

From: Kay Rankin-Swan [mailto:kay@wctcu.net]
Sent: Thursday, May 09, 2013 8:05 PM
To: Director - FASB
Subject: 825-15

FASB Director;

I do appreciate the opportunity to comment on a proposed rule change.

My credit union is very small - \$15 million in assets, but we offer a wide arrange of financial services to our membership.

I have actually been in the business long enough to remember when the ALL / PLL came about! Calculating historical loss, which was actually handed to me the first week on the job in the form of a Document of Resolution from an exam that had taken place just prior to my employment! So, I really remember putting the process in to policy and the real how to method!

An change is not my concern, but I am concerned that changing from a true historical and what is calculation to a “expected” model will create a “GUESSING GAME!” That each credit union will develop their own “guessing method” and we will all be expensing additional provisional funds that will take from capital contributions, tighten lending ability that will be unnecessary – because of a future guessing game.

A rule change like this will apply to all size financial institutions and will be a unnecessary burden of time, which of course is a payroll/staff burden.

We already look to the past and assign a calculated value. We review the current delinquency and “guess” on what we think our potential loss is. Then this proposal would have us calculate the “expected” future loss! Past, present, future of the present status....

I just do not see how this change could be anything but a burden to staff, financials, members, and future member services.

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