

# **NATIONAL CREDIT UNION SHARE INSURANCE FUND**



## **PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS**

**September 30, 2015**

A handwritten signature in blue ink, appearing to read "Rendell L. Jones", with a long horizontal flourish extending to the right.

**RENDELL L. JONES  
CHIEF FINANCIAL OFFICER**

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## MANAGEMENT OVERVIEW

**September 30, 2015**

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### **Balance Sheet**

Other - Insurance and Guarantee Program Liabilities (Reserves)

Reserves are \$169.5 million as of September 30, 2015; \$7.7 million is for specific natural person credit unions, and \$161.8 million is for general reserves.

### **Statement of Net Cost**

For the month ended September 30, 2015, the fund had net income of \$13.5 million. The fund recognized gross revenues of \$18.2 million and total operating expenses of \$21.7 million. The fund recognized an insurance loss reduction of \$17.0 million during the month of September 2015.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**BALANCE SHEETS**  
**As of September 30, 2015**  
**(Dollars in thousands)**

	<u>September 2015</u>	<u>September 2014</u>
<b>ASSETS</b>		
<b>INTRAGOVERNMENTAL</b>		
Fund Balance with Treasury	\$ 1,529	\$ 11,346
Investments, Net U.S. Treasury Securities	11,896,303	11,222,972
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	10,727	12,068
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	133	-
Accrued Interest Receivable - Investments	<u>64,416</u>	<u>65,742</u>
Total Intragovernmental Assets	<u>11,973,108</u>	<u>11,312,128</u>
<b>PUBLIC</b>		
Accounts Receivable - Due from Credit Unions	317,573	276,971
Advances	-	33
Accrued Interest Receivable	283	423
Notes Receivable, Net	119,521	198,287
General Property, Plant and Equipment, Net	1,461	-
Other - Receivable from Asset Management Estates, Net	<u>66,370</u>	<u>85,612</u>
Total Public Assets	<u>505,208</u>	<u>561,326</u>
<b>TOTAL ASSETS</b>	<u>\$ 12,478,316</u>	<u>\$ 11,873,454</u>
<b>LIABILITIES</b>		
<b>INTRAGOVERNMENTAL</b>		
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 4,269	\$ 2,460
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	<u>-</u>	<u>20</u>
Total Intragovernmental Liabilities	<u>4,269</u>	<u>2,480</u>
<b>PUBLIC</b>		
Accounts Payable	6,609	7,935
Capital Lease Liability	357	-
Other - Insurance and Guarantee Program Liabilities (Reserves)	<u>169,483</u>	<u>167,319</u>
Total Public Liabilities	<u>176,449</u>	<u>175,254</u>
<b>TOTAL LIABILITIES</b>	<u>180,718</u>	<u>177,734</u>
<b>NET POSITION</b>		
Contributed Capital	9,353,455	8,944,138
Cumulative Result of Operations	<u>2,944,143</u>	<u>2,751,582</u>
Total Net Position	<u>12,297,598</u>	<u>11,695,720</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 12,478,316</u>	<u>\$ 11,873,454</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 September 30, 2015**  
**(Dollars in thousands)**

	<u>September 2015</u>	<u>Year-to-Date September 2015</u>	<u>Year-to-Date September 2014</u>
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES (1)</b>			
Employee Pay	\$ 10,048	\$ 78,081	\$ 70,994
Employee Benefits	3,721	29,073	25,961
Travel	2,982	15,200	14,525
Rent, Communications and Utilities	303	2,212	2,382
Administrative Costs	1,603	7,544	7,420
Contracted Services	2,629	14,277	10,542
Training Expense	435	1,179	833
Leasing Expense	14	115	109
Other Insurance Expense	<u>(5)</u>	<u>29</u>	<u>28</u>
Total Operating Costs	<u>21,730</u>	<u>147,710</u>	<u>132,794</u>
<b>INSURANCE LOSS EXPENSE</b>	<u>(17,043)</u>	<u>(17,271)</u>	<u>(51,873)</u>
Total Gross Costs	<u>4,687</u>	<u>130,439</u>	<u>80,921</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(17)	(156)	(173)
Interest Revenue - Other	(249)	(2,768)	(2,309)
Other (Revenue) / Expense	<u>(18)</u>	<u>(1,243)</u>	<u>(893)</u>
Total Exchange Revenue	<u>(284)</u>	<u>(4,167)</u>	<u>(3,375)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>4,403</u>	<u>126,272</u>	<u>77,546</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	<u>(17,871)</u>	<u>(162,174)</u>	<u>(154,674)</u>
Total Non-Exchange Revenues	<u>(17,871)</u>	<u>(162,174)</u>	<u>(154,674)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>\$ (13,468)</u>	<u>\$ (35,902)</u>	<u>\$ (77,128)</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 71.8% and 69.2% for 2015 and 2014, respectively.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**STATEMENTS OF NET POSITION**

**As of September 30, 2015**

**(Dollars in thousands)**

	<u>September 2015</u>	<u>September 2014</u>
<b>NET POSITION BREAKDOWN</b>		
Credit Union Contributed Capital	\$ 9,353,455	\$ 8,944,138
Retained Earnings	2,716,846	2,682,160
Total Net Position without Unrealized Gain/(Loss)	<u>12,070,301</u>	<u>11,626,298</u>
Unrealized Gain/(Loss) - Investments	<u>227,297</u>	<u>69,422</u>
<b>NET POSITION</b>	<u><u>\$ 12,297,598</u></u>	<u><u>\$ 11,695,720</u></u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**Comparative Analysis of NCUSIF Ratios for As of September 30, 2015**

**As of September 30, 2015**

**Comparative Analysis of NCUSIF Ratios for September 2015**

	<b>September 2015</b>	<b>September 2014</b>
<b>Investments/Total Assets</b>	95.34%	94.52%
<b>Total Equity/Insured Shares (1)</b>	1.29%	1.30%
<b>Available Assets Ratio</b>	1.25%	1.23%
<b>Ins. Loss Exp./Insured Shares</b>	0.00%	0.00%

**Insured Shares as of June 30, 2015 (in billions) \$ 936.3**

**Insured Shares as of June 30, 2014 (in billions) 895.7**

(1) The September 2015 ratios are based on an insured share level of \$936.3 billion as of June 30, 2015.

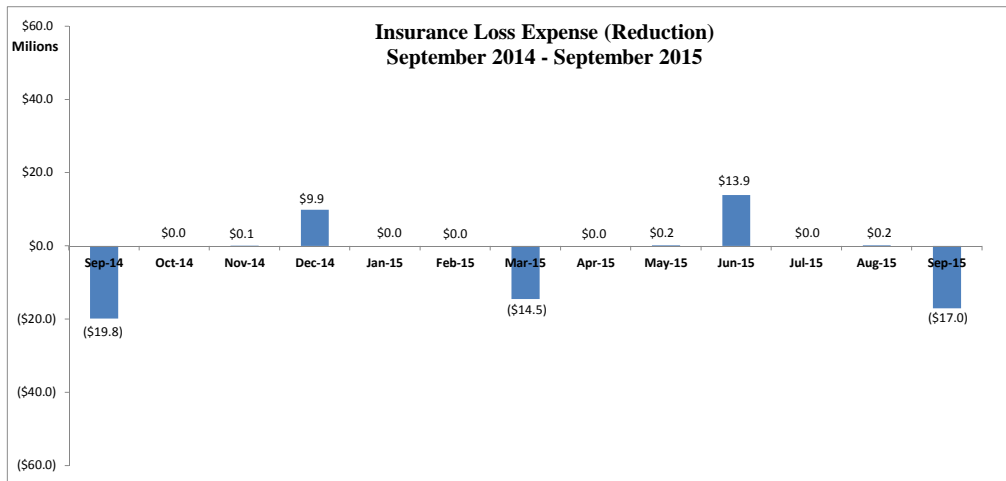
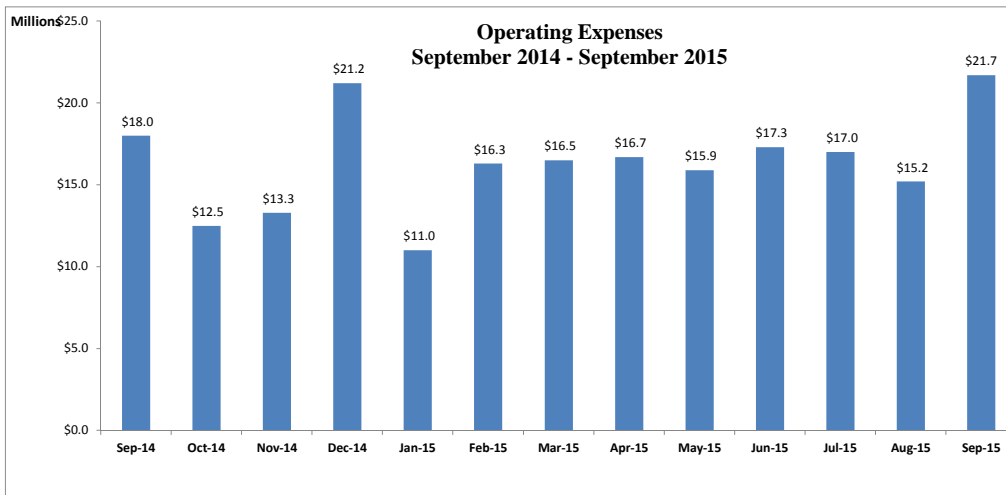
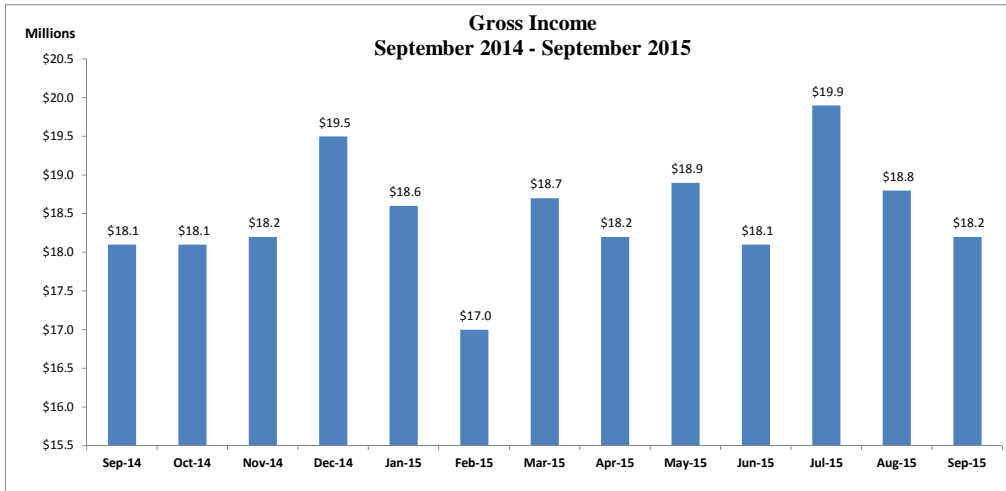
The September 2014 ratios are based on an insured share level of \$895.7 billion as of June 30, 2014.

The balances in the statement above are preliminary and unaudited.

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## STATISTICAL INFORMATION

September 30, 2015



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

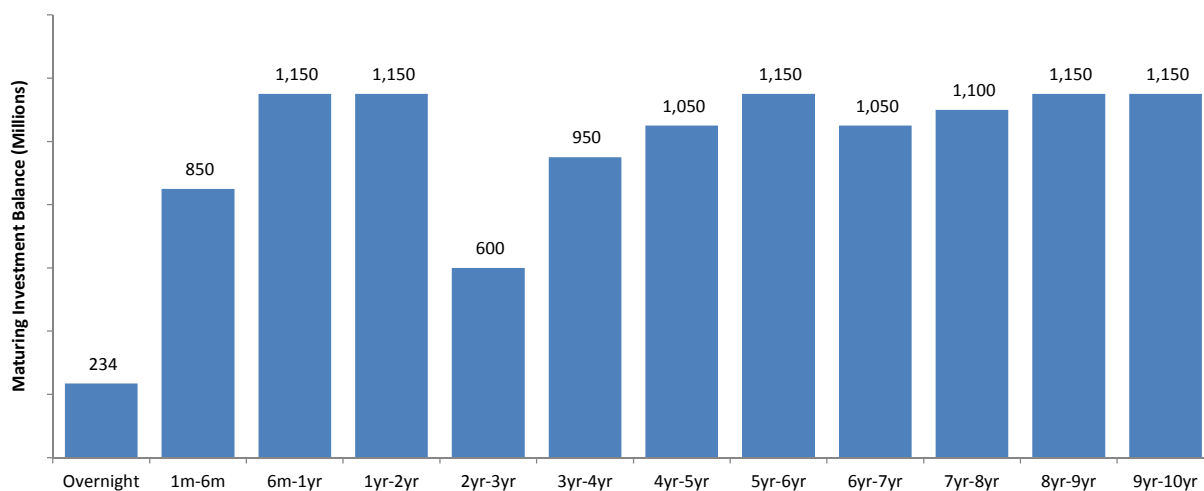
**INVESTMENT PORTFOLIO SUMMARY**  
**September 30, 2015**

<b>I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)</b>						
	<b>Book Value</b>	<b>Market Value</b>	<b>Unrealized Gain or (Loss)</b>	<b>% Market to Book Value</b>	<b>Weighted Average Yield</b>	
Daily Treasury Account	\$ 233,912,000	\$ 233,912,000	\$ -	100.00%	0.01%	
U.S. Treasury Notes	11,435,093,146	11,662,390,625	227,297,479	101.99%	1.90%	
<b>Total</b>	<b>\$ 11,669,005,146</b>	<b>\$ 11,896,302,625</b>	<b>\$ 227,297,479</b>	<b>101.95%</b>	<b>1.88%</b>	

<b>II. INVESTMENT PORTFOLIO SUMMARY</b>			
	<b>Last Month</b>	<b>Current Month</b>	<b>CY To Date</b>
Investment Yield	1.88%	1.88%	1.87%
Investment Income	\$ 18,420,127	\$ 17,871,472	\$ 162,174,442
Weighted Avg. Maturity in Days	1,689	1,720	

<b>III. MONTHLY ACTIVITY</b>					
<b>Purchased</b>	<b>Type</b>	<b>Amount</b>	<b>Maturity</b>	<b>Yield</b>	
9/11/2015	T-Note	\$ 50,000,000	8/15/2025	2.17%	
9/30/2015	T-Note	150,000,000	8/15/2025	2.06%	
<b>TOTAL</b>		<b>\$ 200,000,000</b>			

<b>IV. MATURITY SCHEDULE (par value in millions)</b>		
<b>TOTAL</b>	<b>\$</b>	<b>11,584</b>



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