

NORTHWESTERN Banker Newsletter

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March 17, 1975

Seek Increased Farm Loan Limits

Sharp increases in the size of government guaranteed loans to farmers and livestock producers and the creation of a national secondary market for these loans to insure an adequate flow of funds to rural areas was urged recently by a leading agricultural banker.

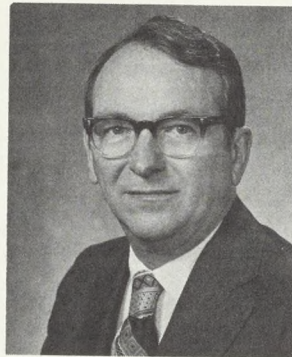
"The loan limits of the Farmers Home Administration's (FmHA) farm ownership and operating programs and the Emergency Livestock Act must be increased if these programs are to help the producers the Congress intended them to," Oliver Hansen, vice chairman of the American Bankers Association's Agricultural Bankers Division, told a Senate subcommittee in Washington.

Mr. Hansen, who is president of the Liberty Trust & Savings Bank, Durant, Ia., asked that maximum allowable amount of FmHA guaranteed farm operating loans be raised from \$50,000 to \$100,000 and the amount of farm ownership loans be increased from \$100,000 to \$200,000. He also asked for an overall real estate indebtedness ceiling of \$350,000.

The restrictions in these programs, he said, are much too limiting to provide real help to the young farmer, the farmer adversely effected by weather or current economic conditions and qualified

people trying to get into the farming business.

The continued deterioration of the livestock situation since the



O. HANSEN

enactment of the emergency program warrants doubling of the maximum loan limit to individuals, Mr. Hansen said. He requested that the committee raise the ceiling on these types of loans from \$250,000 to \$500,000 and increase the present 80 per cent guarantee to 90 per cent, in line with the other FmHA programs.

Mr. Hansen also called for the creation of a national secondary market to insure banks that may exhaust local supplies of capital for rural lending purposes can still provide needed funds to their communities. A secondary market allows the government or other

investors to buy packages of loans or shares in a pool of loans freeing money for additional lending.

Nearly one-half of the nation's 14,000 banks are located in communities of less than 5,000 people.

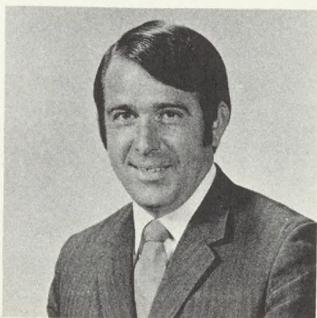
File Bill to Require Audit of Fed

Rep. Wright Patman, D., Tex., introduced legislation Wednesday which would require a comprehensive audit of the Federal Reserve System by the General Accounting Office. He was joined in sponsoring the legislation by 86 of the 435 members of the House or Representatives.

Mr. Patman, who is chairman of the subcommittee on domestic monetary policy of the House Banking, Currency and Housing Committee, said he would call for early subcommittee hearings on the bill.

He pointed out that the number of congressmen who had agreed to co-sponsor the bill showed that the 94th Congress expects the Fed to be accountable to the people.

"There is a strong sentiment for an end to secrecy at all levels of government and this audit legislation will make it clear that the Federal Reserve is to be subject to audits and public scrutiny the same as any other major Federal entity," Mr. Patman said.



Larry Welch

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To Head Independents

Kenneth J. Benda, president of the Hartwick State Bank, Hartwick, Ia., is slated to be elected president of the Independent Bankers Association of America at its annual meeting being held through Wednesday of this week at the Las Vegas Hilton. Over 2,700 are attending.

Publisher Malcolm Freeland will present an on-the-spot news and picture report in the April magazine issue of NORTHWESTERN BANKER.

Iowa News

APLINGTON: Gary Larson has been elected executive vice president of the State Savings Bank. Mr. Larson formerly was vice president of the National Bank of Des Moines.

DES MOINES: This year's State Banking Conference, announced by the Federation of County Bankers Association and Iowa Junior Bankers Association, will be held at the Des Moines Hyatt House on Wednesday, April 9. Program highlights include Legislative Review-1975, Economic Outlook-Iowa Banking, and Automated Banking Systems—Today and Future.

GLENWOOD: J. Michael Connolly has joined the Mills County State Bank as cashier, according to Jack Patrick, bank president. Mr. Connolly replaces Mrs. Roger Stacy who resigned. He previously was associated with the State Bank & Trust Company in Council Bluffs.

GREENE: The Board of Governors of the Federal Reserve System has announced approval of the application of Greene Bancorporation to become a bank holding company through acquisition of First State Bank.

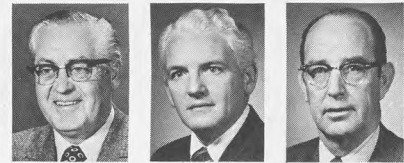
HILLS: Albert F. Droll, a banker and businessman in Hills for 53 years, died this past week following a brief illness. He was 71.

One of Iowa's most innovative bankers, Mr. Droll headed the Hills Bank and Trust Co., serving as president. He joined the bank in 1921. In 1972, he was named the outstanding agriculture-businessman by the Johnson County Farm Bureau. Located in a town of 508 population, the Hills bank has total assets of about \$30 million.

NEWTON: James L. Peters has been elected assistant vice president of the Newton National Bank. He formerly was credit department manager with Iowa-Des Moines National Bank, Des Moines.

SCHLESWIG: Larry Clausen has been elected vice president and cashier of the Farmers State Bank filling the vacancy left by the death of Paul Claussen, vice president.

SIGOURNEY: Tom Bates has



Christy Armstrong Leo Kane Bob Scott

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American Trust and Savings Bank

9TH AND MAIN, DUBUQUE, IOWA
MEMBER FDIC - FRS

been appointed vice president of the Keokuk County State Bank. He formerly lived at Burlington and was employed with the FDIC.

URBANDALE: Thomas R. Smith has been elected a director of Brenton Bank and Trust Company. He is vice president and director of Brenton Banks, Inc., and president of Fidelity Savings Bank of Marshalltown.

WILTON: Wilton Savings Bank has increased its capital account from \$200,000 to \$400,000 by stock dividend. It also has announced the resignation of Lee C. Overson as instalment loan officer. Douglas Shanklin, formerly with the First National Bank of Ottumwa, has joined the bank as assistant cashier and instalment loan officer.

Nebraska News

ALBION: John Cookson has been promoted from assistant cashier to vice president of The First National Bank.

FREMONT: First State Bank has appointed Boyd L. Carpenter vice president. Mr. Carpenter has held various management positions with Fourth National Bank & Trust Co. in Wichita, Kan., and most recently was vice president of the First National Bank of Newton, Kan.

LINCOLN: National Bank of Commerce will sponsor five "Sys-

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tems of the '70s" Seminars this week and next week. Wilbur Baack, vice president and head of the NBC's correspondent bank division, said bank personnel will discuss details of the Mid America Clearing House Association (MACHA) to clarify any questions about it. Nebraska banks are signing up at this time as MACHA members. Each seminar will commence at 3:00 p.m., with social hour at 5:30 p.m. and dinner at 6:30 p.m. They will be held as follows: March 19—Scottsbluff, Elks Club; March 20—North Platte, Ramada Inn; March 21—Grand Island, Ramada Inn; March 26—Fremont, Holiday Lodge; March 27—Lincoln, Hilton Hotel.

MARTELL: Sharon L. Hines, teacher at the Lancaster Office of Mental Retardation, has been elected to the board of The Martell State Bank.

OMAHA: The West Omaha National Bank has changed its name to the American National Bank.

Minnesota News

ANOKA: Christopher Browne has been named a.c. of the State Bank of Anoka.

BENSON: Paul Evans has joined the First State Bank as cashier and instalment loan manager with responsibilities in real estate and farm loans. He previously was assistant cashier at the First National Bank of Willmar.

BRICELYN: Ronald L. Sander has been appointed vice president and director of the State Bank of Bricelyn, according to D. B. Flo,

bank president. Mr. Sander formerly was vice president and director of the Security State Bank of Mankato.

MINNEAPOLIS: Lavern P. Fransen has been promoted to trust officer at the First National Bank

MINNEAPOLIS: Northwest Bancorporation has announced the promotions of Ronald R. Hedger, Clifford S. Jacobson and Anita M. Johnson to assistant vice presidents and Dean H. Hoppe to personnel officer.

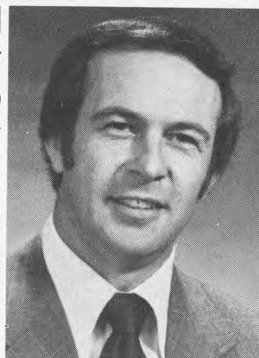
ST. CLOUD: Lorraine Theisen and Bradley Hammerberg has been appointed assistant cashiers and co-managers of Zapp National Bank's new seven-lane auto bank.

ST. PAUL: Mid America Bancorporation, Inc., and American Bancorporation, Inc., both based in St. Paul, have announced they have terminated negotiations to merge the two corporations. In a joint statement, W. T. Richards, chairman of Mid America, and Charles W. Walton, president and chief executive officer of American Bancorporation, commented that current economic conditions could delay or prevent the granting of required approvals by supervisory government agencies. They said that "when economic conditions change, negotiations could perhaps be re-opened."

FOR SALE

One (1) Used Diebold Drive-in window with electric drawer. Excellent condition—\$1,500. Contact First National Bank of Davenport, P. O. Box 100, Davenport, Iowa 52805.

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Terry Martin
Vice President

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Illinois News

CHICAGO: A permit to organize the Galdstone-Norwood Trust & Savings Bank, Northwest Corner of Foster and Central Avenues, has been issued. The state bank's total capitalization of \$1,750,000 will consist of \$700,000 in capital, \$700,000 in surplus and \$350,000 in reserve for operating expense. There will be 87,500 shares of stock with a par value of \$8 each. Organizers are Thomas G. Lyons and John Strasheim, Chicago; John R. Fielding and Bernard J. Kiley, Jr., Western Springs; Eugene W. Butler, West Chicago; and Charles F. Caufield, Niles.

HIGHLAND PARK: Ruth Almich has been promoted to assistant cashier at the Mid America State Bank.

Colorado News

BEAR VALLEY: Kyle J. Mc Clagherty has been elected a director of the First National Bank. He is presently vice president at the bank. His election enlarges the board to 15 members.

LAKESIDE: Lakeside National Bank has announced the following promotions: David L. Barry, vice president and trust officer; James L. Tuggle, vice president and cashier; and Peter J. Ablanczy and Richard A. Walter, assistant cashiers.



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North Dakota News

DICKINSON: Liberty National Bank and Trust Company has announced the promotions of Duane Anderson to executive vice president, Warren Kitzan to vice president, cashier and trust officer, Donald J. Kostelecky to assistant vice president and Judy Glick to assistant cashier. The bank also has added Richard Kingsley to its staff as auditor. Mr. Kingsley formerly was an examiner for the FDIC.

Wyoming News

RAWLINS: The First National Bank has announced the promotions of Henry Hewitt to vice president and cashier and Robert Adams to vice president.

Questions Colorado Branching Decision

Thomas J. Gleason, chairman and president of the \$2.7 million-deposit First National Bank of Fort Collins, Colo., said that his bank has no intention of closing a 24-hour Docutel customer-bank communication terminal in spite of a ruling by the Colorado Banking Board that the terminal violates a state law which prohibits branch banking and sets a limit on detached facilities.

Mr. Gleason insisted, that the CBCT is not a branch but "simply an unmanned remote terminal."

The seven-member banking

board, in a unanimous decision Thursday, found the terminal to be "an office," which violated the "state and national banking laws. It ordered the state attorney general to take the "necessary action to preserve the dual banking system in Colorado."

WANT ADS

**Rates 35 cents per word per insertion. Minimum: 12 words
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Young man with Iowa farm background, graduating May 17 from Univ. of Northern Iowa, seeks officer trainee position in progressive community bank. Write: Galen Reding, 118 Rider Hall, University of Northern Iowa, Cedar Falls, Ia. 50613, Phone 319/273-4579.

POSITION WANTED

Age 32, married man, 2 children, B.A. with mathematics major. M.A. in school administration. 10 yrs. experience in education. Insurance agent one year. Farm background. Reply to: Gayl Gitch, Dumont, Ia. Ph. 515/857-3273.

POSITION AVAILABLE

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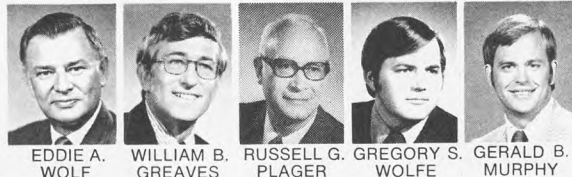
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