

NORTHWESTERN Banker Newsletter

Vol. 8 No. 14

Des Moines, Iowa

July 30, 1979

Vote for Voluntary Fed Membership

VOLUNTARY membership in the Federal Reserve System received "a vote of confidence" when the House voted 340 to 20 on legislation intended to slow attrition of banks in the Fed.

In voting on a provision that would have mandated universal reserve requirements on transaction accounts, the House agreed that the voluntary system would be maintained unless deposits held by member banks drop below 67.5% of total insured deposits. At that point, the bill would trigger mandatory reserves for transaction accounts at all financial institutions.

Rep. Henry R. Reuss (D.-Wis.), chairman of the House Banking, Finance and Urban Affairs Committee, originally supported the mandatory approach. He agreed to support the voluntary system if the trigger point was raised from 66% to 67.5%. Introduction of this change by Rep. Reuss was unexpected.

The bill also changes existing reserve requirements. It would impose an initial 3% requirement on \$35 million or less in transaction accounts and 11% above \$35 million, with the Fed having authority to alter the ratio within a range of 1% to 12%. The Board

would also have authority to set reserves on short-term non-personal time deposits within a range extending up to 8%. Short-term time deposits from individuals will have no reserves. Telephone transfers from savings to checking will be limited to six per month. The seventh becomes a transaction account.

The reserve reduction would be phased in over a three-year period. Some modifications will be necessary in the House version because with mutual savings banks included, Fed members hold only 63% of deposits.

The vote represented a victory for the American Bankers Association, which sent several hundred bankers to Washington to lobby for the voluntary approach.

The legislation faces an uncertain future in the Senate. The Fed may continue to fight for passage of a bill to stem its membership loss, but with the departure of Fed Chairman William G. Miller (to become Secretary of the Treasury) momentum is likely to slow. □

Iowa News

In response to a request from Shared Services, Inc., an EFT switch operated by several Iowa

savings and loan associations, and from the Iowa Credit Union League, the board of directors of Iowa Transfer System, Inc., has authorized ITS officers to attempt to negotiate agreements for ITS to provide processing and transaction routing services for those institutions and their EFT terminals.

CEDAR RAPIDS: Duane P. St. John has been appointed comptroller and chief accounting officer of Banks of Iowa, Inc. He succeeds Richard C. Stoufer who has joined a public accounting firm in Council Bluffs.

CLEGHORN: Fred Ducommun, president of the Cleghorn State Bank, has announced that J. E. Goodenow and W. A. Krause have tendered all shares of stock in the bank. The sale is subject to approval of federal regulatory authorities. Mr. Goodenow is president of the Wall Lake Savings Bank and the Exchange State Bank, Exira. Mr. Krause is president of the State Bank of Allison and the Exchange State Bank, Wesley. In addition to their Iowa banks, the two men have interests in several out of state banks.

DES MOINES: Richard S. Levitt has been elected chairman and chief executive officer of Dial Corp.

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succeeding Edward Glazer, who is retiring August 1. Mr. Levitt remains president of the holding company.

GOWRIE: Nels A. Lindquist has been promoted from assistant vice president and cashier to vice president at the First State Bank here. C. R. Lawrence was promoted from assistant cashier to cashier.

GREEN MOUNTAIN: Producers Savings Bank here has received consent from the FDIC to exercise limited trust powers.

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Voldy Vanags

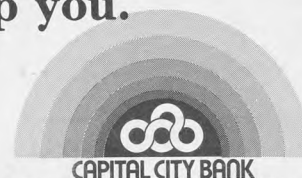
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HAMPTON: Roger V. Doughan has been elevated from executive vice president to president and chief operating officer of the First National Bank here. He succeeds A. M. Saylor, who remains chairman and chief executive officer.

KEOKUK: The State Central Savings Bank here has received consent from the FDIC to establish a facility at 201 Boulevard Road here.

KIRON: The hearing on the application of Kiron State Bank to move to Odebolt and retain an office in Kiron has been re-opened and will be held August 22 in the office of the Iowa superintendent of banking. Attorneys for Odebolt State Bank said the earlier hearing did not allow cross-examination of witnesses so department officials re-opened the hearing. A decision probably will be announced in September. Kiron has a population of 271 people, and Kiron State had year-end deposits of \$5.9 million. Odebolt has a population of 1,323 and Odebolt State had deposits of \$8.3 million at year-end.

OSAGE: Margaret I. Hendry, 61, vice president and trust officer of the Home Trust & Savings Bank here, died last month following an extended illness. She joined the bank in 1940, was named assistant vice president and assistant trust officer in 1970, and promoted to her most recent position in January.

Nebraska News

HOWELLS: Elmer L. Bradley has announced plans to retire as president of The Howells Bank, a position he has held since August, 1977. He joined the bank as cashier in 1946, and served as vice president from 1953 to 1977.

LINCOLN: H. J. "Jack" Dawson, vice president, has been promoted to manager of the trust and

investment division of the First National Bank & Trust Company. He succeeds Robert D. Northrup who resigned August 15.

McCOOK: The board of the new American State Bank here organized recently. K. H. Niedan, formerly president of the Hershey State Bank, was elected president and chairman of the board. Gerald Toman, formerly president of the Farmers State Bank, Wallace, was elected vice president and cashier. Steve Huebner, formerly with the Hershey State Bank, was elected assistant cashier and security officer. Board members include Messrs. Niedan and Toman, Ben Hormel, Don Blank, Chester Stewart and Lester Van Voorhis, all of McCook, Dean Niedan of North Platte and Duane Acklie of Lincoln. The Niedans were granted a charter last December to open the bank, but the start of operation has been delayed pending action on a charter appeal.

NEWMAN GROVE: First Newman Grove Bankshares Corporation has received consent from the Federal Reserve Board to become a bank holding company by acquiring the First National Bank here.

OMAHA: Four promotions have been announced by Packers National Bank. Robert E. Wolf, and Dolores O'Conner have been named facility managers, and Mark D. Dunlap and Donald F. Holst were named loan officers.

PANAMA: Eugene W. Bortz will resign as president of the Bank of Panama effective the first of August. Mr. Bortz has purchased a Panama business and will remain on the bank's board of directors. Succeeding him as president is Bob Wekesser Jr. of Lincoln.

Minnesota News

ASKOV: Security State Bank of Askov has received consent from



NEW ISSUE

MOODY'S: A 1

\$625,000
REDWOOD COUNTY, MINNESOTA
General Obligation Drainage Bonds of 1979

Dated: September 1, 1979

Denomination: \$5,000

Both principal and semiannual interest (January 1 and July 1, First coupon due July 1, 1980) payable at American National Bank, St. Paul, Minnesota.

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

MATURITIES

	<u>6.00%</u>			<u>5.50%</u>	
\$30,000	January 1, 1981	5.20	\$40,000	January 1, 1990	5.50
40,000	January 1, 1982	5.25		<u>5.55%</u>	
45,000	January 1, 1983	5.25	40,000	January 1, 1991*	5.55
45,000	January 1, 1984	5.30		<u>5.60%</u>	
	<u>5.70%</u>		40,000	January 1, 1992*	5.60
40,000	January 1, 1985	5.30		<u>5.65%</u>	
40,000	January 1, 1986	5.35	40,000	January 1, 1993*	5.65
	<u>5.50%</u>			<u>5.70%</u>	
45,000	January 1, 1987	5.35	40,000	January 1, 1994*	5.70
45,000	January 1, 1988	5.40		<u>5.75%</u>	
45,000	January 1, 1989	5.45	50,000	January 1, 1995*	5.75

*Optional in inverse order beginning January 1, 1990 at 100%.

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

Redwood County is located in southwestern Minnesota, approximately 115 miles southwest of Minneapolis and approximately 55 miles north of the Iowa line. In addition to the City of Redwood Falls, the County Seat, the County contains 15 Villages: Clements, Delhi, Lambertson, Lucan, Milroy, Morgan, North Redwood, Revere, Sanborn, Seaforth, Vesta, Wabasso, Walnut Grove and Wanda. The County contains 559,360 acres and the present population is estimated at 19,595. Major employers in the City include: Magnetic Peripherals, Inc. (425 employees; computer equipment); Central Bi-Products (204 employees; feather processing); Redwood Falls Municipal Hospital (125 employees, medical); Robert Milton Home (90 employees, nursing care); and Schult Mobile Homes, Inc. (88 employees, mobile home mfr.). There are 11 banks located in Redwood County with total deposits as of December 31, 1978 of \$47,853,558.

These bonds are issued pursuant to Chapters 106 and 475, Minnesota Statutes. The proceeds of this issue will be used to finance the construction of six drainage ditches. The debt service will be paid primarily from assessments levied against the benefited property. In the opinion of counsel, these bonds are also legal and binding general obligations of Redwood County, 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 should the assessments prove insufficient.

FINANCIAL STATEMENT

Market value, 1978	\$727,983,246
Assessed valuation, 1978	115,780,336
Direct debt, including this issue	1,922,000
Net direct debt, excluding self-supporting	-0-
Total direct, overlapping and underlying debt	8,850,868
Population, 1979 estimate: 19,595	Direct debt per capita: \$ 98.08
	Net direct debt per capita: -0-
	Total debt per capita: \$451.69
	Direct debt per acre: \$ 3.44
Area: 559,360 acres	Net direct debt per acre: -0-
	Total debt per acre: 15.82

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

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

The information contained herein is not guaranteed, but is derived from sources we deem reliable and is that on which our purchase of these bonds was based. Offered subject to prior sale and change in price.

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		Retail Price	100/249	250/499	500/999	1000/2499	2500 UP
Paper Mate Ninety-Eight Pen	376	.98	.90	.86	.77	.69	.62

AABCD

Supplement To Northwestern Banker Newsletter 7-30-79

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- Orders must be placed prior to August 31, 1979 and shipped before September 28, 1979.
- First ship date May 1, 1979.
- All orders will receive the 20% Free Goods unless notified otherwise.

Ink Cartridge: Standard, medium point, blue ink.

Packaging: Individually packaged in sealed poly bag.

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Prices Include: One-color printing on cap.

Pen Colors: Black, deep red, medium blue, dark green, bone white.

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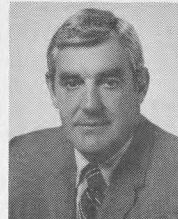
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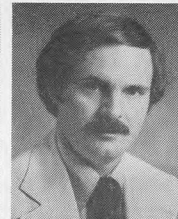


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the FDIC to establish a detached facility at the site of the former Kerrick State Bank on Main Street in Kerrick.

AUSTIN: John F. Beckel has been promoted from assistant vice president to vice president at the Northwestern State Bank of Austin.

EDEN PRAIRIE: The Minnesota commissioner of banks has announced the issuance of a charter to the Prairie State Bank of Eden Prairie. The bank opened for business July 16 at 7901 Flying Cloud Drive. Initial capitalization of \$1 million includes \$500,000 for capital stock and \$500,000 for surplus and undivided profits. At the first meeting of the board of directors, Fred Hodgdon was elected president, Gerald Herman executive vice president and cashier, and A. J. Yoki assistant vice president. Incorporators included Messrs. Hodgdon and Yoki, J. A. Cochrane, Charles Pihl and Dean F. Scheff. All incorporators and Mr. Herman comprise the board of directors.

EDINA: First Southdale National Bank has increased its capital accounts by the sale of new stock. New capital totaling \$300,000 brings the bank's capital totals to \$8.5 million, including reserves.

KERRICK: The Kerrick State Bank has received consent from the FDIC to change the location of its main office from Main Street in Kerrick to the intersection of Highways 324 and 61 in Pine City. Both towns are located in Pine County.

NEW PRAGUE: LSR Services, Inc. has received consent from the Federal Reserve Bank of Minneapolis to become a bank holding company by acquiring the State Bank of New Prague.

ST. ANTHONY VILLAGE: St. Anthony Company has received

consent from the Federal Reserve Board to become a bank holding company by acquiring the St. Anthony National Bank.

Illinois News

CHICAGO: The Board of Governors of the Federal Reserve System has announced its approval of the applications of Algemene Bank Nederland, N.V., and A.B.N.-Stichting, both of Amsterdam, The Netherlands, to become bank holding companies by acquiring LaSalle National Bank, Chicago.

CRESTWOOD: An application by the Crestwood Bank for Federal deposit insurance has been approved by the FDIC. The bank's total capital accounts are \$1.5 million.

New Fed Chairman

Paul Volcker, president of the New York Federal Reserve Bank, has been nominated as chairman of the Federal Reserve Board. He will replace G. William Miller, who has been named Secretary of the Treasury.

Wyoming News

RANCHESTER: Two Nebraska men have purchased state banks in Rancheater and Edgerton from Wynn and Catherine Terwilliger for an undisclosed sum. The Rancheater State Bank and Citizens State Bank, Edgerton, were sold to Ray Weilage Jr. of Crete, Neb., and John Osterman of Kilgore, Neb. Mr. Terwilliger, who served as president of the two banks, is retiring from banking due to poor health. Mr. Weilage, a cattle rancher, has interest in two Nebraska banks. Mr. Osterman is president of the Farmers State Bank in Kilgore.

North Dakota News

FARGO: George W. Schwartz has been elected president and a

director, and Robert D. Harkison, chairman of the board and chief executive officer, of the First National Bank & Trust Co. of Fargo effective September 1. Mr. Schwartz has been president of the First Northwestern State Bank of Thief River Falls, Minn., since 1974. He succeeds Mr. Harkison as president.

Colorado News

DENVER: John G. Wilkinson was elected executive vice president of the Colorado State Bank of Denver. He most recently served as a senior vice president. Robert S. Anderson was promoted from vice president to senior vice president.



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Robert Scott,
Correspondent Banker



DENVER: Joan Galbraith has been appointed an assistant vice president at United Bank of Monaco, N.A. She formerly was manager of teller operations at United Bank of Denver.

ENGLEWOOD: Walt Wilson was named assistant vice president of Community Bank & Trust of Englewood, a new bank scheduled to open this month. Linda Riley was appointed cashier.

FORT MORGAN: Catherine Stroh, corporate secretary, has been elected a director of the Farmers State Bank here. John Zwetzig and Jim Treadway have been named vice presidents, and Susan Jess was appointed consumer loan officer.

GREELEY: Shirley Hanson was promoted to assistant vice president at the Cache National Bank of Greeley. She is in charge of the bank's note, collection and exchange department.

LAKESWOOD: Edith M. Hoery has been promoted to assistant vice president at United Bank of Lakewood, N.A. She joined the bank in 1968.

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POSITION AVAILABLE

PCA lender wanted: Southwestern Minnesota bank looking for individual with up to 2 years production credit experience. Offering excellent salary, fringe benefits and advancement opportunity to right individual. Send resume and picture immediately to file GBJ, c/o Northwestern Banker. (PA)

Bank loan officer for #2 position. Needs agricultural loan and bank operations experience. Familiar with bank regulations. Position requires aggressive individual with strong leadership ability. Excellent community in Northeast Iowa, new modern facilities. Top salary and fringe benefits. Send resume in confidence to file GBG, c/o Northwestern Banker. (PA)

Agricultural loan officer: Excellent Southwestern Minnesota location. 1-3 years experience. Salary commensurate with experience with excellent fringe benefits. Bank management seeking aggressive individual looking for advancement. Send resume and picture immediately to file GBH, c/o Northwestern Banker. (PA)

Second person, heavy in operations and lending, for \$10 million bank. Salary negotiable. Send resume to file FBO, c/o Northwestern Banker. (PA)

An individual experienced in selling insurance, to manage a bank related agency, this individual will also be an officer of the bank, being involved in all phases of the bank. The banks present total assets are \$9 Million and \$6.7 Million in loans. Good salary, plus commission and fringe benefits, located Northeastern Nebraska. Write file GBC, c/o Northwestern Banker. (PA)

\$28 million bank located in north central Iowa has an immediate opening for a president. Salary open. Write file GBI, c/o Northwestern Banker. (PA)

Loan officer. 22MM bank in Northeast Nebraska is seeking an experienced loan officer. Loans are primarily agricultural, some commercial and installment. Send resume to Pender State Bank, Pender, Nebraska 68047; or call Gary Condon (402) 385-3063. (PA)

Senior Vice President to head banking division of \$60 million bank in South Central Iowa. Must be experienced in operations, marketing and personnel. Please send resume and salary history to file GBM, c/o Northwestern Banker. (PA)

Key executive position open in good community bank in Southeastern South Dakota. Send resume and salary requirements in confidence to file GBO, c/o Northwestern Banker. (PA)

COMMERCIAL LOAN OFFICER—Suburban Minneapolis Bank. Five years' experience. Excellent salary and benefits.

INSTALLMENT LOAN OFFICER—For \$25MM bank in east central Nebraska. Need experienced person who can make and collect loans.

TRUST OFFICER—Experienced in pension and profit sharing field. Must have good business development record. Large Minnesota bank.

CORRESPONDENT BANK OFFICER—Major Kansas City bank seeking experienced banker to travel in Iowa-Nebraska.

SENIOR COMMERCIAL LOAN OFFICER—Large Missouri bank needs loan officer experienced in handling large credits and business development.

Above are some current listings. Fee paid by employer. If interested, forward your resume in strict confidence to **FINANCIAL PLACEMENTS**, P.O. Box 13786, Kansas City, Mo. 64199. Phone (816) 421-7941. Tom Cannon, Bank Consultant—Tom Chenoweth, Manager.

POSITION WANTED

Young attorney seeks position in trust department within state of Iowa. Write file GBN, c/o Northwestern Banker. (PW)

PARTIAL LIST OF AVAILABLE POSITIONS

SR COMMERCIAL LOAN OFFICER—Rapidly growing, progressive bank in Colorado. Will direct commercial loan dept. 7 yrs exp, 3 in commercial lending. Exp must be in a large bank. Salary \$40,000.

CEO—New facilities. Pleasant rural community. Total responsibility. Should be strong in ag and operations. Really need someone who can handle it all. Salary \$30,000.

OPERATIONS OFFICER—Solid bank in NC Ia with large percent of local mkt. Must have good exp in all areas of operations. Salary \$18,000.

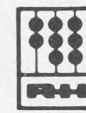
LOAN OFFICER—Resp are in the mortgage & real estate area. Must have FHA & VA exp with some construction lending. 23MM bank in southern Minn. Salary \$30,000.

LENDING—Small bank in N Ia. This is an oppty to become #2 in bank. Looking for 2 yrs exp and desire to get ahead. Salary \$14,000.

MANAGING OFFICER—Will be director with potential to be president with equity. Bank heavy in ag loans. Salary \$25,000.

MKTG OFFICER—85MM bank wants goal oriented person. Position offers oppty for innovative, creative mktg pro to apply their skills & ideas. Salary \$20,000.

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1 Diebold Alarm System, A-1 Condition, Available immediately. (605) 426-6031. Roy K. Lippert, EVP, Ipswich State Bank—Ipswich, SD 57451. (FS)

Used safety deposit boxes. (515) 456-2559, Hampton State Bank, Hampton, Iowa 50441. (FS)

One Mosler Modular system for moving material between two locations with 2 terminals, 300 feet of tubing, 20 feet of airline, 2 complete self-contained turbos, 4 carriers. For more information call (612) 888-9551. (FS)

Brandt Sorter Counter Model 930 under maintenance. Contact D. Hintz, (712) 262-2200. (FS)

BANK OFFICERS WANTED

TRUST MANAGER—Small department in Iowa. Law degree not required. \$20/24

BRANCH MANAGER—Central Michigan. Agri loan experience essential. \$15/18

JR. AGRIL LOAN—1-2 years agri loan experience preferred. Train for branch manager in Michigan. \$12/14

INSTALLMENT LOAN—#2 position in small department. Finance company experience accepted. \$10/12

TRUST INVESTMENT—Prefer bank but would accept related experience. Start as analyst. \$14/15

AG LOAN—Western state. Will also handle some commercial and R.E. \$16/18

INSTALLMENT LOAN—Nebraska medium size community. Second position in 10MM department. \$14/16

SENIOR OPERATIONS—50MM Iowa bank. Requires personnel and marketing background plus administration. \$25/28

COMMERCIAL LOAN—Missouri lake area. 5 years or more commercial lending experience required. \$22/25

All inquiries handled on a confidential basis.
Resume and salary history requested.

TOM HAGAN & ASSOCIATES

P.O. Box 12346 / 2024 Swift #203
North K.C., Missouri 64116 (816) 474-6874

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