

NORTHWESTERN Banker Newsletter

Vol. 6 No. 37

Des Moines, Iowa

January 9, 1978

Look for '78 Farm Income at '77 Level

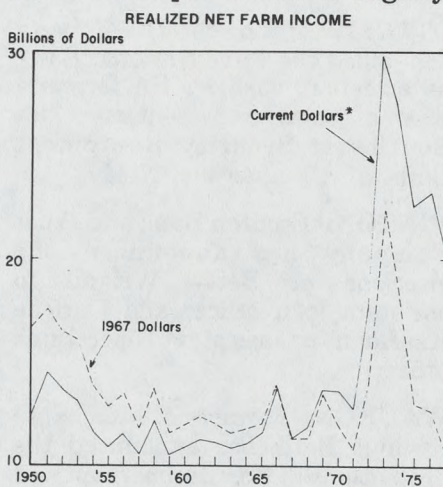
"The outlook for 1978 is reasonably clear. In short, farm prices—even after allowing for a few surprises—are not likely to show unusual strength in the year ahead because supplies of most farm commodities are ample. Thus, net farm income is likely to remain at a relatively low level in 1978."

That is the opinion of C. Edward Harshbarger and Marvin Duncan of the Kansas City Federal Reserve Bank in their published Outlook for 1978. Their summary points to the drop in net farm income of \$30 billion in 1973 to approximately \$20 billion in 1977. Further, they state, inflation ravaged that \$20 billion down further to only \$11 billion when measured against 1967 constant dollars, while the \$30 billion in 1973 was downgraded by inflation to \$22 billion. The \$11 billion figure, they say, is the lowest net return to agriculture since the depression of the 1930s.

With supplies of most ag commodities expected to remain large in 1978, future growth in demand assumes a stronger role. Foreign sales, the writers say, should remain fairly constant.

Large harvests of crops in 1977 and bulging carryover stocks should make crop supplies more abundant than a year ago, they state. Consequently, government

programs will have a significant impact on markets and producer incomes in 1978, as farmers place substantial quantities of grains and cotton under loan. The writers see wheat at \$2.25 per bushel, corn about \$2.00 per bushel or slightly



*Current Dollars are deflated using the "items used for family living" component of the Index of Prices Paid by Farmers. Government payments are included in the data.

SOURCE: U.S. Department of Agriculture.

higher and soybeans at \$5.00 to \$5.50 per bushel.

The Harshbarger-Duncan report sees meat supplies as ample for 1978. They look for hog inventories to be up 12-15%, with first-half 1978 prices down \$3-\$5 below the \$40 hundredweight average in 1977. If preliminary farrowing plans are followed, year-end pork prices could drop below \$30.

Rising slaughter of grain-finished cattle will limit price gains in the fed-cattle market at least during the first half of 1978. The longer term outlook is more optimistic since Jan. 1, 1978, cattle inventory is expected to be 118 million head, down from 123 million a year ago and 132 million Jan. 1, 1975. Prices on choice steers, all factors considered, may average \$2 to \$3 per hundredweight above the \$40 estimated for 1977.

If the open market doesn't sustain target prices set by the new Food and Agriculture Act of 1977, more payments will be made to farmers to supplement their incomes. This could lead to more government production controls and continuing dependency by farmers on government aid rather than looking to the markets for income.

In general, the Harshbarger-Duncan report concludes, "barring an unexpected spurt in exports, net farm income seems destined to remain at a relatively low level in 1978—perhaps below \$20 billion. Returns of this size are not conducive to the maintenance of a strong agriculture in the long run..."

"The key is to design the (public) programs so that they augment the market system rather than replace it. Within this context, the new farm program offers considerable promise, but a final judgment on its effectiveness rests with time."

Correspond with the bank that can give you

**a lot of help for
your money.**



**IOWA-
DES MOINES**
NATIONAL BANK

Member FDIC

An Affiliate of Northwest Bancorporation **BANCO**

George Milligan (515) 245-3300



START SOMETHING WITH SECURITY!

Call Jim Hongslo for complete service on all your correspondent banking needs. The kind of help Security can provide.
712/277-6625

SECURITY NATIONAL BANK

Sixth & Pierce Street • Sioux City, Iowa 51101
Member F.D.I.C.



Iowa News

The Iowa Bankers Association will be sponsoring two additional IRA-HR-10 Seminars in January conducted by Collin Fritz. Registration will begin at 8:30 a.m. followed by the meeting at 9:15. The morning session will cover IRA update and reporting forms and the afternoon session, convening at 1:15 p.m., will cover HR-10 update and reporting forms. Locations are January 16, Jumers, Davenport, and January 18, Eddie Webster's Des Moines.

CEDAR RAPIDS: J. Gary Criddle has joined the United State Bank as assistant cashier. He has more than four years previous banking experience in the Cedar Rapids area.

LIME SPRINGS: The Exchange State Bank has been sold by L. J. and Margaret Metcalf to Harry A. Larson, president, State Savings Bank; Karl and Ivan Harken, Harken Lumber, Inc., and Lyle Uhlenhopp, owner of Hilltop Feeder Pig, Inc., all four of Aplington. The Metcalf's have retired as president and vice president respectively and from the bank board. Mr. Larson will be president and chief executive officer and the four new owners will comprise the board of directors at this time. Mr. Larson continues as president of the bank in Aplington. L. A. Johnson continues as vice president and cashier and Keith Johnson as assistant cashier at Exchange State Bank here. Newlin Bank Sales, Inc., Des Moines, handled the sale.

MUSCATINE: Open house was held recently at Central South Bank, Grandview Avenue and Reed Street. The service center for Central State Bank provides 24-hour banking service.

ings Bank has announced the following promotions: Denis G. Wilcox, from vice president to executive vice president; Mark E. Schakel, from vice president to senior vice president; Thomas J. Hermsen, from loan officer to assistant vice president and manager of the instalment loan department, and R. Douglas Fisher to loan officer.

OTTUMWA: Lowell D. Roberts has joined the First National Bank as assistant cashier. He formerly was a sales representative for Southwest Security Equipment Corp. of Albuquerque, N.M.

VINTON: Brenton Bank and Trust Company has announced the elections of Betty Wright to assistant loan officer and Darlene Kaufman to assistant operations officer.

WAUKON: Farmers & Merchants Savings Bank has announced the promotions of Kay Zimmerman and James L. Rathbun to assistant cashiers.

Nebraska News

"Sell Your Dollars" is the theme of the Nebraska Bankers Association Instalment Credit Conference scheduled for Thursday and Friday, Jan. 19-20, at the Holiday Inn, Kearney. William Adkins, senior vice president, First National Bank, Topeka, will begin the

morning on Thursday with a talk on the outlook for instalment credit. He will be followed by a panel of two attorneys and two examiners who will speak on compliance with lending regulations. Friday will include a presentation on marketing and small groups with the panel speakers each heading a session. Registrants will have time to attend two sessions.

ELSIE: The Jackman family and D. W. Sexson of Grant have sold the Commercial State Bank here to Harvey Brott of Roscoe and Jerry Wrage of Keystone. Mr. Brott will move to Elsie. Mr. Wrage is president of the Bank of Keystone. No personnel changes will be made and Duane Hendricks will remain executive vice president and cashier.

GRAND ISLAND: Richard D. Falldorf, commercial loan officer, has been named to the additional title of assistant vice president of the First National Bank.

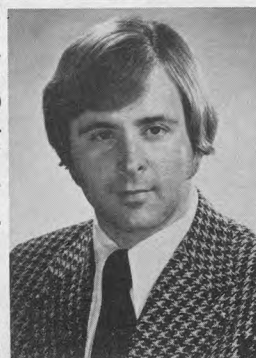
LINCOLN: Citizens State Banco has received permission to become a bank holding company by acquiring Citizens State Bank here.

LINDSAY: Barry V. Marsh has joined the Bank of Lindsay as executive vice president. Mr. Marsh formerly was with the First State Bank in Oakdale.

LOUISVILLE: Dick Harner has been named president and cashier of the Louisville State Bank. He previously was vice president and cashier at the Havelock Bank in Lincoln.

McCOOK: First National McCook Company's application for approval to become a bank holding company through acquisition of 99 and one-third per cent of the voting shares of The First National Bank here has been approved.

A good correspondent bank relationship is still built by good people. Yours and ours.



Jerry Trudo
Asst. Vice President

Call me toll free . . .
800-332-5991

Merchants National Bank
Cedar Rapids, Iowa 52401 A BANKS OF IOWA BANK



CARLETON D. BEH Co.

INVESTMENT SECURITIES

DES MOINES BUILDING

DES MOINES, IOWA

TELEPHONE
288-2152
AREA CODE 515

NEW ISSUE

\$6,500,000

MOODY'S "Aa"

RICHFIELD, MINNESOTA

General Obligation Refunding Bonds of 1977

Dated: January 1, 1978

Denomination: \$5,000

Both principal and semiannual interest (February 1 and August 1, first coupon due August 1, 1978) payable at a bank to be designated.

IN THE OPINION OF COUNSEL INTEREST ON THESE BONDS IS EXEMPT FROM ALL PRESENT FEDERAL INCOME TAXES.

MATURITIES

| | | | | | |
|-----------|-------------------|------|-----------|-------------------|------|
| | <u>5.50%</u> | | | <u>4.90%</u> | |
| \$330,000 | February 1, 1979 | 3.75 | \$410,000 | February 1, 1990* | 4.90 |
| 315,000 | February 1, 1980 | 3.90 | | <u>5.00%</u> | |
| 300,000 | February 1, 1981 | 4.05 | 405,000 | February 1, 1991* | 5.00 |
| 305,000 | February 1, 1982 | 4.20 | 405,000 | February 1, 1992* | 5.00 |
| | <u>5.25%</u> | | | <u>5.10%</u> | |
| 300,000 | February 1, 1983 | 4.30 | 400,000 | February 1, 1993* | 5.10 |
| 285,000 | February 1, 1984 | 4.40 | | <u>5.15%</u> | |
| | <u>4.60%</u> | | 395,000 | February 1, 1994* | 5.15 |
| 280,000 | February 1, 1985 | 4.50 | | <u>5.20%</u> | |
| | <u>4.75%</u> | | 390,000 | February 1, 1995* | 5.20 |
| 275,000 | February 1, 1986 | 4.60 | | <u>5.25%</u> | |
| 265,000 | February 1, 1987 | 4.70 | 390,000 | February 1, 1996* | 5.25 |
| 405,000 | February 1, 1988 | 4.75 | | <u>5.30%</u> | |
| | <u>4.80%</u> | | 230,000 | February 1, 1997* | 5.30 |
| 415,000 | February 1, 1989* | 4.80 | | | |

*Optional in inverse order beginning February 1, 1987 at 100%.

LEGALITY TO BE APPROVED BY LEFEVERE, LEFLER, PEARSON, O'BRIEN & DRAWZ, ATTORNEYS, MINNEAPOLIS, MINNESOTA

Richfield is located immediately adjacent to Minneapolis at the City's southern border. While most Richfield residents earn their livelihoods in business and industry in metropolitan Twin Cities, there are about 700 commercial and service establishments in the City itself. The concentration is retail trade and services as attested by the several large shopping centers located there. It is estimated that there are 10,700 residential dwelling and 4,400 apartment units in the City. Median value of homes is estimated at \$45,000. Larger taxpayers include: Century Court Apartments, Northern States Power Co., Colony Apartments, Minneapolis Gas Company, N. B. C. Apartments, Heritage Square Apartments, Richfield Bank and Trust Co., Fountain Head Apartments, Stadium Office Park, Naegele Outdoor Advertising Co. and Hub Shopping Center. There are two banks in Richfield with deposits in excess of \$93,000,000.

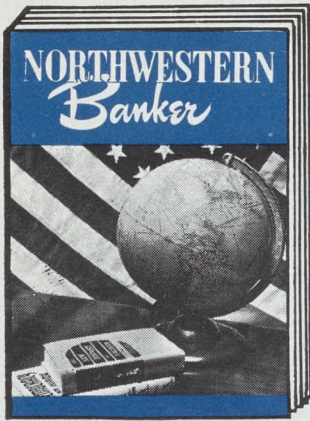
These bonds are being issued pursuant to Chapter 475, Minnesota Statutes, for the purpose of refunding, in advance of maturity, two of the City's outstanding general obligation bond issues. In the opinion of counsel, these bonds are legal and binding general obligations of Richfield, Minnesota, and all taxable property located therein is subject to the levy of sufficient taxes to pay the principal of and interest on the bonds without limit as to rate or amount.

FINANCIAL STATEMENT

| | |
|---|---------------|
| Market value of taxable property, 1976-77 | \$486,587,933 |
| Assessed value of property, 1976-77 | 160,315,700 |
| Direct debt, including this issue | 22,932,000 |
| Net direct debt, excluding self-supporting | - 0 - |
| Total net direct, overlapping and underlying debt | 8,366,527 |
| Population, 1977 estimate: 43,270 | |
| Direct debt per capita: | \$529.97 |
| Net direct debt per capita: | - 0 - |
| Total debt per capita: | 193.36 |

Tax collections have approximated 99.7% of taxes levied for the last three years.

We own and offer subject to prior sale and change in price and subject to our attorney's approving opinion.



306 Fifteenth Street
DES MOINES, IOWA 50309

Send *Your News* Today to the **NORTHWESTERN BANKER**

TELL US ABOUT...

Staff Changes
Business Campaigns
Mergers, Consolidations
New Departments at the Bank
Remodeling or New Building

Open Houses
Anniversary Parties
Deaths or Retirements
Speeches Made by Bank Officers
Special Announcements to the Public

BANK

OFFICER TITLE

CITY STATE

CALL ON THE "PERFORMANCE TEAM"

where common transactions are handled uncommonly well.



FIRST NATIONAL LINCOLN

13th & M Street • Lincoln, Nebraska 68501 • Member, F.D.I.C.

PETERSBURG: Allen Thorberg has joined the Petersburg State Bank.

Illinois News

ELMHURST: York State Bank and Trust Company has announced the following promotions: Kathryn Dietzen and Ray Sirovatka, from assistant cashiers to assistant vice presidents, and Ruth Asmussen, John Binneboese and David Johnson to assistant cashiers.

EVERGREEN PARK: Heritage/Standard Bank and Trust Company has received consent to establish a facility at 4001 West 95th Street in Oak Lawn.

FLORA: Flora Bank & Trust's application for federal deposit insurance has been approved. The bank's capital accounts total \$1 million.

ITASCA: The Itasca State Bank has received consent to exercise limited trust powers.

Minnesota News

The following banks have increased their capital stock: by sale of new stock—State Bank of Blomkest, \$75,000 to \$150,000; First State Bank of Cosmos, \$50,000 to \$66,000; Security State Bank of Remer, \$50,000 to \$100,000; by stock dividend—First State Bank of Lakefield, \$200,000 to \$300,000; First State Bank of Minneota, \$300,000 to \$400,000, and The First State Bank of Waseca, \$350,000 to \$500,000.

BLUE EARTH: Curtis H. Nelson, executive vice president, has been named president of the Blue Earth State Bank. He succeeds Paul Lindholm who recently purchased a majority stock in the Farmers & Merchants State Bank of Clarkfield and has assumed active management there. Jack S. Geramo has joined the bank as an agricultural loan officer. He had been an agricultural loan officer for the Production Credit Association of Fairmont.

Bank has announced the following promotions: Jileen J. Fanning, trust officer; William C. Jones, corporate trust officer, and John W. LaBounta, credit card officer.

NORTH MANKATO: Dale E. Kuper recently was appointed senior vice president of the Valley National Bank. He formerly was vice president of the National Bank of Commerce in Mankato. Robert J. Maiers was promoted to assistant cashier in instalment lending.

ST CLOUD: An application by First Bank System, Inc., Minneapolis, to acquire Granite City National Bank here has been approved. This is a new charter in St. Cloud.

SHERBURN: Dave Anderson is the new chief executive officer of the Farmers State Bank here. He succeeds Quentin Marsh who has returned to the National Bank of Commerce at Mankato. Mr. Anderson formerly was vice president of the Citizens State Bank at St. James.

Colorado News

ARVADA: United Banks of Colorado, Inc., Denver, has received approval to acquire the voting shares of United Bank of Arvada, N.A., a proposed new bank.

ENGLEWOOD: The First National Bank of Englewood has announced the promotions of two commercial loan officers: Jerrold Evans to vice president and John Simmons to assistant vice president.

MONACO: Rosella Davis and Bruce Van Gundy have been appointed personal banking officers at United Bank of Monaco.

DENVER: United Bank of Denver has announced the appointments of Harry W. Adair as vice president, and Thomas J. Brennan and Howard R. Fairbairn as commercial banking officers.

NORTHGLENN: Harold R. Lacy has joined the Adams County Bank as senior vice president. He formerly was an assistant vice

president in the commercial loan department of the American National Bank of Denver.

South Dakota News

BRISTOL: Harry Hixon has been elected assistant manager of First National Bank.

BRITTON: First National Bank has announced the promotions of Mavis J. Gunderson to insurance officer, and James L. White to agricultural loan officer.

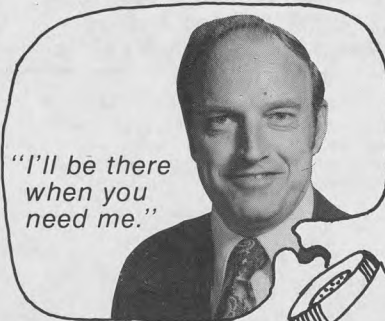
North Dakota News

BISMARCK: Jon C. Goodman has been elected assistant vice president of Dakota Northwestern Bank. He formerly was an assistant vice president of the First National Bank and Trust Company, Fargo, a Dakota Northwestern affiliate.

BOTTINEAU: State Bank's application to increase its capital from \$100,000 to \$200,000 has been approved.

GRAND FORKS: An application has been filed for a charter for First Dakota Bank at 24th Avenue S. and Columbia Road here. The application calls for capital stock of \$5 million.

Call your roving correspondent at Bankers Trust



Ben Eilders, Senior Vice President

BANKERS TRUST
Des Moines, Iowa 50304

Use our toll-free WATS line: 800-362-1688
Member: F.D.I.C./Federal Reserve System

WANT ADS

POSITION AVAILABLE

Executive Secretary, North Dakota Bankers Association, Bismarck, North Dakota. Legal Counsel preferred but not required. Salary negotiable - please state desired salary range when submitting application. All interested applicants please send resume to Wayne Stroup, President, Garrison State Bank, Garrison, North Dakota 58540. (Tel: 701/463-2262).

LEASE OR SALE

14' x 70' preconstructed commercial bank bldg. equipped with drive-up window, inside tellers, depository, currency chest, & desk. Also 4 different types of constructed buildings available in various sizes. SON CORPORATION, Box 684, Wichita, KS 67201 - 316/942-8167.

POSITION AVAILABLE

Immediate opening for an operations officer in a rural, \$20MM bank. Some previous experience desired. Send resume to file number AAZ, c/o NORTHWESTERN BANKER, 306 - 15th St., Des Moines, IA 50309.

**ESTATE APPRAISALS
ESTATE PURCHASES
ESTATE SALES**
PHONE 402-397-2767
AKSARBEN STAMP AND COIN
10817 PRAIRIE BROOK RD.
OMAHA, NE. 68144

FLOAT ANALYST/ TRAFFIC COORDINATOR

Candidate must have knowledge of bank operations—especially in proof, transit and the money center. Must have ability to communicate effectively with bank officers and couriers. Must be people oriented, creative and a dedicated worker. Good statistical math abilities are mandatory. Salary commensurate with qualifications and experience. Send resume to: The Omaha National Bank Personnel Dept. — Attn.: Judi Napier 17th and Farnum Streets Omaha, Nebr. 68102

THE OMAHA NATIONAL BANK
An Equal Opportunity Employer

**BANKS
FOR SALE**
ALL ACROSS U.S.A.
Daniel A. Hyland
CROWN BANKING SERVICES
325 W. Prospect Avenue
Mount Prospect, Illinois 60056

POSITION WANTED

29 yr. old college graduate with 5 years experience in PCA wishes to join aggressive agricultural lender in the midwest. Contact James Godke, R.R. 1, Milledgeville, Ill. 61051. 815/225-7304.

**When
you need
a little help
call us on our
toll free
wats number
800-362-1615**



EDDIE A.
WOLF



WILLIAM B.
GREAVES



CY
KIRK



RICHARD
BRO



RAYMOND
SCHNEIDER

Correspondent Bank Department
"C" Central National Bank & Trust Company
DES MOINES, IOWA
AFFILIATED WITH CENTRAL NATIONAL BANCSHARES, INC.

POSITION WANTED

41 year old banker wishes to relocate in smaller NW Iowa or SW Minn. bank as 2nd man or loan officer. 19 years experience, mostly insurance & instalment loan. Write ABA, c/o NORTHWESTERN BANKER, 306 - 15th St., Des Moines, IA 50309.

BANKERS PARTICIPATING *LeasePlan*
by
First Insured Services, Inc.
545 - 31st Street
Des Moines, Iowa 50312
R.L. "DICK" SELLON**P.D. "DUANE" DEVAULT

POSITION AVAILABLE

Bank Auditor. Staff auditor for internal audit department of Des Moines bank holding company. Must have bank operations background. Audit experience helpful, but will train if candidate possesses adequate banking knowledge. Supervisory ability a plus. Send resume to Box AAY, % NORTHWESTERN BANKER, 306 - 15th St., Des Moines, Ia. 50309.

SERVING PROFESSIONALLY
Banking, Financial & Business Personnel
Iowa and Nationwide
CAPITAL PERSONNEL SERVICE
204 Securities Bldg. 515-283-2545
Des Moines, Iowa 50309

FOR SALE

12' x 36' Modular Drive In/Walk In Bank Unit. Fully equipped with drive in window, night depository, bullet resistant walk up window, alarm system, electronic heat and air conditioning, carpet and drapes. Available January 1, 1978. Contact: Financial Products, Inc., Box 1035, Eau Claire, Wis. 54701. Ph. 715/835-8160.

POSITION AVAILABLE

Number two man for \$14MM bank in a town of 1,100 in North Central Illinois. Must have experience and capable of taking over management in six to seven years. Salary is open. Full pension and profit sharing plan available. Send resume to Box AAW, c/o NORTHWESTERN BANKER CO., 306 - 15th St., Des Moines, Iowa 50309.

Microfilm Lamps NO. FCS



| Lots of: | G.E. & Syl. | Norelco |
|----------|-------------|---------|
| 6-47 | \$4.29 | \$3.25 |
| 48-95 | 3.63 | 3.00 |
| 96-UP | 3.43 | 2.95 |

We prepay any shipment over \$100.00 net. Minimum order, \$25.00 net. Write for special prices on other lamps. Your satisfaction guaranteed. Please save for future reference.

Sitler's SUPPLIES, INC.
P.O. Box 10-Z 702 E. Washington St.
Washington, Iowa 52353
Ph. 319-653-2123

FOR SALE

Fully equipped 8' x 13' aux. drive-up bank facility. Equipped with two Diebold drive-up windows and necessary cash drawers and cabinets. Bullet-proof glass throughout. Available in February, 1978. Contact C. G. Holthuis, President, First National Bank of York, York, Nebraska 68467, (402) 362-3313.

POSITION AVAILABLE

\$24MM North Central Iowa bank seeks agricultural loan officer. Please send resume and salary requirements to Box AAX, c/o NORTHWESTERN BANKER, 306 - 15th St., Des Moines, Iowa 50309.

Estate Appraisals

Purchase of Collections

Sale of Rare Coins

Reliable and respected service for over 20 years

Used by bankers throughout the midwest

Ben E. Marlenee Coins

913 Locust
Des Moines, Iowa 50309
515-243-8064

POSITION AVAILABLE

Opportunity in Southwestern Minnesota Bank in Commercial Loan Dept. Present portfolio about \$30MM. Some experience required. Contact Western Bank & Trust Co., Marshall, Minn. 56258. Attn: D. O. Aschbrenner, Pres.

- I would like to sell my majority bank stock.
 I would like to buy majority bank stock.

Please Contact: J. Mason Henry, President

Charles E. Walters Co., Inc.
P.O. Box 1313, Omaha, Nebraska 68101
Phone: (402)553-6400

POSITIONS AVAILABLE

TRUST OFFICER—Handle dept. for \$50MM suburban bank. Must be aggressive and business development oriented. Law Degree not necessary. \$20,000
PLATFORM OFFICER—\$40 MM rural bank located in Missouri resort area. Prefer lending background—instalment, real estate and commercial. \$18,000
INSTALMENT LOAN—1-3 yrs. bank experience with overall knowledge of consumer lending procedures \$14,000
CASHIER—#2 position in \$10MM rural Iowa bank. Should have ag lending background as well as operations \$20,000
COMML LOAN—Senior position with opportunity to become CEO. Metro area; bank \$80MM \$30,000

Many other fine opportunities available. If you are seeking a new position, call or send full resume' and salary history. All inquiries held in confidence.

TOM HAGAN & ASSOCIATES

Box 12346, 208 E. 18th Ave.
NKC, MO 64116 (816) 474-6874

"IT TAKES A BANKER TO KNOW ONE"

Vol. 6 No. 37 Northwestern Banker Newsletter is published weekly by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309. Subscriptions 25 cents per copy, \$8 per year. Second class postage paid at Des Moines, Iowa. Address all mail subscriptions, changes of address [Form 3579] manuscripts, mail items to above address.