OPERATING FUND

PRELIMINARY & UNAUDITED
FINANCIAL HIGHLIGHTS
April 30, 2021

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NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND

MANAGEMENT OVERVIEW
APRIL 30, 2021

Balance Sheets

Cash and cash equivalents had a month-end balance of approximately $194.6 million. The balance increased by $104.3 million for the month due to the collection of annual operating fees that were due in April. The cash position is considered sufficient to cover current and future budgetary obligations of the Fund through April 2022.

Due from National Credit Union Share Insurance Fund represents the receivable for expenses paid by the Operating Fund. It had a month-end balance of $151 thousand.

Other accounts receivable, net had a month-end balance of approximately $1.8 million. Its balance decreased by approximately $119.0 million from prior month primarily due to the collection of annual operating fees. The operating fees were invoiced in March and were due in April 2021.

Accounts payable are trade, relocation and inter-agency payables. The balance increased by $1.2 million for the month primarily due to vendor/trade and overhead transfer payables.

Accrued wages and benefits are earned by NCUA staff, but remain unpaid at month-end.

Accrued annual leave is leave earned by NCUA staff, but not yet used.

Statements of Revenues, Expenses, and Changes in Fund Balance

Revenues in excess of expenses totaled $134 thousand for the month. Operating fees reflects one-twelfth of the 2021 Operating Fees. Expenses, net are after the Overhead Transfer Rate adjustment that allocates 62.3 percent of expenses to the Share Insurance Fund.

Statements of Cash Flows

The cash position increased $104.3 million from prior month. In the current month, $104.8 million was provided by operating activities, and $458 thousand was used in investing activities. There were no financing activities in the current month.

Other Information

The Agency had 50 vacancies as of month-end. Of the 50 vacancies, 13 were in the central office and 37 were in the regions and Asset Management and Assistance Center (AMAC). The 50 vacancies represent 4.2 percent of total authorized staff of 1,192.

NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND

BALANCE SHEETS
As of April 30, 2021 and 2020
(Dollars in thousands)

	April 2021	April 2020
ASSETS		
Cash and cash equivalents	$ 194,635	$ 178,812
Due from National Credit Union Share Insurance Fund	151	98
Employee advances	15	16
Other accounts receivable, Net	1,846	22,508
Prepaid expenses and other assets	7,571	5,349
Fixed assets - Net of accumulated depreciation of $39,653 and $36,079 as of April 30, 2021 and April 30, 2020, respectively	27,375	30,938
Intangible assets - Net of accumulated amortization of $25,912 and $21,400 as of April 30, 2021 and April 30, 2020, respectively	33,646	24,150
TOTAL ASSETS	$ 265,239	$ 261,871
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable and accrued other liabilities	$ 7,854	$ 7,104
Obligations under capital leases	70	706
Accrued wages and benefits	7,036	11,967
Accrued FECA and unemployment benefits	231	226
Accrued actuarial FECA benefits	4,381	4,276
Deferred revenue[1]	82,835	97,061
Accrued annual leave	24,221	19,804
Note payable to National Credit Union Share Insurance Fund	-	4,582
TOTAL LIABILITIES	126,628	145,726
FUND BALANCE	138,611	116,145
TOTAL LIABILITIES AND FUND BALANCE	$ 265,239	$ 261,871

[1]The Operating Fund recognizes operating fee revenue ratably over the calendar year. The deferred revenue is the remaining amount to be recognized over the remainder of the calendar year.

The balances in the statement above are preliminary and unaudited.

NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
For the periods ended April 30, 2021 and 2020
(Dollars in thousands)

	April 2021	Year-to-Date April 2021	Year-to-Date April 2020
REVENUES			
Operating fees	$ 10,355	$ 41,418	$ 48,531
Interest	2	13	254
Other	(12)	82	336
Total Revenues	10,345	41,513	49,121
EXPENSES, NET[1]			
Employee wages and benefits	7,318	30,962	29,367
Travel	15	53	1,767
Rent, communications, and utilities	226	666	731
Contracted services	2,077	5,732	5,324
Depreciation and amortization	299	1,215	940
Administrative	276	568	798
Total Expenses, Net	10,211	39,196	38,927
EXCESS OF REVENUES OVER / (UNDER) EXPENSES	134	2,317	10,194
FUND BALANCE—Beginning of period	138,477	136,294	105,951
FUND BALANCE—End of period	$ 138,611	$ 138,611	$ 116,145

[1] Operating Fund expenses are the total NCUA operating expenses minus the Share Insurance Fund allocation as determined by the overhead transfer rate of 62.3% and 61.3% for 2021 and 2020, respectively.

The balances in the statement above are preliminary and unaudited.

NATIONAL CREDIT UNION ADMINISTRATION
OPERATING FUND

STATEMENTS OF CASH FLOWS
For the periods ended April 30, 2021 and 2020
(Dollars in thousands)

	April 2021	Year-to-Date April 2021	Year-to-Date April 2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of revenues over (under) expenses	$ 134	$ 2,317	$ 10,194
Adjustments to reconcile excess of revenues over (under) expenses to net cash provided by operating activities:			
Depreciation and amortization	788	3,205	2,428
(Gain) Provision for loss on disposal of assets held for sale	-	-	(11)
(Increase) decrease in assets:			
Due from National Credit Union Share Insurance Fund	(51)	3,111	2,211
Employee advances	-	1	(9)
Other accounts receivable, net	119,046	(1,531)	(22,147)
Prepaid expenses and other assets	(1,621)	(3,537)	(1,335)
(Decrease) increase in liabilities:			
Accounts payable	1,220	(235)	(2,198)
Accrued wages and benefits	(4,382)	(3,553)	1,941
Accrued FECA and unemployment benefits	-	77	57
Accrued actuarial FECA benefits	-	-	-
Deferred revenue	(10,355)	82,835	97,061
Accrued annual leave	-	1,883	859
Accrued employee travel	-	(82)	(708)
Net Cash provided by Operating Activities	104,779	84,491	88,343
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed and intangible assets	(458)	(1,224)	(3,441)
Proceeds from sale of assets held for sale	-	-	434
Net Cash Used in Investing Activities	(458)	(1,224)	(3,007)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of note payable to National Credit Union Share Insurance Fund	-	-	(446)
Principal payments under capital lease obligations	-	(19)	(570)
Net Cash Used in Financing Activities	-	(19)	(1,016)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS	104,321	83,248	84,320
CASH AND CASH EQUIVALENTS—Beginning of period	90,314	111,387	94,492
CASH AND CASH EQUIVALENTS—End of period	$ 194,635	$ 194,635	$ 178,812
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES			
Acquisition of equipment under capital lease	$ -	$ -	$ 83
CASH PAYMENTS FOR INTEREST	$ -	$ -	$ 29

The balances in the statement above are preliminary and unaudited.