

**From:** [Paul Brucker](#)  
**To:** [Board Comments](#)  
**Subject:** Overhead transfer methodology  
**Date:** Monday, April 18, 2016 8:47:28 AM

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4/18/16

To: NCUA

From: Paul J. Brucker, RCU President

Good Day,

I am the current President of Railway Credit Union Based in Bismarck, North Dakota, I also serve on ND's State Credit Union Board.

We have been monitoring the progressive increase in the percentage transfer from a past soft target of 50% to now exceeding well over 70%.

What this has created is a cost advantage to a Federal Credit Union Charter vs a State Charter. This has happened through more

money being allocated through this transfer thus requiring less annual assessments from Federal Charter Credit Unions. This has created an

artificial cost competitive advantage to Federally Chartered Credit Unions. Through this study and process, I recommend that the methodology

of this transfer be reviewed and returned to a fair assessment with clearly and equitable definitions used to calculate such. As this level of transfer has increased

over the past few years minimal explanation has been provided as to why and how the assumptions have changed. I applaud you for taking this issue

up and I encourage you to return it to a transparent, reasonable, and prudent system.

Respectfully,

Paul J. Brucker



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