

NORTHWESTERN Banker Newsletter

Vol. 13 No. 14

Des Moines, Iowa

July 23, 1984

ABA Ag Summit Consensus Calls for Balanced Budget by Spending Cuts

AGRICULTURAL banking leaders from around the nation met in Des Moines July 12 with ABA and federal farm officials to analyze the worsening farm situation. The meeting was closed to the press to encourage freer expression of opinion and to discuss with peers the confidential status of many ag customers and banks alike. ABA issued this consensus statement following that meeting:

"Farming has run into serious problems. Our analysis, based on reports from some 22 states, including those that have been hit hardest, is that the depth of the problem varies widely and dramatically, ranging from a matter of concern to a matter of crisis in some cases. The hardest-hit states are Illinois, Iowa, Minnesota, Missouri and Nebraska. These problems go beyond farming and weaken agri-business and many Main Street businesses and communities.

"The fundamental economic source of farm difficulties is the federal deficit, which keeps the cost of money far too high. Several other factors have combined to bring farm difficulties to a head: extremely poor weather, spiralling farm input costs, depressed commodity prices, embargoes, declining land values and the

fallout from two decades of inflation.

"Government loan and subsidy programs have not removed the fundamental sources of the farm problem, nor is more government spending likely to do so. The best medicine government could provide would be balanced budgets — balanced by spending cuts, not by tax increases.

"In many cases, substantial voluntary restructuring of assets and of farm debts will be necessary and, in some cases, farm operations will have to be liquidated. The private sector, working with government agencies, can handle the needed restructuring. FmHA should be used more efficiently, and the new Approved Lender Program offers an avenue in that direction.

"Overall, bankers remain determined to work with any farm customer who has a future. Today's greatest need is for economic stability and for the time required to allow methodical debt and asset restructuring.

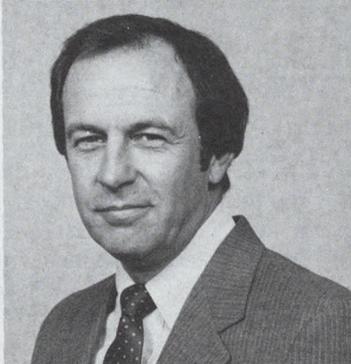
"In that connection, ABA's Agricultural Bankers Division welcomes the U.S. Department of Agriculture's call for a joint public-private sector program to offer farm lenders and borrowers information on all the options available to them and to

back borrowers up with the best possible farm management advice."

* * *

AS reported in the July 2 *Weekly Newsletter*, IBAA ag leaders met in Omaha June 13 and gave support to a program "to authorize \$1 billion of additional federal (FmHA) guarantees for loans made by commercial lenders to existing farmers for farm production and debt refinancing purposes." IBAA Executive Director Kenneth Guenther wrote FDIC Chairman William Isaac June 20 to tell him that "based upon firsthand reports of these bankers, it is clear that any direction which your agency headquarters is giving to your loan examiners to exercise restraint in the classification of agricultural credits as problem loans is not getting down to the examiners level. (They) reported that they could detect no evidence of change toward a more accommodating stance by the examiners."

Mr. Guenther stated further there were two aspects of loan classification singled out as "particularly troublesome by bankers. First, the examiners continue to classify loans in problem categories based upon cash flow even where the collateral securing the loan is more than adequate...Secondly, several bankers reported that it is virtually impossi-



ASK TERRY MARTIN

to make MNB work for you.

Toll free: 1-800-332-5991

Merchants National Bank 

Member F.D.I.C.

A 'BANKS OF IOWA' BANK



Norwest Bank Des Moines, N.A.
Call (515) 245-3131 or toll-free (800) 362-2514
Member FDIC



Dennis Nahnsen

*Teamwork:
one of the reasons
we're first in Iowa.*



Jan Townsend

ble, short of liquidation, to get a problem loan classification removed once it is instituted, regardless of the progress that is subsequently made on the loan."

Robert V. Shumway, FDIC director of examinations responded on July 5 that "we ask our examiners to be reasonable, realistic and objective in evaluating farm credits; we do not ask them to lower standards and overlook weak credits since doing such would be an abrogation of the FDIC's statutory responsibility. And, as you will note from the attachments, all classifications are subject to at least one layer of review, and in the case of problem banks, two independent reviews are accorded." □

Iowa News

A Loan Documentation Workshop, sponsored by the IBA, will be held August 14 at the Savery Hotel

in Des Moines.

John Moye, partner in the Denver, Colo., law firm of Head, Moye, Giles & O'Keefe, will present the workshop which promises to be very informative. The workshop will run from 8:00 - 4:30. Registration can be made through the IBA in Des Moines, attention Barb Lowe.

COUNCIL BLUFFS: First National Bank has announced the promotion of Lee Wicht to senior vice president; Catherine Ehlinger and Charlene Martin to assistant vice president, and Debra Debbaut to operations officer. Mr. Wicht joined the bank in 1983 and previously spent ten years with Omaha National Bank, Neb. Ms. Ehlinger was also promoted to controller.

INDIANOLA: Dick Buxton, 48, president of Peoples Trust & Savings Bank since 1972, died July 16 at Iowa Methodist Medical Center following an extended illness with cancer. Mr. Buxton served as presi-

dent of the Iowa Independent Bankers in 1979-80.

KEYSTONE: Roland A. Hellwig, chairman of Keystone Savings Bank, retired in June after 39 years of service. Mr. Hellwig joined the bank in 1945, was named executive vice president and CEO in 1957 and was elected president in 1970. He held that position until 1982 when he was named chairman.

KNOXVILLE: The Community National Bank & Trust Co. of Knoxville recently promoted Robert D. Grote to senior vice president and Steve Johnson to assistant loan officer.

LEGRAND: Citizens Savings Bank will be holding its Third Annual Golf Day August 15 at the Oakland Acres Golf Course, west of Grinnell on U.S. Highway 6. Shotgun start is set for 12:00 noon. The 18-hole golf outing will be followed by cocktails from 5-6:00 p.m. and a prime rib dinner at 6:00. Cost for the day is \$30 per person; \$12.50 if you don't plan to golf. For reservations contact the bank by August 1.

SHENANDOAH: Security Trust & Savings Bank will celebrate its 75th Anniversary on July 29 with an open house from 1-4:00 p.m. Security Trust & Savings has been in operation since January 7, 1909.

SIOUX CITY: Dennis A. Nahnsen has been appointed vice president and head of correspondent banking and ag lending at Security National Bank. He resigned last week as vice president in the financial institutions department at Norwest Bank Des Moines to accept the new appointment.

Nebraska News

LINCOLN: Mark J. Matthes has been elected vice president and operations manager in the administrative services division of First National Bank & Trust Company of Lincoln. Mr. Matthes joined the bank in 1974 and has served as assistant vice president since 1982.

COZAD: Les Petersen has been appointed vice president of Cozad State Bank and Trust Co. He previously served 12 years as assistant vice president of Security State Bank in Hartley, Iowa.

SCHUYLER: Dennis R. Kennedy has joined the Wagner Banking

An important new profit center
for your bank:

- FLEX-O-PAY -
a computerized
local billing/credit service

Contact:

Leroy Bell or
Milt Hennick
319-291-5412

National Bank of Waterloo

315 East 5th St. • Waterloo, IA 50704

Member Federal Reserve System FDIC

Professional ...
Responsive ...

Call Mark Christen for
any correspondent service.
Call toll free (800) 622-7262



Valley National Bank

DES MOINES, IOWA 50304

Member FDIC

A BANKS OF IOWA BANK

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.

Group in the newly created position of chief credit officer. He will be headquartered at The Financial Center in Schuyler.

VERDIGRE: E. James Haggart has resigned as president of The Bank of Verdigre and Trust Co. Mr. Haggart, who has served in that capacity since March, 1982, has accepted a position with another bank. The bank further announced that Marlene Grim has accepted the position of executive vice president and cashier; Tony Timson has been promoted to assistant vice president and will manage the loan department, and Jim Blessen retains his position of vice president and insurance manager.

Minnesota News

LITCHFIELD: David Daeges has been elected president and chief executive officer of Norwest Bank Litchfield, succeeding Roger O. DeBoer, who is retiring July 31. Mr. DeBoer has been president of the bank since transferring to Litchfield from Silver Bay in 1965. He has been with the Norwest organization 36 years. Mr. Daeges currently is senior vice president at the Litchfield bank. He transferred here in 1979 from Norwest Bank Redwood Falls.

ST. PAUL: Norwest Bank South St. Paul has named Keith J. Vegors, Jr. as president. He succeeds Robert S. Branham, who will assume the position of chairman. Mr. Vegors, also elected a director, joins the bank

from Norwest Bank St. Paul, where he was vice president and manager of the private banking division. Mr. Branham has been president of the South St. Paul bank since 1975 and has been with Norwest Corporation since 1946.

Illinois News

CHICAGO: UnibancTrust Company has promoted five to vice president positions. They are: William C. Dippel and Casey Orlowski, commercial banking division; Peter Stickler, finance division; Mara Tomsons, investments division, and Daryl Waszak, trust division.

South Dakota News

HURON: George Nygaard has been elected president of First Bank Huron. Mr. Nygaard joined the First Bank System in 1969 in Fargo and in 1977 moved to Southside Missoula, most recently served as second officer there.

MARION: Farmers State Bank has elected Harlan H. Smith as president. He succeeds Bruce D. Anderson, who recently resigned. Mr. Smith started his banking career with the bank in 1979 and in 1981 was promoted to cashier and director. Barclay B. Smith has also been promoted to cashier. He joined the bank in May of this year.

North Dakota News

The Independent Community Banks of North Dakota will be holding a Mini-Topics Seminar August 14 at the Doublewood Ramada Inn,

Bismarck. Topics to be covered are strategic planning; profit enhancement planning; one bank holding company, and financial risk management.

McGladrey, Hendrickson & Pulen, Minneapolis, will present the seminar.

MANDAN: Wayne N. Forgey has been named president of First Southwest Bank of Mandan. In addition, he will assume the management responsibility of First Southwest Bank in Carson. Mr. Forgey entered the banking business in 1967 in Gettysburg, where he was until 1976. He then was named vice president of First Bank in Cando, where he was elected president in 1980.

Come to the quality investment specialists in Nebraska and Iowa.

We're your best authorities for bond portfolio management recommendations. Our quality is your key to success.



Jeff Goble



Dave Dickens

Investment Banking Division
UNITED MISSOURI BANK
Member FDIC of Kansas City, n.a.

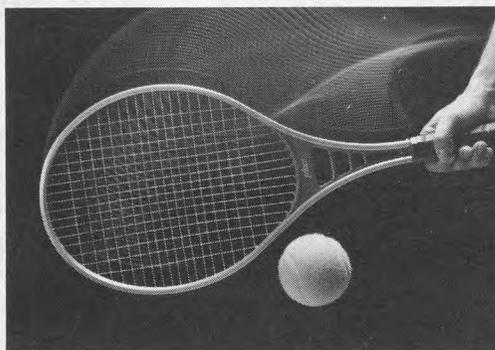
10th and Grand • P.O. Box 226
Kansas City, Missouri 64141
(816) 556-7200

Advantage

Competition in today's banking game is fierce. To win, you need the advantage of strong correspondent banking services. For an impressive line up, get the score from Bernie Miller at American Trust & Savings Bank. Call 319/582-1841 for the advantages.



American Trust & Savings Bank
The Bank of Opportunity



Town Clock Plaza
Dubuque, Iowa 52001
Member FDIC and FRS

BANKING OPPORTUNITIES

AG LOAN OFFICER, 100 mi from Minneapolis, solid rural community \$56mm bank \$25K + .
COMMERCIAL AND INSTALLMENT LENDERS, Twin City area, 200+ mm bank Open.
AG LOAN OFFICER, NW IA, career opportunity for advancement to CEO \$25K.
COMMERCIAL LOAN OFFICER, metro SD, progressive organization \$28K.
INSTALLMENT LOAN OFFICER, metro SD, to handle \$8mm portfolio \$25K.

All inquiries are held confidential. Contact:

Barbara Ritta
PROFESSIONAL RECRUITERS, INC
 6818 Grover Street
 Omaha, NE 68106
 Phone 402/397-2885

POSITION AVAILABLE

SENIOR COMMERCIAL LOAN OFFICER—\$100 million asset eastern Nebraska bank desires seasoned commercial loan officer to manage portfolio. Salary commensurate with experience. Contact 402/727-1100. (PA)

BRANCH MANAGER for north central Iowa bank located in a small town. Must have extensive ag loan experience and know operations. Send resume to file WBS, c/o Northwestern Banker. (PA)

SENIOR AG LOAN OFFICER for a \$50-million bank in Western Nebraska. Minimum of 5-10 years of ag lending experience, salary is dependent upon qualifications. Send resume to: Roger Weiss, P.O. Box 6, Ainsworth, Nebraska 69210. (PA)

Progressive bank seeking highly motivated professional meeting the following requirements: successful background in bank operations and supervision; proven performance in customer service; knowledge of data processing and micro-computer application. Potential to assume management of all Retail Banking Divisions. Send resume and salary requirements to: file WBT, c/o Northwestern Banker. (PA)

MANAGER INSURANCE AGENCY, volume 500,000. Must have all Minnesota licenses. Salary \$20,000-30,000 base plus incentive on new sales and volume. Call James Smeer, president, Farmers State Bank, Mountain Lake, MN 507-427-2422. (PA)

COMMERCIAL LENDING OFFICER—Immediate opening for an experienced commercial lender to fill number two spot in \$16MM bank. Knowledge of bank operations useful but not required. Send resume and salary requirements to President, P.O. Box 5003, Great Falls, Montana 59403. (PA)

LOAN OFFICER with solid experience in commercial and real estate loans needed to join challenging management team in 15 million asset bank in SE Iowa. Excellent career opportunity with salary commensurate with experience. Send resume in confidence to Keokuk Savings Bank, Steven Bogard, Box 1008, Keokuk, IA 52632. (PA)

CORRESPONDENT BANKER

We are looking for someone with 3-5 years of commercial lending experience to work in our correspondent bank area. Additional requirements are correspondent banking experience (or extensive AG lending experience) and a college degree with at least 1 year of accounting. For more information phone Mary Nerhaugen 612/341-6579.

F & M MARQUETTE NATIONAL BANK
 6th & Marquette
 Minneapolis, MN 55480

Affirmative Action Employer (PA)

GENERAL SERVICES

"BUY/SELL IBM EQUIPMENT, NCR BANK EQUIPMENT," Omaha Computer Exchange 402-333-3203. (General)

Holder and Associates

Bank Consultants
 Specializing in Bank Acquisitions
 515-232-0814

P.O. Box 450 405 Main Ames, Iowa 50010

DONALD E. HOLDER, Principal

Ag Banking Positions

Let us help you. Call the ag lending personnel specialists without cost or obligation. Confidential. Employers pay us to hire the best.



Linda: 515/394-5827
 New Hampton, Ia. 50659



Jean 515/263-9598 if no answer, 712/779-3567
 Massena, Iowa 50853

agri CAREERS, INC.
 AG BANKING SPECIALISTS

FOR SALE

BURROUGHS 12-POCKET \$3000 PROOF: L9000 with cassette & stacker; L8000; Ph. 608-725-5121, Jim Krogman, Badger State Bank, Cassville, WI. (FS)

SERVING PROFESSIONALLY

Banking, Financial & Business Personnel Iowa and Nationwide

CAPITAL PERSONNEL SERVICE

714 U.C.B. Building, 515-283-2545
 Des Moines, Iowa 50309

LUCY HUBER

"Banking Specialist"

7625 Metro Boulevard • Suite 350
 Minneapolis, Minnesota 55435
 Phone (612) 835-4466

MR MANAGEMENT RECRUITERS OF MINNEAPOLIS
 THE SEARCH AND RECRUITING SPECIALIST

DON SCHOOLER JR. AND ASSOCIATES

"Successful Banking is Quality Personnel"

If you would like to be informed of positions as they become available and if you are interested in changing your present position, send your resume or phone Don Schooler, 417-882-2265, 2508 East Meadow, Springfield, Missouri 65804. Information on you will be kept confidential until you are interested in a specific position.

Eighteen years of banking serving as President of rural and metropolitan banks enables me to match you, technically and personally, with the right banking environment.

POSITIONS CURRENTLY AVAILABLE
 Missouri, Iowa Oklahoma, Kansas, Arkansas, Illinois, and Nebraska

- DIRECTOR, HUMAN RESOURCES**, metro bank \$40,000-\$50,000
- PRESIDENT, CEO**, \$15,000,000 bank \$35,000 Minimum
- ASSISTANT CONTROLLER**, population approx. 50,000 \$20,000-\$25,000
- PRESIDENT, New Charter** \$50,000 Minimum
- INSTALLMENT, #2**, large bank, over 100,000 population \$25,000 Minimum
- COMMERCIAL VICE PRESIDENT**, \$50-\$100mm Bank, ideal town \$40,000 Minimum
- COMMERCIAL LENDER**, \$60mm bank, population approx. 35,000 \$30,000 Minimum
- HEAD CASHIER**, \$35mm bank, high growth area \$25,000 Minimum
- PRESIDENT**, \$40mm bank, small town, excellent benefits \$40,000 Minimum

Financial Careers

- CEO** for bank in midwest city of 35,000. Must know commercial lending and have administrative experience. Salary open
 - CEO** for Nebraska community bank. Excellent opportunity Salary open
 - Number Two** person with strong ag lending background. Requires loan and collection ability in \$50 million bank. Salary to \$40,000
 - Investment Officer** to handle \$100 million bond portfolio and \$100 million in trust assets. Salary open
 - Cashier** for \$38 million Iowa bank. Must know regulations, make reports, handle item processing. Salary to \$28,000
 - Ag Lender** for Northwest Iowa community bank. Must be experienced loan person and like small town environment. Salary to \$29,000
 - Ag Lender** for northern Iowa community bank. Must be self-starter with possibility of becoming second person in two years. Salary open
 - Ag Lender** for Southern Illinois bank of \$60 million. Bank or PCA experience. Must know cash flow and farm operation. Salary open
 - Trust Officer** to handle trust and estates and make up tax reports. Investment experience not required. Illinois location. Salary \$35,000
 - Commercial Lender** for major Northern Iowa bank. Must have practical commercial experience. Salary low \$30's
 - Ag Lender** for community bank near Minnesota resort area. Salary \$30,000
 - CEO** for smaller Western Iowa community bank. Will consider person who is currently number two. Salary \$35,000
 - Number Two** person for northern Iowa community bank. Must have potential to be EVP in three years. Salary to \$35,000
 - Operations person** for \$60 million midwest bank. Must have excellent expertise in data processing and conversion. Salary to \$30,000
 - Commercial Lender** for large central Illinois bank. Must have three to five years experience in handling larger credits. Salary open
 - Correspondent banker** with ag degree and lending experience. Salary open
- Write or call Malcolm Freeland or Cy Kirk at Freeland Financial Service, Inc., 1010 Equitable Building, Des Moines, Iowa 50309. Phone 515/282-6462. Employer pays fee. We have many other opportunities.

**BANKS FOR SALE
 BANK OWNERSHIP CHANGES
 —Our Specialty—**

SELLERS - if you already have a buyer for your stock and there is a question of whether or not it is a fair price - we can make an independent appraisal.

BUYERS - if you are about to purchase controlling interest in a bank and there is a question of whether or not it is a fair price - we can make an independent appraisal.

Those wishing to buy or sell - we can do the job for you if you are serious.

CROWN BANKING SERVICES
 325 W. Prospect Avenue
 Mt. Prospect, Illinois 60056
 (312) 392-5151

POSITIONS AVAILABLE

- AGRI/COMMERCIAL LOAN** - \$25MM community bank affiliated with major holding company. Prefer degree and 2-3 yrs. bank lending experience \$25K
- COMMERCIAL LOAN** - \$150MM bank seeks commercial lender with 2 yrs. commercial lending experience for middle management opening \$25K
- SECOND OFFICER** - position requires superior agriloan skills and previous management experience. \$40MM ag-oriented bank \$36K
- REAL ESTATE LOAN** - manage dept. for large suburban bank. Must be familiar with secondary market operations \$30K
- RETAIL BANKER** - supervise consumer lending division and market consumer oriented services for \$80MM suburban bank \$25K

Several commercial loan opportunities in community banks in Iowa, Missouri, North Dakota and Nebraska.

TOM HAGAN & ASSOCIATES

2024 Swift - Box 12346
 North Kansas City, MO 64116
 816/474-6874

"Serving the Banking Industry Since 1970"

Vol. 13 No. 14 Northwestern Banker Newsletter (USPS 873-300) is published weekly by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309, (515) 244-8163. Subscriptions \$1.00 per copy, \$15.00 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.