

NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

September 30, 2021

A handwritten signature in black ink, appearing to read 'Eugene H. Schied', is positioned above the name of the Chief Financial Officer.

**EUGENE H. SCHIED
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
MANAGEMENT OVERVIEW
September 30, 2021**

Balance Sheets

Receivables from Asset Management Estates Net is \$265.8 million; \$5.2 million is for natural person credit unions, and \$260.6 million is for corporate credit unions.

Insurance and Guarantee Program Liabilities related to Reserves are \$162.9 million; \$9.6 million is for specific reserves for natural person credit unions, and \$153.3 million is for general reserves.

Statements of Net Cost

For the month ended September 30, 2021, the fund had net income of \$49.7 million. The fund recognized gross revenues of \$19.6 million and total operating expenses of \$18.6 million. The fund recognized an insurance loss reduction of \$48.7 million during the month of September 2021.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
BALANCE SHEETS
(Dollars in thousands)**

| | <u>September 2021</u> | <u>September 2020</u> |
|---|-----------------------|-----------------------|
| ASSETS | | |
| INTRAGOVERNMENTAL | | |
| Fund Balance with Treasury | \$ 64,220 | \$ - |
| Investments, Net - U.S. Treasury Securities | 19,385,482 | 17,500,249 |
| Accrued Interest Receivable - Investments | 96,196 | 83,351 |
| Accounts Receivable - Due from the NCUA Operating Fund | 1,180 | 907 |
| Note Receivable - Note due from the NCUA Operating Fund | - | 4,023 |
| Total Intragovernmental Assets | <u>19,547,078</u> | <u>17,588,530</u> |
| PUBLIC | | |
| Accounts Receivable - Due from Insured Credit Unions, Net | 1,096,823 | 1,545,856 |
| Accounts Receivable - Guarantee Fee on NGNs, Net | - | 569 |
| General Property, Plant, and Equipment, Net | 10 | 69 |
| Advances and Prepayments | 4,808 | 1,022 |
| Receivables from Asset Management Estates (AMEs), Net* | 265,778 | 76,483 |
| Total Public Assets | <u>1,367,419</u> | <u>1,623,999</u> |
| TOTAL ASSETS | <u>\$ 20,914,497</u> | <u>\$ 19,212,529</u> |
| LIABILITIES | | |
| INTRAGOVERNMENTAL | | |
| Accounts Payable - Due to the NCUA Operating Fund | \$ 98 | \$ 96 |
| Total Intragovernmental Liabilities | <u>98</u> | <u>96</u> |
| PUBLIC | | |
| Accounts Payable | 12,416 | 5,028 |
| Insurance and Guarantee Program Liabilities* | 162,887 | 175,215 |
| Other Liabilities | 2,444 | 450 |
| Total Public Liabilities | <u>177,747</u> | <u>180,693</u> |
| TOTAL LIABILITIES | <u>177,845</u> | <u>180,789</u> |
| Commitments and Contingencies | | |
| NET POSITION | | |
| Cumulative Result of Operations | 4,958,130 | 5,220,758 |
| Contributed Capital | 15,778,522 | 13,810,982 |
| Total Net Position | <u>20,736,652</u> | <u>19,031,740</u> |
| TOTAL LIABILITIES AND NET POSITION | <u>\$ 20,914,497</u> | <u>\$ 19,212,529</u> |

* Receivable from AMEs, Net and Insurance and Guarantee Program Liabilities lines are generally updated quarterly.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF NET COST
(Dollars in thousands)**

| | <u>September 2021</u> | <u>September 2021 YTD</u> | <u>September 2020 YTD</u> |
|--|-----------------------|-------------------------------|-------------------------------|
| GROSS COSTS | | | |
| Operating Expenses* | \$ 18,576 | \$ 146,877 | \$ 132,395 |
| Provision for Insurance Losses | | | |
| Reserve Expense (Reduction) | 2,088 | (781) | 50,660 |
| AME Receivable Bad Debt Expense | (50,816) | (139,283) | (11,305) |
| Total Provision for Insurance Losses | <u>(48,728)</u> | <u>(140,064)</u> | <u>39,355</u> |
| Other Losses | - | 32 | 63 |
| Total Gross Costs | <u>(30,152)</u> | <u>6,845</u> | <u>171,813</u> |
| LESS EXCHANGE REVENUES | | | |
| Interest Revenue on Note Receivable from the NCUA | | | |
| Operating Fund | - | - | (58) |
| Guarantee Fee Revenue - NGNs | - | (625) | (6,699) |
| Other Revenue | (96) | (3,139) | (574) |
| Total Exchange Revenues | <u>(96)</u> | <u>(3,764)</u> | <u>(7,331)</u> |
| TOTAL NET COST/(INCOME) OF OPERATIONS | <u>\$ (30,248)</u> | <u>\$ 3,081</u> | <u>\$ 164,482</u> |
| LESS NON-EXCHANGE REVENUES | | | |
| Interest Revenue - Investments | (19,436) | (174,942) | (211,111) |
| Total Non-Exchange Revenues | <u>(19,436)</u> | <u>(174,942)</u> | <u>(211,111)</u> |
| TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES | <u>\$ (49,684)</u> | <u>\$ (171,861)</u> | <u>\$ (46,629)</u> |

*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 62.3% and 61.3% for 2021 and 2020, respectively.

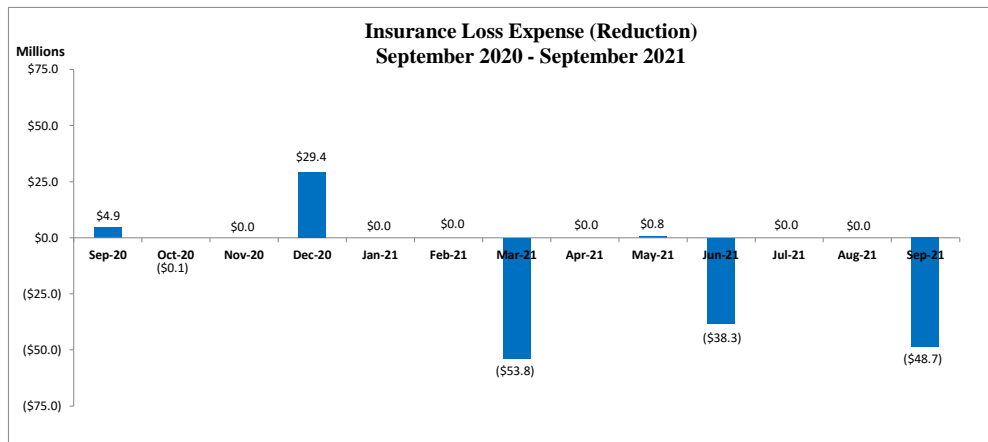
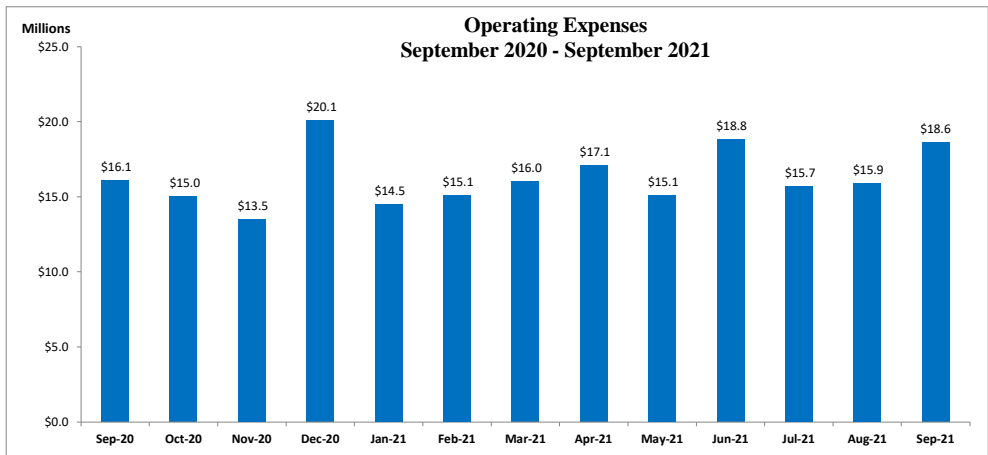
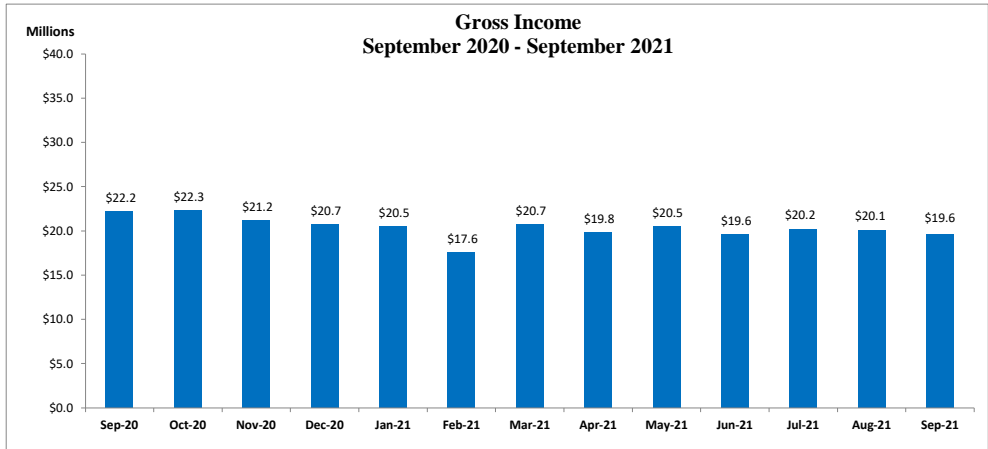
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**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF CHANGES IN NET POSITION
(Dollars in thousands)**

| | <u>September 2021</u> | <u>September 2020</u> |
|--|-----------------------|-----------------------|
| CUMULATIVE RESULTS OF OPERATIONS | | |
| Beginning Balances | \$ 5,132,167 | \$ 4,632,574 |
| BUDGETARY FINANCING SOURCES | | |
| Non-Exchange Revenue | | |
| Interest Revenue - Investments | 174,942 | 211,111 |
| Distribution to Credit Unions | - | - |
| Total Budgetary Financing Sources | <u>174,942</u> | <u>211,111</u> |
| OTHER FINANCING SOURCES | | |
| Non-Exchange Revenue | | |
| Net Unrealized Gain/(Loss) - Investments | (345,898) | 541,555 |
| Total Other Financing Sources | <u>(345,898)</u> | <u>541,555</u> |
| Total Financing Sources | <u>(170,956)</u> | <u>752,666</u> |
| Net Income /(Cost) of Operations | (3,081) | (164,482) |
| Net Change | (174,037) | 588,184 |
| CUMULATIVE RESULTS OF OPERATIONS | <u>4,958,130</u> | <u>5,220,758</u> |
| CONTRIBUTED CAPITAL | | |
| Beginning Balances | 13,810,674 | 11,967,387 |
| Change in Contributed Capital | 1,967,848 | 1,843,595 |
| CONTRIBUTED CAPITAL | <u>15,778,522</u> | <u>13,810,982</u> |
| NET POSITION | <u>\$ 20,736,652</u> | <u>\$ 19,031,740</u> |
| NET POSITION BREAKDOWN | | |
| Credit Union Contributed Capital | 15,778,522 | 13,810,982 |
| Retained Earnings | 4,792,950 | 4,634,853 |
| Total Net Position Without Unrealized Gain/ (Loss) | <u>20,571,472</u> | <u>18,445,835</u> |
| Unrealized Gain/ (Loss) - Investments | 165,180 | 585,905 |
| NET POSITION | <u>\$ 20,736,652</u> | <u>\$ 19,031,740</u> |

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
 SHARE INSURANCE FUND
 STATISTICAL INFORMATION
 September 30, 2021**



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

INVESTMENT PORTFOLIO SUMMARY

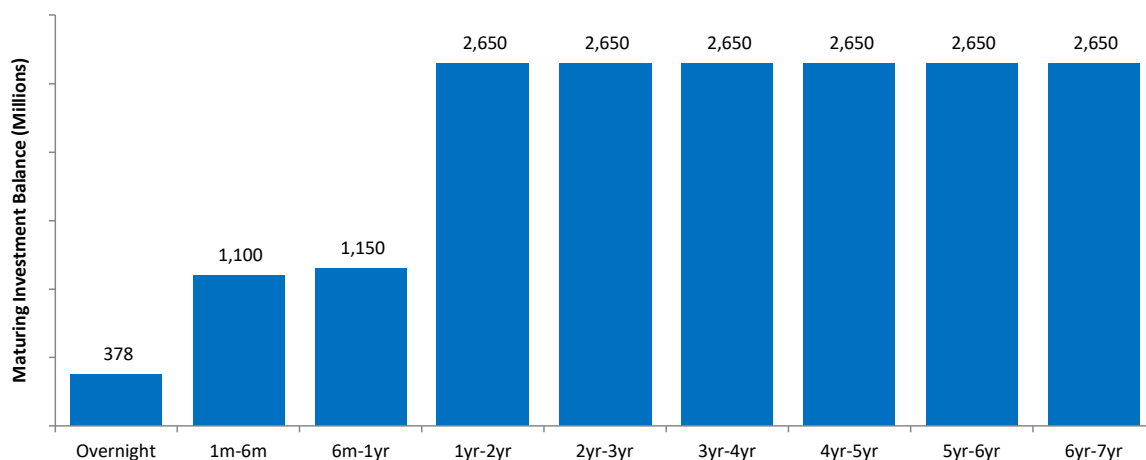
September 30, 2021

| 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 | \$ 377,912,000 | \$ 377,912,000 | \$ - | 100.00% | 0.05% | |
| U.S. Treasury Notes | 18,842,389,782 | 19,007,570,079 | 165,180,297 | 100.88% | 1.25% | |
| Total | \$ 19,220,301,782 | \$ 19,385,482,079 | \$ 165,180,297 | 100.86% | 1.23% | |

| II. INVESTMENT PORTFOLIO SUMMARY | | | |
|---|---------------|---------------|----------------|
| | Last Month | Current Month | CY To Date |
| Investment Yield | 1.24% | 1.23% | 1.25% |
| Investment Income | \$ 19,849,793 | \$ 19,435,748 | \$ 174,941,688 |
| Weighted Avg. Maturity in Days | 1,312 | 1,279 | |

| III. MONTHLY ACTIVITY | |
|------------------------------|--|
| | |

| IV. MATURITY SCHEDULE (par value in millions) | |
|--|-----------|
| TOTAL | \$ 18,528 |



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