

From: Michael Shattuck [<mailto:mshattuck@drydenbank.com>]
Sent: Tuesday, August 16, 2016 11:52 AM
To: Comments
Subject: "FFIEC 031, FFIEC 041, and FFIEC 051"

To whom it may concern,

I am the Chief Financial Officer at the First National Bank of Dryden. We are a CAMELS 1-rated, well capitalized institution with approximately \$140 million in assets located in Central New York. Our Call Report preparation process currently takes 2 people about a week to complete. I will attempt to address the specific areas requested in the Federal Register Vol. 81, No.157/ August 15,2016.

(a) The appropriate amount of lead time we would need to change our systems and processes from reporting using FFIEC 041 to FFIEC 051 would be none. For our institution, the two are virtually identical.

(b) A Staggered approach to changes would not matter to us as I mentioned above, there would be virtually no change for our institution.

(c) The option to choose between FFIEC 041 and FFIEC 051 would not matter as the same amount of time would be necessary to complete either one.

(d) The proposed revisions would have no effect on the agencies' function and information omitted has no practical utility as 99.99% of it is either "not applicable" or a has a value of "0."

(e) Our burden will be wholly unchanged.

This proposal is marketed as a way to lessen the burden of Call Report preparation. Largely, what is eliminated from FFIEC 041 are line items that never applied to the "under \$1 billion institutions" in the first place. Of the 14 pages of proposed changes, there are 3 that will affect our institution outlined below:

(1) [RC-F 6.a through 6i] move to semiannual reporting. These numbers are a breakdown of the total on line 6. In order to calculate the total on line 6, these components must still be computed. Though they are not reported, they still must be calculated so this saves no time at all.

(2) [RC-G 4.a through 4.g] move to semiannual reporting. Same as above. These numbers are components of a total so they must still be calculated so they can then be added together.

(3) [RC-L 9b] "commitments to purchase when issued securities" elimination. To derive this number, we simply add up securities we've committed to purchase that have not yet settled. This will shave 2 minutes off the scores of hours call report preparation takes.

In summary, I will use a milk metaphor since this is a major business in our market. We have a gallon jug of milk that is half full. It is suggested that there is too much milk. Your solution is to pour the milk into a half gallon jug. There is still the same amount of milk when you are done but the jug is smaller. You've told me that you would address the amount of milk. For our institution, no milk was eliminated. Schedules and line items we never even used will no longer be present. This will save us

some wasted paper and ink but will do nothing to alleviate the burden of Call Report preparation – the stated intent of this proposal.

Thank you for your consideration,
Mike Shattuck

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