

From: [Thomas R duffey](#)
To: [Regulatory Comments](#)
Subject: NCUA proposed rule.doc
Date: Monday, January 20, 2014 1:23:23 PM

Greater Latrobe Schools Federal Credit Union
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January 17, 2014

Gerard Poliquin, Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

RE: Requirements for Contacts with Federal Credit Unions

Dear Mr. Poliquin:

Our board of directors and the members of our credit union appreciate this opportunity to comment on the NCUA proposal on contacts with federal credit unions.

Our concern is an outcome of this proposed rule would require us to move from our current home-based operation to a commercial location. We have taken precautions to ensure the safety and soundness of our credit union such as installing alarms that are tied directly to police and fire responders needed in the event of an emergency. Duplicate records have been stored offsite and we have a disaster recovery policy meant to protect the ongoing operation of our credit union.

We have been in existence since 1968 and have current assets of 2.1 million dollars. Like other small credit unions, we are struggling to survive in today's economy. We have cut expenses and as of August 2013 found it necessary to eliminate rent and utility payments from our expense. No rent or utility expenses are included in our 2014 budget and we are only able to do this because we are home based and not commercially owned. We do not deal with cash so that is not something we are concerned with losing.

2012 was the first time we covered our expenses in the last 4 years and are dedicated to ensuring a profit this year. We believe the elimination of our rent, decreasing the treasurer's salary, and increasing loans will allow us to survive and continue meeting the needs of our members for the year 2014.

Your proposed rule would have a significant increase on our expenses and would help ensure

our failure to show a profit. Having a commercial location does not provide more safety to us as evidenced by our local bank being robbed twice in the last 5 years. They are located commercially within a half mile of us so commercial location does not provide the safety you are concerned with.

Please consider the hardship you would be placing on small credit unions with this proposed rule. We cannot afford it and believe our continued monitoring of income and expense will provide the solution to our problem and ensure our survival. The basic operation of a credit union is to provide service to our members with the least amount of expense possible. We respectfully oppose your requirement of moving us to a commercial office space since this restricts our ability to control our expense!

Very truly yours,

Thomas R Duffey
Treasurer GLSFCU