



NCUA
National Credit Union Administration

Eugene H. Schied, CFO

Office of the Chief Financial Officer

NCUSIF Financial Statistics

For the Quarter Ended
December 31, 2022

Audited Financial Statements

National Credit Union Share Insurance Fund (NCUSIF)

- The NCUA's financial statements were audited by KPMG through a contract with the Office of the Inspector General.
- The Fund's financial statements received an unmodified opinion with no reportable conditions.
- The audited financial statements are located at: <https://www.ncua.gov/about-ncua/inspector-general/oig-reports/audit-reports>

NCUSIF Revenue and Expense

December 31, 2022

(In Millions)	Quarter Ended Dec. 31, 2022	Year-to-Date Dec. 31, 2022
Gross Income:		
Investment Income	\$82.9	\$286.8
Other Income	0.2	0.7
Total Income	\$83.1	\$287.5
Less Expenses:		
Operating Expenses	\$53.6	\$208.2
Other Expenses	-	0.1
Provision for Insurance Losses:		
Reserve Expense	10.1	33.6
NPCU AME Loss Expense (Reduction)	(3.4)	(15.0)
Corporate AME Loss Expense (Reduction)	3.9	(58.1)
Total Expenses	\$64.2	\$168.8
Net Income (Loss)	\$18.9	\$118.7

NCUSIF Summary Balance Sheets

December 31, 2022

(In Millions)	Dec. 31, 2022	Dec. 31, 2021
Assets		
Fund Balance with Treasury and Investments	\$20,164.4	\$20,401.0
Receivable from NPCU Asset Management Estates, Net	4.7	1.4
Receivable from Corporate Asset Management Estates, Net	71.8	221.6
Accrued Interest and Other Assets	122.7	111.3
Total Assets	\$20,363.6	\$20,735.3
Liabilities and Net Position		
Accounts Payable and Other Liabilities	\$3.0	\$9.4
Insurance and Guarantee Program Liabilities	185.2	162.0
Net Position – Cumulative Results of Operations	3,259.0	4,780.2
Net Position – Capitalization Deposits	16,916.4	15,783.7
Total Liabilities and Net Position	\$20,363.6	\$20,735.3

NCUSIF - Insurance and Guarantee Program Liabilities

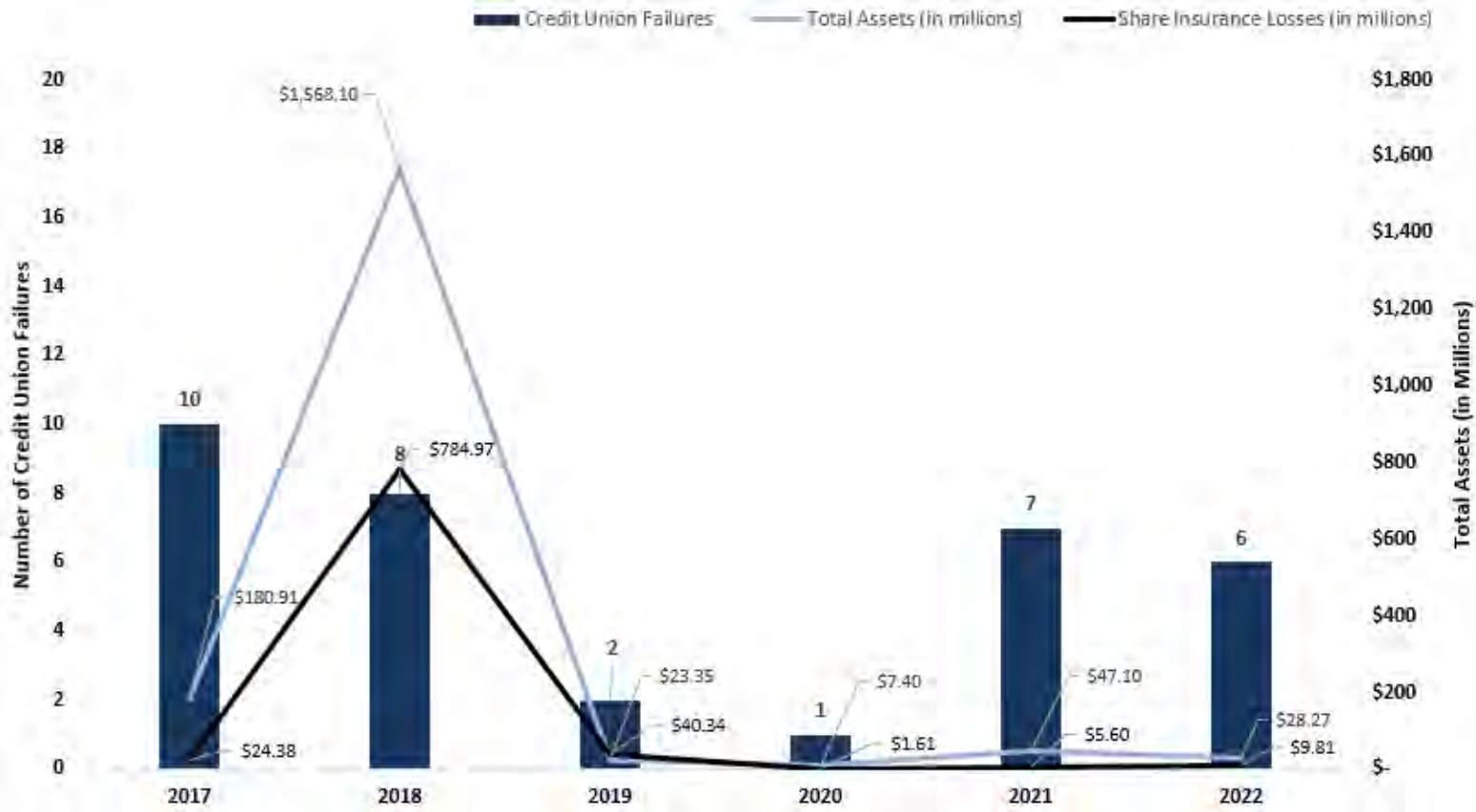
December 31, 2022

(In Millions)	Quarter Ended Dec. 31, 2022	Year-to-Date Dec. 31, 2022
Beginning Reserve Balance:	\$ 183.2	\$ 162.0
Reserve Expense	10.1	33.6
Charges for Assisted Mergers	-	(0.6)
Charges for Liquidations	(8.1)	(9.8)
Ending Reserve Balance	\$185.2	\$185.2

* This table shows only NPCU Insurance and Program Guarantee Liabilities.

Number of Credit Union Failures Incurring a Loss to the Share Insurance Fund

CY2017 – CY2022



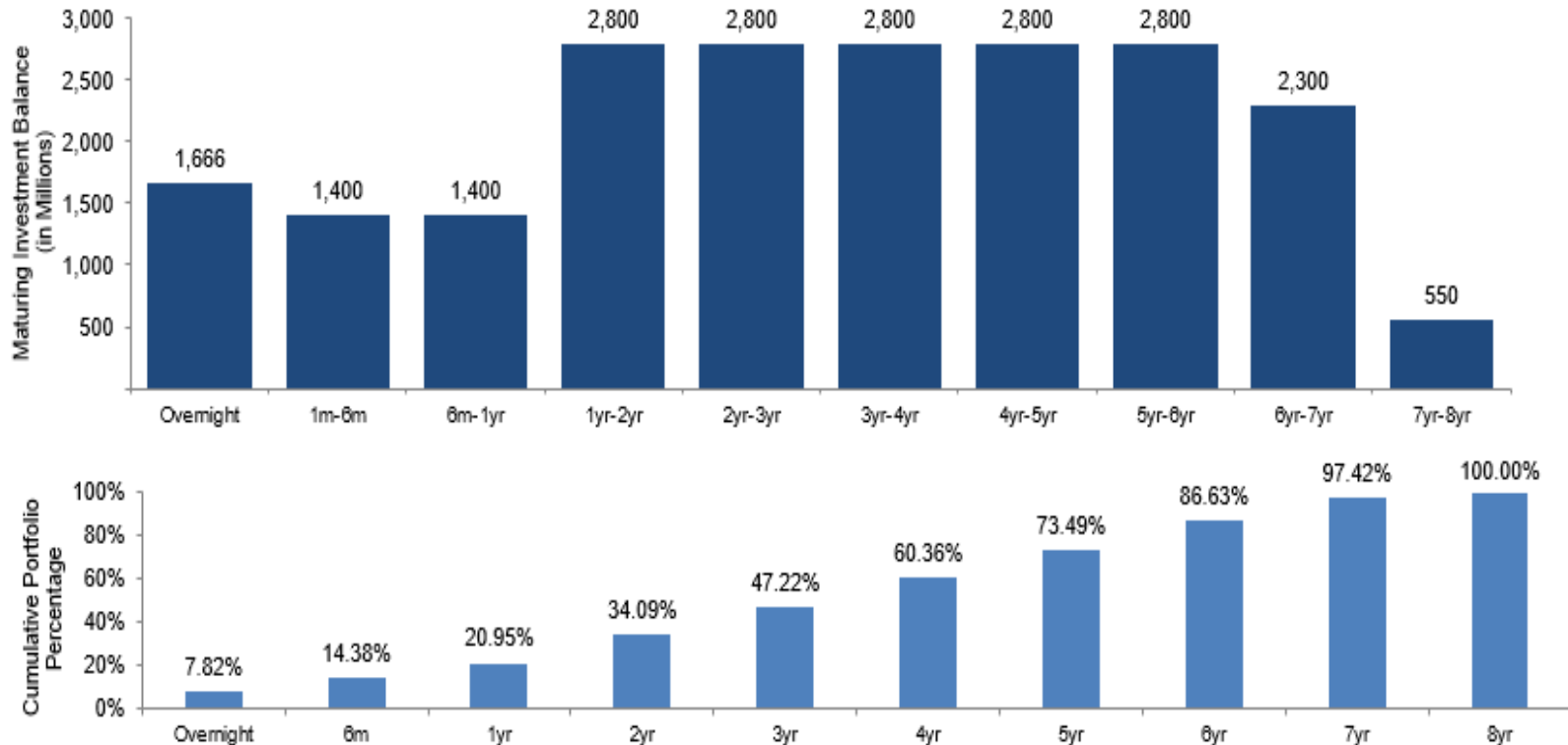
NCUSIF Portfolio

December 31, 2022

Investment Balance at Par: \$21.3 Billion

Weighted Average Life:
Weighted Average Yield:

3.3 years
1.59%

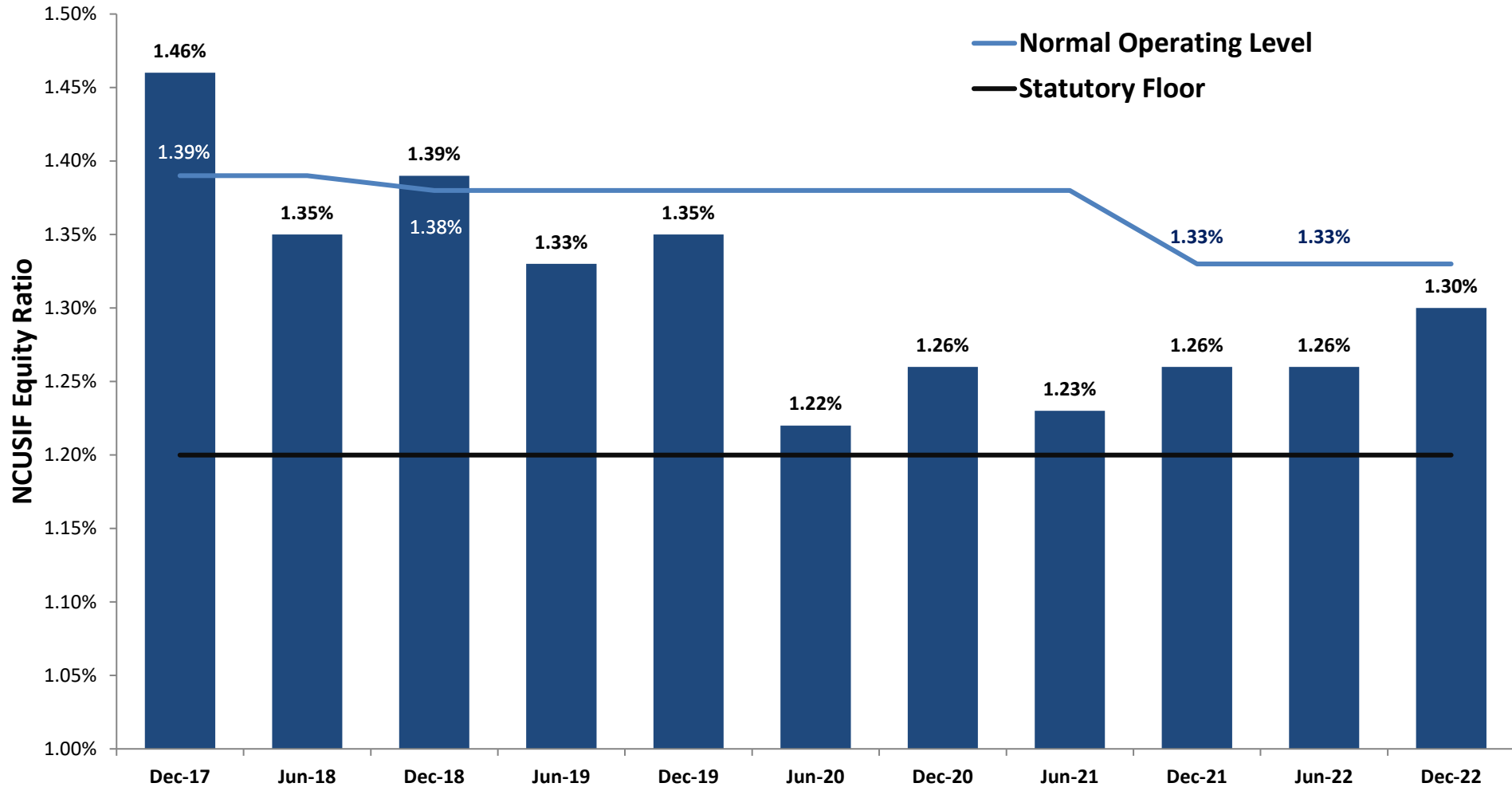


Current Investment Strategy

- **Overnight liquidity target set by Investment Committee – currently at \$4 billion.**
 - Once overnight target met, plan to return to slow buildout of ladder
 - Committee meets quarterly (or more frequently) to review liquidity target.
- **Annual performance plan goal to maintain an investment strategy that provides for sufficient funds to meet operating costs and liquidity needs without having to sell investments at a loss or use the agency’s borrowing authority.**
- **Remaining funds invested in a 10-year Treasury Ladder**
- **A 10-year Treasury Ladder provides:**
 - Quarterly, steady stream of maturities for liquidity needs and adjustments
 - A higher expected return than a shorter Treasury Ladder

NCUSIF Equity Ratio

CY2017 – CY2022



NCUSIF Equity Ratio (Continued)

- The Federal Credit Union Act §1782(h)(2) defines the equity ratio as the ratio of – “(A) the amount of Fund capitalization, including insured credit unions’ 1 percent capitalization deposits and the retained earnings balance of the Fund (net of direct liabilities of the Fund and contingent liabilities for which no provision for losses has been made) to (B) the aggregate amount of the insured shares in all insured credit unions.”
- Equity ratio of the Share Insurance Fund as of December 31, 2022, is 1.30 percent, below the approved normal operating level of 1.33 percent.

$$\frac{\$16,916,435,587^1 + \$4,924,272,340^2}{\$1,685,344,461,310^3} = 1.30\%$$

¹ Contributed Capital as reported on the Balance Sheet of the December 31, 2022, audited financial statements.

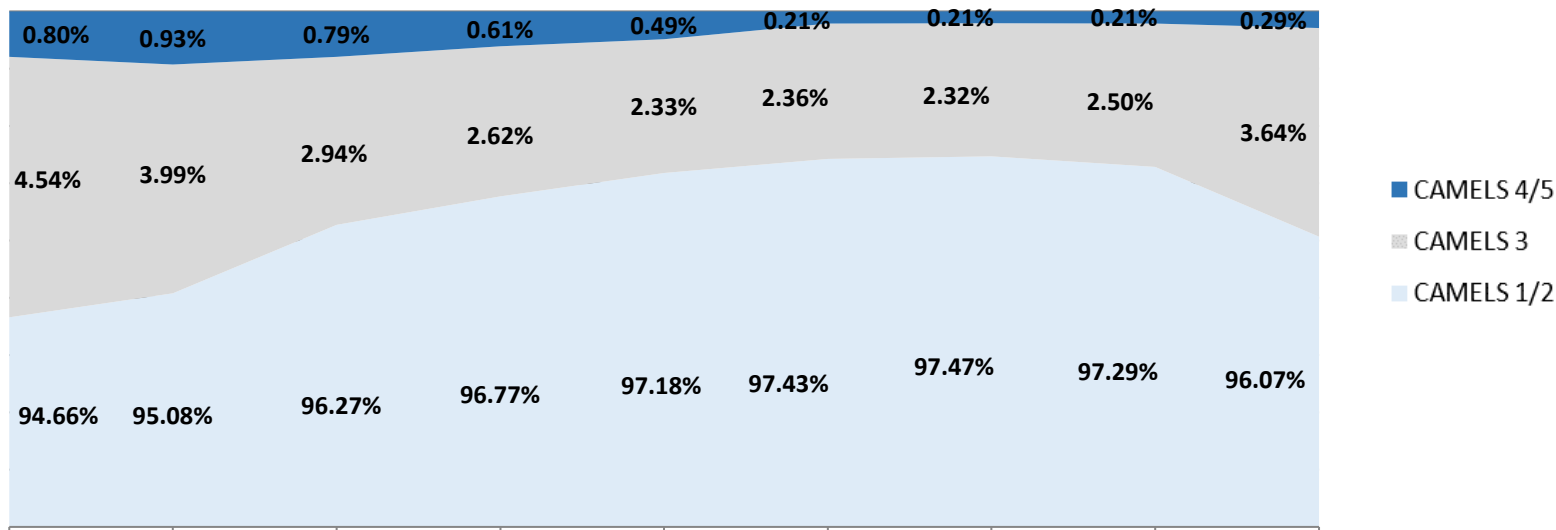
² SIF Retained Earnings of \$4,924,272,340 which is defined as: cumulative results of operations of \$3,258,998,433, excluding net cumulative unrealized gains and losses on investments of (\$1,665,273,907) as reported on the December 31, 2022, audited financial statements.

³ Insured shares are based on December 31, 2022, call reports as of February 10, 2023.

Percentage of Insured Shares and Total Number of CUs by CAMELS Code

CY2017 – CY2022

Percentage of Insured Shares by CAMELS Rating*

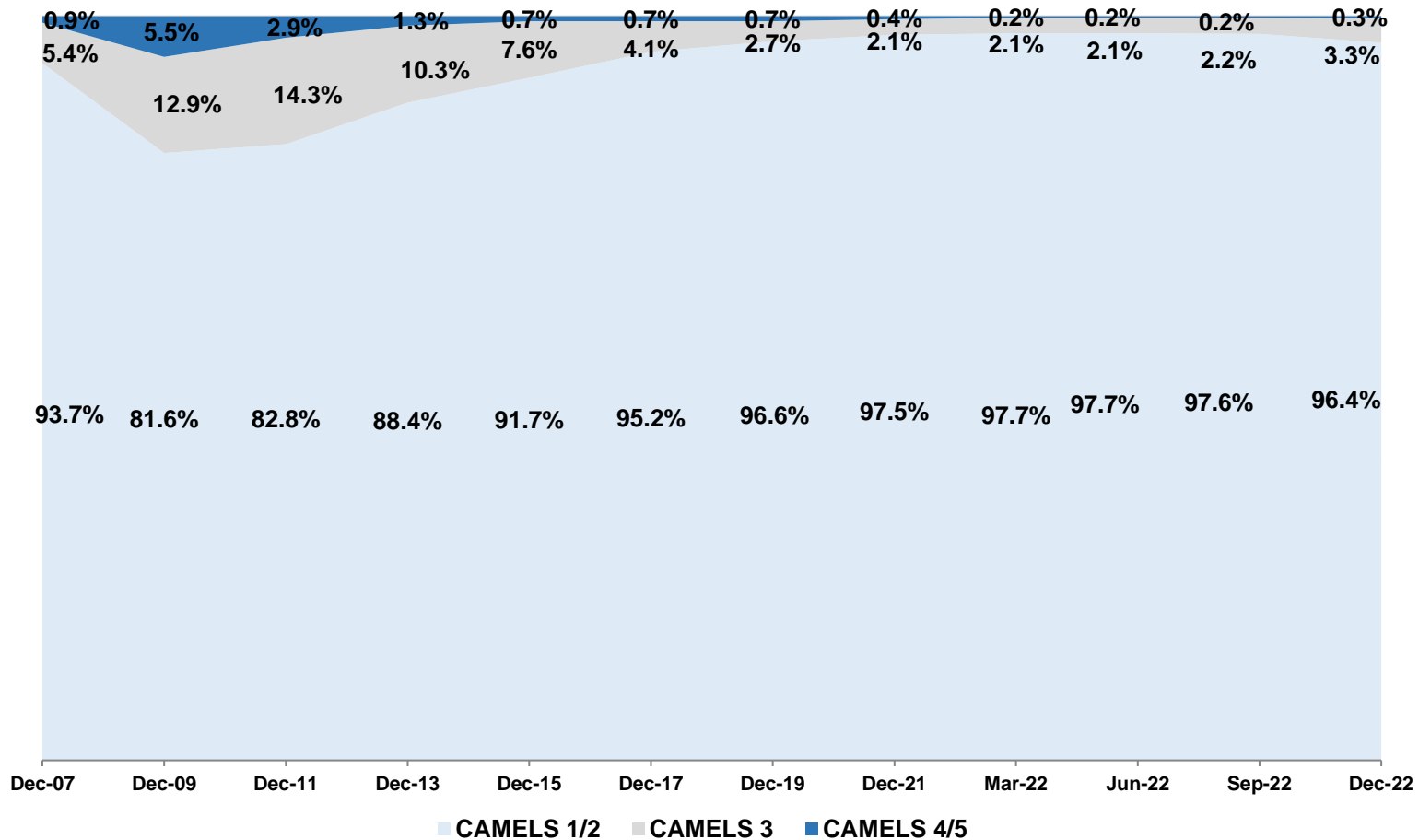


Number of CUs	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
CAMELS 4/5	196	193	190	159	129	125	117	120	122
CAMELS 3	1,072	940	838	748	752	751	755	768	769
CAMELS 1/2	4,322	4,266	4,220	4,209	4,072	4,037	3,974	3,939	3,889
TOTAL	5,590	5,399	5,248	5,116	4,953	4,913	4,846	4,827	4,780

*Areas are not to scale.

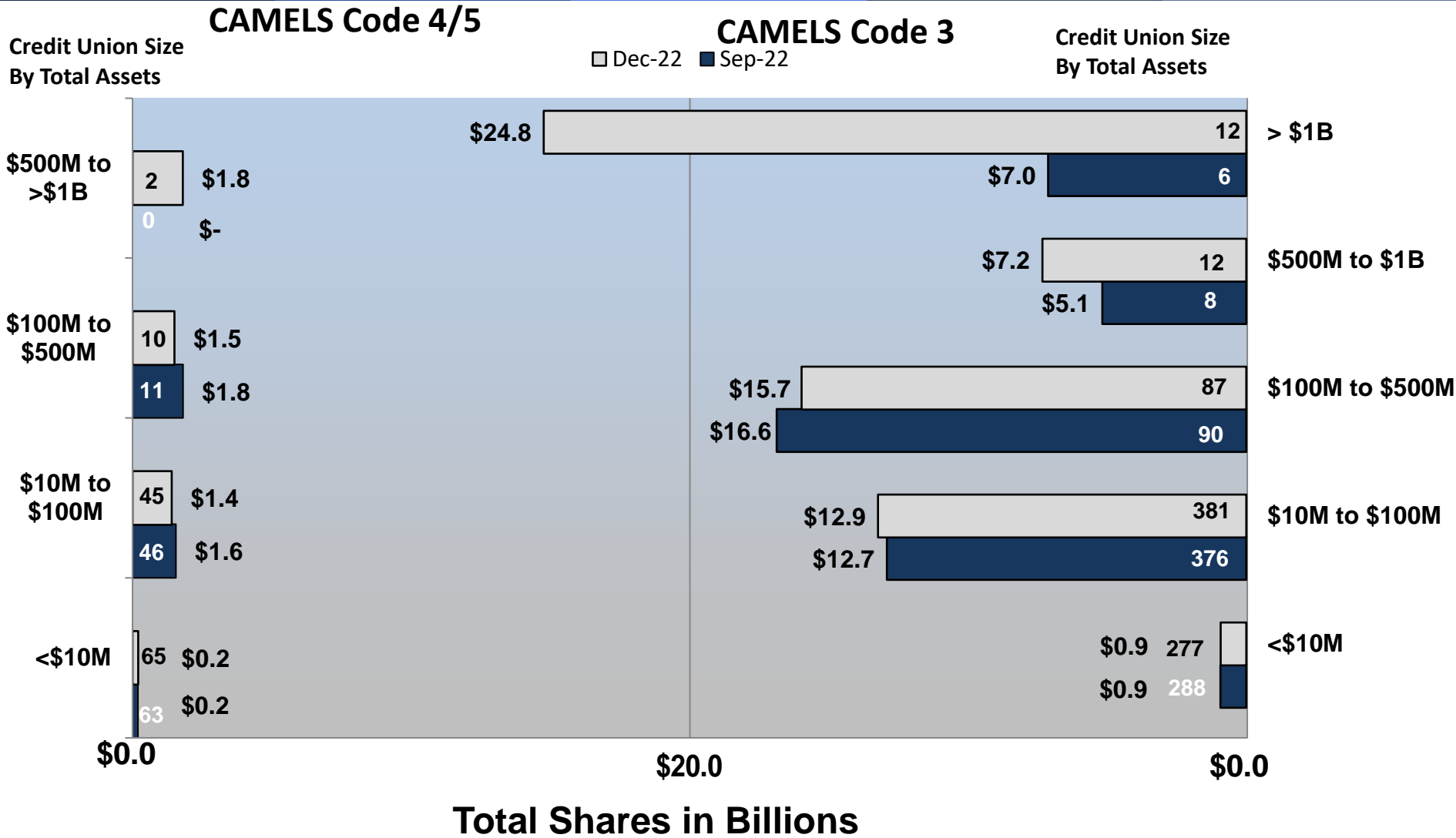
Distribution of Assets in CAMELS Codes

CY2007 – CY2022 *



*Areas are not to scale.

CAMELS Code Comparison by Asset Size



Office Contact Page

Feel free to contact our office with questions or comments.

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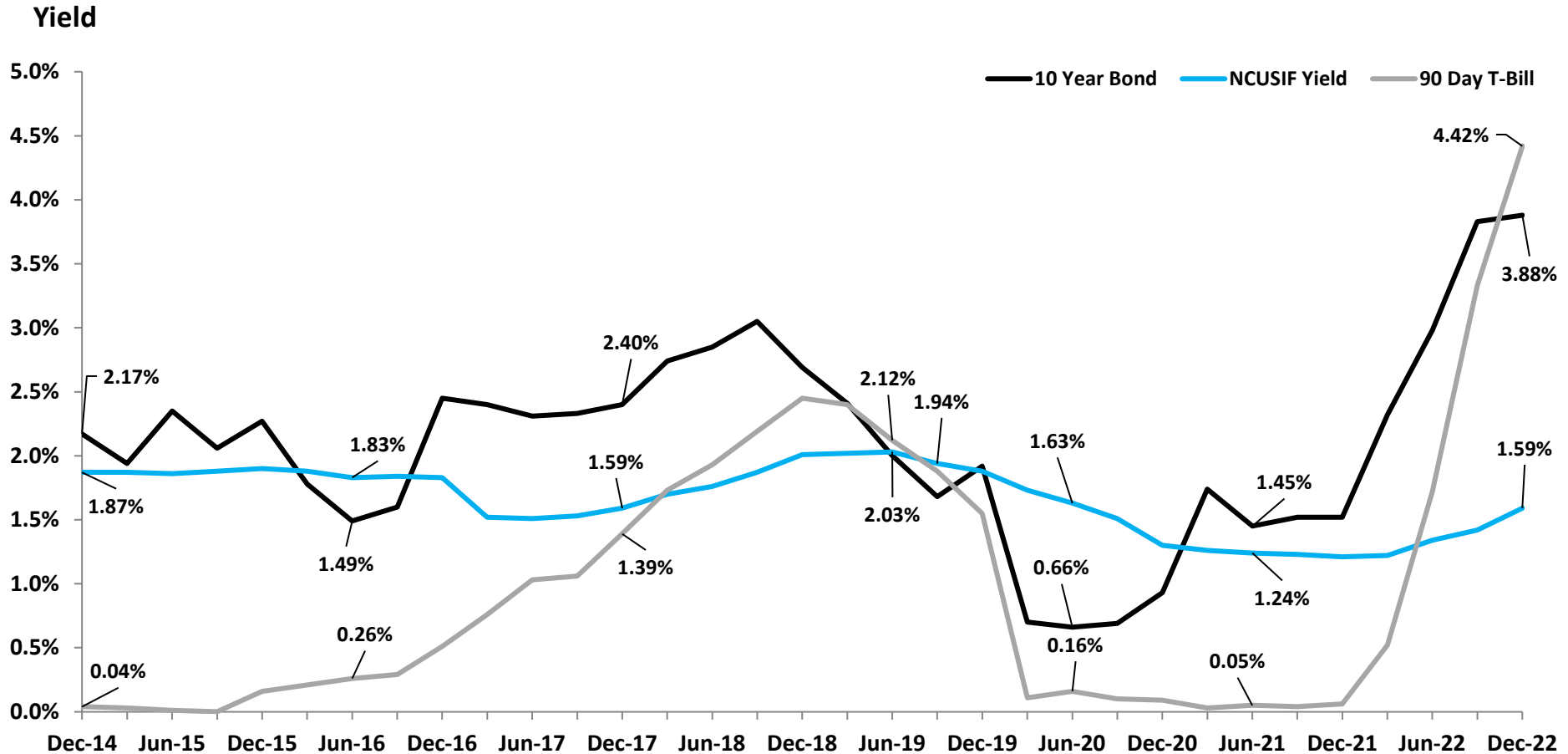
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APPENDICES

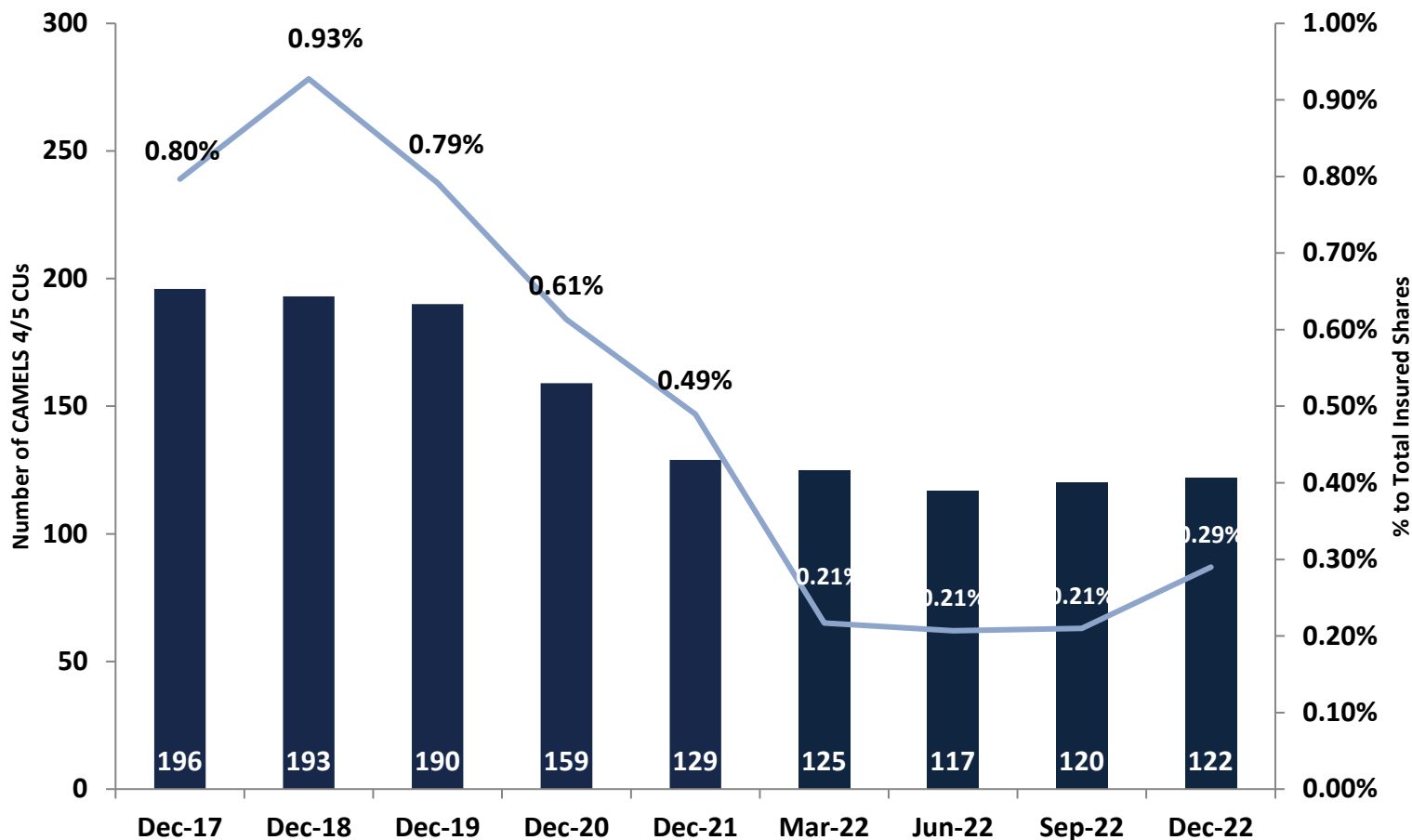
Appendix I - Yield Comparisons

December 31, 2022



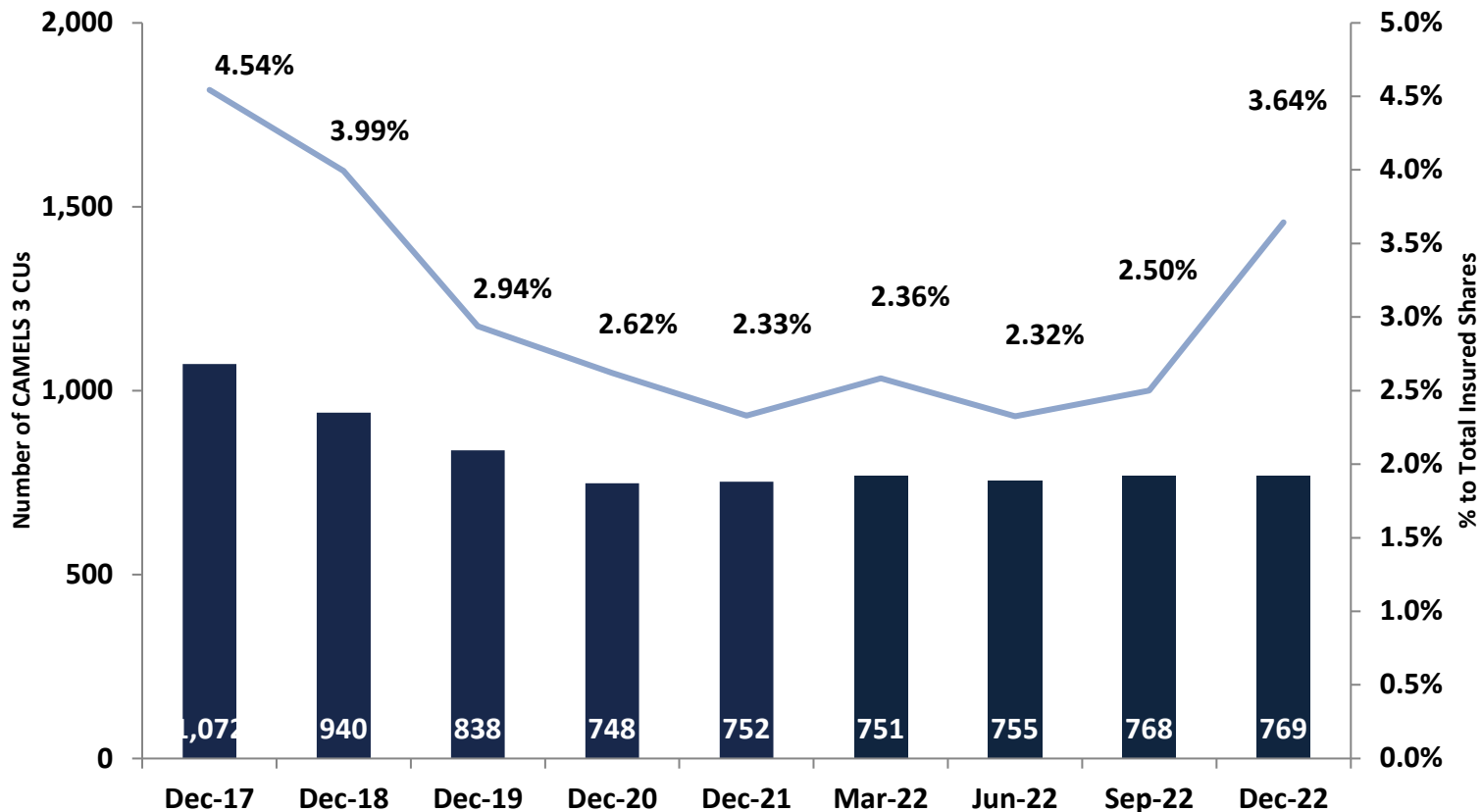
Appendix III - CAMELS Code 4/5 CUs with Percent to Total Insured Shares

CY2017 – CY2022



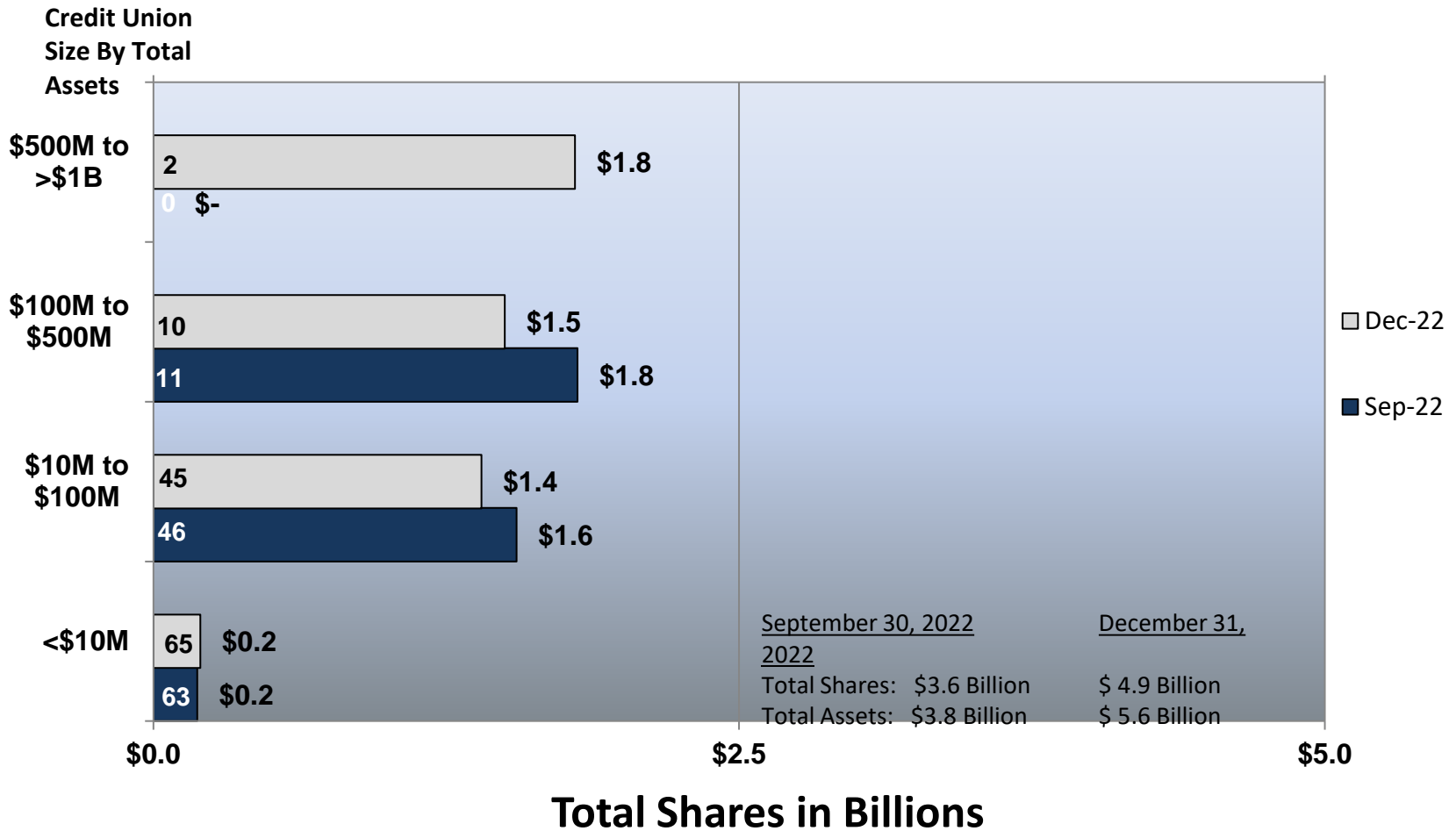
Appendix IV - CAMELS Code 3 CUs with Percent to Total Insured Shares

CY2017 – CY2022



Appendix V - CAMELS Code 4/5 Comparison

September 30, 2022 to December 31, 2022



Appendix VI - CAMELS Code 3 Comparison

September 30, 2022 to December 31, 2022

Credit Union Size
By Total Assets

