

FSLIC Resolution Fund
 Estimated Budgetary Outlays
 FY's 1990 & 1991
 (\$'s in millions)

09-May-90

Notes	Sources of Funds	FY 1990	FY 1991
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1	Thrift Insurance Premiums	0	1,169
2	Receivership Proceeds	859	1,692
3	Sale of Corporate-held Assets	238	334
4	Interest Income on Investments	42	29
5	Other Income	162	125
	Total Sources of Funds	1,301	3,349
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	Uses of Funds		

6	Administrative and Miscellaneous Expenses	335	369
7	Repayment of Pre 1987 Notes	4	56
8	Interest on Notes Payable	1,573	1,890
9	Assistance Agreement Payments	5,346	4,741
	Total Uses of Funds	7,258	7,056
	NET BUDGETARY OUTLAYS	<u>5,957</u>	<u>3,707</u>
	FSLIC RESOLUTION FUND CASH FLOWS:		

	Net budgetary Outlays	5,957	3,707
10	Add: Repayment of Post 1986 Notes Payable	538	293
	Net Funds Required for Operations	6,495	4,000
	Beginning Cash Balance	1,809	500
	Minus: Projected Ending Cash Balance	500	500
	Net Funds Available for Operations	1,309	0
	Funds Required from Treasury	<u>5,186</u>	<u>4,000</u>

Notes to Projected Budgetary Outlays
FY's 1990 and 1991

SOURCES OF FUNDS

1. Thrift Insurance Premiums - Insurance premium estimates are based upon an assessment rate of 20.8 basis points in FY 1990 and 23.0 basis points in FY 1991. Estimates are stated net of deductions for Secondary Reserve offsets, FICO interest expenses and REFCORP principal defeasance. REFCORP principal defeasance requirements may fluctuate pending interest rates and maturity length.
2. Receivership Proceeds - These proceeds are the direct result of income and sales of receivership assets. The proceeds are returned to the FSLIC Resolution Fund by either liquidating dividends or the repayment of secured advances and administrative loans. Estimates are stated net of projected deductions for REFCORP principal defeasance.
3. Sale of Corporate-Held Assets - These amounts represent the projected income and liquidation proceeds to the FSLIC Resolution Fund from assets held in the corporate portfolio.
4. Interest Income on Investments - These amounts are the projected interest income that the FSLIC Resolution Fund will earn on its investments. These investments are primarily Over-Night Treasury securities.
5. Other Income - These amounts include: principal repayments and interest earned on notes, loans and subordinated debentures; capital certificate income; thrift stock income; etc.

USES OF FUNDS

6. Administrative and Miscellaneous Expenses - These amounts include such administrative expenses as payroll, benefits, travel, legal expenses, audit expenses and the cost of managing certain corporate-held assets that are in the process of being liquidated.

7. Repayment of Pre 1987 Notes - Repayments of notes issued prior to 1987 are recorded as budgetary outlays because they were not recorded as outlays in the year issued.

8. Interest on Notes Payable - At the beginning of FY 1990, the FSLIC Resolution Fund had \$19.1 billion in outstanding notes payable. Interest expense in most cases is based on regional indices and is paid semiannually.

9. Assistance Agreement Payments - The FSLIC Resolution Fund presently has 202 agreements for which assistance payments are required. In most cases, these payments are for yield maintenance and capital loss coverage.

10. Repayment of Post 1986 Notes - The principal amount of notes issued in 1987 and beyond were recorded as budgetary outlays in the year issued. Thus, their repayment is only cash outflow and not a budgetary outlay.