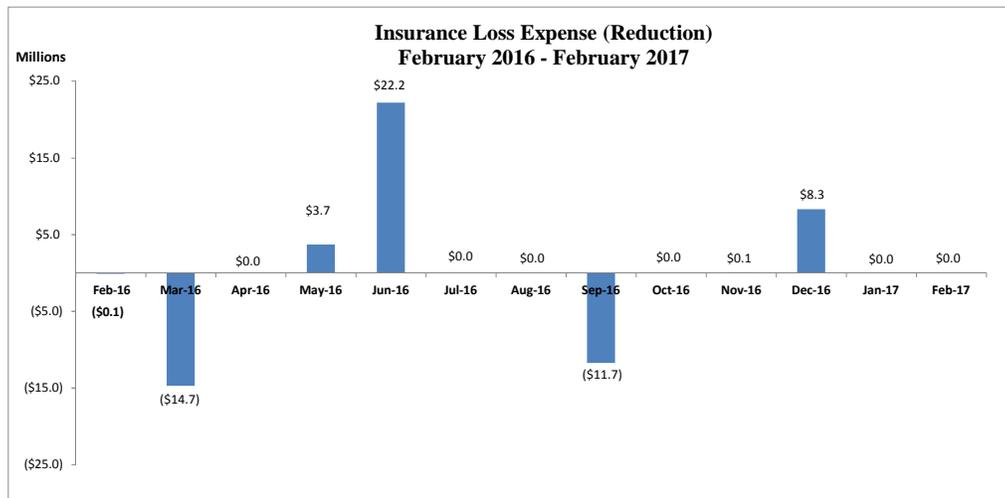
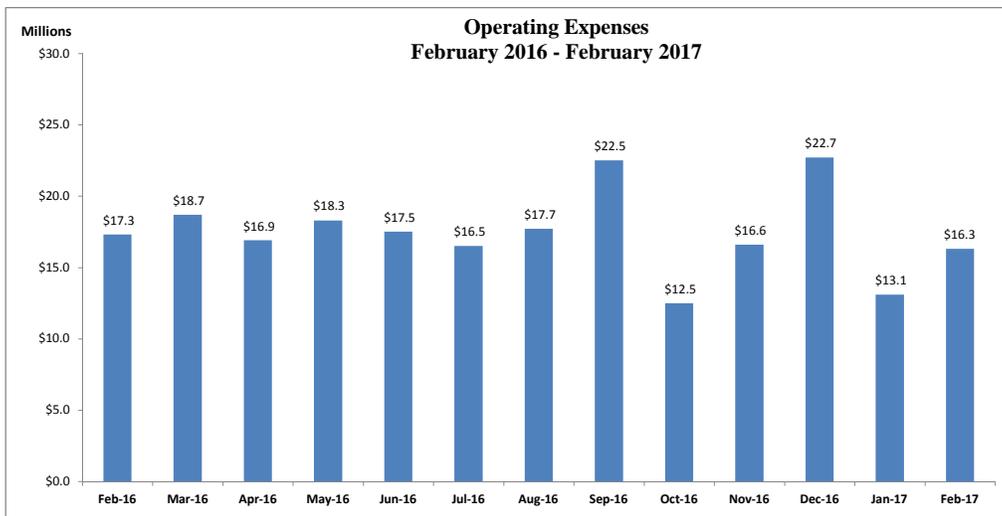
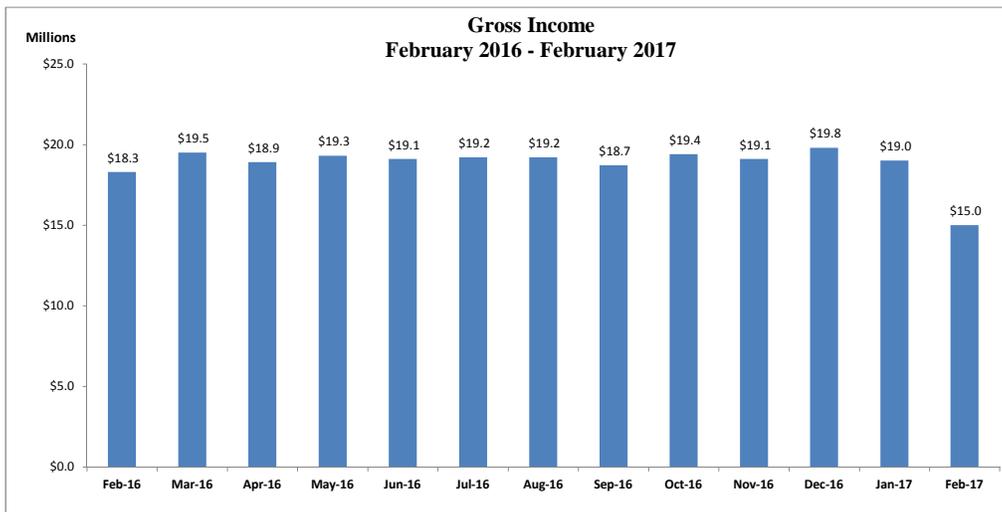
The February 2016 ratios are based on an insured share level of \$961.3 billion as of December 31, 2015.

The balances in the statement above are preliminary and unaudited.

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## STATISTICAL INFORMATION

February 28, 2017



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

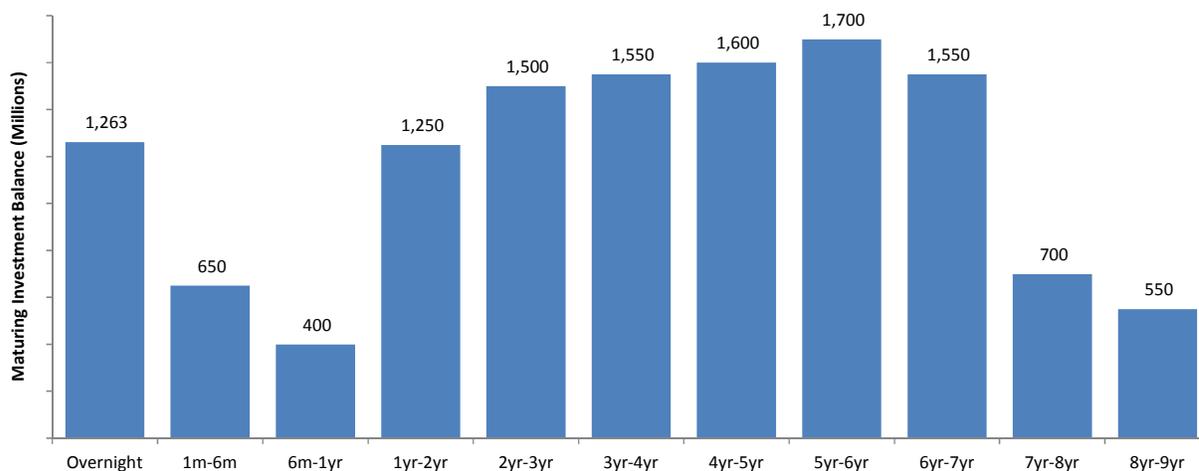
**INVESTMENT PORTFOLIO SUMMARY**  
February 28, 2017

<b>I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)</b>						
	Book Value	Market Value	Unrealized Gain or (Loss)	% Market to Book Value	Weighted Average Yield	
Daily Treasury Account	\$ 1,262,503,000	\$ 1,262,503,000	\$ -	100.00%	0.44%	
U.S. Treasury Notes	11,568,987,677	11,509,703,125	(59,284,552)	99.49%	1.60%	
<b>Total</b>	<b>\$ 12,831,490,677</b>	<b>\$ 12,772,206,125</b>	<b>\$ (59,284,552)</b>	<b>99.54%</b>	<b>1.49%</b>	

<b>II. INVESTMENT PORTFOLIO SUMMARY</b>			
	Last Month	Current Month	CY To Date
Investment Yield	1.51%	1.49%	1.50%
Investment Income	\$ 18,870,198	\$ 14,846,607	\$ 33,716,805
Weighted Avg. Maturity in Days	1,436	1,407	

<b>III. MONTHLY ACTIVITY</b>				
Purchased	Type	Amount	Maturity	Yield
<b>TOTAL</b>		\$ -		

<b>IV. MATURITY SCHEDULE (par value in millions)</b>		
<b>TOTAL</b>	\$	<b>12,713</b>



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