

NORTHWESTERN *Banker*

JANUARY
1987



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Bank Officers' Salary Survey



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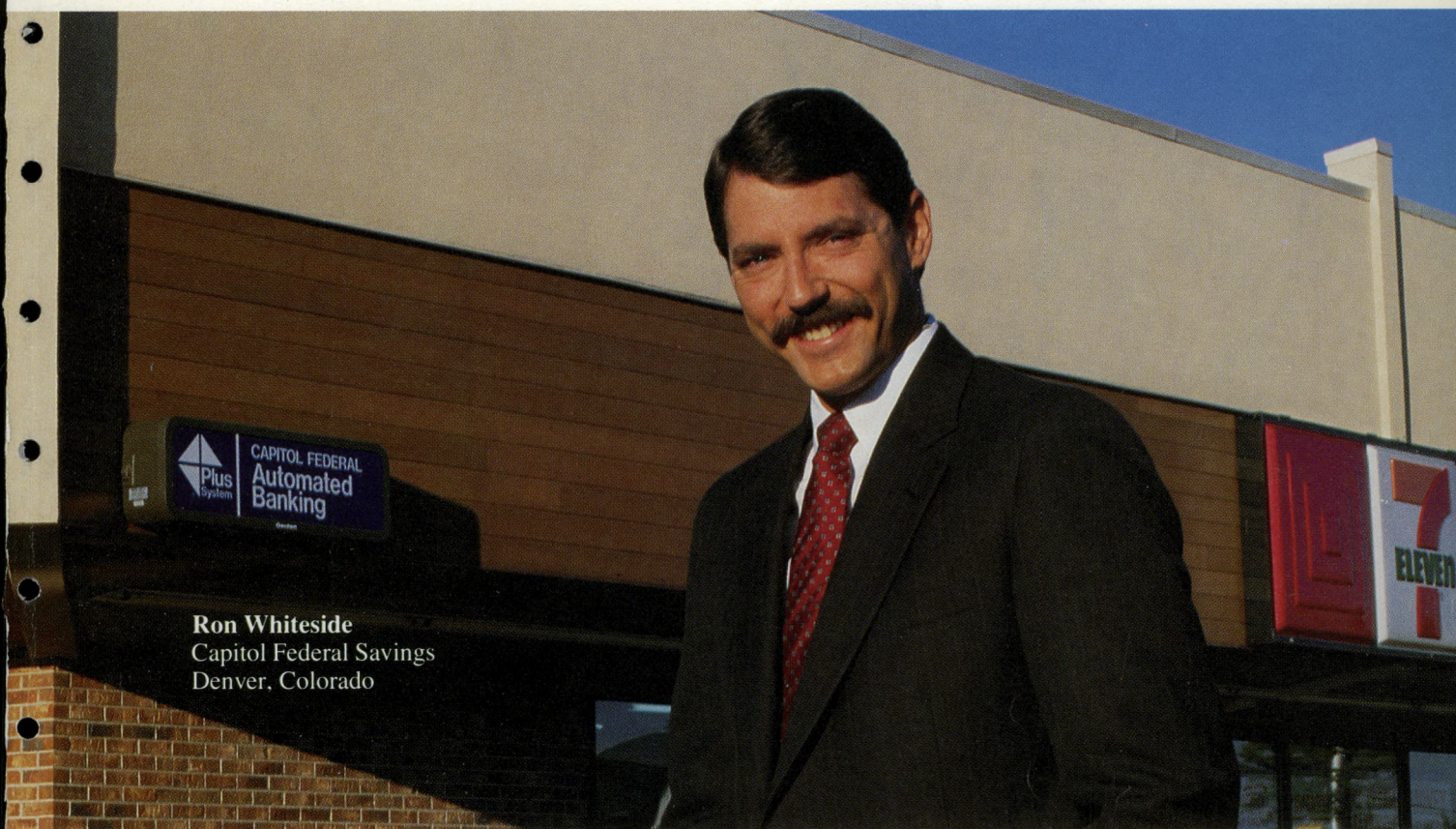
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ON THE COVER

Results of the NORTHWESTERN Banker Salary Survey, conducted on a regular basis for many years, are presented in this issue starting on page 15. Pictured on the front cover is the beautiful new headquarters structure housing United Missouri Bancshares, Inc., and its lead bank, United Missouri Bank of Kansas City. Story and more photos on page 21.

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A standard of architectural elegance for Kansas City

22 Hung up on art!

Kearney, Nebr., bank sponsors its 10th exhibit

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ABA Community Bankers Conference

"HANDS-ON," "sleeves-up" workshops on vital community banking topics will highlight the American Bankers Association 1987 National Conference for Community Bankers, March 8-11, in Phoenix.

Examples of the workshops, presented by leading bankers, consultants and academicians, include: "Productivity: Tips to Help Your Bank Achieve High Earnings;" "Impact of the New Tax Bill;" "Implementing Pricing Decisions;" and "The CEO's Responsibility in Marketing Management."

In addition, general session speaker David Glass, president, Wal-Mart Stores, Bentonville, Ark., will describe the parallels between banking and retailing. Also, a "spotlight on the competition" will be presented by Anthony M. Frank, CEO, First Nationwide Savings Bank and First Nationwide Network, San Francisco.

A perspective on how the ABA is meeting community bankers' needs will be provided by ABA President Mark W. Olson, president, Security State Bank, Fergus Falls, Minn.

A new feature of the conference will be exhibits. The premier exposition will be a one-stop shopping center of banking hardware, software, consultants and other industry essentials.

"The National Conference for Community Bankers is the working forum and peer exchange for today's CEO," according to ABA Community Bankers Council Chairman Franklin H. Moore, Jr., chairman of the board and president, Commercial and Savings Bank, St. Clair, Mich. "It will provide attendees with vital information for making the right decisions on important issues."

The conference will take place in two hotels — the Hyatt Regency and Phoenix Hilton — located across the street from each other.

In addition to the conference program, there will be a golf tournament, dynamic spouses' program and Phoenix's famous sunny weather.

For additional information or conference registration forms, contact Fran Lowry at the ABA 202/663-5125.

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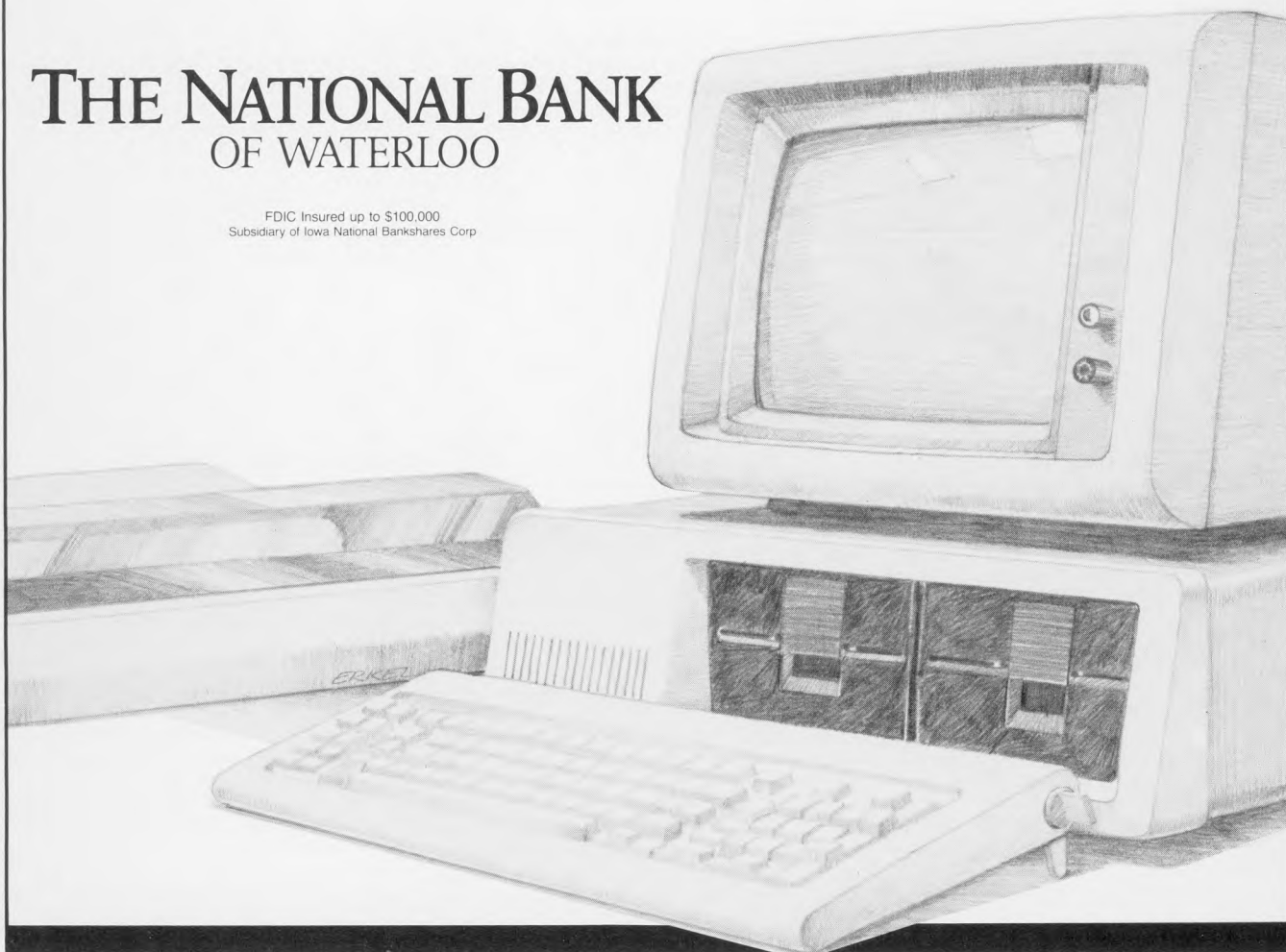
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Dear Editor...

"Letter to Sen. Grassley"

Editor's Note: Our "Open Letter to Senator Grassley" in the December 15 issue of our *Weekly Newsletter* drew immediate telephone and letter response from readers, as well as Sen. Grassley's office. One of his aides said there was "much misinformation" about the new law and asked if we would meet with Sen. Grassley in Des Moines, if an appointment could be arranged, to discuss Chapter 12 Bankruptcy. We agreed, of course. If that ensues, we will keep readers informed. Excerpts from some of the banker letters received in the first two days after publication of that "Open Letter" and about Chapter 12 follow:

"Excellent letter to Senator Grassley. On behalf of our staff, thanks for all your effort. I am contacting Senator Grassley today!

Roger Doughan, President
First National Bank
Hampton, Ia.

"Hurrah for you! Your open letter to Senator Grassley is terrific."

Bill Hess, President
Iowa Savings Bank
Coon Rapids, Iowa

"...very well written and it should get the message out of Chuck Grassley that he and the co-sponsor really fouled up a lot of farmers and banks. The banks will be very reluctant to loan money collateralized by either farm land or machinery and crops. In other words, Chuck's Chapter 12 Bankruptcy Law has created a hell of a mess for everyone in agriculture.

"Keep up the good work."

R.L. Dixon, Chairman
Rolf State Bank
Rolf, Ia.

"Thank you for your letter to the Hon. Charles Grassley in regard to Chapter 12 Bankruptcy. You and your publication have added much to our voice being heard in Washington. I hope the Senator accepts the invitation to appear in Omaha on December 18. Thank you again."

Robert E. Brown, President
The First National Bank
Missouri Valley, Ia.

"You have told it like it is and I hope it has some influence on the Senator's thinking. Certainly the banking industry was unsuccessful in their efforts to persuade him that Chapter 12 would have a negative effect on lending institutions and extending credit. I sometimes feel as one of our good customers told me some time ago, 'My name might as well be Ivan and I might as well live 20 miles outside Moscow when it comes to communicating with Washington.'"

Churchill T. Williams, Chairman
Oelwein State Bank
Oelwein, Ia.

"An excellent letter to Senator Grassley concerning Chapter 12 Bankruptcy. It is inconceivable to me that our Congressmen can be so short-sighted to think that these losses created as a result of Chapter 12 will disappear and not be re-assessed to others, including the banker and other lenders who pay their notes.

"We have not had many Bankruptcies in our bank in that we have been negotiating problem loans with the farmer, except in one situation where the farm customer took a Chapter 11 Bankruptcy. We are currently restructuring our loan policy as a result of this Chapter 12 legislation and it is going to create a barrier for young farmers who want to obtain credit to get into farming. One of the ways for Congress to get rid of the family farm problem is to create legislation such as this that prohibits the creation of any more family farmers.

"Keep up the good work."

W. Dale Den Herder, President
American State Bank
Sioux Center, Ia.

"Thank you for your sincere and informative letter to Senator Grassley on behalf of we community bankers! It's gratifying to know that we have someone in the public who knows and understands the problems we're currently facing. Again, thank you!"

Steve Tschertter, Sr. Vice Pres.
Lincoln Savings Bank
Reinbeck, Ia.

"Congratulations on your letter to Chuck Grassley! You hit the nail right on the head. You're like wine and cheese—you get better with age!"

Robert R. Rigler, President
The Security State Bank
New Hampton, Ia.

"Donald K. White Makes Amends"

"I am enclosing a copy of the article in the San Francisco *Chronicle* just in case you didn't receive it. Donald K. White certainly did make amends with me!

"I have had many friendly calls and letters from bankers around the country who have seen your article or the ABA's (*ABA Bankers Weekly*). Even a couple of calls from West Coast friends. It will indeed be interesting to see what happens in the next five-year period. I hope we are both around to see it."

Alice M. Dittman, President
Cornhusker Bank
Lincoln, Nebr.

Editor's Note: Alice Dittman shared with us, prior to the recent ABA convention in San Francisco, a Donald K. White column published in the *Chronicle* five years ago when the ABA convention was last in his city. It predicted that the 1981 convention would be "the last hurrah" for most of the nation's bankers, since there would soon be only 500 banks, and the nation really didn't even need that many. He singled out Alice's bank and one in Kansas as paying their "last hurrah" to the City by the Bay as a banker conventioneer. We published most of his column, along with Alice's comments on how well her bank has fared in those five years—doubled in assets for a 15% annual growth. She visited with Mr. White while at this year's ABA convention and he was not only a good sport about it, but a good enough news-

paperman that he set the record straight for his readers. In his October 29 column, Mr. White said, in part:

"Welcome back, Alice M. Dittman...Five years ago, when the bankers last convened here, I predicted that, under deregulation, there would be little need in the future for the likes of a Cornhusker Bank. I suggested that Dittman probably was attending her last bankers' convention...Dittman and her bank are alive and well." After quoting Alice on Cornhusker Bank's growth, Mr. White wrote, "Dittman assures me that she has every intention of coming to the next ABA convention in San Francisco. That one's scheduled for 1991."

A salute to Donald K. White!

* * *

"Salute the Work You Do"

"I read with interest your article 'Community Bankers Still Hurrahing' in the November 10 issue. (See letter and comment above.)

"On behalf of the community bankers of Nebraska, let me salute the work you do and have done in promoting, recognizing, and identifying the backbone of our communities—the banker.

"We appreciate the NORTHWESTERN BANKER and wish you continued success. Again, our thanks."

Kurt T. Yost, Executive Director
Nebraska Independent Bankers
Association, Lincoln, Nebr.

"Hurrah!"

"Hurrah for your November 10 NORTHWESTERN BANKER *Weekly Newsletter*!

"Hurrah for Alice Dittman and Cliff Stone!

"Hurrah for the Editor!"

John P. Sampson, Sr. V.P.
Norwest Bank Minneapolis, N.A.
Minneapolis, Minn.

"Enjoyed Excerpts"

"Enjoyed reading your October 20 reprint of excerpts from Ralph Zaun's (1968) talk at the Houston IBAA convention. ('Are We learning from the Past?'—*Weekly Newsletter*, October 20). It was darned good then and it looks even better now. Ralph, of course, is a very bright guy and has made significant contributions to our industry. He writes very well and it might be interesting if you could get him to do a piece for the NORTHWESTERN BANKER on today's conditions."

Stan Barber, Chairman
Wellman Savings Bank
Wellman, Ia.

"Apt Description"

"I wanted to write and compliment you on your excellent article entitled 'Chapter 12, Clear Title Bring Concern' (December 1 *Weekly Newsletter*). You have most aptly described both the turkey and the Christmas sock lump of coal. Your comment also relative to 'aid the farmer at the expense of lenders mentality' is also very appropriate in describing the tone of Congress at this time.

"We certainly appreciate your efforts in this regard and congratulations on another job very well done."

John M. Green, President
Wauneta Falls Bank
Wauneta, Nebr.

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Convention Calendar

ABA—American Bankers Association
AIB—American Institute of Banking
BAI—Bank Administration Institute
BMA—Bank Marketing Association
CFP—College for Financial Planning
IBAA—Independent Bankers Association of America
NABW—National Association of Bank Women, Inc.
RMA—Robert Morris Associates

National Conventions & Schools

1987

Jan. 12—BMA Marketing Strategies on Tax Reform Seminars, Westin O'Hare, Chicago, Ill. (12th)—Holiday Inn Crowne Plaza, Atlanta, Ga. (20th)—Hyatt Hotel, Los Angeles, Calif. (28th)
Jan. 21—RMA Managing Under Liability Workshop, San Francisco, Calif.
Jan. 25-28—ABA Western Regional Conference for Bank Card and Credit Managers, Hotel Intercontinental, San Diego, Calif.
Jan. 25-28—RMA Financial Statement Analysis Workshops, New Orleans, La.
Jan. 26—RMA Managing Under Liability Workshop, Atlanta, Ga.
Jan. 27-30—ABA National Insurance and Protection Conference, Sheraton Harbor Island, San Diego, Calif.
Feb. 1-4—ABA Telecommunications and Financial Networks/Video Banking IV Conference, Sheraton Harbor Island, San Diego, Calif.
Feb. 3-6—BAI Current Dynamics in Bank Management Conference, Phoenix, Ariz.
Feb. 8-11—ABA National Trust and Financial Services Conference, Westin Century Plaza, Los Angeles, Calif.
Feb. 8-20—ABA National School of Retail Banking, University of Oklahoma, Norman.
Feb. 10-11—IBAA Long Range Planning Seminar, Westcourt in the Buttes, Phoenix, Ariz.
Feb. 11—RMA Managing Under Liability Workshop, Dallas, Tex.
Feb. 12-13—IBAA Asset/Liability Management Workshop, Westcourt in the Buttes, Phoenix, Ariz.
Feb. 15-18—BMA Community Bank CEO Seminar, Marriott's Mountain Shadows Resort, Scottsdale, Ariz.
Feb. 18-28—CFP Establishing a Financial Planning Practice Seminar, (first in a series of three seminars), San Francisco, Calif. (18th), Dallas Tex. (20th), Chicago, Ill. (24th), Washington, D.C. (26th), and Tampa, Fla. (28th).
Feb. 18-21—ABA Bank Investments and Funds Management Conference, Marriott's Orlando World Center.
Feb. 22-25—BMA Technology for Financial Services Marketing Conference, Phoenix Hilton.
Mar. 1-4—ABA National Fiduciary and Securities Operations Conference, Anaheim Hilton.
Mar. 2-6—Southeastern Essentials of Bank Marketing School, University of Georgia, Athens, Ga.
Mar. 4—RMA Managing Under Liability

Workshop, Washington, D.C.
Mar. 8-11—ABA National Conference for Community Bankers, Hyatt Regency Hilton, Phoenix, Ariz.
Mar. 8-14—ABA National Compliance School, University of Oklahoma, Norman.
Mar. 9-13—KBA, NBA School of Banking Fundamentals, Holiday Inn, Kearney, Neb.
Mar. 15-17—BMA Trust Sales Management Workshop, Westin Hotel, Chicago, Ill.
Mar. 15-18—BMA National Sales Conference, Atlanta Marriott, Atlanta, Ga.
Mar. 18—RMA Managing Under Liability Workshop, Chicago, Ill.
Mar. 22-25—ABA National Conference on Real Estate Finance, Hyatt Regency, San Francisco, Calif.
Mar. 24-27—BAI Bank Auditors Conference, Boston, Mass.
Mar. 25-27—ABA National Corporate Banking Conference, J.W. Marriott Hotel, Washington.
Mar. 29-Apr. 1—ABA National Retail Banking Conference, Atlanta, Hilton.
Apr. 1-5—IBAA Annual Convention, Orlando, Fla.
Apr. 5-8—BAI Check Processing Conference, Nashville, Tenn.
Apr. 5-10—KBA, NBA Commercial Lending School, Holiday Inn, Kearney, Neb.
Apr. 12-15—BMA Research and Planning Conference, Westin St. Francis, San Francisco, Calif.
Apr. 12-17—ABA Bank Trainers School, University of Oklahoma.
Apr. 14-15—IBAA Bank Internal Auditing I Seminar, Peabody Hotel, Memphis, Tenn.
Apr. 26-29—RMA Financial Statement Analysis Workshops, Kansas City.
Apr. 26-29—BAI Security Conference, Atlanta, Ga.
Apr. 26-29—BMA Commercial Lending Marketing Conference, Westin Hotel, Chicago, Ill.
Apr. 26-May 1—ABA National Commercial Lending Graduate School, University of Oklahoma, Norman.
Apr. 27-28—IBAA Bank Internal Auditing I Seminar, Omaha Marriott, Omaha, Neb.
Apr. 28-May 1—BAI Forum IV: The National Conference on Retail Banking, Chicago, Ill.

State Conventions & Schools

Colorado:

Jan. 22—CBA Annual Legislative Seminar Reception, Denver.
Jan. 29—CBA Legal Compliance Video Teleconference, Denver.
Feb. 12—CBA Annual Security Seminar, Denver.
Mar. 20—CBA Investment Funds Management Seminar, Denver.
Mar. 29-Apr. 1—CBA Washington Visit, Washington, D.C.
Apr. 2-3—CBA Retail Banking Conference, Denver.
Apr. 23-25—CBA Annual Legal and Compliance Seminar, Denver.
Apr. 30—CBA/RMA Commercial Banking Seminar, Denver.

May 1-2—CBA Ag Banking Seminar, Denver.
June 3-6—CBA Annual Convention, Colorado Springs.
Sept. 16-20—Independent Bankers of Colorado Annual Convention, Beaver Creek, Avon.

Illinois:

Jan. 29—Bank Compliance Symposium, at locations around the state.
Feb. 4-5—IBA Commercial Credit Conference, Chicago.
Feb. 25-26—IBA Consumer Credit Conference, Woodfield.
Mar. 25-26—IBA Bank Operations Conference, Peoria.
May 7-8—IBA Trust Conference, Collinsville.
June 10-12—IBA Annual Convention, Pere Marquette, Peoria.
Aug. 24-28—Independent Community Banks of Illinois School for Bankers, Illinois Wesleyan University, Bloomington.
Sept. 25-28—Independent Community Banks of Illinois Annual Convention Exposition, The Hamilton Hotel, Itasca.

Iowa:

Jan. 7, 8 & 9—IBA IRA/SEP Seminar, Sioux City (7th), Cedar Rapids (8th), and Des Moines (9th).
Jan. 29—IBA Bank Compliance Symposium, Des Moines Area Community College, Ankeny, Kirkwood Community College, Cedar Rapids, and Buena Vista College, Storm Lake.
Feb. 4-14—IBA Commercial Lending School, Iowa State University, Ames.
Feb. 6-7—IBA Group 1 Meeting, Sioux City.
Feb. 22-23—IBA Group 11 Meeting, Burlington.
Feb. 25-27—IBA Mid-Winter Management Conference, Steamboat, Colo.
Mar. 2-4—IBA Marketing Conference, Hotel Fort Des Moines, Des Moines.
Mar. 11—IBA Legislative Reception, Hotel Savery, Des Moines.
Mar. 16-18—IBA Ag Credit Conference, Scheman Center, Ames.
Mar. 22-27—IBA Consumer Credit School, Drake University, Des Moines.
Apr. 4-8—IBA Washington, D.C. Trip, Westin Hotel, Washington, D.C.
May 4—IBA Group 8 Meeting, Clinton.
May 5—IBA Group 4 Meeting, Cedar Rapids.
May 6—IBA Group 7 Meeting, Ames.
May 7—IBA Group 6 Meeting, Des Moines.
May 18—IBA Group 5 Meeting, Council Bluffs.
May 19—IBA Group 2 Meeting, Ft. Dodge.
May 20—IBA Group 12 Meeting, Okoboji.
May 21—IBA Group 3 Meeting, Clear Lake.
June 8-19—IBA Ag Credit School, Scheman Center, Ames.
June 21-26—IBA Iowa School of Banking, University of Iowa, Iowa City.
July 23-25—Iowa Independent Bankers Annual Convention, The New Inn, Lake Okoboji.
Sept. 20-22—IBA 101st Annual Convention, Convention Center, Des Moines.

Minnesota:

Jan. 21-22—MBA Head Teller Workshop, Ramada Inn, Moorhead.
Jan. 24-31—MBA Executive Trip and Seminar, Barbados.
Jan. 29—MBA Compliance Teleconference, Hilton Inn, Minneapolis.
Feb. 10-11—MBA Senior Bank Management Conference, Hyatt Regency, Minneapolis.

Convention Calendar...

(Continued from page 8)

- Feb. 17-26—MBA IRA Seminar, at several locations around the state.
- Feb. 23-27—MBA Bank Operations School, Radisson Arrowwood, Alexandria.
- Mar. 5—MBA Investments Conference, Hotel Sofitel, Bloomington.
- Mar. 10—MBA Loan Documentation/UCC 9, Sheraton Park Place, St. Louis Park.
- Mar. 11-12—MBA Commercial Lending School Graduate Program (Tentative), Twin Cities.
- Mar. 17—MBA Dishonesty Seminar, Holiday Inn International, Bloomington.
- Mar. 19—MBA Bank Director Seminar, Holiday Inn International, Bloomington.
- Mar. 24—MBA Management Skills for CEOs, Twin Cities.
- Mar. 25-27—MBA Bank Compliance School, Minneapolis Athletic Club.
- Apr. 2—MBA Financial Institution Insurance Seminar, Hotel Sofitel, Bloomington.
- Apr. 13-14—MBA Head Teller Workshop, Sheraton Park Place, St. Louis Park.
- Apr. 21—MBA Product and Pricing Strategies for Growth and Profitability (Tentative), Twin Cities.
- Apr. 27-28—MBA Tri-State Trust Conference, Ramada Inn, Moorhead.
- June 8-9—MBA 97th Annual Convention, Marriott City Center, Minneapolis.
- June 21-26—Minnesota School of Banking, St. Olaf College, Northfield.
- July 19-24—MBA Midwest Banking Institute, University of Minnesota, Morris.
- Aug. 9-14—MBA Commercial Lending School, St. Olaf College, Northfield.

Montana:

- Jan. 15-16—MBA Management Leadership School, Park Plaza, Helena.
- Feb. 4-6—MBA Ag Bankers Conference, Holiday Inn, Bozeman.
- Feb. 12-13—MBA Sr. Bank Management Counsel Conference, Colonial Inn, Helena.
- Mar. 13—MBA Women Bankers Conference, Holiday Inn, Billings.
- Mar. 26-27—MBA Education Conference, Park Plaza, Helena.
- Apr. 2-3—MBA Marketing Conference, Big Sky.
- Apr. 30-May 1—MBA Trust Conference, Heritage Inn, Great Falls.
- May 14-15—MBA Retail Bankers Conference, Holiday Inn, Billings.
- June 1-2—MBA Commercial Bankers Conference, Grouse Mountain Lodge, Whitefish.
- June 11-12—MBA Real Estate Bankers Conference, Sheraton Hotel, Missoula.
- June 23-26—MBA 84th Annual Convention, Sun Valley, Idaho.

Nebraska:

- Jan. 13 & 14—NBA Bank Directors Forum, North Platte Stockman Inn (13th), and Columbus Holiday Inn (14th).
- Jan. 27-28—NBA Lending Conference, Kearney Holiday Inn.
- Feb. 11-15—NBA Bank Executive Conference, Marriott Marco Island, Fla.
- Mar. 4 & 5—NBA Supervisory Development Workshop, Lincoln Cornhusker Hotel (4th), and North Platte Holiday Inn (5th).
- Mar. 18-19—NBA Ag Outlook Conference, Kearney Holiday Inn.

- Mar. 24-26—NBA Financial Institution Bond Seminar, at locations around the state.
- Apr. 7-22—NBA Head Teller/Teller Staff Conference, at locations around the state.
- May 14-17—NBA 90th Annual Convention, Lincoln Cornhusker Hotel.
- June 7-9—NBA Washington Legislative Visit, Washington, D.C.
- June 11—NBA Bank President's Golf Tournament, Lochland Country Club, Hastings.

North Dakota:

- Feb. 3-4—NDBA Bank Management Conference, Kirkwood Motor Inn, Bismarck.
- Feb. 27—NDBA "Inside Bankruptcy" Workshop, Radisson, Fargo.
- Mar. 26-27—NDBA Bank Investment Seminar, Sheraton, Bismarck.
- Apr. 10—NDBA Real Estate Finance, Holiday Inn, Bismarck.
- Apr. 12-14—NDBA Washington Conference, J.W. Marriott, Washington, D.C.
- Apr. 27-28—Tri-State Trust Conference, Ramada Inn, Moorhead.
- May 31-June 5—NDBA School of Banking, University of North Dakota, Grand Forks.
- June 14-16—NDBA Annual Convention, International Inn, Minot.
- Aug. 10-21—Graduate School of Banking, Wisconsin.
- Sept. 21—NDBA Northeast Group Meeting, Park River.
- Sept. 22—NDBA Northwest Group Meeting.
- Sept. 23—NDBA Southwest Group Meeting, Elks Lodge, Dickinson.
- Sept. 24—NDBA Southeast Group Meeting.

South Dakota:

- Jan. 29—SDBA Compliance Teleconference, Holiday Inn, Sioux Falls.
- Feb. 4—SDBA Annual Legislative Dinner, Kings Inn, Pierre.
- Mar. 24—SDBA IRA Seminar, The Hilton, Rapid City.
- Mar. 26—SDBA IRA Seminar, Sioux Falls.
- Apr. 4—SDBA Teller/Staff Conference, Howard Johnson's Motor Lodge, Rapid City.
- Apr. 8-9—SDBA Agricultural Credit Conference, Kings Inn Convention Center, Pierre.
- Apr. 11—SDBA Teller/Staff Conference, Ramkota Inn, Sioux Falls.
- Apr. 12-14—SDBA Annual Washington, D.C. Trip.
- May 10-12—SDBA Annual Convention, Howard Johnson's Motor Lodge, Rapid City.
- Sept. 14—SDBA Group V Meeting, Howard Johnsons, Rapid City.
- Sept. 15—SDBA Group IV Meeting, Wrangler Motor Inn, Mobridge.
- Sept. 16—SDBA Group II Meeting, Guest House, Watertown.
- Sept. 17—SDBA Group III Meeting, Holiday Inn, Mitchell.
- Sept. 18—SDBA Group I Meeting, Airport Holiday Inn, Sioux Falls.
- Oct. 8-9—SDBA Installment/Retail/Mortgage Loan Conference, Ramkota Inn, Rapid City.
- Oct. 21-22—SDBA Economics Seminar for Young Adults, Holiday Inn, Mitchell.

Wisconsin:

- Jan. 20, 21 & 22—WBA Ag Lenders Workshops, Civic Center, Eau Claire (20th), Heritage House, Madison (21st), and Midway Motor Lodge, Green Bay (22nd).
- Feb. 1-3—WBA Strategic Management for Bank Executives, Westwood Conference Center, Wausau.
- Feb. 9-11—WBA Bank Executive Seminar, The Concourse Hotel, Madison.
- Feb. 13-14—WBA Group 1 83rd Annual Meeting, Hotel Sofitel, Minneapolis.
- Feb. 22-Mar. 1—WBA Mid-Winter Retreat, Caribe Hilton International, San Juan, Puerto Rico.
- Mar. 8-14—WBA Personal Banking School, Westwood Conference Center, Wausau.
- Mar. 10-25—AIB Teller Seminars, Civic Center, Eau Claire (10th), Holiday Inn, Stevens Point (11th), Midway Motor Lodge, Green Bay (12th), Holiday Inn Southeast, Madison (24th), and Red Carpet Hotel, Milwaukee (25th).
- Mar. 18-19—WBA Marketing Conference, The Radisson Hotel, Oshkosh.
- Apr. 6-7—WBA Agricultural Bankers Conference, Embassy Suites Hotel Regency Conference Center, Green Bay.
- May 17-19—WBA Legislative/Regulatory Conference, L'Enfant Plaza, Washington, D.C.
- May 31-June 5—WBA General Banking School, St. Norbert College, De Pere.
- June 7-13—WBA Commercial Lending School, St. Norbert College, De Pere.
- June 15-17—WBA Annual Convention, Embassy Suites Hotel Regency Conference Center, Green Bay.
- Aug. 2-8—WBA Consumer Credit School, St. Norbert College, De Pere.
- Aug. 9-14—Basic Banking School, St. Norbert College, De Pere.

Wyoming:

- Jan. 26—WBA IRA '86—New Horizons Seminar, Casper.
- Feb. 5-6—WBA Credit Conference, Casper.
- Feb. 26-27—WBA Ag Lending Institute, Casper.

ABA Investments Conference To Focus on Techniques

Increasing bank profits through portfolio management, treasury issues and dealer/investment banking activity will be the focus of the 1987 American Bankers Association Bank Investments & Funds Management Conference, Feb. 17-20, at Marriott's Orlando World Center, Orlando, Fla.

Portfolio management will be highlighted in workshops on active portfolio management, multi-bank holding company portfolio management, investing excess funds and mortgage-backed securities.

Traditional and innovative approaches to dealer bank and investment banking activities will be addressed in workshops on securities subsidiaries, mutual funds, international financial markets and human resource management.

RMA Continues Its Lender Education

ROBERT Morris Associates, the national association of bank loan and credit officers founded in 1914, is continuing its stepped-up drive to offer first-class lending and credit training to the nation's banks at a time when the credit processes are being tested to the limit. RMA's membership of nearly 3,000 commercial banks and thrift institutions accounts for 85 percent of the C&I lending done by these types of financial institutions in the United States.

RMA's latest four offerings consist of an excellent training manual, two workshops and a videotape.

The training manual, *A Look at the Credit Approval Process*, examines the three methods for approving a credit—individual signature, multiple signature, and committee—and points out the pros and cons of each method. The monograph is based on a survey of 300 senior commercial loan officers from RMA member institutions. Copies are \$18 each for members and \$27 for non-members.

RMA's 12th annual "Financial Statement Analysis" workshop covers funds flow, cash flow, forecasting, workout problems, term loan analysis, seasonal borrowing needs, personal financial statement analysis, ratio analysis, and overall business evaluation. It will be offered January 25-28 in New Orleans and April 26-29 in Kansas City. The fee is \$395 for RMA members and \$490 for nonmembers.

The workshop "Managing Lender Liability" has been designed to address one of the most critical issues facing bankers today, since one adverse judgment can devastate the resources of even the most financially sound institution, RMA points out. This one-day workshop points out where and how lenders run into trouble throughout the life cycle of a credit. It will be offered January 21 in San Francisco, January 26 in Atlanta, February 11 in Dallas, March 4 in Washington, D.C., and March 18 in Chicago. The fee is \$195 for RMA members and \$250 for nonmembers.

The *Lender Liability* one-hour videotape will provide bankers with practical insights needed to avoid traps that can lead to crippling lawsuits. Professionally produced and

edited, the videotape is an excellent vehicle for discussing this important subject with a group of lenders and legal counsel, or on an individual basis. Videotape cost is \$265 each for RMA members and \$330 each for nonmembers.

RMA headquarters is located at 1616 Philadelphia National Bank Building, Philadelphia, PA 19107, telephone (215) 665-2850.

Kansas City Promotions at United Missouri Bank, N.A.

United Missouri Bank of Kansas City, N.A., has announced the following series of officer promotions:

To senior vice president: Terry Dierks in the commercial loans division. He has been vice president and manager of the bank's State Line facility. Mr. Dierks joined UMB in 1977 and holds a BA degree from Rockhurst College. Lance D. Blue, who also joined the bank in 1977. He has a marketing BA degree from Southwest Missouri State University and an MA degree in Business Administration from the University of Missouri-Kansas City. John M. Malinee, a CPA, joined UMB in 1982. He holds BA and MA degrees in Business Administration from Rockhurst College.

To vice president: Mark A. Schmittlein, who joined the bank in 1982 after graduating from the University of Missouri-Columbia with a BA degree in agriculture. He also holds an MA in Business Administration from Rockhurst College. Lynn A. Wood in the personal financial services division. Mrs. Woods joined United Missouri Bank in 1984 and previously was with Walsworth Publishing Co. in Marceline, Mo. She has a BA degree from the University of Missouri-Columbia. Linda Kovar, who joined UMB in 1980. She has an associate's degree from Maple Woods Community College.

To assistant vice president: Melinda Moss, a public relations officer for all United Missouri affiliates throughout the state, has been with the bank since 1983. Her previous work was with Midwest Research Institute. Ms. Moss holds a BA in Journalism degree from Kansas State University. Nancy E. Levin is responsible for coordinating

marketing efforts for all UMB affiliates as well as the Bankcard Center of UMB main bank. She went with UMB from her previous work at Avon Books/Hearst Corporation of New York. Rhonda Thiedke moves up from trust officer in the employee benefits division. Mrs. Thiedke has been with the bank since 1978.

Mary Ann Oertel was promoted to trust officer in the trust securities division. She started with the bank in 1969.

Heller Appoints Two

Heller Financial, Inc., Chicago, has reorganized its Central Asset Based Finance Division and has appointed two new divisional managers. The announcement was made by Michael J. Litwin, executive vice president of the company's Commercial Financial Services Group.

The reorganized Central Division will provide asset-based financing services through Heller's Cleveland and Detroit offices, as well as through National Acceptance Company of California, a subsidiary of Heller Financial, headquartered in Los Angeles. In line with this restructuring, William H. Bloom has been named senior vice president and division manager of the Central Division. He joined Heller in 1965 and has served as a senior vice president of the Central Division since 1983.

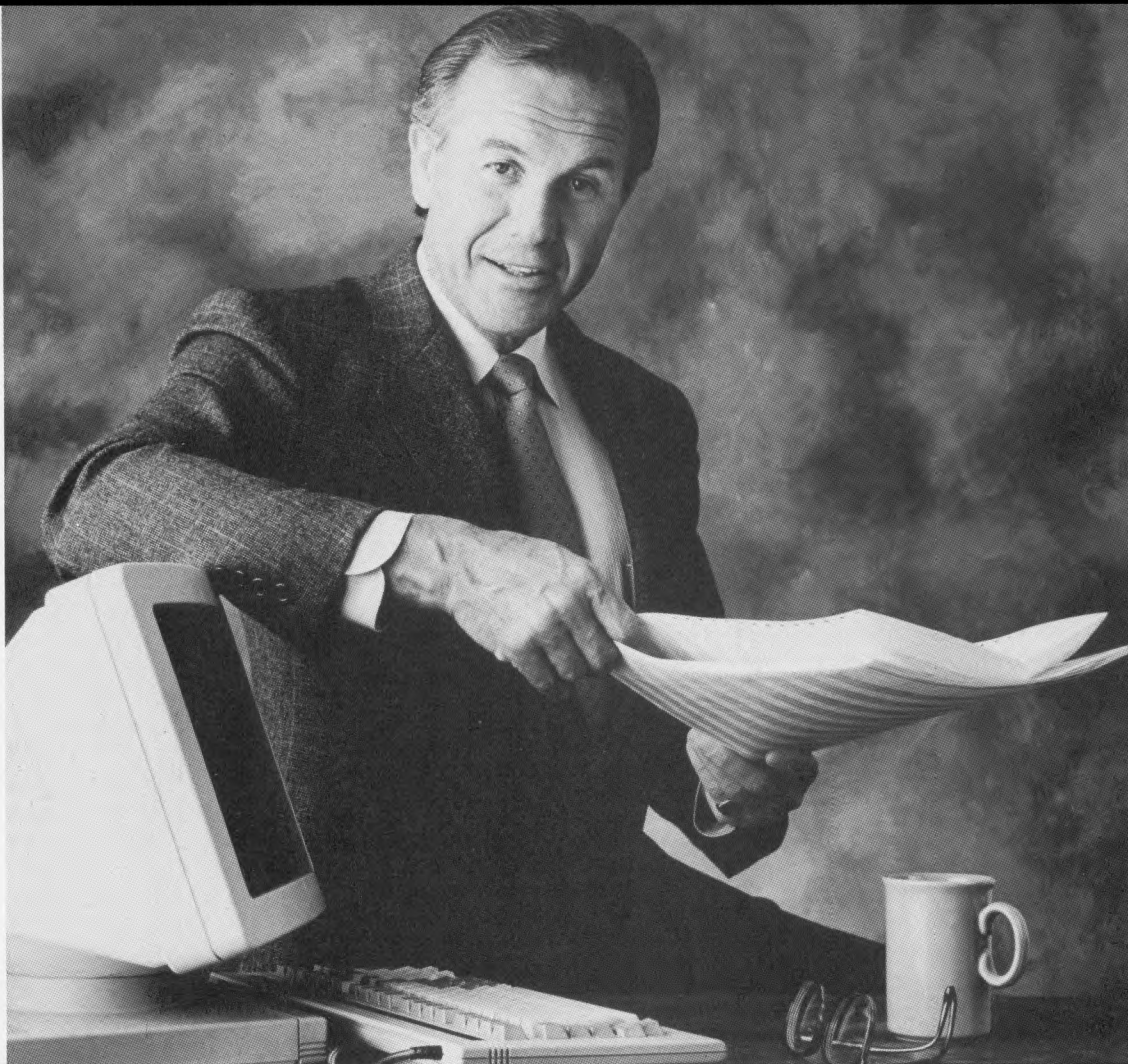
In addition, a new Midwest Division has been formed to include all Chicago asset-based finance operations. Mitchell F. Vernick has been appointed senior vice president and division manager.

He was formerly with Citicorp Industrial Credit and also with Continental Bank.

Wells Fargo Moves 3 Denver Offices Together

Wells Fargo Credit Corporation, which offers consumer and commercial borrowers a variety of loan products secured by real estate, has moved its Denver regional office to new quarters at 4643 South Ulster St., Regency Plaza.

The Credit Corporation is the third Wells Fargo entity to move into the building. Wells Fargo Ag Credit, an agribusiness lender, and Wells Fargo Realty Advisors also maintain regional offices in the building.



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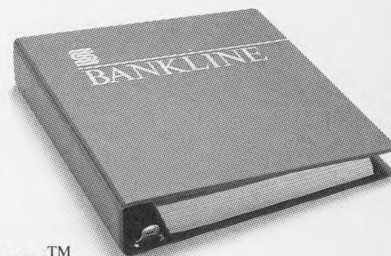
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Say Hello to Flexibility.

FBS Capital Markets Group Opens London Subsidiary

The FBS Capital Markets Group, Minneapolis/St. Paul, Minn., has announced the opening of FBS Capital Markets Ltd., a new foreign securities subsidiary in London. The group is the capital markets arm of Minneapolis-based First Bank System, the 15th largest bank holding company in the United States.

"Our presence in London will enable us to bring a broad range of investment vehicles to smaller and mid-sized corporations and financial institutions in both the U.S. and European markets," said Gerald A. Kraut, executive vice president and head of the FBS Capital Markets Group. "We believe these companies are not well served by major investment firms and that we can act as a catalyst in bringing valuable opportunities to corporations and financial institutions overlooked by the major players in the market."

FBS Capital Markets Ltd. is the first foreign securities subsidiary to be established in London by a Minnesota bank holding company. The firm is headed by Kenneth M. Duncan, managing director, and located at Winchester House, 80 London Wall.

According to Mr. Kraut, benefits to clients will include increased investment opportunities, access to new sources of funds using the debt markets and the ability to trade U.S. Treasury securities virtually around the clock.

Continental Illinois Corp. Settles Class Action Suit

Continental Illinois Corporation, Chicago, announced Nov. 25 it has agreed to settle a consolidated class action with a class consisting of per-

sons who purchased Continental Illinois shares from July 21, 1982, through July 11, 1984.

The consolidated action comprises two suits that were filed on June 1, 1984, and Oct. 3, 1984. In addition to Continental Illinois Corporation, defendants in the consolidated suit are Continental Illinois National Bank and Trust Company of Chicago and five former or present officers and directors of both organizations. The class action complaints alleged that the defendants violated federal securities law.

In the settlement, Continental Illinois will pay \$17.5 million to the class, and in return the suit will be dismissed against Continental Illinois Corporation, Continental Illinois National Bank and the individual defendants. Funds for this settlement will come from a reserve set aside previously, and therefore the settlement will not have an impact on current operating results.

The settlement is subject to review and approval by U.S. District Judge Harry D. Leinenweber.

The consummation of this settlement would resolve the last pending Continental Illinois shareholders' class action against the corporation involving the company's financial disclosures prior to this restructuring in 1984. The settlement of another consolidated class action involving Continental Illinois shareholders was announced earlier this year.

Security Pacific Markets Student Loan Module

Financial institutions now can take advantage of a complete student loan processing package of-

fered through the BANKLINE Division of Security Pacific Information Systems, Inc., Phoenix, according to Joe Ballacchino, director of systems and programming for BANKLINE. He said this new module will give institutions the ability to process student loans with exceedingly fast turnaround time from student application to guarantor approval.

Mr. Ballacchino said the student loan module offers complete reporting capabilities for internal, guarantor, and government reporting. The system provides for check distribution, check reconciliation, and loan sale processing. All entry and maintenance activities are performed in an on-line, real-time environment.

He added that the module is fully integrated with all other components of the BANKLINE System, and said the student lending package also can be combined with the BANKLINE Customer Information File and General Ledger System for use in a stand alone mode.

Deluxe Buys Data Systems

Deluxe Check Printers, Incorporated, St. Paul, Minn., has announced the execution of a definitive agreement for the purchase of A.O. Smith Data Systems, Inc., a subsidiary of A.O. Smith Corporation.

DSI, based in Milwaukee, is a leading supplier of electronic funds transfer software and processing services, particularly for automated teller machines and point-of-sale equipment. It provides EFT processing services for 10 of the 20 largest shared ATM networks in the United States. DSI has estimated sales for the year 1986 of \$34,000,000.

The acquisition of DSI will provide Deluxe an important additional service to offer to its financial institution customers, and an opportunity to participate in the growth of services related to all aspects of the payments system — automated teller machines and point-of-sale systems, as well as checks.

DSI began serving financial institutions with electronic funds transfer services in 1977, starting with the TYME network in Wisconsin, the first state-wide shared ATM network in the U.S. It was incorporated as a subsidiary of A.O. Smith Corporation in 1984.

The Carpenters Pension Fund of Illinois, covering the State of Illinois and the eastern half of Iowa, announced today a financing program of new and rehabilitation construction projects. The Pension Fund is interested in providing financing of construction and end loans at competitive rates. The servicing of these loans, ranging from \$250,000 to \$2,000,000, will be handled through local banks. The program is available for commercial and residential projects.

For further information, please contact: Frederick A. Westmark, Administrative Manager, Illinois Employee Benefits Corporation, 28 North First Street, Geneva, Illinois, 60134, 312/232-7166.

Continental Corporation Establishes London Office

Continental Illinois Corporation, Chicago, has established a subsidiary in London to operate in the international securities and capital markets.

The new company, Continental Illinois Limited (CIL), a subsidiary of Continental Illinois National Bank and Trust Company of Chicago, has total capital of \$25 million and offers a wide range of financial products and services, including securities sales and trading, corporate finance, interest rate products, leasing and trade finance. Continental Illinois previously sold its London merchant bank in July 1984.

BMA Hosts Three Meetings

Bank Marketing Association, an affiliate of the American Bankers Association, has scheduled three conferences in the early weeks of 1987 to assist bank management in evaluating various marketing programs for their banks in today's highly competitive climate.

The first, scheduled for February 15-18 at the Mountain Shadows Resort in Scottsdale, Ariz., is BMA's 1987 Community Bank CEO Seminar. It is aptly titled, "Tomorrow's Survival—A New Horizon." The program will offer prominent, qualified speakers, as well as workshop sessions on profit-building.

The second, "Technology Can Make a Difference," is slated for February 22-25 at the Phoenix Hilton Hotel. The three-day meeting is designed to help marketing executives use technology more profitably in their institutions, such as in-lobby terminals and platform CRTs, to increase product sales and educate customers.

The third will be the Annual Corporate/Commercial Marketing Conference scheduled April 26-29 at the Westin Hotel in Chicago. This discussion of "how to" marketing techniques to reach segments of the corporate middle market will be a prime focus of the meeting designed for line officers and staff marketing professionals who have a role in developing or promoting small business and middle market commercial loans and corporate services.

BMA headquarters at 309 West Washington St., Chicago, Ill. 60606, telephone (312) 782-1442.

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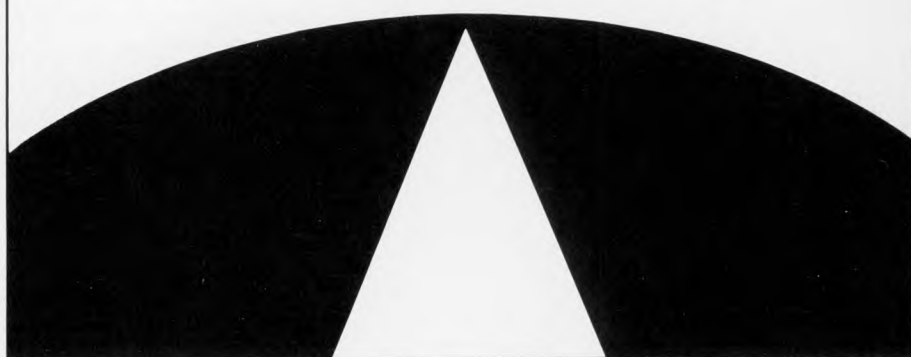
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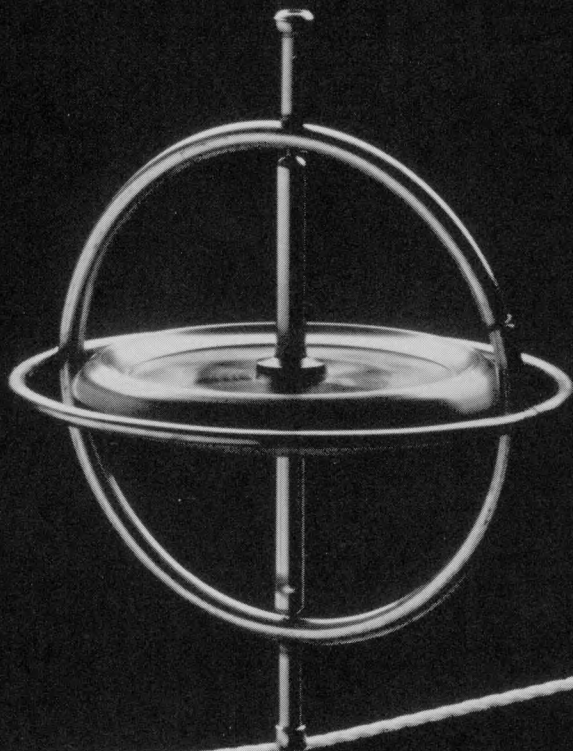
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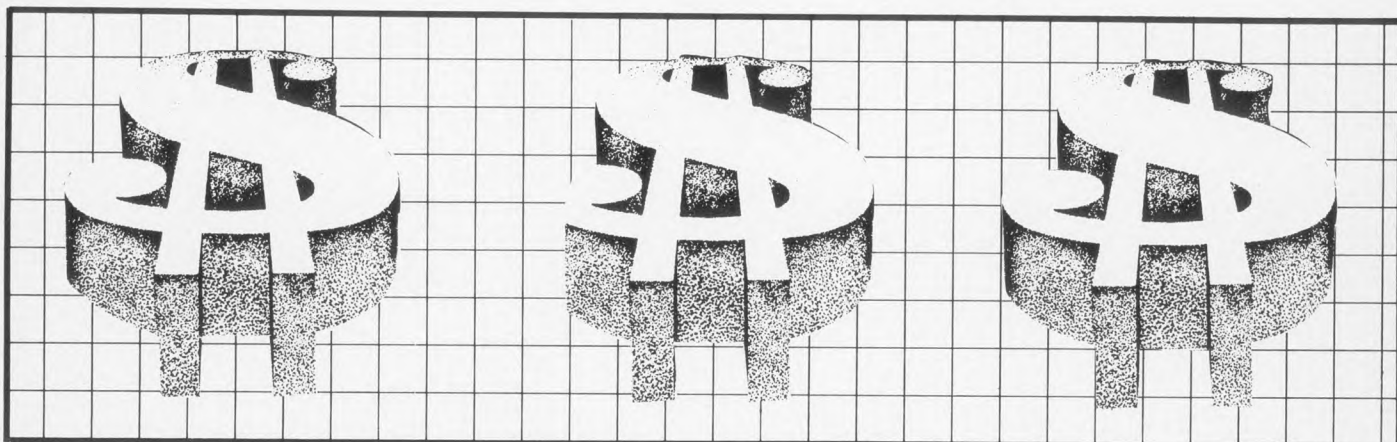


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1987 Salary Survey

An Exclusive NORTHWESTERN BANKER Survey



SALARY INCREASES for chief executive officers of community banks in 10 upper midwest and mountain states in 1987 are expected to average 3.7%, according to a salary survey conducted recently by the NORTHWESTERN BANKER. Second officers are slated for a 3.95% average base pay increase, while third officers should have a salary

increase of 4.66%, according to the survey.

The bad news is that one out of four persons among the three officer levels will not have a 1987 pay increase, as stated in survey replies.

A containment of inflation, coupled with a severe ag depression in the midwest, have combined to keep a lid on salary increases for two

straight years, compared with averages reported in other parts of the nation among various industries.

Considering all survey respondents, 25.2% do not anticipate salary increases for CEOs, second or third officers. That average was arrived at by tabulating "no increase" for CEOs in 30% of the replies, while that figure dropped to 24% for sec-

CHART NO. 1A

Charts 1A, 1B and 1C show incomes for CEOs, 2nd Officers and 3rd Officers respectively. Each chart shows banks grouped in Column 1 by five asset sizes. Column 2 gives a comparison between 1986 salaries and 1987 projected salaries, with the resulting percentage increase listed in Column 3 for each group. In columns 4 and 5, average dollar amounts are shown for 1986 bonus and Other Income. The figures in parentheses directly behind these amounts show the percentage of respondents who paid those amounts. In Column 6, the first figure shows the percentage of respondents who own some stock in the bank or holding company. The figure in parentheses indicates the percentage of respondents who own 50% or more of the stock, and these figures appear only for CEOs since no respondents listed 2nd or 3rd Officers holding 50% or more of the stock.

CHIEF EXECUTIVE OFFICERS

Assets in Millions	Salary '86 - '87	% Increase '87 to '86	Estimated Bonus	Other Income	Common Stock Ownership By
Up to \$15	\$38,472 -37,296 1,176	3.15%	\$ 6,552 (58.0%)	\$5,290 (51.0%)	76% (23%)
\$16-\$30	52,421 -50,414 2,007	3.98%	6,138 (58.6%)	3,041 (50.6%)	65% (17%)
\$31-\$50	59,328 -56,803 2,525	4.4%	10,666 (51.5%)	4,660 (24.9%)	72% (13%)
\$51-\$100	74,350 -71,232 3,118	4.4%	20,506 (47%)	5,917 (33%)	76% (13.5%)
\$101-\$150	87,025 -84,808 2,217	2.6%	----	----	----
		3.7%	\$10,966 (54%)	\$4,727 (40%)	72% (17.4%)

CHART NO. 1B

2nd OFFICERS

Assets in Millions	Salary '86 - '87	% Increase '87 to '86	Estimated Bonus	Other Income	Common Stock Ownership By
Up to \$15	\$26,849 -25,851 998	3.86%	\$3,217 (75%)	\$4,280 (43%)	45%
\$16-\$30	33,145 -31,897 1,248	3.9%	3,446 (71%)	778 (29%)	---
\$31-\$50	42,142 -40,397 1,745	4.3%	4,476 (74%)	2,536 (46%)	---
\$51-\$100	49,087 -47,090 1,997	4.2%	6,398 (74%)	2,422 (35%)	---
\$101-\$150	57,000 -55,092 1,908	3.5%	---	---	---
Average		3.95%	\$4,384 (74%)	\$2,504 (38%)	

ond officers and 21.5% for third officers. Even higher percentages of "no increase" are noted in the smaller banks of under \$30 million assets.

Further study shows that the bulk of the "no increase" replies are centered in Iowa and Nebraska, where the percentages of "no increase" are 33% and 37% respectively. In fact, among all banks responding to the survey, and among all three officer categories surveyed, the total in Iowa and Nebraska accounts for 81% of all respondents stating "no increase"!

Among Iowa banks replying, 40% stated "no increase" for CEOs, 32%

for second officers, and 25% for third officers. In Nebraska, the "no increase" responses were even higher—46% for CEOs, 33% for second officers and 30% for third officers.

On the negative side, those totals reflect the toll taken by the depressed ag economy; however, on the positive side, it shows that bank management is taking cost containment steps to offset income loss.

The Questionnaire

As in past surveys, participants were asked these three questions:

1. What is the planned salary in

1987 for (CEO, 1st Officer, 2nd Officer); 1986 salary; % increase; estimated 1986 bonus; other 1986 income—e.g., insurance and real estate commissions; % of bank's common stock owned by each of the three officers?

2. Other than your top three officers, what percentage increase do you plan for: Other Officers; Non-Officer Staff?

3. How many full-time employees on your staff (please count each two half-time employees as one full-time employee)?

Respondents also were asked to check appropriate asset size of their

CHART NO. 1C

3rd OFFICERS

Assets in Millions	Salary '87 - '86	% Increase '87 to '86	Estimated '86 Bonus	Other Income	Common Stock Ownership By
Up to \$15	\$19,525 -18,578 947	5.1%	\$2,042 (78%)	\$ - -	---
\$16-\$30	26,103 -24,846 1,257	5.1%	3,650 (46%)	4,013 (50%)	---
\$31-\$50	34,462 -32,713 1,749	5.3%	4,218 (61%)	4,188 (33%)	---
\$51-\$100	39,325 -37,829 1,496	4.0%	5,438 (51%)	---	---
\$101-\$150	50,033 -48,217 1,816	3.8%	---	---	---
Average		4.66%	\$3,837 (59%)		

CHART NO. 2

CEOs	
1987 Salary	Relationship Increase
A \$38,472	
B 52,421 =	36.3% over A
C 59,328 =	13.2% over B
D 74,350 =	25.3% over C
E 87,025 =	17.1% over D

2nd OFFICERS

1987 Salary	Relationship Increase
A \$26,849	
B 33,145 =	23.4% over A
C 42,142 =	27.1% over B
D 49,087 =	16.5% over C
E 57,000 =	16.1% over D

3rd OFFICERS

1987 Salary	Relationship Increase
A \$19,525	
B 26,103 =	33.7% over A
C 34,462 =	32% over B
D 39,325 =	14.1% over C
E 50,033 =	27.2% over D

bank and give the name of their state. They were asked not to sign their names.

Question 1

Q. What is the planned income in 1987 for the following, and their 1986 income (1st Officer, 2nd Officer, 3rd Officer)?

Chart No. 1 gives the 1986-87 salary comparisons for three officers, divided as Charts No. 1A (CEOs), 1B (2nd Officers), and 1C (3rd Officers). These charts are self-explanatory by reading the legend accompanying Chart No. 1A. Where spaces have been left blank, it was felt the minimal number of answers in those categories would not be meaningful, so rather than express them as averages they were left out.

Chart No. 2 considers the relationship of salary in each asset size to the next. In each of the three officer listings, the five asset sizes (noted in salary Chart No. 1) are listed A (up to \$15 million) through E (\$100 to \$150 million). Under the CEOs chart, for example, the second asset size B (\$16 to \$30 million) shows an average salary 36.3% higher than A. The same comparisons are given for second and third officers.

Question 2

Q. Other than your top three officers, what percentage increase do you plan for Other Officers and for Non-Officer staff?

Chart No. 3 shows the percentage

CHART NO. 3

"What percentage increase do you plan for..."

Assets in Millions	Other Officers	Non-Officer Staff
Up to \$15	1.8%	3.6%
\$16 to \$30	3.1%	3.9%
\$31 to \$50	3.9%	4.2%
\$51 to \$100	4.4%	4.4%
\$101 to \$150	3.0%	3.1%
Average	3.25%	3.8%

CHART NO. 4

"How many full-time employees on your staff (please count each two half-time employees as one full-time employee)?"

Assets in Millions	No. of Employees	Assets per Employee
Up to \$15	6.83	\$1,100,000
\$16 to \$30	12.7	\$1,800,000
\$31 to \$50	20.5	\$1,900,000
\$51 to \$100	34.4	\$2,200,000
\$101 to \$150	89.0	\$1,400,000

increases planned for these two groups. One distinct difference noted is the 1.8% increase noted for Other Officers in banks Up to \$15 million. It is probable that some respondents of this size category do not have other officers besides the first three and instead of marking "None" they may have entered "0" which was intended to mean "no increase." Other than that aberration, the category reporting the lowest proposed salary increase in Chart No. 3, as well as for the top three officers, is the largest size group—\$101 to \$150 million—with 3.0% and 3.1%. In contrast, the \$51 to \$100 million group consistently shows the highest proposed salary percentage increase. Also, as noted in the following chart, the responding banks in the \$51 to \$100 million bank size are the most efficient.

Question 3

Q. How many full-time employees on your staff (please count each two half-time employees as one full-time employee)?

Chart No. 4 shows the number of employees reported by the respondents to this survey. The results should be used as a guideline only, since there was wide variation within each asset size group. However, the results fall strikingly close to those reported in the past two salary surveys. As was reported in the December 1984 Salary Survey, each asset size group became more efficient so far as number of employees per millions of assets until the \$100 million mark was reached;

at that point, both in the 1984 report and in this one, a sharp drop in assets per employee is noted.

The average of assets per employee was arrived at by taking the mid-point of each asset group (\$7.5 million in the under \$15 million group, for example, or \$40 million for the \$31 to \$50 million) group and dividing that dollar amount by the average number of employees for the size group.

Chart No. 5

Finally, Chart No. 5 shows the relationship of second and third officer salaries to the CEO salary and to each other. □

CHART NO. 5

Showing relationship of No. 2 Officer salary to CEO salary. (E.G., 2nd Officer salary in banks under \$15 million assets = 69.8% of CEO's salary.)

Assets in Millions	#2 to CEO
Up to \$15	69.8%
\$16 to \$30	63.2%
\$31 to \$50	71.0%
\$51 to \$100	66.0%
\$101 to \$150	65.5%
Average =	67.1%

Showing relationship of No. 3 Officer salary to CEO and No. 2 salaries.

Assets in Millions	#3 to CEO	#3 to #2
Up to \$15	50.1%	72.7%
\$16 to \$30	49.8%	78.8%
\$31 to \$50	58.1%	81.8%
\$51 to \$100	52.9%	80.1%
\$101 to \$150	57.5%	87.8%
Average =	53.7%	80.0%



THIS plane prepares for takeoff to the NCR plant in Dayton, Oh., carrying First National's backup equipment. Two planes were flown daily from Omaha to the bank's off-site backup facilities in Dayton.

First National Omaha Shows:

How Quick Action Recovery Plan Overcame Expensive EDP Disaster

IT SEEMED to be the heady stuff prime time crime dramas are made of. However, the figure in electrician's clothes who was splicing wires at 1:00 a.m. Sunday morning, November 2 inside a critical control panel was, indeed, an authorized electrician working at First National Bank of Omaha. When he finished the last connection and stepped back, he threw the switch on the 280 volt box that powers the First National's new, state-of-the-art, highly expensive data processing computers, and got an instantaneous reaction.

ELECTRICAL EXPLOSION! Smoke set off the fire alarm in seconds, while nauseous fumes filled the air. Within minutes the emergency was contained, but the critical control boards in some of the computers had been destroyed instantly, and it couldn't be determined whether the others also had been damaged, so two mainframe computers were useless.

The veteran electrician realized a split second too late that he was sending a 480 volt charge through a 280 volt system!

Staff Reacted with Precision

But, out of this chaos First National's professional computer staff reacted with smooth precision to activate the bank's contingency recovery plan that had been devised in 1982 and had been tested twice a year since then. Such a plan is essential because First National Bank, with assets of \$1.08 billion, serves more than 1 million customers.

The more than 200 over-voltage completely destroyed some boards, as noted, and because damage was unknown to other boards on the same line they had to be returned to the NCR plant at Dayton, Ohio. However, the surge did *not* affect memory records

either on-premise or at the off-premise back-up site, according to J. William Henry, First National executive vice president.

Mr. Henry said 35 of First National's correspondent banks in Nebraska, Iowa, South Dakota and Wyoming could have had business substantially disrupted if his bank did not have a recovery plan in place. However, that well-tested emergency plan *was* in place and emergency operations were put into effect immediately after the disaster. At no time, he said, were bank services for the bank itself or its correspondents seriously interrupted.

"We have a commitment to our clients, both correspondent banks and our retail customers," Mr. Henry said. "They depend on us for reliability in all important financial functions, and in providing data processing service that includes being prepared for any kind of disaster."

Service Restored in 24 Hours

"Our data processing contingency plan enables vital data processing and item processing functions to be restored within 24 hours of major interruption," Ken Nimmo, First National Bank vice president and division head, data automation, said. The disaster recovery plan includes contracted off-site backup facilities and equipment for continued data processing. The plan also includes off-site storage in a secure, environmentally controlled facility, where backup records, microfilm, paper, magnetic media, supplies and forms are kept. Inventories are upgraded quarterly. Transportation and communications teams had been formed and trained, and procedures for speedy telephone line restoration were in place.

By noon on Sunday, November 2, the contingency

- group, led by Mr. Nimmo had met. On Monday, an official disaster was declared and NCR World Headquarters in Dayton, Ohio, one of First National's off-site backup facilities was notified. (Chicago is another site.) John Irwin, First's manager of computer operations, led a group of 10 bank employees to Dayton that afternoon at 4:00 p.m. Correspondent banks were notified that contingency plans were in effect and that data processing would be provided by bank personnel from Dayton during the critical period.
- Mr. Nimmo said, "They took our backup records from Omaha to use on NCR equipment at the backup site. We had been to Dayton two to three times a year since 1983 testing our backup records for just such an emergency and all systems checked out perfectly each time. Consequently, our staff was able to leave Omaha for Dayton Monday afternoon with complete confidence that they would be up and running as soon as our backup records were tied in with the NCR home office computers. A lot of prior work paid off in this genuine emergency. Our staff worked from that site for two weeks."

Bank Customer Service Normal

- The banks which usually transmitted information to Omaha, instead directed their telecommunications to Dayton. Each bank received a daily status report of the emergency, as well as its own daily processed information.
- "At no time was any bank unable to service its customers," Mr. Henry said. "We flew two planes daily between Omaha and Dayton and continued to maintain our backup records off-premises in Omaha. All of this transpired on a normal basis and to the public eye, all customer services continued as normal," he added.
- NCR officials also were pleased with the way activities unfolded. "Everything went extremely well," Jim Schmidt, NCR director of strategic projects and services, said. "This could have been a major disaster for First National Bank but, because of pre-planning and

because they had tested the plan, including telecommunications from every point, and because they brought quality people to Dayton to oversee the operation, all functions were carried out in a normal business fashion."

"Contemplating upheaval or disaster is never easy, but it's an important part of any business plan," Mr. Henry emphasized. "We're glad we had our data processing contingency plan in place. This procedure is one of many we are developing in our overall contingency plans that will enable us to operate efficiently and effectively, no matter what the situation."

NCR Restored Equipment Quickly

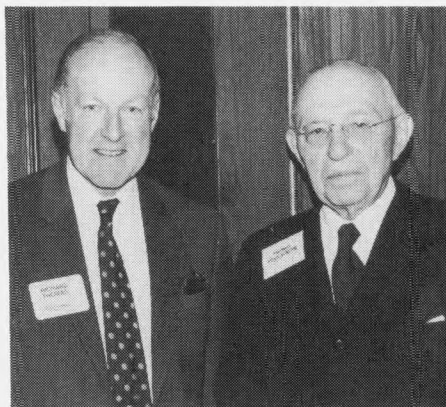
Meanwhile, back at First National headquarters in Omaha, NCR personnel moved in quickly, assisted by bank staff. All the involved equipment was pulled out and brand new mainframes were put in place and tested. At the end of the two-week period the switch was thrown again—this time with the right voltage—and the new system was up and running. The 10-person staff in Dayton got the message they could pack their bags and return home and take up normal operations.

Mr. Henry said, "Interrupted service to our correspondent bank clients meant they were working with information at times that was only 12 hours old, since there was no on-line service. But, the successful operation of our contingency plan also meant that those correspondents were getting same day service. Several of them told us, 'We had no idea your bank had such a backup.'"

After the smoke cleared and processing returned to normal, it became time to look at the bottom line, "It appears that with two new CPUs in place, and all the related expenses of the emergency backup plan, we think the expense involved is approaching \$1 million," Mr. Henry stated. In response to the ultimate question of who pays, he added, "We're of the opinion that the electrical contractor's insurer will pay for it." □



FIRST National's professional staff prevented a catastrophe from happening. At left, an employee checks the bank's backup records. Pictured above, another bank employee packs up equipment to load on an airplane bound for NCR World Headquarters in Dayton, Oh.



AMONG the speakers at the 40th Annual Correspondent Bank Conference hosted by the First National Bank of Chicago were, left to right: **Barry Sullivan**, chmn. & CEO; **James Meehan**, v.p. & head of U.S. Financial Institutions Division; **Richard Thomas**, pres.; **Dr. Herb Prochnow**, retired (pres. 1962-68); **Orion Samuelson**, ag services dir., WGN. Chicago, and **Jack Clark**, v.p. & head, Community Bankers Division.

1st Chicago Hosts 40th Conference

By **BEN HALLER, JR.**
Publisher

A TIME of unprecedented change and opportunity is the way Richard Thomas, president of The First National Bank of Chicago, described current conditions for more than 700 bankers and spouses taking part in the 40th Annual Conference of Bank Correspondents hosted by First National. As opening speaker at the nation's longest-running and original major bank conference, Mr. Thomas said, "We need to pause from time to time and reflect on the past." To bring the past of First National Bank conferences into sharp focus, Mr. Thomas introduced a man who is highly respected world-wide as perhaps the nation's dean of commercial bankers, and a master of the art of international finance and diplomacy.

That speaker, of course, was Dr. Herbert V. Prochnow, now 83 years of age, who retired from First National Bank of Chicago in 1969. Dr. Prochnow was associated with First National throughout his banking career and served as its president from 1962-68. In 1946 Dr. Prochnow began two endeavors of lasting quality and endurance. One was the First National Bank of Chicago's first Annual Conference of Bank Correspondents; the second was the School of Banking at the University of Wisconsin, Madison, now known as the Graduate School of Banking and dedicated to his name in recent years. Dr. Prochnow served as registrar of the school until several years ago.

Throughout his career, Dr. Prochnow was not only a student of the financial business in the United States, but he acquired a deserved reputation for his grasp of international finance, based on extensive travels during which he visited at great length with heads of state and finance ministers in large and small nations around the globe. On his return, Dr. Prochnow was in great demand at financial and business group meetings for his incisive analyses gained from those personal visits.

In his brief remarks to the 1986 Conference attendees, Dr. Prochnow said he was pleased that the conference had continued strong over four decades and noted that when the first one was held in 1946, "no one could have forecast the changes that have taken place in banking. Our in-

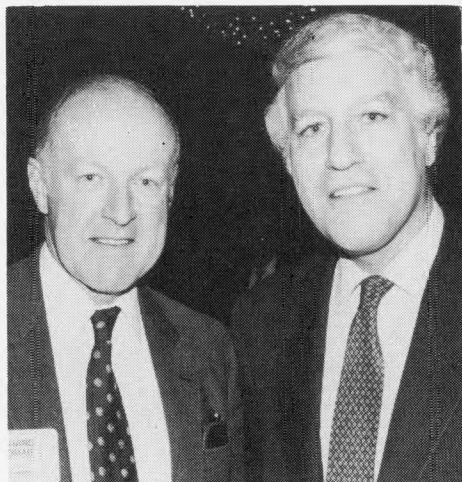
dustry now is in a period of transition. We have new competitors, including non-bank banks, and our trouble is that banks cannot legally compete with all of them."

Dr. Prochnow noted the "growth of Bank Holding Companies from 167 in 1970 to 2,300 today, although 80% of them are One Bank Holding Companies. Another factor is that foreign banks have more than 600 offices in our country and they hold 13% of our deposits." He said he is "not sure that all involved realize the great danger that *can* be inherent" in financial futures and many other such products. Speaking about long range planning as he concluded, Dr. Prochnow said humorously, "How fortunate we are that the Ten Commandments and the Gettysburg Address were written before today when we have strategic planning and human resources!"

The address given by Barry F. Sullivan, chairman of First Chicago Corporation, examined effects of competition on large and small banks, as well as the strengthened role community banks play in turning back out-of-territory competitors because community banks have close relationships.

Mr. Sullivan's address will be published in the next issue.

Louis Rukeyser, host of the popular "Wall Street Week" TV program, spoke at the noon luncheon. He said everyone's big question is the effect of the Tax Reform Bill. "I think it is a dangerous charade," he



FIRST Natl. Pres. **Richard Thomas** with luncheon speaker **Louis Rukeyser**, host of TV's *Wall Street Week*.

FIRST CHICAGO. . .
(Turn to page 50, please)



THE teller/personal banking area features imported ruby red granite, highlighted with stainless steel and bronze. Custom-designed desks contain ebony and mahogany in-lay.

United Missouri's New Building Combines Elegance with Utility

By **ROBERT CRONIN**
Associate Publisher

ELEGANCE and openness of design, tasteful selection of decor and furnishings, and functional use of available space combine to make the new headquarters building of United Missouri Bancshares, Inc., a new landmark in Kansas City. The uniquely designed six-story building, with 250,000 square feet of office space and the capability of adding a 25-story tower with another half-million feet of space at a later date, brings the multi-bank holding company and its principal subsidiary, United Missouri Bank of Kansas City, N.A., under one roof.

To celebrate this outstanding architectural achievement and the recent move of holding company and bank personnel into the new quarters, United Missouri officials hosted a spectacular weekend-long open house recently. To start the gala festivities, more than 2,000 bankers, corporate treasurers and spouses were invited to a program on Friday starting with a luncheon

and afternoon financial seminar at H. Roe Bartle Exposition Hall in downtown Kansas City. A beautiful dinner party was followed with entertainment by Vicki Carr, the prominent singing star.

After a buffet breakfast the next morning, guests were taken on conducted tours through the beautiful new building. Later that day and on Sunday, tours continued for more than 100,000 bank customers and other invited guests.

The highlight of the Saturday morning event was a ribbon-cutting ceremony in the courtyard (see accompanying photo). Sharing in that moment were Kansas City Mayor Richard Berkley with R. Crosby Kemper and Malcolm (Mick) Aslin, chairman and president respectively of both United Missouri Bancshares and United Missouri Bank of Kansas City.

During his remarks at the ribbon-cutting, Mr. Kemper said, "Mr. Kemper, Sr. (his father), wouldn't believe all of this was happening if he were here!"

When the guests arrived at 1010 Grand to see the new UMB building,

they entered the premises through a unique courtyard, the only one of its kind in Kansas City, featuring a fountain of multiple water jets rising from the black and grey stone floor, surrounded by a landscaping of trees and shrubbery, all highlighted by the afternoon sun streaming in through the decorous entryway.

The structure itself covers more than 67,000 square feet and includes two underground parking levels for 312 cars. More than 790 tons of ruby red and pink granite were imported from India to grace the exterior and part of the interior, complemented by black granite imported from Brazil.

Reflective solar glass, stainless steel and bronze put a finishing touch to the exterior, which also weaves exterior details into the interior by use of horizontal lines and grid patterns. Executive offices feature hand-laid flooring of Brazilian cherrywood.

For special meetings, seminars and tours, the new building is equipped with a 300-seat auditorium that has the capacity for being closed off into smaller rooms for separate meetings, utilizing built-in latest sound system and electronic audio-visual systems. The bank employees delicatessen also is open to the public.

In addition to its architectural ap-

UNITED MISSOURI. . .
(Turn to page 50, please)



THE United Missouri Bank courtyard is the only one of its kind in Kansas City. It features a unique fountain system surrounded by landscaping.

Kearney State Bank

Hung Up on Art!

ART has been a tradition at Kearney State Bank and Trust Company. To continue its tradition of supporting the arts, the bank will open its 10th Annual Art Exhibition on January 11, 1987.

With the theme "Nebraskans Supporting Nebraskans," the show will feature guest artist and sculptor George Lundeen, a native of Holdrege. A graduate of Hastings College, he received his master of fine arts degree from the University of Illinois. Later, he was awarded a Fullbright-Hays Grant to study sculpture in Italy. He has taught at Kearney State College and Texas A & M and currently lives and maintains a studio in Loveland, Colo.

A by-invitation reception on January 11th will kickoff the show, which will open to the public on January 12th. The exhibit runs through January 30th and may be viewed during banking hours or by appointment for groups and organi-

zations.

Carolyn Menke, assistant vice president at Kearney State Bank, and Larry Peterson, professor of art at Kearney State College, have coordinated the show since its beginning 10 years ago.

According to Ms. Menke, who joined the bank's staff in 1977, the idea for a bank art show stemmed from Bernard Engels, founding bank president, and his love for the arts. Although the bank opened in January 1976, the present facility at 31st and Second Avenue was completed later that year. The first annual show was hosted in January 1978 in honor of the bank's anniversary and spiraled thereafter.

The exhibit is held at the bank's main facility and incorporates works by regional Nebraska artists. Invitations have been extended to over 50 artists for the celebration which promises to be one of the largest shows to date.



THIS bronze sculpture, "Flatlander," by George Lundeen was awarded first prize by the Sculpture Society of America in New York City. It will be featured at the art show, on loan from the Nebraska Art Collection. (Photo courtesy of the Kearney Daily Hub.)

During the nine-year history of the exhibit, 626 works have been shown for public viewing, representative of 276 artists, many who have been exhibiting in the show for several years.

A special tradition will again be a part of this year's show. Framed collector's prints, by Nebraska artists, will be given during the show's opening week from names drawn from the guest register. This is the eighth year for the drawing.

The bank's commitment to the arts doesn't end with its show. Last year, the bank was honored as the 1986 recipient of the "Friend of the Arts" award, given by the Kearney Arts Council each year to an individual or organization who has been a strong supporter of the arts in the Kearney area. In 1980, the bank received the Outstanding Community Arts Award from the Kearney Artists Guild for its promotion of the visual arts.

The bank has also hosted four additional art exhibits in the past three years, including the Alfred T. Anderson Collection and the Grant Reynard Art Collection in 1983, an art show reflecting the 30-year career of local artist Miriam A. Worlock in 1984 and the Vietnam Suite in 1985.

In addition, the bank has a private collection which includes 46 works of art. □



PICTURED above at the annual Art-in-the-Park show in Kearney last summer is **George Lundeen** with a bronze sculpture he created. Mr. Lundeen is the featured guest artist for Kearney State B&T Company's art exhibit. (Photo courtesy of the Kearney Daily Hub.)


 Illinois

C.E. Waterman, pres., South Holland
W.J. Hocter, exec. v.p., Chicago



General Assembly Votes on Major Banking-Related Legislation in Springfield

THE House Bill 3340, which rewrites the Illinois mortgage foreclosure statutes, has been given an Amendatory Veto by Illinois Governor James R. Thompson. Both houses of the Illinois General Assembly accepted the governor's specific recommendations for changes to HB 3340.

The bill, which became law immediately upon the General Assembly's acceptance of the governor's Amendatory Veto, creates the Illinois Mortgage Foreclosure Act. This new law integrates existing statutes, Illinois case law and some new provisions to form a comprehensive residential mortgage foreclosure law.

The primary benefit of this bill is that it reorganizes the Illinois law dealing with foreclosures into one comprehensive act. The most distinguishing feature of the reorganization is that the redemption period is placed before the judicial sale. This is intended to encourage bids that are closer to a property's true fair market value since bidders can take possession almost immediately and, significantly, bidders will know exactly what they will receive. The result of these changes should be that lenders will less often have to retain title in foreclosed properties or have to seek deficiency judgments against mortgagors.

The Illinois Bankers Association supported the legislation and worked to assure its passage both in the spring and during the fall veto session.

In other legislative action, Senate Bill 2116 is awaiting the governor's signature. The bill was passed in both houses December 5 and was sent to the governor on December 16. He has until February 13 to

decide on the bill.

The bill provides the Commissioner of Banks and Trust companies with the authority to arrange for the sale of the stock of a failing bank to a bank holding company, without having to first close the failing state bank. While current law (Section 31, Illinois Banking Act) permits the commissioner to sell the assets of a failing state bank to another state or national bank, Section 31 does not expressly permit the commissioner to sell the stock of a failing state bank to a bank holding company.

The authority provided by SB 2116 automatically expires on September 30, 1988.

For the past 18 months, the IBA has been engaged in an ongoing discussion with the commissioner regarding expansion of his authority to deal with failing banks. The commissioner has expressed interest in expanding the geographical area within which he has authority to facilitate mergers between failing and healthy banks, to include additional counties near the location of the failing bank. The IBA board's position on this issue is that the commissioner should have the authority to facilitate such mergers in any area of the state, in view of the current limitations to which an exercise of this authority is subject, including a one-time-only feature.

The commissioner had indicated that he intends to present comprehensive legislation addressing the issue of failing banks in the 1987 session of the General Assembly. Within the framework of this overall initiative by the Commissioner, the IBA supported him in his efforts to obtain the emergency authority which is provided under SB 2116.

Lane Financial Commences Offering of Common Stock

Lane Financial, Inc. has announced that it has commenced an initial public offering of 1,300,000 shares of common stock at a price of \$13 per share. Of the shares, 1,000,000 will be sold by the company and 300,000 by certain selling stockholders. The offering will be made by an underwriting group managed by Smith Barney, Harris Upham & Co. Incorporated and The Chicago Corporation.

Proceeds from the 1,000,000 shares being sold by the company will be used to fund a substantial portion of the pending acquisition of the Bank of Westmont, located in a western suburb of Chicago.

Added in Rockford

Peter Lepka has been added to the staff of AMCORE Bank N.A., Rockford as banking officer. He will be responsible for marketing the Visa/Mastercard revolving credit program at the bank.

He has 12 years banking experience, including four years at Harris Bank in Chicago as credit analyst and most recently, eight years as assistant vice president at First National Bank in Freeport.

Northlake Bank Renovates; Announces Improvement Loan

Northlake Bank has embarked upon an extensive renovation of its main banking facility.

The renovation, which should be completed by February 15, 1987, includes both the interior and exterior of the bank as well as the installation of a CASH STATION/CIRRUS automated teller machine. An expansion of the teller stations, banking hours and additional banking services, such as discount brokerage, home equity loans and senior citizens programs, are also being planned.

As part of the renovation celebration, Northlake Bank President Tory Companella announced a special 9.5 percent five-year fixed rate improvement loan for business owners in the greater Northlake community.

He said the fixed rate loan program will be available through March 31, 1987.



Some things have to change.

**At Marquette Bank Minneapolis, we feel
some things should endure.**

Pride in a job well done. A high standard of performance. A tradition of excellence. These are the foundations of Marquette's Correspondent Services Division.

And it shows . . . in our ability to pinpoint and analyze your problems and opportunities. Our willingness to roll up our sleeves, to work with you, to deliver all the

resources of a billion dollar bank to help you meet the challenges of today, and tomorrow.

Technologies and services change, but our attitude hasn't. Because Marquette Bank Minneapolis will never put aside our oldest promise to our customers: professional service with a personal difference.



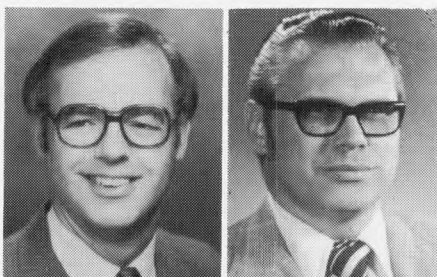
**Marquette Bank
Minneapolis**

Member FDIC

Correspondent Services Division

Minnesota

R.W. Terwilliger, pres., Eden Prairie
T.L. Jeffers, exec. v.p., Minneapolis



Pres. Named in Red Wing

Norwest Bank Red Wing has named Burl A. Leo as its president, succeeding Norman J. Sampson, who has been elected chairman. Both appointments were effective January 1, 1987.



B.A. LEO

Mr. Leo has more than 17 years of banking experience, having joined Norwest Bank Faribault as an installment lender and commercial trainee in 1969. He became a vice president in 1973 and, in 1983, transferred to Norwest Bank Rochester as senior vice president and commercial client executive.

Mr. Sampson had served as president of the Red Wing bank since 1974 and will be retiring late this year.

New Office Complex to be Built in St. Cloud

Zappco, Inc., a St. Cloud based bank holding company has broken ground for construction of a new bank building-office complex on the former Tempo store site at 10th Avenue North and St. Germain. The project will be developed by Zapp Bank Plaza Partnership, a Joint Venture of Zappco, Inc. and Prime Development Corporation of Edina.

Plans call for Zapp National Bank to occupy 40,000 square feet of the proposed 70,000 square foot building. The bank and holding company operations will utilize three floors of a six level granite-faced structure.

The building will feature a two-story bank atrium, on-site customer parking and drive-in facilities and a landscaped exterior plaza at the corner of 10th Avenue North and St. Germain. The architectural design

was done by Korsunsky, Krank, Erickson Architects, Inc., Minneapolis.

Construction on the \$8 million Zapp Bank Plaza is expected to be finished by early 1988. W. Gohman Construction Co., St. Joseph, has been selected to negotiate a general contract for construction of the building.

President Named in Austin

Robert E. Brodin has been elected president, chief executive officer and a director of First Bank Austin. The appointment was effective January 1.

Mr. Bodin succeeds Thomas E. Brown who has accepted a position with Farm Credit Services. Mr. Brown had served as president and CEO of First Bank West Billings, Billings, Mont., since 1982. He joined First Bank Bozeman, Mont. in 1958 and was named vice president of commercial lending in 1968. In 1975, he transferred to First Bank Southside Missoula, Mont. as vice president of commercial lending, and in 1982 was elected senior vice president of credit.

Stewartville Bank Assumed

The board of the FDIC has approved the assumption of the deposit liabilities of First National Bank of Stewartville by Marquette Bank Rochester.

The failed bank's only office reopened December 5, 1986 as a branch of Marquette Bank Rochester. First National Bank of Stewartville, with total assets of \$18.3 million, was closed on December 4, 1986 by Dean S. Marriott, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

Marquette Bank Rochester will assume about \$17.9 million in 4,700 deposit accounts and has agreed to pay the FDIC a purchase premium

of \$759,000. It also will purchase certain of the failed bank's loans and other assets for \$12.1 million. To facilitate the transaction, the FDIC will advance \$5.0 million to the assuming bank and will retain assets of the failed bank with a book value of about \$6.2 million.

MBA Forms New School

The Minnesota Bankers Association has announced the formation of a new Bank Compliance School (BCS) which will be held March 25-27, 1987 at the Minneapolis Athletic Club.

Wayne Berthiaume, school administrator, said the objective of the school is to provide students with knowledge and understanding of compliance regulations that impact lending practices, deposit functions, human resources, marketing and management.

Tim Marrinan, senior corporate counsel for First Bank Minneapolis, will be the lead instructor of the school. He is a national expert on banking compliance.

Named in Stillwater

Lorraine Weber has been named vice president and consumer banking manager at Norwest Bank Stillwater.

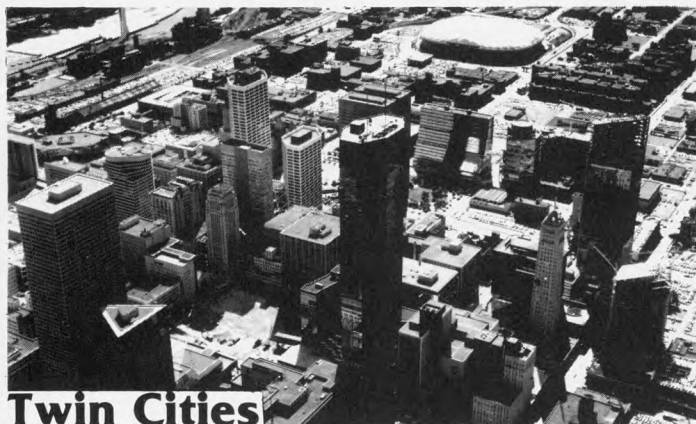
She has been with Norwest for almost 35 years, having joined the bank after she graduated from Stillwater high school. She has served as assistant cashier and personal banking officer and, in 1980, became the manager of the bank's branch facility. In 1983, she returned to the main bank as consumer banking supervisor.

Two Named in Hibbing

Jerry R. Erickson, president of Erickson Music Center, and John (Jack) R. Ryan, Jr., a partner of Ryan-Kasner-Ryan Financial Planning Services, have been elected as directors of the Security State Bank of Hibbing. They fill the unexpired terms of Ormond Seavey and Dwight Jamar, who are retiring.

Added in St. Cloud

Mike Kosel has joined Zapp National Bank, St. Cloud, as consumer loan department manager. He was previously associated with ITT Finance, Duluth.



Maurice G. Dykema has been named senior vice president and group manager of development at Norwest Information Services, Inc. (NIS).

Headquartered in Minneapolis, NIS is the largest supplier of bank data processing services in the upper Midwest.

Mr. Dykema has held various positions with NIS since joining the company in 1973. He was most recently vice president and group manager of systems. During his 20 years with Norwest, he has also served as an analyst with U.S. National Bank in Omaha and with Norwest Bank Minneapolis.

* * *

The FBS Capital Markets Group has announced the formation of FBS Capital Markets Funding, Inc., a new subsidiary of First Bank System created to structure and issue securities backed by a variety of financial assets.

"FBS Capital Markets Funding, Inc. will focus on securitizing assets and marketing them to institutional investors," said **Gerald A. Kraut**, executive vice president and head of FBS Capital Markets. "Through this process, assets originated by financial institutions such as consumer loans, credit card and automobile receivables can be packaged and sold as securities."

William E. Waldusky has been named managing director of the new subsidiary, and **Bobbie Euler** has been appointed controller and financial officer. The firm's offices are located at First Bank Place West in Downtown Minneapolis.

The FBS Capital Markets Group provides a variety of securities trading and underwriting services to institutions and individuals throughout the Midwest and western sec-

tions of the U.S. The group maintains offices in Minneapolis, St. Paul and London.

FBS is comprised of First Bank Minneapolis, First Bank Saint Paul and 77 other banks and trust companies, with 149 banking offices in Minnesota, North Dakota, South Dakota, Montana, Washington and Wisconsin, and a trust company in Florida.

* * *

Linda J. O'Connell recently joined National City Bank as the director of marketing. She had been with Norwest Bank Minneapolis for 17 years before joining National City Bank.

* * *

American National Bank of Saint Paul has announced the promotions of **Susan Carlson**, vice president and director of marketing; **Nancy Joas**, assistant vice president, real estate; **Kathleen Spencer** and **Ward Denaway** assistant vice presidents of operations, and **Becky Sisco**, marketing officer. The bank also announced that **John R. Newton** has joined American National as an assistant vice president, aircraft.

Ms. Carlson joined the bank in 1981 and most recently served as assistant vice president, a position she was promoted to in 1983.

Ms. Joas joined the bank in 1983 and, in 1985, was promoted to real estate officer.

Ms. Spencer has been with the bank since 1979. She most recently

served as operations officer.

Mr. Denaway joined the bank in 1980 and was promoted to operations officer in 1983. In 1984, he assumed loan operations responsibilities.

Ms. Sisco joined the bank in 1985 as a marketing analyst.

Mr. Newton has previously been employed as a finance manager by Cessna Finance Corporation, Portland, Ore.

* * *

American National Bank of Saint Paul has opened a new office in the Highland Village area. The bank has occupied temporary quarters in the area for a year.

The new office is located in a newly-refurbished 12,500 square foot building at Highland Parkway and Cleveland Avenue. The bank occupies approximately 3,000 square feet of the building and has subleased the remainder of the building to Edina Realty.

The interior remodeling provides space for tellers, personal bankers, safe deposit boxes and commercial transaction and lending facilities. A new facade was added to the building's exterior including a clock which faces Cleveland Avenue. Additional outside work includes the construction of a two-lane drive up banking facility and a 32-car parking lot.

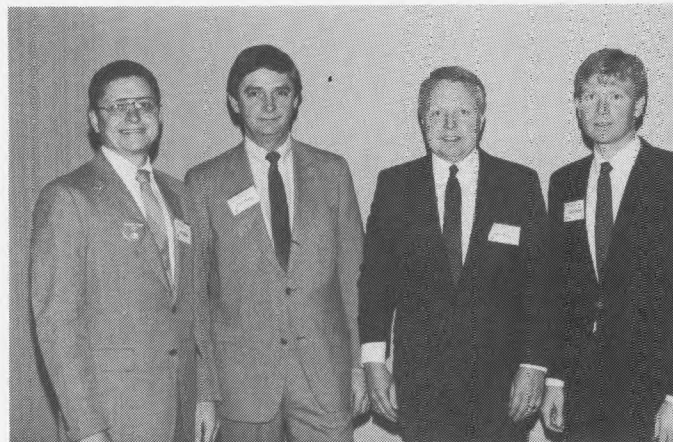
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Robert L. Olson, president and CEO, Diversified Discount and Acceptance Company, recently announced that **Robert L. Johnson** has joined the company and was named treasurer.

Mr. Johnson has been in the bank and asset based lending business since 1968.



S. CARLSON



SPEAKERS at the 22nd Annual Executive Management Conference were, left to right: **Lloyd P. Johnson**, chmn. & ceo, Norwest Corporation; **John Sampson**, sr. v.p., Norwest Bank Minneapolis; **Richard M. Kovacevich**, vice chmn., Norwest Corporation; **Jim Campbell**, pres. & ceo, Norwest Bank, Minneapolis; **John Sikkink**, sr. v.p. and **Brian Phillips**, exec. v.p., Norwest Corporation; **John Geiken**, pres., Norwest Information Services, Inc., and **Mike Ruane**, v.p./sales, Norwest Correspondent Data Processing.

Norwest Executives Reaffirm Their Commitment to Correspondent Banking

By **BEN HALLER, JR.**
Publisher

A GENUINE commitment to correspondent banking was emphasized repeatedly during the 22nd Annual Executive Management Conference hosted early last month by Norwest Bank Minneapolis, N.A., at the Hyatt Regency Hotel. Senior Vice President John Sampson stressed that theme in his welcoming remarks when he said, "At Norwest we want to be the bank you come to for *all* your needs — clearings, data processing, acquisitions, bank stock loans — whatever those needs might be."

Dick Kovacevich, vice chairman

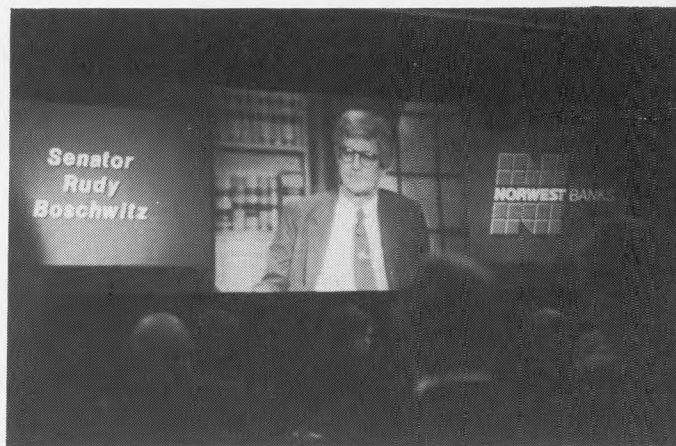
of the parent Norwest Corporation also made the point in opening the afternoon session when he stated plainly, "We *like* the correspondent banking business. It's *important* to us. There are 3000 banks in the Midwest and we'd like to be the correspondent bank for all of them. We know about running banks and we think we're uniquely suited to be your banker. We *do* have a commitment to correspondent banking, to rural America and our homeland here in the Midwest."

Norwest Corporation Chairman Lloyd Johnson and Norwest Bank President Jim Campbell endorsed those same sentiments when they greeted the hundreds of bankers and spouses at the annual Duck Dinner

that traditionally concludes the one-day conference.

During a Correspondent Data Processing session presented as a morning program for approximately 200 bankers who signed up for this special two-hour program, five holding company top EDP officers reviewed various aspects of Norwest's updated EDP service for correspondents. They included Mike Ruane, vice president/sales; John Sikkink, senior vice president, and Brian Phillips, executive vice president, all of Norwest Corporation, and John Geiken, president, Norwest Information Services, Inc.

Sam Donaldson, ABC news chief and White House correspondent was to be the opening afternoon speaker but he was unable to be present. His very able replacement was Don Shelby, popular anchorman on WCCO-TV news in Minneapolis. He



LEFT—**Dick Erickson** (left), v.p., Norwest Bank Midland, who was in charge of program and meeting arrangements for the conference, helps **Barb Cederberg** try on the mink and fox coat she won in the drawing at the spouses' luncheon while her husband, **Pat Cederberg**, pres., First Natl., Beresford, S.D., looks on. **RIGHT**—Minnesota **Sen. Rudy Boschwitz** addressed the Conference via satellite from Washington.



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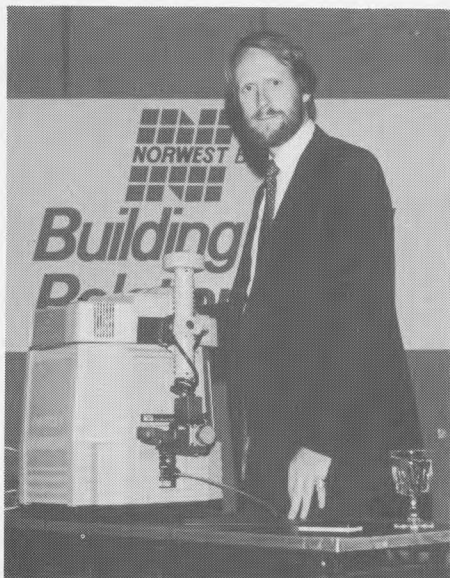
Put our accelerated evolution to work on your checks—for a profit that's no small change!
Call First Wisconsin at (414) 765-4459.

WHEN PERFORMANCE COUNTS.SM



FIRST WISCONSIN

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SCIENCE futurist **Daniel Burrus**, Milwaukee, used his friendly robot to show his audience how to "join the future."

defended the media coverage of an investigation into the Iran crisis.

ABA President Mark W. Olson, president, Security State Bank in

Fergus Falls, Minn., addressed the conference via satellite telecast from Washington, D.C. A similar hookup from the Capitol Building brought Minnesota Senator Rudy Boschwitz to the meeting hall screen. Both men discussed recently enacted and pending legislation.

J. Michael Broome of Charlotte, N.C., gave his audio-visual presentation on "Building Customer Relationships."

The final speaker was noted science futurist Daniel Burrus of Milwaukee, who utilized astounding slide pictures and his own personal, portable robot, to demonstrate how bankers and other business persons can use creativity and long-range planning to take advantage of rapidly developing hi-tech. "This is truly a time of challenge, crisis and opportunities," Mr. Burrus said.

After a pre-dinner reception, dinner and brief remarks from the host executives were followed by outstanding musical entertainment provided by Paul and Linda. □

ties and Fairmont city leaders searched for a downtown location for its municipal offices. Bank officials felt their existing building, although structurally sound, could not be brought up to speed with financial services technology. By constructing a new building on the old City Hall site, the bank could extend the drive-up area and consolidate its operations on one side of the block. Renovating the existing bank building into new City Hall offices will cost much less than building a new City Hall from the ground up. With the future in mind, plans for a new bank building began to take shape.

Groundbreaking ceremonies for the new bank building were held December 3. Construction crews will work all winter, and bank employees plan to move into the new facility in the summer or early fall of 1987.

The new bank will be a blend of traditional design and new building techniques, according to Jack Boarman, president of Boarman Associates, Minneapolis, and chief architect for the project. The one-story building complements the character of downtown Fairmont and will be constructed of bronze-tinted glass with red brick exterior projections. Bands of honey-colored Minnesota Kasota stone will be used as highlights against the outside walls, and windows will open on to a landscaped area.

The downtown plaza, a fully landscaped park with benches and a walkway to the bank entrance, will be developed from two lots adjacent to the old bank building. For improved access to City Hall, the municipal parking lot will be expanded to allow for more parking spaces, and drive-up banking lanes will be re-routed to face the bank building.

The interior of the bank will be a spacious, open area filled with natural light. Personal banking and insurance agency services will be located in the center area, and a centralized teller/safe deposit/drive-up teller area will be along the north side of the building. Employees can plan for new equipment and furniture, as well as an expanded employee lounge in the lower level.

One tribute to the past is an ornate, 1920s-era vault door formerly

Cooperative Building Project in Fairmont

AN INNOVATIVE "land-trade project between the City of Fairmont and First Bank Fairmont will bring a new look to that city's downtown area. The first phase of the two-phase project is already underway, according to Thomas B. Johnson, bank president. The Fairmont City Hall, the bank's downtown drive-up office and a vacant retail building have been razed to make way for a 10,000 square foot bank building and a landscaped plaza. The second

phase calls for First Bank Fairmont to turn over its former building to city hall employees in August of 1987.

"Thanks to a great cooperative spirit, everyone benefits," says Mr. Johnson. "Fairmont residents will get a renovated City Hall and landscaped downtown plaza, as well as a modern, consolidated banking center."

The land trade idea surfaced as the bank looked to expand its facili-



First Bank Fairmont will be occupied in summer 1987.

MINNESOTA NEWS. . .
(Turn to page 38, please)

Wisconsin

R.J. McClellan, pres., Janesville
B.K. Koontz, exec. dir., Madison



First Interstate to Acquire Green Valley Bank

In a joint announcement, David C. Beck, chairman and CEO of First Interstate Corporation of Wisconsin, and Raymond Brzezinski, president of the State Bank of Green Valley, reported that a definitive agreement calling for the acquisition of the State Bank of Green Valley by First Interstate has been signed.

The affiliation is subject to approvals by State Bank of Green Valley shareholders and certain regulatory approvals. The parties previously announced negotiations related to the transaction.

As of September 30, 1986, the State Bank of Green Valley had total assets of \$25.2 million.

First Interstate Corporation of

Wisconsin, the state's largest bank holding company, recorded \$1.276 billion in total assets as of September 30, 1986. It operates 33 banking offices located throughout the state. The company also operates trust, brokerages, mortgage, leasing, management services and insurance agency subsidiaries.

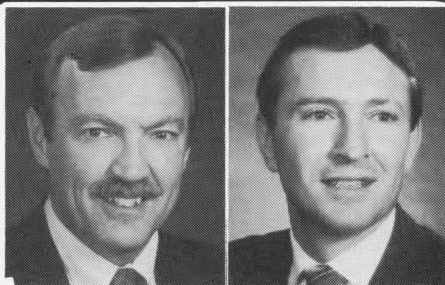
Appointed in Madison

Jennifer N. Kraemer has been appointed vice president and director of human resources at First Wisconsin National Bank of Madison.

Ms. Kraemer, who joined the bank in 1982, had been training and development director at the bank. She replaces Mary M. Graye, who retired in August. Ms. Graye had been with the bank for 28 years.

Colorado

A.J. Anderson, pres., Kiowa
D.A. Childears, exec. v.p., Denver



Several Elected in Colorado Springs

Several officer elections have been announced at Colorado National Bank—Exchange, Colorado Springs.

Brad L. Lenhard and Thomas J. Naughton have been elected vice presidents of the bank. Mr. Lenhard has been with the bank for 11 years. Mr. Naughton joined the bank in 1984. His banking experience began 10 years ago with Norwest Bank in Des Moines, Ia.

Bruce S. Aldridge has been elected an assistant vice president of the bank. He joined the bank in 1984

and previously held managerial positions with Citicorp and CIT Financial Services.

Linda Mowery has been elected an officer of the bank. She joined the bank in 1981. Prior to that, she was employed by the U.S. Department of Labor, the State of Wyoming and First Wyoming Bank and Trust.

Elected in Sterling

David J. Roubik has been elected president of Colorado National Bank—Sterling.

He joined the bank in 1974 as cashier and was elected a vice president in 1978. Prior to joining the

bank, he served as a field auditor for Wells Fargo Bank in California.

Replacing Mr. Roubik as cashier is Joyce D. Jost, an assistant vice president of the bank. She joined the bank in 1974, was elected an assistant cashier in 1980 and promoted to assistant vice president in 1982.

United Banks' Acquisition Approved by IntraWest

United Banks of Colorado, Inc. announced that 83 percent of the shareholders of IntraWest Financial Corporation have approved the acquisition of IntraWest by United Banks.

In a related action, the Federal Reserve Board accepted United Banks' application to acquire IntraWest Financial Corporation.

United Banks has agreed to sell two affiliates, United Bank of Steamboat Springs and United Bank of Montrose, for undisclosed amounts as part of securing Federal Reserve Board approval of its application to acquire IntraWest Financial Corporation.

United Bank of Steamboat Springs will be sold to investors associated with The Western Industrial Bank located in Steamboat Springs. This purchase is contingent upon certain governmental approvals, but not the closing of the IntraWest acquisition. The purchase of United Bank of Montrose by a group of Montrose investors is contingent upon certain governmental approvals and the closing of the IntraWest acquisition.

Named at United Bank

United Bank of Denver has announced that Michael B. Geppner and Gary D. Watkins, have been named vice presidents. Mr. Geppner joined the bank in 1969 and is the business development manager in asset management services. Mr. Watkins was with the United Banks from 1970-81 and rejoined United Bank of Denver in 1985. He is manager of corporate business development in cash management.

Bruce G. Van Gundy has been named assistant vice president. He has been with the bank since 1985 and previously worked at United Bank of Monaco for 10 years.

Also, Douglas B. May has been

COLORADO NEWS...
(Turn to page 38, please)

South Dakota

B.M. Broderick, Jr., pres., Canton
J.M. Schwartz, exec. v.p., Pierre



Five Named in Mitchell

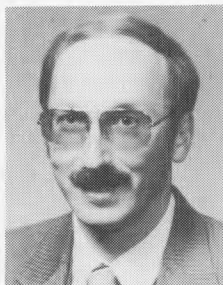
Several promotions have been announced at Commercial Trust & Savings Bank, Mitchell.

John Olson has been elected senior vice president. A Certified Public Accountant, he joined the bank in 1983 as vice president and cashier.



J. OLSON

Michael J. Beyer has been promoted to vice president in charge of the bank's ag loan department. He joined the bank in 1985 and was promoted to assistant vice president in 1986.



M.J. BEYER

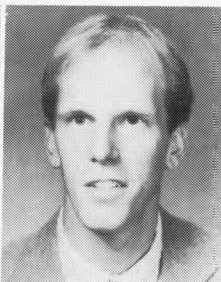


C. BERNDT

Elected cashier in charge of operations was Cindy Berndt, who has been with the bank since 1982 serving as auditor for the bank and Commercial Bانشares, Inc. She has her Certified Public Accountant certificate from the State Board of Accountancy.



M. NUTTER



C. MICKELSON

Mary Nutter has been promoted from assistant cashier to assistant

vice president. She has been with the bank since 1973 and for the past several years has served as personnel officer.

Elected as assistant cashier, Clark Mickelson joined the bank in 1983.

Two Elected in Sioux Falls

Tim Hamel and Andrew L. Neuharth have been elected assistant vice presidents, trust services division, of First Bank of South Dakota, Sioux Falls.

Mr. Hamel joined the bank in 1984 and was elected a trust business development officer in 1985. He was engaged in private law practice for two years prior to joining the bank.

Mr. Neuharth also joined the bank in 1984. He was elected a trust investment officer in 1985. Prior to joining the bank, he was employed by the State of South Dakota as a banking analyst for two years. He also worked for three years as a trust investment manager for First National Bank in Sioux City, Ia.

Pres. Elected in Sturgis

Bob Kaul has been elected as president of the Sturgis branch of Norwest Bank South Dakota, N.A.

He joined Norwest in 1980 as an ag banking officer in Aberdeen and in 1984 was named vice president, ag banking. Prior to joining Norwest, he was with the Production Credit Association in Aberdeen and Selby.

Promoted in Sioux Falls

Norwest Bank South Dakota, N.A., Sioux Falls, and Norwest Investment Services, Inc. announce the promotion of Bill Lindquist to vice president/manager, affiliate sales offices.

In his new position, he will assume responsibility for the invest-

ment sales offices located in Rochester and Duluth, Minn.; Billings, Mont. and Fargo, N.D., as well as continue as manager in Sioux Falls.

He joined Norwest in 1982 and, in 1985, was promoted to assistant vice president with Norwest Investment Services, a major bank-affiliated dealer offering quality service in fixed income securities.

Elected in Huron

Farmers & Merchants Bank, Huron, has elected Bettina Sinclair as assistant vice president. She was previously marketing officer for the bank and will continue in the current capacity of overseeing marketing and training, in addition to supervising the bank's retail banking operations.

Ms. Sinclair has been employed with the bank since 1979.

Named in Sioux Falls

Donna Johnson has been named administrative officer of Norwest Bank, Sioux Falls. She joined Norwest in 1966 and has been an executive secretary in the region VI office since 1982.

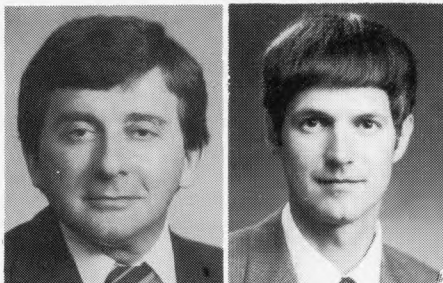
Plus System and Visa Are Near Agreement

Plus System, Inc., the nation's largest automated teller machine network, and Visa U.S.A., the largest U.S. credit card system, announced last month that the managements of the two organizations have agreed to recommend to their respective boards of directors an affiliation between the two organizations. Approval by the respective boards and the Plus System, Inc. membership is expected to be completed by the last week of January.

Under the proposed arrangement, Visa U.S.A. members may join Plus System, Inc. and obtain the right to use the PLUS SYSTEM mark as an ATM sharing mark in the U.S., in addition to their existing right to use the Visa mark for ATM cash advances. Visa U.S.A. will become a special member of Plus System, Inc. and the board of Plus System, Inc. will be reconstituted to consist of 14 directors elected by proprietary members of Plus System, Inc. and seven directors appointed by Visa U.S.A. Other terms of the transaction were not disclosed.

North Dakota

H. Huber, pres., Hazen
H.J. Argue, exec. dir., Bismarck



NDBA Conf. Set For Feb. 3-4

The North Dakota Bankers Association Bank Management Conference has been set for February 3-4, 1987, at the Kirkwood Motor Inn in Bismarck.

Featured speakers include Earl Butz, former U.S. Secretary of Agriculture; Arch Lustberg of Washington, D.C.; Lee Sherman Dreyfus, governor of Wisconsin from 1979 to 1983; Larry McDaniel, Office of the Comptroller, Minneapolis; Gary Preszler, commissioner, State Banking Department; Harvey Huber, NDBA president, and Ken Maloney and Bonnie Jordan of Maldan Management, Fargo.

For more information, contact the NDBA office.

School of Banking Applications Accepted

School Director Kris Compton from the First National Bank in Grand Forks has announced that applications are now being accepted for the 1987 session of the North Dakota School of Banking to be held May 31-June 5 on the University of North Dakota campus, Grand Forks.

NDBA Officers Recommended

The NDBA nominating committee has concurred on nominees for the association's officer positions for 1987-88.

During the NDBA annual meeting at Minot on June 16, 1987, the

nominating committee will propose the following candidates for election by the general membership: For president-elect—Roger Berglund, president, Dakota Western Bank, Bowman, and for vice president/treasurer—Ken Reno, president, United Bank, Bismarck. Additional nominations may be made from the floor for either of these positions.

The office of NDBA president for 1987-88 will automatically be assumed next summer by current President-Elect John Pierson from Norwest Bank Minot.

North Dakota Central Notice System Approved

Ben Meier, Secretary of State for the State of North Dakota, has informed secured parties, banks, credit unions and federal lending agencies that the North Dakota Central Notice System was approved by the federal government December 16, 1986.

He said several changes on the central notice system forms must be implemented in order to meet federal regulations.

A copy of his memo, with an outline of the changes, has been sent to all banks.

Wyoming

N.P. Van Maren, pres., Casper
G. Tea, exec. dir., Casper



Stock Agreement Terminated

Affiliated Bank Corporation of Wyoming has terminated a preliminary agreement to issue convertible preferred stock to an investor group headed by Peter S. Maher of New York City. The company and the investor group were unable to agree on the final terms and regulations of the proposed stock issue.

First Interstate in Casper Acquires New Business

First Interstate Bank of Casper has acquired the servicing rights to \$167 million in mortgage loans. This

acquisition nearly doubles the number of mortgage loans serviced by First Interstate Bank of Casper.

Under the new servicing agreements, First Interstate Bank of Casper now services loans that originate from other banks in Idaho, Montana and Wyoming. The bank will handle all of the payment and other processing of these loans for the banks. The other banks, in return, will pay a fee for the service arrangement.

This new business has raised the amount of real estate loans serviced at First Interstate Bank of Casper from \$220 million to \$387 million. With this volume, it is among the nation's top 30 mortgage servicing

banks.

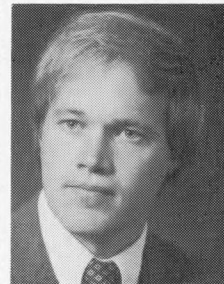
C.E. Pedersen, president and CEO, First Interstate Bank of Casper, said the new business has allowed the bank to add four new positions to the servicing staff.

The bank plans to continue to expand its mortgage loan servicing business, as well as other business opportunities.

Promoted in Casper

First Interstate Bank of Casper has announced the promotion of James P. Miller to vice president and manager of loan review and compliance.

Mr. Miller had been assistant vice president and loan review officer of the bank. He served from 1980 to 1985 as a national bank examiner in Billings, Mont. with the Office of the Comptroller of the Currency.



J.P. MILLER



Left to right: Loren R. Anderson, Executive Vice President, Administrative Services; Roy M. Otte, Vice President, Bank Investments Division; Mike Jacobson, Vice President, Correspondent Loan Division; Dennis H. Stelzer, President, NBC/Computer Services Division; Thomas E. Henning, President, NBC.

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Nebraska

C.G. Holthus, pres., York
S. Matzke, Jr., exec. v.p., Lincoln



Five Nebraska Banks Will Merge into MBHC

Regulatory approval has been received to merge two Nebraska bank holding companies and to acquire a third one, then merge those holding companies and their five banks into the newly-titled First United Bancshares, Inc., headquartered in Ord. Greg Stine, president of First United, said the approval, effective November 25, authorizes merger of Mid-Nebraska Bancshares, Inc., Ord, and Broken Bow Enterprises, Inc., Broken Bow, and the acquisition of Grant Bancshares, Inc., Grant.

The new multibank holding company owns directly or indirectly the Nebraska State Bank, Ord; McDonald State Bank, North Platte; Peoples State Bank, Wolbach, all a part of Mid-Nebraska Bancshares; Broken Bow State Bank, owned by Broken Bow Enterprises, and Farmers National Bank, Grant, owned by Grant Bancshares. The five banks have total assets exceeding \$150 million.

Dale Stine is chairman of the First United Bancshares and also is chairman of each of the banks. His son, Greg Stine, is president and treasurer of the holding company, as well as president of Nebraska State Bank in Ord. Both of the Stines live in Ord, where First United will headquarter. Dale Stine has been a Nebraska banker for 37 years. He is also a co-owner of the Bank of Burwell apart from the holding company. Greg Stine received his law degree from the University of Nebraska at Lincoln in 1975, then joined his father in the family banking enterprises.

Phil Jossi, who has been president of Farmers National Bank in Grant, has been appointed vice president of the new holding company and will continue to develop and expand the First United management consult-

ing enterprise. He will office in North Platte.

Succeeding him recently as president of Farmers National Bank in Grant is Terry O. Jensen, who served 13 years at Nebraska State Bank in Broken Bow and the past year with First State Bank in Gothenburg as senior vice president.

Changes Told in Grant

Farmers National Bank of Grant has announced the appointment of Terry O. Jensen as president and a director of the bank.

Mr. Jensen formerly held management positions at Nebraska State Bank, Broken Bow and First State Bank, Gothenburg.

He replaces Philip E. Jossi, who has been appointed to a management position with an affiliated holding company in Ord, First United Bancshares, Inc. Mr. Jossi's new responsibilities will include management consulting for the small- to medium-sized banking institution.

First Nebraska Bank Celebrates 100 Years

The First Nebraska Bank, (formerly the Bank of Brainard), in Brainard, celebrated its 100th anniversary last month.

In observance of the anniversary, approximately 225 people attended an open house at the bank on December 6, 1986. Historical pictures and items and coin collections were on display and refreshments served. Santa Claus also made an appearance to welcome everyone who attended.

The bank turned 100 years old on November 18, 1986, having been founded on the same day in 1886, as a private bank by Alfred Kneeland Smith of Tuland, Vt. and J. (Tom) T. McKnight, a realtor in Brainard.

The bank operated in a former

real estate office until 1900 when a new bank building was built across the street, where the Brainard City Hall now stands.

In 1928, the bank was sold to the Novak brothers, Charles and Louis F. The brothers erected a new building in 1967 by remodeling the old "Popular Corner" of G.A. Falk general store, providing spacious quarters and modern bank facilities for the community.

In 1968, the brothers sold the bank to John Wagner and Associates of Schuyler. The bank is presently owned by the estate of the late Kermit Wagner, son of John Wagner.

Banking School Set For March 9-13

The Schools of Banking, Inc. will hold its 1987 School of Banking Fundamentals on March 9-13, 1987, at the Holiday Inn in Kearney. The course is sponsored by the Kansas and Nebraska Bankers Associations.

This entry-level banking school is designed to introduce students to basic banking concepts as they relate to the overall functioning of a bank. The course is designed specifically for new bank employees or those with limited or specialized banking experience.

Several new sessions have been added to the week-long course including operations, accounting, marketing and bank examinations. The school addresses additional fundamental subjects such as commercial bank organization, lending and management development.

The enrollment fee is \$600 which includes registration, instruction, all classroom materials, four nights double lodging, all coffee breaks, one reception and most meals.

For more information and to register, contact Pam Bartak at the Schools of Banking, Inc., 525 South 13th Street, Lincoln, Neb., 68508, (402) 474-3313.

Elected in Norfolk

Clark Froehlich has been elected as vice president of the Bank of Norfolk.

A native Norfolkian, Mr. Froehlich was employed at Norwest Bank before joining the Bank of Norfolk staff. He also served as a bank examiner for the State Department of Banking.



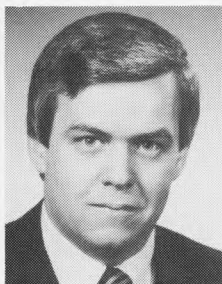
Omaha

Four officer appointments have been announced at FirstTier Bank Omaha.

Named vice presidents were Arthur S. Meyers and Steven G. Wickard.



A.S. MEYERS



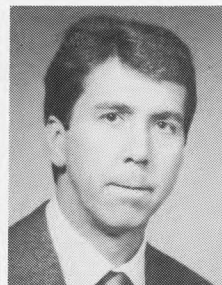
S.G. WICKARD

Mr. Meyers joined the bank in 1965 and was named an assistant vice president in 1971. He later was appointed assistant director of personnel in 1973, and in 1983, was promoted to manager of production control. Mr. Meyers recently was named the director of human resources for FirstTier Bank Omaha.

Mr. Wickard joined the bank in 1984 as assistant vice president. He currently is a lending officer in the corporate lending group.



D. SCHRECK



M.D. SULLIVAN

Deanna Schreck has been appointed an assistant vice president.

She joined the bank in 1967 and is currently serving as manager of corporate trust accounting.

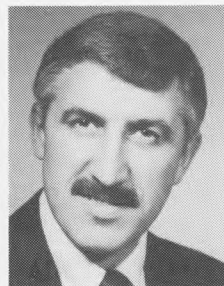
Michael D. Sullivan has been named an officer. He joined the bank in 1986 as a lending officer in the financial institutions group.

* * *

Judy Z. Gotsdiner has been promoted to vice president and legal counsel, Alan J. Rausch to vice president of finance and operations, and Charles R. McDaniel to officer and director of construction loans and property management of FirstTier Mortgage Co.



J.Z. GOTSDINER



A.J. RAUSCH

Ms. Gotsdiner joined the Omaha National Corporation, FirstTier's predecessor company, in 1977. She most recently served as second vice president of the company, a position she was promoted to in 1983.

Mr. Rausch also joined the company in 1977. In 1979, he was promoted to second vice president. He became assistant treasurer of FirstTier Inc. in 1984.

Mr. McDaniel joined FirstTier Bank Omaha in 1986 as real estate property manager in the real estate mortgage department. He was previously employed as department

head of property management, other assets and closing coordinator of the FDIC Kansas City regional consolidated Omaha office.

Bank of Norfolk Acquires First Savings Company

James Herbolsheimer, executive vice president of the Bank of Norfolk, has announced that the bank has acquired First Savings Company. Director of Banking, James Barbee, from the State Department of Banking, granted the Bank of Norfolk approval to purchase the assets of First Savings Company on October 29, 1986.

The newly-acquired downtown branch office is located in the McMill Building on 125 South Fourth. This facility makes up the third branch for the bank of Norfolk.

Debra Jorgensen has been elected the new downtown branch manager. She joined the bank in 1984. Peggy Novotny will also be on the downtown staff.

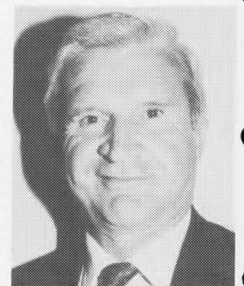
Those individuals employed with First Savings Company at the time of the acquisition have been transferred to positions within the Bank of Norfolk.

Elected in Bellevue

Dennis J. Gilbert has been elected to the board of First National of Bellevue. He has been with the bank since 1975 and is currently senior vice president.

Manager Named in Norfolk

Clayton (Kay) Curtis, second vice president of Norwest Bank in Norfolk, has been named manager of the bank's Sunset Plaza facility. This facility offers a full range of banking services in addition to its popular drive-up facilities.



C. CURTIS

Mr. Curtis has been with Norwest for three years. Prior to that he was operations manager of the Norfolk Livestock Market. He also spent two years in the U.S. Army as a communications officer from 1953-1955.

The Sunset Plaza facility is located at the southwest corner of Sunset Plaza.



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Gerry Tomka, Ralph Peterson, Fred Kuehl, Tom Jensen, Tim Smith, Todd Kruse.



Lincoln

Chris Wagner has been promoted to assistant vice president of Have-lock Bank, Lincoln.

He began working at the bank in 1979 on a part-time basis while attending the University of Nebraska. Upon his graduation in 1984, he joined the bank full-time and currently works in the loan administration area.

Effective January 1, Gateway Bank & Trust of Lincoln will now be known as Vistar Bank. The name change coincides with the bank's move to a new address and a consolidation of the three banks held by the bank's investor group. The other two Lincoln banks involved in the merger are Citizens State Bank and Lincoln Bank East.

Resigned in Callaway

Jim Smith, vice president and loan officer at Seven Valleys State Bank, Callaway, has resigned as a director and officer.

He joined the bank in 1974 working in the insurance agency. In 1979, he began working in the bank. He plans to pursue other interests.

KBA & NBA Sponsor Schools

The Schools of Banking, Inc., in cooperation with the Kansas and Nebraska Bankers Associations, will offer two week-long banking schools in 1987 in affiliation with the Professional Development Program.

Through the Professional Development Program, a systematic delivery network for banker education is maintained on local, state, regional and national levels (100-400 levels). The program fosters planning and collaboration among the various providers of banker education at each level.

The two banking schools, 200-level, which will be offered this year are the Commercial Lending School and the Intermediate School of Banking.

Through affiliation with the Professional Development Program, the 1987 Commercial Lending School

will be held April 5-10 at the Holiday Inn in Kearney. The program brings a nationally-acclaimed curriculum to this school's course of instruction.

The Intermediate School of Banking is scheduled September 20-25 at the Ramada Inn in Kearney.

Promoted in North Platte

The following promotions have been made at First National Bank and Trust Company, North Platte: Carleen K. Tabke to facility manager; Virginia L. Throm to assistant cashier, and John W. Frame to data processing manager.

MINNESOTA NEWS...

(Continued from page 30)

used at First Bank Produce in Minneapolis which will be taken out of storage and installed.

New features at the bank will include "walk-up" teller windows on the outside of the building staffed before and after regular bank hours, a handicapped ramp, an automatic teller machine and a night depository slot at the main entrance.

Because of the new convenience features at the downtown bank, operations at the East Bank facility on Blue Earth Avenue will be consolidated with main bank operations.

The three employees at the East Bank will move to the new building. Current plans call for an automatic teller machine to remain in the vicinity of the East Bank.

COLORADO NEWS...

(Continued from page 31)

named investment officer. He is a portfolio manager at United Capital Management. He has been with the bank since 1983.

Added in Englewood

Don M. Clary has joined First Interstate Bank of Englewood as vice president and manager of the commercial loan department.

He has over 11 years banking experience and most recently was vice president in the energy banking group at First Interstate Bank of Denver.

In addition, **Marbella A. Rael** has been added as assistant vice president in the bank's personal financial services department. She has over 20 years banking experience.

Two Named in Ft. Collins

Betty L. Burk has been elected vice president and cashier of Colorado National Bank—Fort Collins, and **Arlene L. Minney** has been elected an assistant vice president of the bank.

Mrs. Burk was one of the bank's first employees when it opened in 1972 as Fort Collins National Bank. She served as its assistant vice president and controller.

Mrs. Minney began her career with the bank in 1977.

Grant Retires at CNB

W.W. (Peter) Grant, chairman of the Colorado National Bank of Denver, has retired from active management with the bank, but will retain the chairmanship of the board.

He began his career with Colorado National Bank in 1958 in the bond department after spending four years with Bankers Trust Company in New York City. He was president of the bank for 11 years and was recently appointed chairman.

His services to banking include active participation in the Colorado Bankers Association, of which he was president during 1981-82 and chairman of the board during 1982-83, and the Association of Reserve City Bankers.

FirstTier Correspondents

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personalized service in meeting your needs... the kind of service upon which our reputation was built.

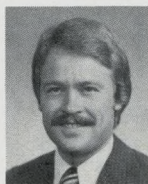
And, as our name now implies, we're dedicated to bringing you the very best in everything we do...backed by more than a century of hands-on banking experience.



Gary L. Bieck
Vice President &
Manager



Steve Anderson
Vice President



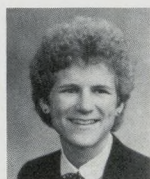
Marv Hefti
Vice President



Mark Hahn
Vice President



Charles Greenway
Asst. Vice President



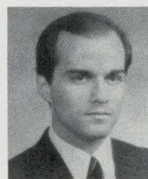
Kathryn Barker
Ag & Financial Officer



David Luckey
Ag Inspector



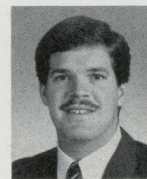
Charles Ellis
Operations Manager



Daniel Black
Ag & Financial
Representative



Betsy Crowley
Ag & Financial
Representative



Craig Engelage
Ag & Financial
Representative

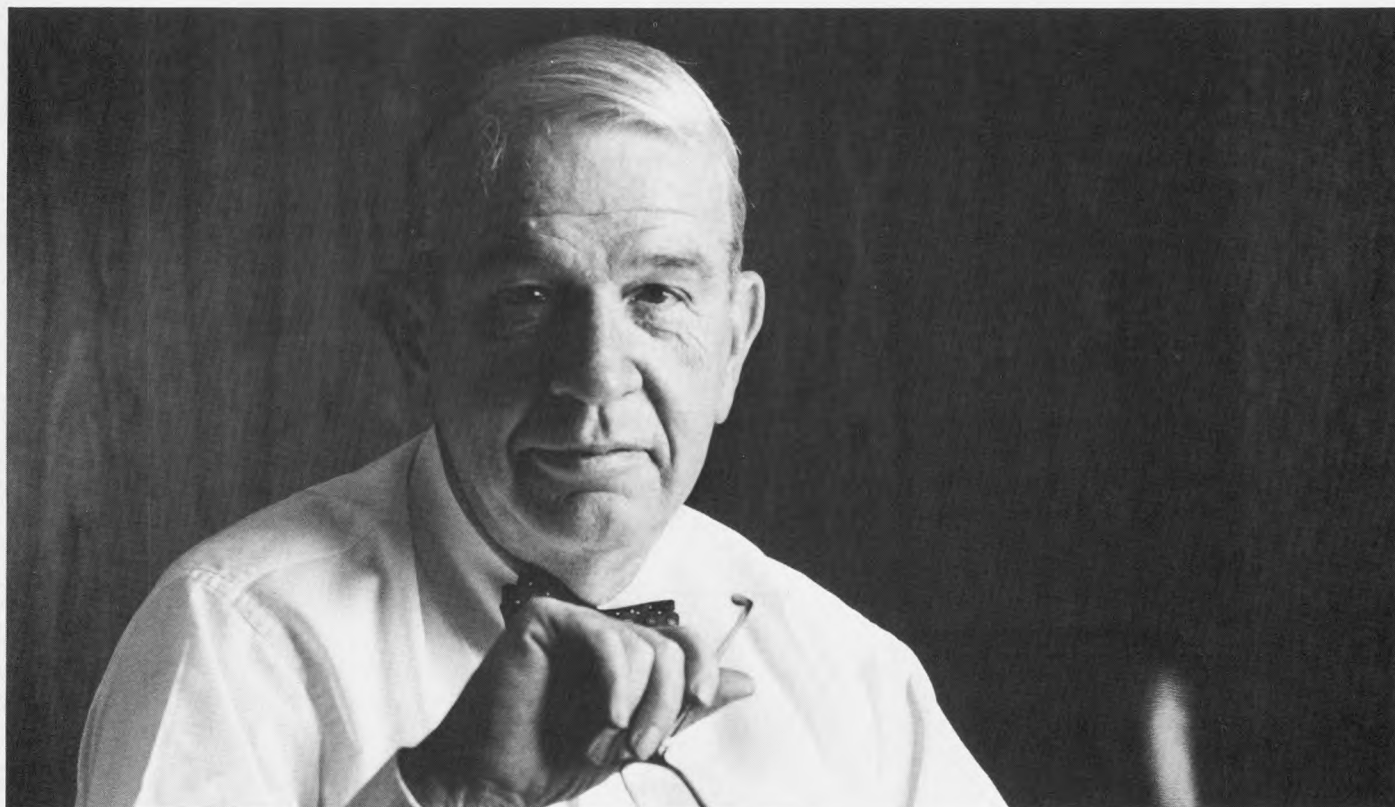
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Iowa

R.S. Howard, chmn., Oskaloosa
N. Milner, exec. v.p., Des Moines



Norwest Bank Sioux City Signs To Acquire Toy National Bank

NORWEST Bank Sioux City and The Toy National Bank of Sioux City have signed a letter of intent for Norwest to acquire substantially all of the assets and liabilities of Toy, including all customer deposits.

The sale is subject to execution of a definitive agreement, approval of Toy's stockholders and approval by regulatory authorities. The transfer of ownership is expected to take place during the first half of this year.

Financial terms of the transaction have not been disclosed.

Toy National has assets of \$145 million and banking facilities include a main office and two branches. Norwest Bank Sioux City has \$130 million in assets and operates in two locations.

The letter of intent provides for Norwest Bank Sioux City to purchase Toy's Mid-Town and Southern Hills offices, but not its main office facilities, which Toy plans to convert to other office use.

George F. Milligan, Des Moines, regional president for Norwest Corporation's banking operations in Iowa, said Norwest plans to operate the two Toy banking offices as offices of Norwest Bank Sioux City and to transfer the banking business in Toy's main office to the main office of Norwest Bank Sioux City.

When the sale is concluded, Mr. Milligan said that Norwest Bank Sioux City will be the second largest banking operation in western Iowa.

Norwest Bank Sioux City became an affiliate of Norwest in 1929, the year the bank holding company was organized. Michael J. Moeller is its president and CEO.

The Toy National Bank was founded in 1912 by James F. Toy.

John W. Van Dyke, Jr., a great grandson of the founder, is president and CEO. Upon completion of the transaction, Mr. Van Dyke will join Norwest Bank Sioux City as a member of its board of directors and as an officer of the bank.

IBA Withdraws Suit Against State of Iowa

The Iowa Bankers Association has withdrawn a lawsuit that was filed Nov. 25, 1986 against the General Services Department of the State of Iowa. The suit had been filed in an effort to halt the move of the Iowa Division of Banking from its downtown Des Moines location to an office building occupied exclusively by state departments away from the downtown area.

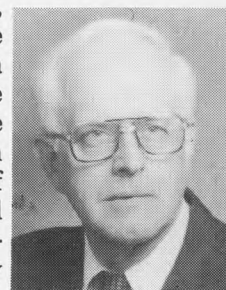
Russell S. Howard, IBA president and chairman of the Mahaska Investment Co., Oskaloosa, said the decision to withdraw was made after extensive discussion between members of the IBA staff, representatives from the governor's office and Iowa's Superintendent of Banking William R. Bernau. During the meeting, spokespersons from the governor's office emphasized their commitment to maintain the high quality of regulation currently provided by the division of banking and also indicated that the regulatory functions of the banking division would not be consolidated with the other financial regulators. Furthermore, any future plans in this direction will be developed in close consultation with the heads of the three regulatory divisions.

The authority for filing the suit was based on the fact that, in order for General Services to move a state office, it must first publish rules

governing their action and allow outside parties to voice an opinion. Mr. Howard said that, "although this procedure was not followed, General Services did seem to give careful consideration to the various factors that were of concern to the banking community and proceeded in a reasonable manner. Their assurance is really the most important factor, and the decision to drop the case was made in good faith that these assurances will be followed through."

Peoples Bank in Waterloo Names Three

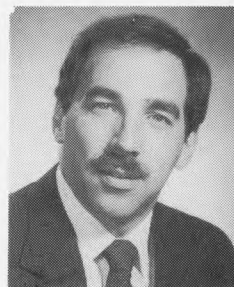
Roger P. Olesen has been elected chairman of the Peoples Bank and Trust Company, Waterloo. He has served as a member of the bank board since 1979. Mr. Olesen is president of Jens Olesen and Sons Construction Company and Olesen-Simonsen Realty.



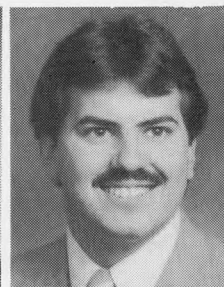
R.P. OLESEN

Alan L. Ploeger has been named manager of the bank's La Porte City office. His responsibilities include coordinating the day to day operations of the office and overseeing its loan functions.

He brings nearly 10 years of agricultural lending experience to his new position. Previously, he was an agricultural loan officer at Peoples Bank and Trust's Main office. He has also been head of the agricultural loan department at banks in Spencer and Humboldt.



A.L. PLOEGER



R.W. REINARD

Robert W. Reinard has been promoted to assistant cashier at the bank. Previously, he handled installment loans. He has also been the assistant manager of a Burlington finance company and the manager of a Cedar Rapids finance company.

Two Elected in Urbandale

Thomas A. Fix has been elected as president and chief executive officer of First Interstate Bank of Urbandale. He joined the bank on December 8.

Mr. Fix was previously employed by First Bank in Austin, Minn., where he was vice president in charge of



L. WOODBURN

commercial lending, retail banking and operations. He also served as senior credit officer for the First Banks in Austin and Albert Lea, Minn.

Loma Woodburn has been elected as vice president and manager of the bank's real estate lending division. She had previously managed the residential loan production section of Brenton Mortgages, Inc., Des Moines.

BAI Meeting Scheduled

The Central Iowa Chapter of the B.A.I. will hold its January meeting on Wednesday, January 14th, instead of the usual Thursday.

Named in Ames

George J. Klotzbach has been named internal auditor/compliance officer with United Bank and Trust, Ames. He ensures the bank complies with all applicable state and federal banking regulations and manages the internal audit function.

Mr. Klotzbach formerly headed the operations staff and co-managed the in-house data processing center for Nebraska State Bank in South Sioux City, Neb., where he was cashier.

IBA School Set For Feb. 8-14

The Iowa Bankers Association will hold its 1987 Commercial Lending School in Ames, February 8-14.

The school is designed to provide commercial lenders with a broader knowledge in this field. The curriculum also provides important training for those bankers who have been involved in commercial lending for a number of years, but who have not been exposed to formal training in

the past.

On the school's faculty this year are Gary D. Maples, vice president of Central Wisconsin Bankshares, Inc., Wausau, Wis., and George Ruth, vice president of commercial lending at Signal Hills State Bank, in West St. Paul, Minn. Gene L. Wandling, president of Wandling & Associates, Inc., Iowa City, is director for this year's school.

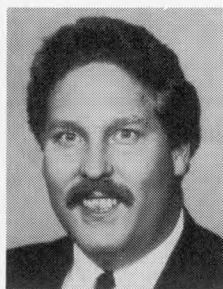
For more information, contact Martha Collins at (515) 286-4320 at the IBA office.

Promoted in Davenport

James R. Peterson has been named vice president of commercial loans, and William A. Brockway has been named a new assistant vice president of the bank card division of Davenport Bank and Trust Company.



J.R. PETERSON



W.A. BROCKWAY

Mr. Peterson joined the bank in 1983 as a correspondent banking officer. Mr. Brockway joined the bank in 1977 and currently administers national merchant accounts and correspondent bank accounts.

Other promotions at the bank include: Peggy Brehmer-Hull, accounting officer; Cynthia Gertenback-Hughes, mortgage loan officer; Martha Hellstrom Bakeris, marketing research officer, and Deborah A. Testroet and Lawrence R. Kelly, trust officers.

Three Promoted in Dubuque

Three have been promoted to vice president status at First National Bank of Dubuque. They are: Beverly J. Anderson, personnel and manager personal banking; Linda L. Budde, manager real estate department, and Francis A. "Chip" Murray, Jr., manager West Dubuque office.

Ms. Anderson joined the bank in 1978 following employment in the personnel department of the City of Dubuque.

Mrs. Budde joined the bank in 1981 as a real estate mortgage origi-

nator. Prior to joining the bank, she was assistant manager of Banco Mortgage Company of Dubuque.

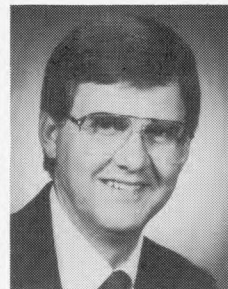
Mr. Murray has been with the bank since 1984 following employment with Frank Hardie advertising company.

Joined in Webster City

Steve Doering has joined the First State Bank, Webster City as vice president and trust officer.

He spent 10 years as an officer at the Security State Bank in Hubbard and was most recently employed at Production Credit Association in Iowa Falls.

Mr. Doering is replacing Tim Neuroth who has resigned to accept a position in private business. He had been with the bank for 10 years.



S. DOERING

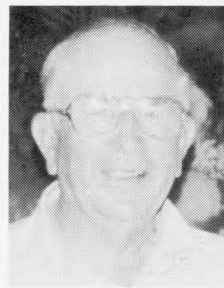
Rolfe Banker Celebrates 50 Years

An open house was held last month at the Rolfe State Bank in honor of Chairman Robert D. Dixon's 50th year of banking in Iowa.

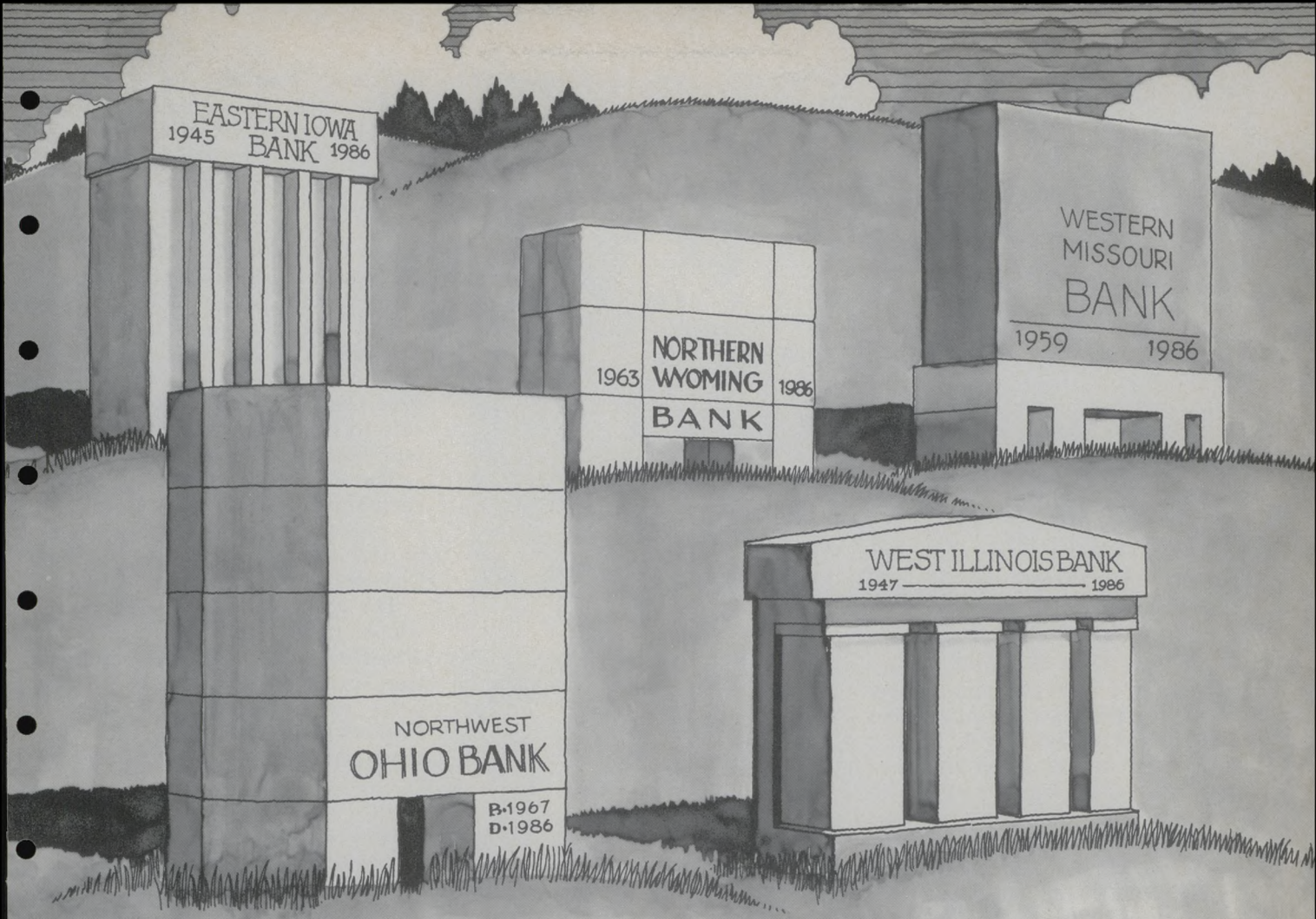
Fifty years ago, after graduating from the Belle Plaine High School and Belle Plaine business college, Mr. Dixon left work as a farm hand to work as a bookkeeper at the Bank of Galt in Galt. In 1939, Mr. Denger, the cashier of the bank, died suddenly, and Mr. Dixon was appointed cashier at the age of 20.

Mr. Dixon served in the U.S. Navy for four years and in 1946, joined First National Bank in Clarion as a teller. Several months later he moved to the Farmers Savings Bank in Stratford, where he served as cashier until 1951 when he joined the Rolfe State bank as cashier.

In 1958, he was elected president of the Rolfe bank, a position he held until 1985 when his son, Robert J. became president, and he became chairman.



R.D. DIXON



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Des Moines

Hawkeye Bank & Trust in Des Moines and Hawkeye Capital Bank & Trust merged their operations and charter effective January 1, 1987.

The new bank is called Hawkeye Bank & Trust of Des Moines and offers full financial services at six area locations. The locations include the two offices Hawkeye Bank & Trust operated and the four previous locations of Hawkeye Capital. The main office is at East 5th and Locust.

Mike Earley, president, said the merger will provide more accessibility to customers, increase efficiency and integrate the management staff.

Hawkeye Capital reported deposits of \$86.2 million on December 5, 1986, while Hawkeye Bank & Trust reported \$52.5 million. Assets of Hawkeye Capital were \$96.9 million. Hawkeye Bank and Trust reported assets of \$57.7 million. The two banks had combined assets in mid-December of \$154.7 million and deposits of \$138.7 million.

* * *

John Ruan, owner of Bankers Trust Company, announced December 9 the following management positions at a regular meeting of the board.

John Chrystal, president and chief executive officer of the firm, succeeds Mr. Ruan as chairman and continues as chief executive officer. Mr. Chrystal, who has been with Bankers Trust for two years, is an internationally recognized authority on banking and agriculture.

Dennis Wood, executive vice president with Bankers Trust Com-



J. CHRYSAL



D. WOOD

pany since 1984, now assumes the position of president and chief operating officer. Mr. Wood, a graduate of Iowa State University, previously served as president of Packers National Bank in Omaha, Nebr. before joining Bankers Trust in January, 1985.

Mr. Ruan will retain the position of chairman of the executive committee of the board.

Bankers Trust is one of the largest independently owned banks in Iowa.

* * *

Hawkeye Bank & Trust, headquartered at 24th and University, celebrated its 75th anniversary during the month of December.

The bank was founded in 1911 by **Grant McPherrin** and was known as the Drake Park Bank. In 1925, the bank was renamed to First Federal State Bank.

A new bank building was built at the present location in 1970, signifying the first of many commitments to the Drake neighborhood. In 1972, the bank became part of Hawkeye Bancorporation and some years later changed its name to Hawkeye

Bank and Trust.

Customers and employees took part in a number of events last month to celebrate the anniversary.

* * *

Eight customers of the Hawkeye Banks in Des Moines told why they "choose to live in Iowa" in a holiday greeting card produced by the two banks. The customers' comments, selected from responses received last summer, celebrated everything from the beauty of Iowa's countryside to the state's educational system, farm heritage and people.

The card culminated a year-long campaign by Hawkeye Capital and Hawkeye Bank & Trust. The theme of the campaign is "Yes We Do Choose to Live in Iowa."

The cover of the card featured a winter rural scene by Iowa artist **Jim Buckels**. Customer comments were printed inside, with a blank panel for a personalized greeting. Packets of the card were sold to interested customers.

* * *

Hawkeye Banks in Des Moines recently announced three promotions.

C. Denise Jordan has been named cost accounting officer. She has been with Hawkeye-Capital Bank & Trust since 1978 and most recently served as consumer loan officer.



C.D. JORDAN

Lori Paustian has been appointed trust officer. She joined Hawkeye in 1983 and was previously assistant trust officer.



L. PAUSTIAN



L. RAKER

Loree Raker, who joined the bank in 1983, has been elected investor center officer and financial services manager. Most recently she served as assistant manager of the bank's Hickman Road office.

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The program includes a comprehensive major medical plan and a Medicare supplement. Costs are competitive with other individual and supplemental insurance programs on the market.

Your participation in this program requires little or no investment of your time, personnel or capital. An IBIS representative will visit your bank on a regular schedule, explain The Protector plans to interested and eligible depositors, and enroll them.

Iowa Bankers Insurance and Services, Inc.'s affiliation with Iowa banks is a long-standing, dynamic relationship. You know our integrity, the quality of our service.

The Protector health insurance program is underwritten by Time Insurance Company of Milwaukee, Wisconsin. Time Insurance is consistently rated A+ "excellent" by the A.M. Best Company, an insurance industry analyst.

WHY PARTICIPATE IN THE PROTECTOR HEALTH INSURANCE PROGRAM?

- The Protector plans provide your customers with quality, convenient and affordable health insurance.

- The Protector health insurance program provides your bank with a way to increase customer loyalty and revenues.
- The Protector plans can attract new customers.
- The Protector health insurance program enhances your image as a full-service bank.

Let IBIS introduce you to The Protectors today! Call Chris Wehde at 515-286-4395 or 1-800-532-1423.



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Peter S. DeLanoit has been promoted to commercial loan officer at Valley National Bank. He joined the bank in 1985 as a credit analyst.



P.S. DELANOIT

C.K. KNAPP

Christena K. Knapp has been promoted to real estate lending officer at the bank. She joined Valley Bank in 1981 and most recently served as real estate administrator.

BofI Skips Dividend, Plans Growth and Acquisitions

Banks of Iowa directors voted at a recent meeting to skip the 23-cents-per-share fourth quarter dividend to reserve those funds for possible acquisitions and to sustain growth at their member banks. Directors emphasized this move was not to be construed as reflecting poor earnings, but rather a purposeful move for planned growth. Banks of Iowa actually reported net income of \$8.9 million for the first nine months of 1986.

The eliminated fourth quarter dividend amounted to \$700,000.

BofI president and CEO Holmes Foster said "the economy is coming back" in Iowa, and that "now is the time to buy banks." He noted also that the omitted dividend of 1 percent doesn't amount to much for the serious investor.

Mr. Foster said BofI is interested in expanding its base in metropolitan areas of the state. It was that policy that prompted the holding company to announce an agreement recently to sell its \$42 million asset Commercial Trust & Savings Bank of Charles City to Citizens National Bank of Charles City, he said.

Wilford Dierks Dies

Wilford Dierks, a native of Aurelia, Ia., and a retired vice president of the Federal Reserve Bank of Chicago, died recently in Chicago. Mr. Dierks began his banking career at a Nebraska bank owned by James Toy, then president and founder of

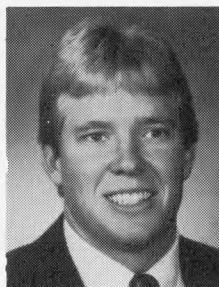
Toy National Bank in Sioux City. Mr. Dierks joined the Chicago Federal Reserve Bank in 1928, serving there until his retirement as a vice president in 1960. He was widely-known among Iowa bankers through his travels across the Hawkeye State.

Mr. Dierks is survived by his son, who lives at 1360 No. Lake View Drive, Chicago, Ill. 60610.

Added in New Hampton

Grant L. Anderson has joined the Security State Bank in New Hampton as a loan officer trainee.

He is a recent graduate of Iowa State University with a bachelor's degree in Agricultural Studies. He previously worked for Farmers Home Administration as a summer intern.



G.L. ANDERSON

Ia. Nat'l. Bankshares Corp Acquires Indianola Bank

Iowa National Bankshares Corp, the parent holding company of The National Bank of Waterloo and Midway Bank & Trust of Cedar Falls, has acquired Peoples Trust & Savings Bank in Indianola, according to an announcement made by R. Scott Fetner, president of the Waterloo-based bank holding company.

Peoples Trust & Savings has \$120 million in assets and a capital base of \$10 million. It is the largest bank in Warren County with three locations in Indianola in addition to offices in Milo, Lacona and Martensdale.

Peoples Trust will become a wholly-owned subsidiary of Iowa National Bankshares Corp, which currently has assets of \$370 million and a capital base of \$30 million. The combination of these banks will provide an asset base of nearly a half billion dollars, with an extremely strong capital base of \$40 million.

At a special stockholders' meeting held Wednesday, December 10, 1986, in Indianola, of the 311 stockholders, 100 percent of the votes received were in favor of the merger. On Thursday, December 11, 1986, the INBC stockholders who voted

gave 99 percent approval. Earlier, federal regulators approved the transaction, which was completed December 31, 1986.

R. Scott Fetner said the Indianola bank will retain its name and operate as an independent bank. Additional services will be offered to its customers, such as the New Horizons Club, expanded trust services, and specialized loan programs.

Mr. Fetner also indicated that Peoples Trust will begin providing correspondent bank services in Central and Southwestern Iowa to complement the 106 Northeast Iowa correspondent banks working with The National Bank of Waterloo.

"This is the third bank purchased in the past two years by Iowa National Bankshares Corp...Midway Bank in 1985 and Gilbertville Savings Bank in June of 1986," according to Mr. Fetner.

Three Elected in Dubuque

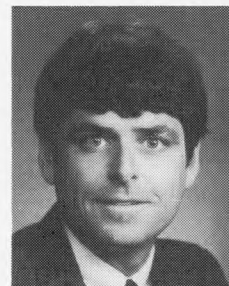
American Trust & Savings Bank, Dubuque has announced the elections of John L. Doellinger as vice president, mortgage loan department, Nicholas J. Schrup III as vice president, commercial loan department, and Larry W. Hayes as personal banking officer.

Mr. Doellinger was with Knutson Mortgage Corporation, Rock Island, Ill. and Citizens Federal Savings and Loan Association in Davenport previously.

Prior to joining the bank, Mr. Schrup was vice president, South Bay Regional corporate banking group, First Interstate Bank of California.



J.L. DOELLINGER



N.J. SCHRUP III



L.W. HAYES

Mr. Hayes has extensive experience in both consumer lending and corporate credit management in Eastern Iowa.



Portrait of Service

Left to right: Robert Cooksey, Bank Card Marketing Representative; William Brockway, Assistant Vice President; Shirley Heishman, POS/EDC Coordinator; Ronald Monahan, Credit Card Marketing Officer; John Schricker, First Vice President; Patricia Bear, Assistant Vice President.

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SPEAKERS at the 1986 Business Trends Conference hosted by Norwest Bank Des Moines, N.A., were, left to right: Seated—**Dr. Gordon P. Eaton**, president, Iowa State University, Ames; **Gov. Terry Branstad**, and **George Milligan**, chmn. & ceo of Norwest Bank. Standing—**Fred S. Hubbell**, chmn. & ceo, Younkers, Inc., Des Moines; **Alan Reynolds**, chief economist, Polyconomics, Inc., Morristown, N.J.; **Daniel J. Krumm**, chmn. & ceo, The Maytag Corp., Newton, and **Lynn Horak**, pres. & coo, Norwest Bank.

Iowa Business Trends Speakers Say:

Iowa Needs to be Aggressive

By **BEN HALLER, JR.**
Publisher

CONTINUED aggressive moves will be needed to lead Iowa's economy back to a higher plateau of economic activity and profit, it was stated by a panel of speakers at the 28th Annual Iowa Business Trends Meeting hosted by Norwest Bank Des Moines, N.A., at the Marriott Hotel in Des Moines in early December. Chairman George Milligan and President H. Lynn Horak greeted the more than 500 area business executives and visiting bankers.

Daniel J. Krumm, chairman and CEO of The Maytag Corporation, Newton, Ia., was lead off speaker with his topic, "Planning Iowa's Opportunities: Manufacturing, the Challenge." Noting "a great deal of misunderstanding about change and transition in the manufacturing sector," Mr. Krumm said such changes in the manufacturing sector are widespread throughout the country: productivity improvements, growth by acquisition, and consolidation or relocation of operations. These trends alter our traditional employment patterns and they are likely to continue for some time. Consequent-

ly, it's important to recognize them as we assess our opportunities for future growth and development."

Mr. Krumm said a key factor in this change is competition, both from home and abroad. This leads to productivity improvements, which frequently leads to reduced work staff. However, new opportunities are created for business, utilizing new workers. Mr. Krumm reviewed the acquisitions and growth of Maytag in pursuing the path he had described, noting that Maytag now has 21 manufacturing facilities in 18 cities and about 14,000 employees. Also, he said, "we have become the first billion-dollar corporation headquartered in Iowa. (Actually, our sales this year will be close to the \$2 billion mark.)"

Mr. Krumm stated later, "As we examine Iowa's manufacturing climate and plan for the future, it's important to recognize these trends because they clearly illuminate two paths that we must follow on our road to recovery. First, we must work to create a business environment in Iowa that is as beneficial as possible for all our existing industries. Second, we need to look for economic growth and job replacement outside the realm of our tradi-

tional manufacturing concerns. Specifically, I think smaller manufacturing operations—those that employ under 100 persons—are more likely targets for us."

Fred S. Hubbell, chairman and CEO of Younkers, Inc., department stores, headquartered in Des Moines, stated, "We have to create our own opportunities since the Iowa economy presently can't do it. We expect a 4 to 6 percent sales gain in 1987. The Iowa economy *will* improve!" The restructuring of retail business in Iowa and nationwide continues, he said. The relative boom from 1972 to 1980 for retailers resulted in new stores, especially in regional and neighborhood shopping malls, spurred by increased income and inflation. That eight-year trend halted in 1980.

He said an Iowa State University study says that in constant dollars Iowa's retail sales have declined 18% since 1979, non-farm employment is below that of 1979, the purchasing power of the dollar is less, and population had declined, primarily to the loss of young people, who are shoppers, and an increase in the over-65 age group. In addition, he noted, there is high consumer debt, so with the change in tax law that disallows consumer interest, "we see a slower 1987."

Mr. Hubbell said Younkers belongs to a retail stores buying group of more than 50 retailers with total assets exceeding \$6 billion. That group also sees slower overall growth projected for 1987. He foresees the closing of non-productive stores and a continuation of mergers and acquisitions. High expenses are hard to reduce, he said, so productivity must improve to improve net profit.

Dr. Gordon P. Eaton, president of Iowa State University, Ames, said, "This state cannot put valuable resources such as Iowa soil and Iowa's farmers—the most productive in the world—on the shelf because of difficult times in the farm economy." Dr. Eaton said "The future of agriculture in Iowa can be one of continued overdependence upon two crops, corn and soybeans, continued overproduction and depressed market prices, continued use of costly and increasingly toxic production methods, and continued reliance on existing global markets, some of which are fast disappearing.

"Frankly, this is the bleak sce-

nario that will result from continuation of the existing 15-year record of relative underfunding of agricultural research in this state...The results of that failure have now caught up with us and are staring us in the face. As a percentage of total agricultural receipts, Iowa support of agricultural research ranks among the lowest of the significant agricultural states in the country, at the same time that those cash farm receipts have ranked among the highest...Our Agriculture and Home Economics Experiment Station...once one of the finest agricultural research facilities in the nation is now, indeed, slipping into mediocrity in some areas and has already slipped there in others.

"No matter what economic recovery plan is put into effect, agriculture has to be at its center. It is too critical and too large a part of our total economic base and it will continue to be so through the end of this century and beyond."

Dr. Eaton then described another "path leading into the future from the critical crossroads at which we stand today." To achieve this he call for an increasing diversity in crop and livestock production, methods and marketing, utilizing the added-value concept to enhance Iowa's income. "The key to this future," he said, "as in any other area and at any other time is investment. He called this diversification "one of three overall goals in our initiative to attract major infusions of federal funding for research at Iowa State University. We plan to establish major national research centers in International Trade Development, in Food and Industrial Agricultural Product Development—which includes our planned Meat Irradiation Research facility—and in Agricultural Toxicology and Immunity Enhancement. Our other target areas for federal support are the development of advanced materials and products to form the basis of new industries appropriate to Iowa, and the expansion of basic and applied research programs with the greatest potential for economic benefit to Iowa."

Gains are being made in these fields, Dr. Eaton noted, saying that \$31 million in federal appropriations have been obtained—\$11 billion for the National Soil Tilth Lab, \$9.5 million for the New Industrial Materials Center, \$6.5 million for the

Microelectronics Research Center, \$5 million for the Meat Irradiation Center and \$50,000 in planning money for the Center for Agricultural Product Development.

Dr. Eaton spent the remainder of his talk discussing the exciting field of biotechnology in which ISU is deeply involved as a leader. That area includes development of staff, programs, procedures in such areas as Agricultural Toxicology Center, Immunity Enhancers, National Care for Food and Industrial Agricultural Product Development.

To return ISU to its pre-eminent position as a leader in scientific ag research, Dr. Eaton concluded, will require significant investments, being armed for a long fight of many years, but above all "our most needed characteristic will be perseverance."

Iowa Governor Terry Branstad attended the noon luncheon and welcomed delegates, urging Iowa businessmen to "see Iowa through one of her most difficult times in her history. We are proud of our educational system and excited about the opportunities ahead."

The noon luncheon speaker according to long-standing custom is a guest economist. This year's speaker was Alan Reynolds, chief economist for Polyconomics, Inc., Morristown, N.J. He said the current recovery period of 15 quarters and 15.2% growth is one of the longest such periods we've experienced. Savings have gone up by \$200 billion, product gains have risen by 4.2% each year, the stock market has doubled, inflation has been cut dramatically, job rates are up sharply, and average after-tax income has gone up 11% since 1981.

Mr. Reynolds said the "idea that U.S. industry can't compete is not true. My figures show differently. If the U.S. is losing jobs, who's gaining? All the other nations are doing less than we are!" He also noted for those who point to the U.S. being a net debtor nation that one-half of foreign investment is in our stock market. "Those foreign investors," he stated, "could be using their dividends to buy U.S. goods." In addition, he cited the problems experienced in most other nations—including heavy export subsidies as well as over-taxation at home—and said "The U.S. can't carry them all forever, and all nations can't expect more than they import. I see signs of

recession in Japan and all Far East and Asian countries, which are our best markets right now. If these countries are to improve, they'll need more updating of equipment, thus providing us with export opportunities. Also there is occurring a brain drain from foreign countries due to repressive taxes and a lack of opportunities."

Some nations are taking steps to offset these adverse factors. He said "China and Turkey and their economies are growing. Mexico will trim its tax rate 10 or 15 points pretty soon. Israel plans to cut its tax rate soon. But, all of this means we have to have an anchor—such as gold, or commodity exchange rates. Since credit markets are global, cuts in tax rates hold down interest rates all over. Anyone who thinks supply side economics is dead doesn't know what's going on in the rest of the world!" □

FDIC Offers 50 Million Continental Illinois Shares

Continental Illinois Corporation of Chicago recently announced the sale by the Federal Deposit Insurance Corporation of 50 million shares of Continental Illinois Corporation common stock at a price of \$5.25 per share in an underwritten public offering. The FDIC granted the underwriters the right to purchase up to an additional 7.5 million shares to cover over-allotments, if any.

Continental Illinois Corporation will not receive any of the proceeds from the sale.

The offer was made by the FDIC to sell common stock issuable upon conversion of approximately 30 percent of the Junior Perpetual Convertible Preference Stock that it owns. If the full over-allotment option is exercised, that percentage would increase to approximately 35 percent. Each of the preference shares automatically converts into five shares of Continental Illinois Corporation common stock upon transfer by the FDIC.

Following the transfer, approximately 105 million shares of Continental Illinois Corporation common stock would be outstanding. The FDIC will continue to own from 20.5 million to 22 million shares of the preference stock.



LEFT—Dr. Alan Greenspan, left, chmn., Townsend-Greenspan & Co., New York, visits with Crosby Kemper, chmn., United Missouri Bank. Dr. Greenspan was the keynote speaker at the afternoon financial seminar. **RIGHT**—Highlighting the grand opening of the new United Missouri Bank building was the ribbon cutting ceremony. Here, Crosby Kemper, left, chmn., and Malcolm Aslin, pres., UMB, share in the exciting moment.

UNITED MISSOURI. . .

(Continued from page 21)

peal, the bank building also houses the extensive United Missouri Bancshares Corporate Art Collection.

Currently, United Missouri Bancshares and United Missouri Bank occupy four floors of the structure,

which occupies most of a square block. The bank's law firm, Watson Ess Marshall & Enggas, occupy a major portion of the remaining space, with the rest leased by Touche Ross & Co. accounting firm.

The unique new building was designed by Abend-Singleton Associates, Inc., architectural firm.

Bob D. Campbell & Co. was structural engineer, while George Butler Associates, Inc., architectural firm. cal and electrical engineers. General contractor was DiCarlo Construction Co. The interior design was handled by Sverdrup/Bunce interiors, and interior contractor was Winn-Senter Construction Co. □

FIRST CHICAGO. . .

(Continued from page 20)

commented. "It is the politics of envy." He said he told Donald Regan, White House chief of staff, "This is not only a bad bill, but it is bad for White House politics."

Noting that President Reagan has made an about face on taxes, capital gains and other aspects, he reminded his audience that "after President Nixon did his 'simple' tax adjustment 15 years ago, we ran into double digit inflation and federal deficits."

Mr. Rukeyser pointed out that

the Tax Bill shifts tax burdens to businesses and "could retard future business growth. Congress has destroyed the incentive to rebuild and expand businesses because they now cannot plan long-term." Because of all the complex, detrimental changes caused by the Tax Reform Bill, Mr. Rukeyser termed it "the Accountants and Lawyers Relief Act."

Mr. Rukeyser gave wide-ranging assessments on various facets of the government deficits, budgets and programs, then held an extensive question and answer session before concluding his appearance.

Following their usual format, First National officials presented

panels of speakers from senior bank officers. Presiding at the sessions were James N. Meehan, vice president, U.S. Financial Institutions Division, and Jack Clark, vice president, Community Bankers Division.

As an Early Bird offering, Mr. Clark introduced Orion Samuelson, agricultural services director of WGN, Chicago, who gave an expert analysis of the Midwest ag situation today. His review of the Farm Bill and its effects was very incisive. He pointed to the need to pull poor land out of production, but criticized the bill proposed by Sen. Tom Harkin (Dem., Ia.) which would set mandatory production controls. □



LEFT—Five v.p.s on hand to greet guests were, from left: Garth Dunn, Nevin Bowser, Clarence "Bud" Cross, Art Stake and Keith St. Pierre. Mr. Bowser, formerly in the correspondent bank division, has been in the investment division for some years. The other four are senior account officers in the Community Bankers Division. **RIGHT**—Neal Trogdon (left), exec. v.p. for the First's World Corporate Bank; Stephen Diamond, sr. v.p., and Leo Mullin, sr. v.p.—consumer bank.

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Centennial nostalgia!

Vignettes of Banking

Editor's Note: The Iowa Bankers Association observed the 100th Anniversary of its founding convention in September, 1986, and the IBA will complete its first 100 years of service on July 26, 1987. A number of Iowa bankers who are members of the IBA 50-Year Bankers Club responded to our invitation to share with other readers some of their reminiscences of earlier Iowa banking history. These vignettes will be published in issues during the Centennial Year. Veteran Iowa bankers who have special memories to share, or others who have access to earlier banking events and records that would be of interest to our readership, are invited to send us their comments. This includes bankers from other states whose stories tell of the earlier days and growth of midwest banking.

By **ROBERT J. TANK**, Chairman
Central Trust & Savings Bank, Eldridge, Ia.
(Entered banking in 1919)

WHILE attending a business college in Davenport at the age of 17, my dad told me that Mr. Hugo Kuhl of the Peoples Savings Bank at Eldridge had asked for me to help for a few months. Mr. Kuhl was an elder gentleman who managed a small rural bank.

Eldridge, with a population of 250 people, had two banks, and Long Grove, a town three miles north, had one bank. Thus the two towns, with 400 total population, had three banks; an example of Iowa being over-banked. This is what we had in 1920.

I got to be a teller-bookkeeper-janitor and had the use of a second hand add-machine and typewriter. The journal and the ledgers were hand posted by pen and ink.

Mr. Kuhl died in December 1925, and his brother Rudolph Kuhl, a local farmer, became president of the bank and a close friend to me. Rudolph had faith in me, so I became cashier and

manager for the next five years. After the stock market crash in October 1929, business got bad, and in the fall of 1930, our local bank boards were concerned and decided to merge. In December 1930, the State Banking Department sent a special examiner, Mr. V.O. Figge, to work out the details of the merger. It has been my privilege to have known Mr. Figge since that time. He later assisted me to hold offices in the Iowa Bankers Association in 1964 and 1965 as vice president and treasurer.

Business got worse after 1930 and at Christmas time in 1932, the banks in Davenport closed, and it was a struggle to survive with no deposit insurance. The National Moratorium in March 1933 carried us through. In the 1930s I believe we still had the bank stock assessment law, which to me was grossly unjust. No one should suffer such a loss.

The deposit insurance, which began in Iowa in 1934 and was continued by the Federal Deposit Insurance Corporation, has saved us through the past four or five years of very difficult farm and business conditions. My son Jim has been president of Central Trust & Savings Bank, Eldridge, since 1974 and has had some rough experiences in recent years. I had managed the Peoples Savings for five years and the Central Trust and Savings Bank, from 1934 to 1974. Thus, I have spent 66 years in rural banking, at this point.

I had no more intentions of getting into the banking business, than being a fisherman. However, dealing with people is the greatest thing we have and a liberal education in itself. I came from a family of modest means, but have been blessed with much, as I have relatively good health, am quite active, enjoy my wonderful family, and have been married 60 years in October, 1986. □

Retired in Iowa City

Jack Bock retired as second vice president of First National Bank, Iowa City, on December 31, 1986.

He joined the bank in 1940, working in the transit and bookkeeping departments. He has worked in several other departments of the bank throughout his banking career and since 1971, has been second vice



J. BOCK

president and head of the customer service department.

A past president of the Johnson County Bankers Association, he is a graduate of the Graduate School of Banking, University of Wisconsin.

Mr. Bock and his wife, Mary Ann, will be residing at 2929 Eastwood in Iowa City.

Jim Davies Receives Award In Indianola

Jim Davies, president of Peoples Trust & Savings Bank of Indianola, recently received the "Employer Golden Key Award" from the India-

nola Business and Professional Women's Organization at the 39th annual awards banquet.

Each year the award is presented to an employer who has helped open doors for women.

Peoples Trust & Savings has been a leader in promoting women in non-traditional roles. Women at Peoples Bank are encouraged to take additional training in preparation for further advancement. At the bank, women officers comprise 75 percent of the total bank officers. These women officer positions range from assistant cashier through senior vice president.

Maquoketa Banker Gets National Honor

AS REPORTED in last month's issue covering the ABA National Agricultural Bankers Conference in Nashville, Tenn., Roger T. Stewart of Maquoketa, Ia., was presented the Grand Award and first-place prize of \$1,000 by *ABA Bankers News Weekly* for his work in his agricultural community. Mr. Stewart is senior vice president of Maquoketa State Bank in extreme eastern Iowa. His award was the highest of six presented by the ABA's weekly newspaper for members.

Excerpts from *Bankers News Weekly* story on why Roger Stewart was selected as the Grand Award winner show the depth and breadth of his involvement in his home community of Maquoketa. Here is a condensation of the story announcing Roger as the winner:

* * *

There was no way Roger T. Stewart could just sit back and watch the suffering of financially distressed farmers and agribusinessmen in his Iowa community. He had to do something.

"He's given us credibility and demonstrated to the agricultural community that we are concerned and trying to do something," said Maquoketa State Bank Chairman and Chief Executive Officer Edward L. Tubbs, who nominated Mr. Stewart.

The \$95 million-asset bank situated in Maquoketa, a community of 6,500 residents, is located in a depressed market area — basically the result of the adversity faced by farmers and agribusinessmen, said Mr. Tubbs.

The 54-year-old Mr. Stewart, who is in charge of loan operations at the bank, grew up on a farm, still lives on one and has a farmer son. He started his banking career at Maquoketa as a farm representative soliciting new accounts 20 years ago when the bank was just eight years old and had only \$3 million in assets.

The agricultural situation "is a problem I've been dealing with all of my life," Mr. Stewart said. So it was only natural that he looked for something to do to assist his neighbor farmers.

Mr. Stewart helped organize two special committees of concerned citizens — one to deal with debt review and the other to handle the human factors involved in the farm crisis.

The greatest benefit of Mr. Stewart's work "has been in enhancing the image of the bank in the agricultural community when an adversary relationship between borrowers and lenders is virtually inevitable," Mr. Tubbs said in his nomination. "The benefit to our bank is beyond measure."

The Jackson County Farm Operations Review Committee is a voluntary organization of 30 agribusiness people, extension personnel, representatives from the Farm Credit System and Farmers Home Administration, farmers and agribankers who provide agricultural borrowers with the opportunity to discuss their individual financial situation.



Roger T. Stewart (center), sr. v.p., Maquoketa State Bank, Maquoketa, Ia., pictured with his wife, Jennie, was honored as winner of the 1986 ABA Bankers News Weekly Grand Award. Pictured with him are Edward L. Tubbs (left), chmn. of the bank, and his son, Alan Tubbs, exec. v.p. of the bank.

Mr. Stewart said each farmer seeking debt counseling chooses five people from the committee to serve on a review board.

"The committee provided a setting in which communications were improved between lenders and borrowers and, in many cases, debt management was enhanced through cooperation of the committee members," said Mr. Tubbs in his nomination letter.

"They not only provided a vehicle which served as a review process to farmers experiencing financial stress, but also acquainted them with sound and reasonable alternatives if it was impossible to continue farming," the chief officer said.

Mr. Stewart said the committee has served as an eyeopener to many of its members who were unaware of how banks operate. It also helped many people realize "the real crisis the farmer was in," he said.

The human-services committee Mr. Stewart assisted in establishing is "helping with the personal ramifications" of the farm crisis, said Mr. Tubbs.

Mr. Stewart ranks the two committees of equal importance. The human-services committee is designed to assist farm families who are experiencing the trauma of losing their farms or facing foreclosure on their personal property.

Work by both committees has been well received by the community and had a positive effect on the bank, said Mr. Tubbs. The farmers realize "somebody cared enough to set up a program," said Mr. Stewart. "They need someone to talk to."

Mr. Stewart also organized a special informational meeting in March for Jackson County bankers to deal with stress. The meeting was conducted at a local hospital by a psychologist and covered both stress suffered by the banker and how to handle an over-stressed farmer.

* * *

Maquoketa State has long been a leader in its ag-

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oriented community. Ed Tubbs, chairman and CEO and President John Fagerland have worked with ag customers for years. Mr. Tubbs is a past president of the Iowa Bankers Association and a leader in the 12-state association group titled MABSCO, which formed MABSCO Agricultural Service, Inc. (MASI). His son, Al Tubbs, executive vice president of Maquoketa State and president of the family-owned Central State Bank in nearby DeWitt, was chairman of the ABA Ag Bankers Division in 1984-85. Maquoketa State has encouraged all of its staff to be involved in community affairs, especially those dealing with the bank's customer base of agriculture. □

Two Veteran Banking Magazine Publishers Die

Donald H. Clark, 90, founder/chairman of Commerce Publishing Co., St. Louis, parent firm of *Mid-Continent Banker*, died in November following a lengthy illness. James J. Wengert, 86, who succeeded Mr. Clark as publisher of *Mid-Continent*

Banker and as chairman/CEO of Commerce Publishing, died at his home in Cedar Rapids, Ia., in October.

Don Clark had been editor of the *NORTHWESTERN BANKER* in Des Moines for several years when he moved to St. Louis in 1922 to manage the banking magazine acquired by Clifford DePuy, then owner and publisher of the *NORTHWESTERN BANKER*. When Mr. Clark purchased the magazine in 1924, Mr. Wengert joined the St. Louis staff after a short span of employment with *NORTHWESTERN BANKER*.

Both Mr. Clark and Mr. Wengert were Iowa natives and were graduates of Grinnell College. Mr. Clark was a Grinnell trustee for several decades and both men retained a lifelong interest in their support of Grinnell and its students.

Joins Cherokee Bank

John B. Keeline, president of the Central Trust and Savings Bank of Cherokee, has announced that Jeff Hoover has joined the bank as farm representative.

Group 11 Meeting Scheduled

Group 11 Chairman Ed Johnstone has announced that the 1987 Burlington Group Meeting will be held February 22-23 at the Holiday in Burlington. This is not Washington's birthday holiday weekend.

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