

# **NATIONAL CREDIT UNION SHARE INSURANCE FUND**



## **PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS February 29, 2016**

A handwritten signature in blue ink, appearing to read "Rendell L. Jones", is positioned above the printed name.

**RENDELL L. JONES  
CHIEF FINANCIAL OFFICER**

# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## MANAGEMENT OVERVIEW

February 29, 2016

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### Balance Sheet

Other - Insurance and Guarantee Program Liabilities (Reserves)

Reserves are \$162.9 million as of February 29, 2016; \$8.0 million is for specific natural person credit unions, and \$154.9 million is for general reserves.

### Statement of Net Cost

For the month ended February 29, 2016, the fund had net income of \$1.0 million. The fund recognized gross revenues of \$18.3 million and total operating expenses of \$17.3 million.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**BALANCE SHEETS**  
**As of February 29, 2016**  
**(Dollars in thousands)**

	<u>February 2016</u>	<u>February 2015</u>
<b>ASSETS</b>		
<b>INTRAGOVERNMENTAL</b>		
Fund Balance with Treasury	\$ 1,475	\$ 2,439
Investments, Net U.S. Treasury Securities	12,383,593	11,695,296
Accrued Interest Receivable - Investments	51,469	60,307
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	1,202	890
Note Receivable - Note due from the National Credit Union Administration Operating Fund	<u>10,169</u>	<u>11,510</u>
Total Intragovernmental Assets	<u>12,447,908</u>	<u>11,770,442</u>
<b>PUBLIC</b>		
Advances	-	11
Accrued Interest Receivable	209	373
Notes Receivable, Net	105,552	170,697
General Property, Plant and Equipment, Net	1,719	128
Other - Receivable from Asset Management Estates, Net	<u>53,705</u>	<u>80,116</u>
Total Public Assets	<u>161,185</u>	<u>251,325</u>
<b>TOTAL ASSETS</b>	<u>\$ 12,609,093</u>	<u>\$ 12,021,767</u>
<b>LIABILITIES</b>		
<b>INTRAGOVERNMENTAL</b>		
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 62	\$ -
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	<u>-</u>	<u>157</u>
Total Intragovernmental Liabilities	<u>62</u>	<u>157</u>
<b>PUBLIC</b>		
Accounts Payable	1,548	1,559
Capital Lease Liability	318	-
Other - Insurance and Guarantee Program Liabilities (Reserves)	<u>162,887</u>	<u>178,318</u>
Total Public Liabilities	<u>164,753</u>	<u>179,877</u>
<b>TOTAL LIABILITIES</b>	<u>164,815</u>	<u>180,034</u>
<b>NET POSITION</b>		
Contributed Capital	9,352,963	8,944,145
Cumulative Result of Operations	<u>3,091,315</u>	<u>2,897,588</u>
Total Net Position	<u>12,444,278</u>	<u>11,841,733</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 12,609,093</u>	<u>\$ 12,021,767</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 29, 2016**  
**(Dollars in thousands)**

	<b>February 2016</b>	<b>Year-to-Date February 2016</b>	<b>Year-to-Date February 2015</b>
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES (1)</b>			
Employee Pay	\$ 9,849	\$ 18,264	\$ 17,215
Employee Benefits	3,636	6,922	6,357
Travel	1,082	1,388	1,581
Rent, Communications and Utilities	308	182	133
Administrative Costs	655	1,066	1,159
Contracted Services	1,660	1,339	792
Training Expense	59	91	79
Leasing Expense	53	65	-
Other Insurance Expense	<u>3</u>	<u>6</u>	<u>5</u>
Total Operating Costs	<u>17,305</u>	<u>29,323</u>	<u>27,321</u>
<b>INSURANCE LOSS EXPENSE</b>	<u>(92)</u>	<u>(92)</u>	<u>-</u>
Total Gross Costs	<u>17,213</u>	<u>29,231</u>	<u>27,321</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(15)	(32)	(35)
Interest Revenue - Other	(209)	(414)	(638)
Other (Revenue) / Expense	<u>(13)</u>	<u>(13)</u>	<u>(1)</u>
Total Exchange Revenue	<u>(237)</u>	<u>(459)</u>	<u>(674)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>16,976</u>	<u>28,772</u>	<u>26,647</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	<u>(18,013)</u>	<u>(37,329)</u>	<u>(34,929)</u>
Total Non-Exchange Revenues	<u>(18,013)</u>	<u>(37,329)</u>	<u>(34,929)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>\$ (1,037)</u>	<u>\$ (8,557)</u>	<u>\$ (8,282)</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 73.1% and 71.8% for 2016 and 2015, respectively.

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**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**STATEMENTS OF NET POSITION**

**As of February 29, 2016**

**(Dollars in thousands)**

	<u>February 2016</u>	<u>February 2015</u>
<b>NET POSITION BREAKDOWN</b>		
Credit Union Contributed Capital	\$ 9,352,963	\$ 8,944,145
Retained Earnings	2,750,872	2,689,226
Total Net Position without Unrealized Gain/(Loss)	<u>12,103,835</u>	<u>11,633,371</u>
Unrealized Gain/(Loss) - Investments	<u>340,443</u>	<u>208,362</u>
<b>NET POSITION</b>	<u>\$ 12,444,278</u>	<u>\$ 11,841,733</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**Comparative Analysis of NCUSIF Ratios for As of February 29, 2016**

**As of February 29, 2016**

**Comparative Analysis of NCUSIF Ratios for February 2016**

	<b>February 2016</b>	<b>February 2015</b>
<b>Investments/Total Assets</b>	98.21%	97.28%
<b>Total Equity/Insured Shares (1)</b>	1.26%	1.29%
<b>Available Assets Ratio</b>	1.27%	1.28%
<b>Ins. Loss Exp./Insured Shares</b>	0.00%	0.00%

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

**Insured Shares as of December 31, 2014 (in billions)** **903.0**

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

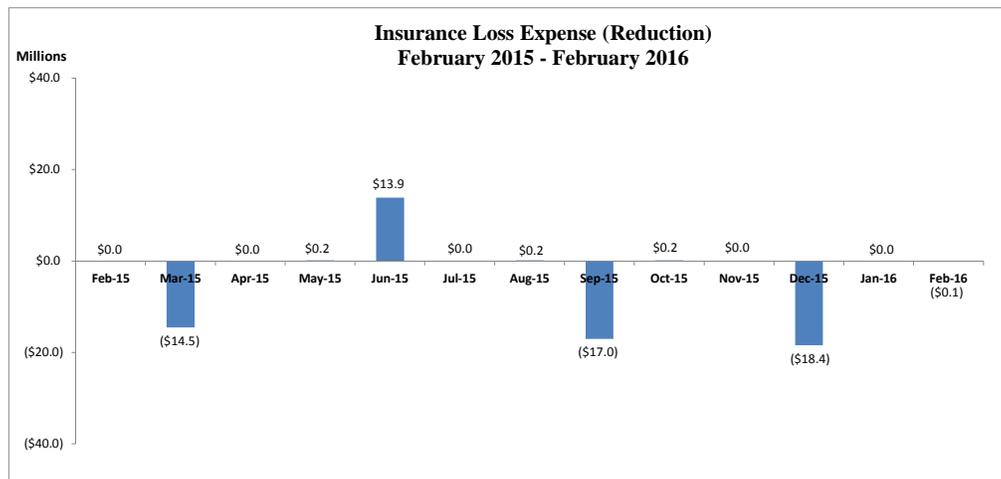
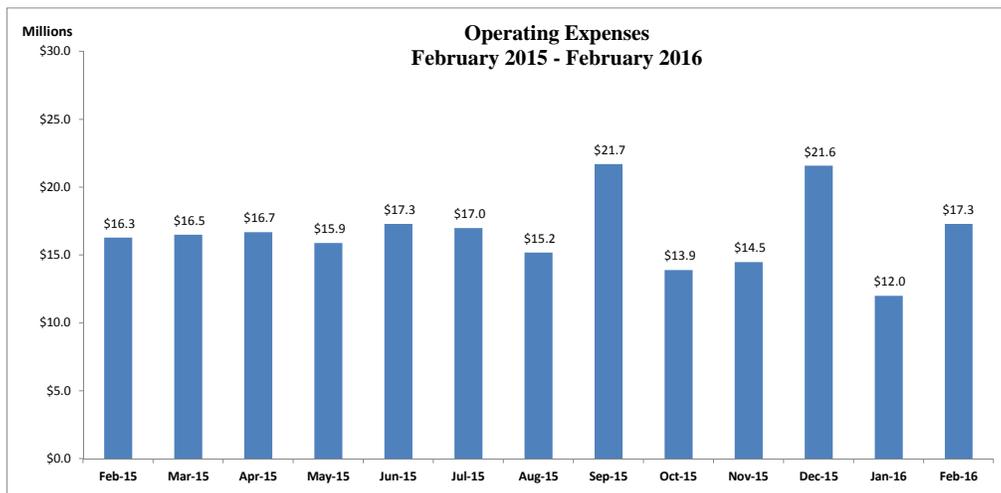
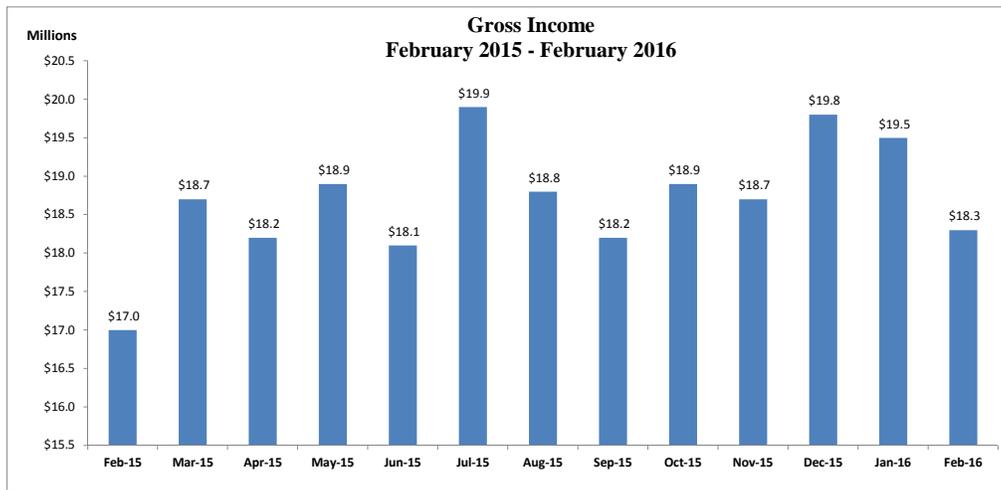
The December 2014 ratios are based on an insured share level of \$903.0 billion as of December 31, 2014.

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# NATIONAL CREDIT UNION SHARE INSURANCE FUND

## STATISTICAL INFORMATION

February 29, 2016



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

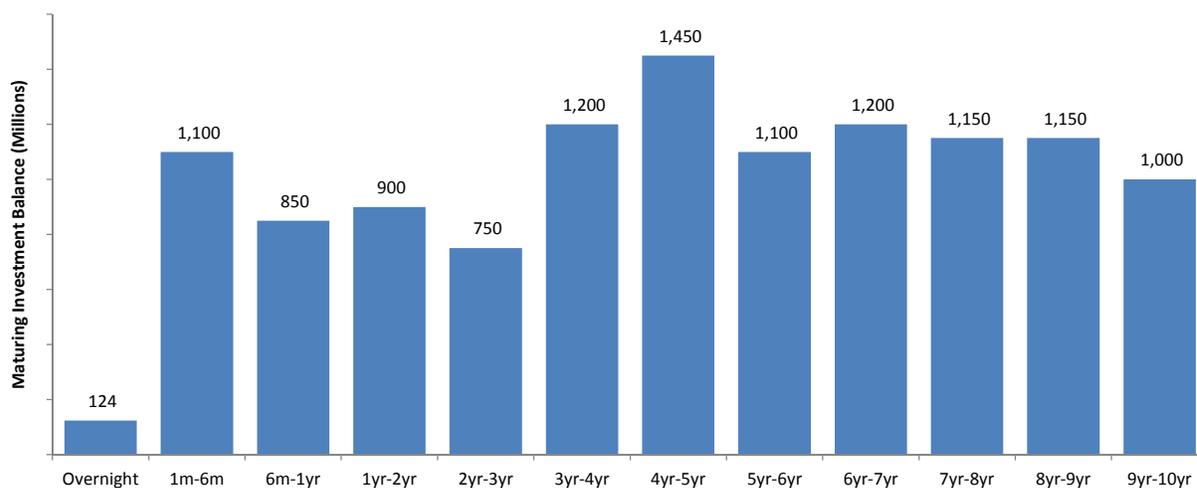
**INVESTMENT PORTFOLIO SUMMARY**  
February 29, 2016

<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	\$ 123,859,000	\$ 123,859,000	\$ -	100.00%	0.25%	
U.S. Treasury Notes	11,919,290,889	12,259,734,375	340,443,486	102.86%	1.90%	
<b>Total</b>	<b>\$ 12,043,149,889</b>	<b>\$ 12,383,593,375</b>	<b>\$ 340,443,486</b>	<b>102.83%</b>	<b>1.89%</b>	

<b>II. INVESTMENT PORTFOLIO SUMMARY</b>			
	Last Month	Current Month	CY To Date
Investment Yield	1.90%	1.89%	1.89%
Investment Income	\$ 19,316,253	\$ 18,013,318	\$ 37,329,570
Weighted Avg. Maturity in Days	1,753	1,767	

<b>III. MONTHLY ACTIVITY</b>					
Purchased	Type	Amount	Maturity	Yield	
2/1/2016	T-Note	\$ 100,000,000	7/31/2017	0.76%	
2/18/2016	T-Note	50,000,000	2/15/2026	1.78%	
2/29/2016	T-Note	100,000,000	2/15/2026	1.75%	
<b>TOTAL</b>		<b>\$ 250,000,000</b>			

<b>IV. MATURITY SCHEDULE (par value in millions)</b>		
<b>TOTAL</b>	<b>\$</b>	<b>11,974</b>



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