

NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

April 30, 2017

A handwritten signature in blue ink, which appears to read "Rendell L. Jones". The signature is fluid and cursive, written over a white background.

**RENDELL L. JONES
CHIEF FINANCIAL OFFICER**

NATIONAL CREDIT UNION SHARE INSURANCE FUND

MANAGEMENT OVERVIEW

April 30, 2017

Balance Sheet

Other Receivable from Asset Management Estates are \$1.7 million as of April 30, 2017. The balance decreased by approximately \$57.4 million primarily due to the sales of mortgages held within the Asset Management Estates of failed natural person credit unions. The allocation of such proceeds to the claimants of the Asset Management Estates, including the portion to the Share Insurance Fund, is pending.

Insurance and Guarantee Program Liabilities Reserves are \$245.7 million as of April 30, 2017; \$8.9 million is for specific natural person credit unions, and \$236.8 million is for general reserves.

Statement of Net Cost

For the month ended April 30, 2017, the fund had net income of \$1.0 million. The fund recognized gross revenues of \$16.2 million and total operating expenses of \$15.1 million. As year-to-date, the fund received \$132.0 thousand gain on sales of investments. The fund recognized an insurance loss expense of \$0.1 million during the month of April 2017.

NATIONAL CREDIT UNION SHARE INSURANCE FUND

BALANCE SHEETS

As of April 30, 2017 and 2016

(Dollars in thousands)

	<u>April 2017</u>	<u>April 2016</u>
ASSETS		
INTRAGOVERNMENTAL		
Fund Balance with Treasury	\$ 59,019	\$ 1,620
Investments, Net U.S. Treasury Securities	13,099,233	12,585,035
Accrued Interest Receivable - Investments	76,371	85,045
Accounts Receivable - Due from the National		
Credit Union Administration Operating Fund	2,503	1,531
Note Receivable - Note due from the National		
Credit Union Administration Operating Fund	8,604	9,945
Total Intragovernmental Assets	<u>13,245,730</u>	<u>12,683,176</u>
PUBLIC		
Accounts Receivable - Due from Credit Unions	2,983	1,927
Accrued Interest Receivable	-	217
Notes Receivable, Net	-	102,536
General Property, Plant and Equipment, Net	982	1,614
Other - Receivable from Asset Management Estates, Net	1,675	59,450
Total Public Assets	<u>5,640</u>	<u>165,744</u>
TOTAL ASSETS	<u>\$ 13,251,370</u>	<u>\$ 12,848,920</u>
 LIABILITIES		
INTRAGOVERNMENTAL		
Accounts Payable - Due to the National Credit Union Administration		
Operating Fund	\$ 89	\$ 25
Accounts Payable - Due to the Temporary Corporate Credit Union		
Stabilization Fund	9,997	-
Total Intragovernmental Liabilities	<u>10,086</u>	<u>25</u>
PUBLIC		
Accounts Payable	577	2,452
Capital Lease Liability	121	279
Other - Insurance and Guarantee Program Liabilities (Reserves)	245,739	152,190
Total Public Liabilities	<u>246,437</u>	<u>154,921</u>
TOTAL LIABILITIES	<u>256,523</u>	<u>154,946</u>
 NET POSITION		
Contributed Capital	10,296,411	9,612,955
Cumulative Result of Operations	2,698,436	3,081,019
Total Net Position	<u>12,994,847</u>	<u>12,693,974</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 13,251,370</u>	<u>\$ 12,848,920</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 April 30, 2017 and 2016
(Dollars in thousands)

	April 2017	Year-to-Date April 2017	Year-to-Date April 2016
GROSS COSTS			
OPERATING EXPENSES ⁽¹⁾			
Employee Pay	\$ 7,787	\$ 33,156	\$ 36,283
Employee Benefits	3,097	13,225	13,902
Travel	1,430	4,010	4,856
Rent, Communications and Utilities	373	875	828
Administrative Costs	518	2,074	2,897
Contracted Services	1,671	5,708	5,760
Training Expense	172	355	225
Leasing Expense	53	210	171
Other Insurance Expense	3	12	14
Total Operating Costs	<u>15,104</u>	<u>59,625</u>	<u>64,936</u>
INSURANCE LOSS EXPENSE	<u>132</u>	<u>48,142</u>	<u>(14,803)</u>
Total Gross Costs	<u>15,236</u>	<u>107,767</u>	<u>50,133</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(11)	(46)	(63)
Interest Revenue - Other	-	-	(851)
Other (Revenue) / Expense	(15)	(136)	(13)
Total Exchange Revenue	<u>(26)</u>	<u>(182)</u>	<u>(927)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>15,210</u>	<u>107,585</u>	<u>49,206</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	(16,217)	(66,500)	(75,213)
Gain on Sales of Investments	-	(132)	-
Total Non-Exchange Revenues	<u>(16,217)</u>	<u>(66,632)</u>	<u>(75,213)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (1,007)</u>	<u>\$ 40,953</u>	<u>\$ (26,007)</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 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 April 30, 2017 and 2016

(Dollars in thousands)

	<u>April 2017</u>	<u>April 2016</u>
NET POSITION BREAKDOWN		
Credit Union Contributed Capital	\$ 10,296,411	\$ 9,612,955
Retained Earnings	2,713,864	2,768,322
Total Net Position without Unrealized Gain/(Loss)	<u>13,010,275</u>	<u>12,381,277</u>
Unrealized Gain/(Loss) - Investments	<u>(15,428)</u>	<u>312,697</u>
NET POSITION	<u>\$ 12,994,847</u>	<u>\$ 12,693,974</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND

Comparative Analysis of NCUSIF Ratios for April 30, 2017 and 2016

	April 2017	April 2016
Investments/Total Assets	98.85%	97.95%
Total Equity/Insured Shares ⁽¹⁾	1.26%	1.29%
Available Assets Ratio	1.25%	1.29%
Ins. Loss Exp./Insured Shares	0.00%	0.00%

Insured Shares as of December 31, 2016 (in billions) **\$ 1,028.8**
Insured Shares as of December 31, 2015 (in billions) **\$ 961.3**

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

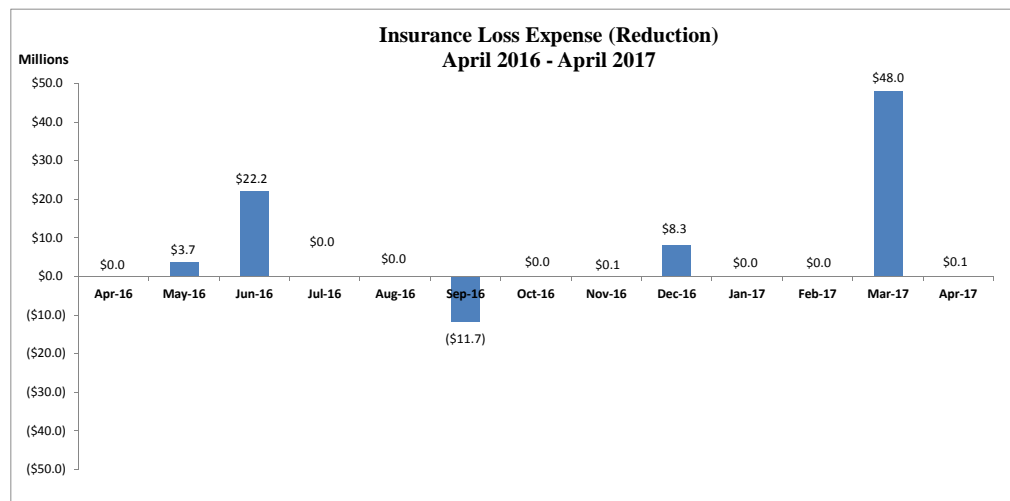
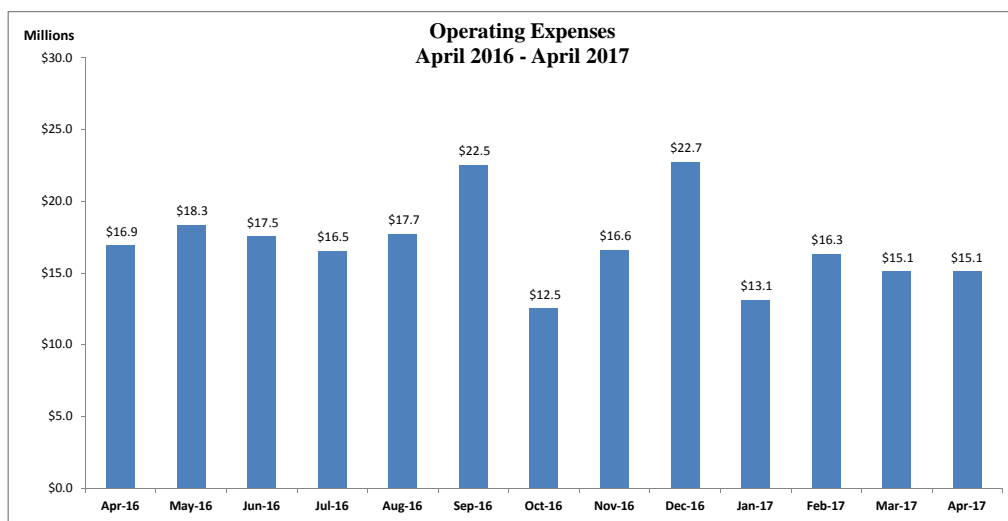
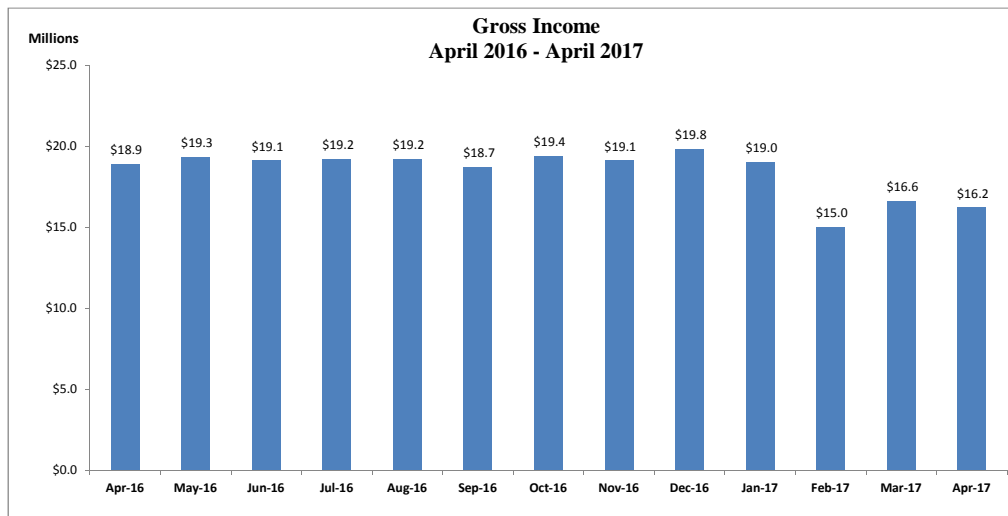
The April 2016 ratios are based on an insured share level of \$961.3 billion as of December 31, 2015.

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NATIONAL CREDIT UNION SHARE INSURANCE FUND

STATISTICAL INFORMATION

April 30, 2017



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

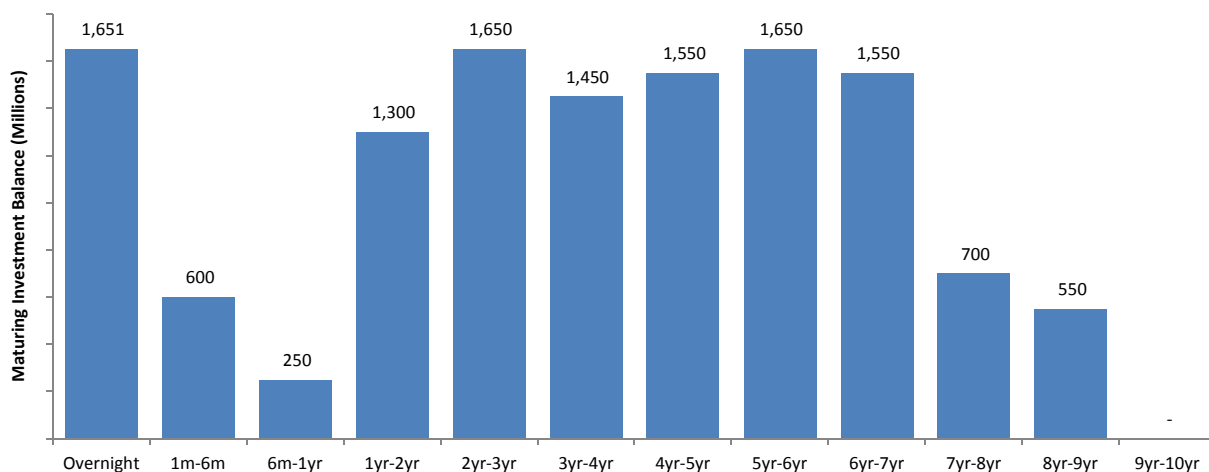
INVESTMENT PORTFOLIO SUMMARY
April 30, 2017

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	\$ 1,651,452,000	\$ 1,651,452,000	\$ -	100.00%	0.70%	
U.S. Treasury Notes	11,463,209,580	11,447,781,250	(15,428,330)	99.87%	1.62%	
Total	\$ 13,114,661,580	\$ 13,099,233,250	\$ (15,428,330)	99.88%	1.50%	

II. INVESTMENT PORTFOLIO SUMMARY			
	Last Month	Current Month	CY To Date
Investment Yield	1.52%	1.50%	1.50%
Investment Income	\$ 16,565,376	\$ 16,216,828	\$ 66,499,009
Weighted Avg. Maturity in Days	1,379	1,496	

III. MONTHLY ACTIVITY				
Purchased	Type	Amount	Maturity	Yield
TOTAL		\$	-	

IV. MATURITY SCHEDULE (par value in millions)	
TOTAL	\$ 12,901



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