

STATE OF IOWA
2002

ANNUAL REPORT

of the

SUPERINTENDENT
OF BANKING

of the

STATE OF IOWA

for the year ending

JUNE 30, 2002

To the Honorable
Thomas J. Vilsack
Governor

Published by
THE STATE OF IOWA
Des Moines

THOMAS J. VILSACK
GOVERNOR
SALLY J. PEDERSON
LT. GOVERNOR

THOMAS B. GRONSTAL
SUPERINTENDENT

December 20, 2002

TO THE HONORABLE
THOMAS J. VILSACK
GOVERNOR OF IOWA

Dear Governor Vilsack:

It is my pleasure to submit to you the 2002 State of Iowa Annual Report of the Superintendent of Banking for the fiscal year ending June 30, 2002.

Respectfully submitted,

Thomas B. Gronstal
Superintendent of Banking

**STATE OF IOWA
DEPARTMENT OF COMMERCE
DIVISION OF BANKING
Office of the Superintendent**

Statement of Policy

In support of the humanitarian principles embodied within the Constitution of the United States of America, as well as state and federal legislation designed to eliminate discrimination in the work place, the Iowa Department of Commerce, Division of Banking, is firmly committed to the administration of policies and programs in a manner which assures equal opportunity to all of its employees, applicants, and program beneficiaries; to provide equal opportunity for training and advancement of employees; to provide programs and facilities which are accessible to persons with disability; and to administer its programs in a manner free of discrimination on the basis of race, color, creed, religion, gender, disability, national origin, or age.

To facilitate equity and maximize the use of available human resources, all policies, practices, and procedures of the Division of Banking are designed to ensure that recruitment, hiring selection, promotions, transfers, compensation, benefits, and training will be administered in a fair and nondiscriminatory manner.

This Division's ongoing commitment to employment equality shall be implemented and monitored by an EEO Officer designate who in turn shall report directly to the Superintendent of Banking regarding the degree of success in maintaining Affirmative Action goals. Not unlike other organizational goals, performance in Affirmative Action shall also be measured and included among performance reviews of this Division's staff.

Moreover, as a public agency, the Iowa Department of Commerce, Division of Banking recognizes its responsibility to serve as a model to the private sector in the formulation of its commitment against discriminatory employment practices and as matter of public record has addressed itself to the implementation of a program designed to achieve the utilization of human skills and resources based solely upon merit and fitness with no relevance attached to race, religion, color, sex, national origin, age, or disability.

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Bank Offices Operated by National Banks in Iowa*	388
Private Banks	0

*Includes main offices

STATE BANKING BOARD
Appointed February 4, 2002, to April 30, 2005
Thomas B. Gronstal, Chairman

Timothy J. Brown	Storm Lake
Philip J. Dorweiler	West Des Moines
M. Kathleen Nellor	Burlington
Betsy L. Roe.....	Pella
George D. Scully.....	Waterloo
Suzanne Summerwill	Iowa City

STATE BANKING OFFICIALS, EXAMINERS, AND EMPLOYEES

Thomas B. Gronstal, Superintendent
Vaughn M. Noring, Bank Bureau Chief
Rodney E. Reed, Finance Bureau Chief
Shari L. Fett, Comptroller
Donald G. Senneff, Assistant Attorney General
Gary L. Buelt, Bank Analyst
David D. Lundahl, Bank Analyst
Janet L. O'Brien, Bank Analyst
Michael R. Stamper, Bank Analyst
Stuart W. McKee, Assistant Finance Bureau Chief
Glenadine M. Daugherty, Systems Analyst
David Huang, Information Systems Manager
Mary T. Pawletzki, Systems Analyst
Richard J. Vicker, Systems Analyst
Donna J. Adreon, Secretary III
Kathleen R. Johnson, Administrative Assistant II
Shawna D. Welch, Secretary II
Maureen L. Patterson, Accounting Technician

BANK BUREAU**SENIOR BANK EXAMINER**

Bartenhagen, Stephen F.	Elgin
Bruns, Paul A.	West Branch
Erickson, William D.	Mount Pleasant
Garrels, Gregory E.	Fort Madison
Hughes, Bradley E.	Cedar Falls
Lamb, Stephen C.	Atlantic
McBeth, Andrew L.	Des Moines
Sweeney, John M.	Spencer
Teig, Sandra L.	Le Mars
Van De Walle, Kirk D.	Mason City
Wonder, Ronald L.	Carroll

ADVANCED COMMISSIONED BANK EXAMINER

Anderson, Mark P.	Atlantic
Bergman, Gary A.	Bettendorf
Chamberlain, Gretchen L.	Carroll
Goerd, Jane G.	Mason City
Honsbruch, Harlan H.	Grinnell
Lattner, John W.	Spencer
Luett, Cathi L.	Nora Springs
Marshall, Gregory D.	Coralville
McDermott, Todd H.	Walnut
Morrissey, Daniel J.	Bettendorf
Olson, Kristine M.	Atlantic
Simmens, Robert E.	Cedar Falls
Tiffany, Dennis F.	Atlantic
Timlin, Paul L.	Cedar Rapids

COMMISSIONED BANK EXAMINER

Brandenburg, Daniel T.	Le Mars
Buckert, Lauri A.	Mount Pleasant
Crail, Tracy M.	Harlan
Fette, Sue A.	Mount Pleasant
Hart, Brandon C.	West Des Moines
Lehmann, Jerrod A.	Grinnell
Leigh, David M.	Marion
Olson, Brian L.	Grinnell
Roland, Roger K.	Ames
Toay, David W.	Spencer
Vande Voort, Henry J.	Urbandale
Wichman, Timothy M.	Clear Lake
Wiederin, Julie A.	Carroll

ASSISTANT BANK EXAMINER

Bergmann, Tracy L.	Lisbon
Jensen, Jennifer H.	Carroll
Kerber, Mark A.	Grinnell
Koenig, Jill R.	Marion
Muhlbauer, Tony J.	Coralville
Saunders, Scott R.	Coralville
Simonson, Sterling R.	Cedar Falls

FINANCE BUREAU

Christensen, Craig D.	West Des Moines
Johnson, Randy L.	Clive

INSTITUTIONS UNDER THE SUPERVISION OF THIS DIVISION

Iowa Chartered Banks	365
Industrial Loan Licensees	165
Regulated Loan Licensees	166
Money Order Licensees	26
Debt Management Licensees	23
Delayed Deposit Service Licensees	149
Mortgage Bankers	344
Mortgage Brokers	190
Registrants	20
Trust Companies	1

APPLICATIONS TO ORGANIZE A STATE BANK

Proposed Location	Bank	Application Received	Decision and Date	Effective Date
Cedar Rapids (1)	Cedar Rapids Bank and Trust Company	05/10/01	Approved 07/13/01	09/14/01

APPLICATIONS FOR VOLUNTARY DISSOLUTIONS, MERGERS, AND CONVERSIONS

VOLUNTARY DISSOLUTIONS

Location	Bank	Application Received	Decision and Date	Effective Date
Manchester (2)	Peoples State Bank	06/29/01	Approved 08/20/01	09/04/01
Milford (3)	Security State Bank	03/13/02	Approved 05/23/02	05/31/02

MERGERS

Location	Name	Application Received	Decision and Date	Effective Date
Oelwein (4)	Iowa State Bank	05/07/01	N/A	07/23/01
Boyden (5)	Boyden Bancorp	06/27/01	Approved 09/05/01	09/06/01
Boyden (5)	Farmers Savings Bank	06/27/01	Approved 09/05/01	09/06/01
Eldridge (6)	Valley State Bank	07/16/01	N/A	01/31/02
Ruthven (7)	Ruthven Investment Ltd.	07/27/01	Approved 09/05/01	11/01/01
Ruthven (7)	Ruthven State Bank	07/27/01	Approved 09/05/01	11/01/01
Preston (8)	Community Bank	07/31/01	N/A	11/01/01
Kalona (9)	Hills Bank Kalona	08/30/01	Approved 10/26/01	10/27/01
Exira (10)	Exchange State Bank	09/17/01	Approved 12/14/01	01/02/02
Orange City (11)	Iowa State Bank	10/10/01	Approved 12/26/01	12/31/01

Location	Name	Application Received	Decision and Date	Effective Date
Denison (12)	Bank Iowa	10/15/01	Approved 12/26/01	01/07/02
Ute (13)	Ute State Bank	10/15/01	Approved 12/10/01	12/14/01
Cherokee (14)	Central Trust Investment, Inc.	10/26/01	Approved 12/17/01	12/17/01
Cherokee (14)	Central Trust and Savings Bank	10/26/01	Approved 12/17/01	12/17/01
Bennett (15)	Bennett State Bank	11/06/01	Approved 12/26/01	01/01/02
Hawarden (16)	Farmers State Agency, Ltd.	12/29/01	Approved 11/06/01	01/15/02
Sioux City (17)	First American Bank	04/12/02	Approved 05/30/02	06/14/02
Mediapolis (18)	Southeast Security Bank	05/28/02	Pending	

CONVERSIONS FROM STATE CHARTER

Location	Bank	Application Received	Decision and Date	Effective Date
Oskaloosa (19)	Iowa Trust & Savings Bank	Notice Rec'd 07/31/01	N/A	01/22/02
Moville (20)	Western Bank & Trust	Notice Rec'd 11/26/01	N/A	01/01/02

CONVERSIONS TO STATE CHARTER

Location	Bank	Application Received	Decision and Date	Effective Date
Rock Valley (21)	Peoples Bank, FSB	01/24/02	Approved 04/05/02	05/23/02
Keokuk (22)	First Community Bank, FSB	02/04/02	Approved 05/28/02	06/30/02

RELOCATION AND BANK OFFICE APPLICATIONS

RELOCATION OF PRINCIPAL PLACE OF BUSINESS

Bank and Location	Proposed Location	Application Received	Decision and Date	Effective Date
State Savings Bank Baxter (23)	West Des Moines	01/18/00	Approved 12/01/00	11/28/01
Farmers State Bank Raymond (24)	Waterloo	07/31/01	Approved 08/20/01	11/01/01
Iowa State Bank Sheldon (11)	Hull	10/10/01	Approved 12/26/01	12/28/01
Farmers State Bank Schleswig (12)	Denison	10/15/01	Approved 12/26/01	01/07/02
Security State Bank Lake Park (25)	Spirit Lake	03/13/02	Approved 05/28/02	05/31/02
Grinnell State Bank Marengo (26)	Grinnell	06/05/02	Pending	

UNITED COMMUNITY BANK OFFICES

Bank and Location	Proposed Location	Application Received	Decision and Date	Effective Date
Hills Bank and Trust Company Hills (9)	Kalona	08/30/01	Approved 10/26/01	10/27/01
Iowa State Bank Sheldon (11)	Orange City	10/10/01	Approved 12/26/01	12/31/01
Burlington Bank and Trust Burlington (18)	Mediapolis	05/28/02	Pending	

BANK OFFICES

Bank and Location	Proposed Location	Application Received	Decision and Date	Effective Date
Iowa State Bank Des Moines	Clive	05/12/99	Approved 06/02/99	Withdrawn 01/15/02
State Savings Bank Baxter (23)	Baxter	01/18/00	Approved 12/01/00	11/28/01
Citizens First Bank Clinton	Courier Mobile Office	09/26/00	Approved 01/05/01	Pending
First Security State Bank Evansdale	Cedar Falls	10/09/00	Approved 11/01/00	10/08/01
BankIowa Cedar Rapids	Cedar Rapids	11/08/00	Approved 12/05/00	07/30/01
Valley State Bank Eldridge	Davenport	11/16/00	Approved 12/06/00	08/15/01
Farmers State Bank Algona	Algona	02/05/01	Approved 02/16/01	Pending
Farmers State Bank Marion	Cedar Rapids	02/12/01	Approved 02/22/01	11/19/01
First Central State Bank DeWitt	LeClaire	02/28/01	Approved 03/14/01	04/15/02
South Ottumwa Savings Bank Ottumwa	Ottumwa	03/19/01	Approved 03/27/01	04/01/02
United Community Bank Milford	Lake Park	03/29/01	Approved 04/23/01	07/02/01
Pocahontas State Bank Pocahontas	Palmer Pocahontas	04/17/01	Approved 05/17/01	08/24/01
Manufacturers Bank & Trust Company Forest City	Clear Lake Lake Mills	04/24/01	Approved 07/17/01	09/14/01
Iowa Savings Bank Carroll	Lake City	04/25/01	Approved 05/21/01	07/13/01
First Community Bank Newell	Fonda Pomeroy	05/10/01	Approved 06/12/01	07/27/01

Bank and Location	Proposed Location	Application Received	Decision and Date	Effective Date
Hills Bank and Trust Company Hills	Cedar Rapids	05/14/01	Approved 07/09/01	04/01/02
First State Bank Webster City (27)	Eagle Grove	05/14/01	Approved 06/25/01	07/03/01
Central State Bank Muscatine	Muscatine	05/17/01	Approved 06/12/01	07/13/01
Green Belt Bank & Trust Iowa Falls	Ackley	05/21/01	Approved 06/25/01	09/04/01
Citizens Bank Mount Ayr	Creston	05/22/01	Approved 06/18/01	04/08/02
Peoples Savings Bank Indianola	Lacona Milo	05/22/01	Approved 06/18/01	09/10/01
Blencoe State Bank Blencoe	Onawa	05/29/01	Approved 07/02/01	03/15/02
Titonka Savings Bank Titonka	Thompson	05/29/01	Approved 07/10/01	09/21/01
Exchange State Bank Adair	Winterset	05/29/01	Approved 07/19/01	09/07/01
Central Trust and Savings Bank Cherokee	Cherokee	05/31/01	Approved 06/29/01	07/30/01
Commercial Trust and Savings Bank (The) Storm Lake	Storm Lake	06/01/01	Approved 06/29/01	08/17/01
Valley State Bank Eldridge	Clinton	06/21/01	Approved 07/23/01	10/01/01
Citizens State Bank Monticello (2)	Manchester Winthrop	06/25/01	Approved 08/19/01	09/04/01
Citizens State Bank Sheldon (5)	Boyden	06/27/01	Approved 09/05/01	09/06/01
Frontier Savings Bank Council Bluffs	Council Bluffs	07/16/01	Approved 07/31/01	01/28/02
Rolfe State Bank Rolfe	Pocahontas	07/26/01	Approved 08/17/01	10/22/01

Bank and Location	Proposed Location	Application Received	Decision and Date	Effective Date
Iowa State Bank Algona (7)	Ruthven	07/27/01	Approved 09/05/01	11/01/01
First State Bank Webster City	Eagle Grove	07/30/01	Approved 08/27/01	10/01/01
Farmers State Bank Raymond (24)	Raymond	07/31/01	Approved 08/20/01	11/01/01
Iowa Bank Bellevue	Maquoketa	09/07/01	Approved 11/09/01	10/01/02
Farmers Savings Bank Colesburg	Strawberry Point	09/14/01	Approved 10/15/01	06/03/02
Exchange State Bank Collins (10)	Exira	09/17/01	Approved 12/14/01	01/02/02
Peoples Savings Bank Crawfordsville	Wayland	09/24/01	Approved 12/05/01	02/07/02
First State Bank Ida Grove	Danbury	10/09/01	Approved 12/04/01	02/01/02
Iowa State Bank Sheldon (11)	Sheldon	10/10/01	Approved 12/26/01	12/28/01
Iowa State Bank Sheldon (11)	Alton Craig Ireton	10/10/01	Approved 12/26/01	12/31/01
First Security Bank and Trust Company Charles City	Charles City	10/12/01	Approved 11/21/01	01/28/02
Farmers State Bank Schleswig (12)	Manilla Schleswig	10/15/01	Approved 12/26/01	01/07/02
Community Bank Dunlap (13)	Persia Pisgah Ute	10/15/01	Approved 12/10/01	12/14/01
Central Trust & Savings Bank Cherokee	Sioux City	10/26/01	Approved 11/29/01	12/17/01
The Commercial Trust & Savings Bank Storm Lake (14)	Cherokee (2) Quimby Sioux City Washta	10/26/01	Approved 12/17/01	12/17/01

Bank and Location	Proposed Location	Application Received	Decision and Date	Effective Date
Liberty Trust & Savings Bank Durant (15)	Bennett Tipton	11/06/01	Approved 12/26/01	01/01/02
Security State Bank Independence	Urbana	11/13/01	Approved 01/07/02	04/15/02
Cresco Union Savings Bank Cresco	Osage	11/20/01	Approved 12/27/01	03/11/02
Bank Iowa Altoona	Newton	12/18/01	Approved 01/16/02	03/18/02
Cedar Valley State Bank Saint Ansgar (28)	Riceville	12/28/01	Approved 01/28/02	04/03/02
Lincoln Savings Bank Cedar Falls	Waterloo	01/03/02	Approved 02/12/02	03/26/02
Farmers & Merchants Savings Bank Manchester	Cedar Rapids	01/03/02	Approved 02/21/02	04/29/02
Laurens State Bank Laurens	Emmetsburg	01/03/02	Approved 02/04/02	06/03/02
Fidelity Bank & Trust Dyersville	Dubuque	01/08/02	Approved 02/20/02	Pending
State Central Bank Keokuk	Dubuque	01/14/02	Pending	
Peoples Bank, FSB Rock Valley (21)	Akron Lester Sioux Center	01/24/02	Approved 04/05/02	05/23/02
First Community Bank, FSB Keokuk (22)	Carthage, IL Keokuk	02/04/02	Approved 05/28/02	06/30/02
Iowa State Bank Clarksville	Parkersburg	02/12/02	Approved 03/11/02	05/15/02
United Community Bank Milford (3)	Milford	02/25/02	Approved 04/22/02	05/31/02
Hills Bank and Trust Company Hills	Marion	03/01/02	Approved 04/09/02	Pending
Primghar Savings Bank Primghar	Hartley	03/11/02	Approved 04/03/02	06/03/02

Bank and Location	Proposed Location	Application Received	Decision and Date	Effective Date
Ackley State Bank Ackley	Iowa Falls	03/11/02	Approved 04/12/02	Pending
Security State Bank Paullina	Hartley	03/13/02		Withdrawn 03/28/02
Citizens Bank Clive	Altoona	03/15/02	Pending	
Farmers Savings Bank Fostoria	Milford	03/21/02	Approved 04/26/02	06/10/02
United Community Bank Milford (3)	Hartley	03/27/02	Approved 04/22/02	05/31/02
Green Belt Bank & Trust Iowa Falls	Iowa Falls	03/28/02	Approved 04/18/02	06/12/02
Farmers & Merchants Savings Bank Waukon	Decorah	04/08/02	Approved 05/09/02	Pending
Security State Bank Anamosa	Monticello	04/09/02	Approved 05/03/02	06/03/02
First American Bank Fort Dodge (17)	Sioux City	04/12/02	Approved 05/30/02	06/14/02
Rolling Hills Bank & Trust Altantic	Carson	04/29/02	Approved 05/30/02	Pending
Central State Bank Muscatine (29)	Coralville	05/03/02	Approved 05/30/02	Pending
Ames Community Bank Ames	Ames	05/31/02	Approved 06/27/02	Pending
Maquoketa State Bank Maquoketa	Preston	06/03/02	Pending	
Grinnell State Bank Marengo (26)	Marengo	06/05/02	Pending	
Exchange State Bank Collins	Ames	06/14/02	Pending	

RELOCATION OF BANK OFFICE

Bank and Location	Current Location	Proposed Location	Application Received	Decision And Date	Effective Date
Valley State Bank Eldridge	2435 E Kimberly Rd Bettendorf	2020 E Kimberly Rd Davenport	01/29/01	Approved 02/26/01	01/31/02
BankIowa Cedar Rapids	2218 Crossroads Blvd Waterloo	3222 Kimball Ave Waterloo	03/19/01	Approved 03/21/01	02/19/02
Hills Bank and Trust Company Hills	2400 Towncrest Dr Iowa City	2619 Muscatine Ave Iowa City	04/06/01	Approved 05/02/01	12/10/01
United Bank and Trust Company Hampton	1126 Water St Alden	914 Main St Alden	04/12/01	Approved 05/02/01	11/13/01
Citizens Bank Clive	1251 118 th St Clive	10101 University Ave Clive	05/21/01	Approved 05/23/01	08/01/01
Farmers and Merchants Savings Bank Iowa City	1550 S Gilbert S Iowa City	2235 Mormon Trek Blvd Iowa City	06/06/01	Approved 06/26/01	Pending
Titonka Savings Bank Titonka	101 N Clark St Forest City	102 N Clark St Forest City	05/29/01	Approved 07/10/01	09/21/01
Community Bank of Boone Boone	932 Eighth St Boone	504 Story St Boone	06/19/01	Approved 06/28/01	03/29/02
Citizens Bank and Trust Co. Hudson	209 W Fifth St Waterloo	405 Jefferson Waterloo	07/31/01	Approved 08/02/01	12/17/01
Citizens State Bank Waukon	218 Seventh Ave, SE Waukon	820 11 th Ave, SW Waukon	08/13/01	Approved 09/19/01	02/19/02
First Trust and Savings Bank Moville	307 Cedar Street Lawton	315 Cedar Street Moville	09/24/01	Approved 09/25/01	Pending
Farmers Savings Bank Marshalltown	207 W Main St Marshalltown	205 W Main St Marshalltown	01/04/02	Approved 01/07/02	01/14/02
State Bank Spencer	201 Main Street Peterson	215 Main Street Peterson	01/16/02	Approved 01/23/02	03/25/02
Bellevue State Bank Bellevue	100 S Second St Bellevue	200 S Second St Bellevue	01/18/02	Approved 05/16/02	05/28/02
Security Savings Bank Eagle Grove	223 Central Ave W Clarion	322 Central Ave E Clarion	02/20/02	Approved 03/12/02	05/06/02

Bank and Location	Current Location	Proposed Location	Application Received	Decision And Date	Effective Date
State Bank of Toledo Toledo	214 West High St Toledo	Highway 63 South Toledo	02/22/02	Approved 03/11/02	Pending
United Community Bank Milford (25)	107 Market Street Lake Park	113 Market Street Lake Park	02/25/02	Approved 04/22/02	05/31/02
Security State Bank Waverly	2024 Third Ave, NW Waverly	933 16 th Street Waverly	04/11/02	Approved 04/29/02	Pending
Ames Community Bank Ames	107 Main St Ames	1300 South Duff Ames	05/31/02	Approved 06/27/02	Pending

BANK NAME CHANGES

Bank Location	Previous Name	New Name
Altoona	Bank Altoona	Bank Iowa
Altoona	Farmers Savings Bank	Legacy Bank
Boone	Boone Bank and Trust Co.	Boone Bank & Trust Co.
Cherokee (14)	Central Trust and Savings Bank	Central Bank
Lake Park (25)	Security State Bank	Central Bank
Marshalltown	Tama State Bank	TSB Bank
Nevada	State Bank & Trust Company	State Bank & Trust Co.
Schleswig (12)	Farmers State Bank	Bank Iowa
Storm Lake (14)	The Commercial Trust and Savings Bank	Central Bank

BANK CHARTERS RENEWED

Location	Name of Bank
Readlyn	Readlyn Savings Bank

BANK CHARTERS TERMINATED

Location	Bank	Type of Action	Date Terminated
Oelwein (4)	Iowa State Bank	Merger	07/23/01
Manchester (2)	Peoples State Bank	Voluntary Dissolution	09/04/01
Boyden (5)	Farmers Savings Bank	Merger	09/06/01
Kalona (9)	Hills Bank Kalona	Merger	10/27/01
Preston (8)	Community Bank	Merger	11/01/01
Ruthven (7)	Ruthven State Bank	Merger	11/01/01
Ute (13)	Ute State Bank	Merger	12/14/01
Cherokee (14)	Central Trust and Savings Bank	Merger	12/17/01
Orange City (11)	Iowa State Bank	Merger	12/31/01
Bennett (15)	Bennett State Bank	Merger	01/01/02
Moville (20)	Western Bank & Trust	Conversion	01/01/02
Exira (10)	Exchange State Bank	Merger	01/02/02
Denison (12)	Bank Iowa	Merger	01/07/02
Oskaloosa (19)	Iowa Trust & Savings Bank	Conversion	01/22/02

Location	Bank	Type of Action	Date Terminated
Eldridge (6)	Valley State Bank	Merger	01/31/02
Milford (3)	Security State Bank	Voluntary Dissolution	05/31/02
Sioux City (17)	First American Bank	Merger	06/14/02

FOOTNOTES

- (1) Application to establish a new state-chartered bank to be known as Cedar Rapids Bank and Trust Company, Cedar Rapids.
- (2) Application for approval of plan of Peoples State Bank, Manchester, to voluntarily cease carrying on business as a bank and become a corporation subject to the provisions of Chapter 490. Application by Citizens State Bank, Monticello, to establish bank offices at 1218 West Main Street, Manchester, and 101 Madison, Winthrop. P&A of Peoples State Bank, Manchester.
- (3) Application for approval of plan of Security State Bank, Milford, to voluntarily cease to carry on the business of banking and become a corporation subject to Chapter 490. Application by United Community Bank, Milford, to establish bank offices at 117 South Central Avenue, Hartley, and 1905 Okoboji Avenue, Milford. P&A of Security State Bank, Milford.
- (4) Notice of intent to merge Iowa State Bank, Oelwein, with and into The First National Bank, Oelwein, as the resulting national banking association.
- (5) Application to merge Boyden Bancorp, Boyden, with and into Citizens State Bank, Sheldon. Application to merge Farmers Savings Bank, Boyden, with and into Citizens State Bank, Sheldon, as the resulting state bank. Application by Citizens State Bank, Sheldon, to establish a bank office at 817 Main, Boyden.
- (6) Notice of intent to merge Valley State Bank, Eldridge, with and into State Bank of Latham, Latham, Illinois.
- (7) Application to merge Ruthven Investment, Ltd., Ruthven, with and into Ruthven State Bank, Ruthven, as the resulting state bank. Application to merge Ruthven State Bank, Ruthven, with and into Iowa State Bank, Algona, as the resulting state bank. Application by Iowa State Bank, Algona, to establish a bank office at 1108 Gowrie Street, Ruthven.
- (8) Notice of intent to merge Community Bank, Preston, with and into Metrobank, NA, Davenport, as the resulting national banking association.
- (9) Application to merge Hills Bank Kalona, Kalona, with and into Hills Bank and Trust Company, Hills, as the resulting state bank. Application by Hills Bank and Trust Company, Hills, to establish a united community bank office at 120 Fifth Street, Kalona.
- (10) Application to merge Exchange State Bank, Exira, with and into Exchange State Bank, Collins, as the resulting state bank. Application by Exchange State Bank, Collins, to establish a bank office at 207 East Washington, Exira.
- (11) Application by Iowa State Bank, Sheldon, to relocate principal place of business to Hull. Application by Iowa State Bank, Sheldon, to establish a bank office at 627 Second Avenue, Sheldon. Application to merge Iowa State Bank, Orange City, with and into Iowa State Bank, Sheldon (Hull), as the resulting state bank. Application by Iowa State Bank, Sheldon (Hull), to establish a united community bank office at 105 Albany Avenue, SE, Orange City. Application by Iowa State Bank, Sheldon (Hull), to establish bank offices at 103 Third Avenue, Alton; 305 Oak Street, Craig; and 308 Main Street, Ireton.
- (12) Application to merge Bank Iowa, Denison, with and into Farmers State Bank, Schleswig, as the resulting state bank under the title of Bank Iowa. Application by Farmers State Bank, Schleswig, to relocate principal place of business to Denison. Application by Farmers State Bank, Schleswig, to establish bank offices at 341 Fourth Street, Manilla, and Second and Cedar, Schleswig.
- (13) Application to merge Ute State Bank, Ute, with and into Community Bank, Dunlap, as the resulting state bank. Application by Community Bank, Dunlap, to establish bank offices at 109 Main Street, Persia; 120 First Street, Pisgah; and 131 East Main, Ute.

- (14) Application to merge Central Trust Investment, Inc., Storm Lake, with and into Central Trust & Savings Bank, Cherokee, as the resulting state bank. Application to merge Central Trust and Savings Bank, Cherokee, with and into The Commercial Trust and Savings Bank, Storm Lake, as the resulting state bank. Resulting state bank will be renamed Central Bank. Application by The Commercial Trust & Savings Bank, Storm Lake, to establish bank offices at 401 West Main, Cherokee; 2 Bow Drive, Cherokee; 119 North Main Street, Quimby; 504 Fourth Street, Sioux City; and 301 Main, Washta.
- (15) Application to merge Bennett State Bank, Bennett, with and into Liberty Trust & Savings Bank, Durant, as the resulting state bank. Application by Liberty Trust & Savings Bank, Durant, to establish bank offices at 236 Main, Bennett, and 101 East South Street, Tipton.
- (16) Application to merge Farmers State Agency, Ltd., Hawarden, with and into Farmers State Bank, Hawarden, as the resulting state bank.
- (17) Application to merge First American Bank, Sioux City, with and into First American Bank, Fort Dodge, as the resulting state bank. Application by First American Bank, Fort Dodge, to establish a bank office at 800 Gordon Drive, Sioux City.
- (18) Application to merge Southeast Security Bank, Mediapolis, with and into Burlington Bank and Trust, Burlington, as the resulting state bank. Application by Burlington Bank and Trust, Burlington, to establish a united community bank office at 105 Main, Mediapolis.
- (19) Notice of intent to convert Iowa Trust & Savings Bank, Oskaloosa, to a national banking association.
- (20) Notice of intent to convert Western Bank & Trust, Merville, to a national banking association.
- (21) Application by Peoples Bank, FSB, Rock Valley, a federal savings bank, to convert to a state-chartered bank to be known as Peoples Bank. Application by Peoples Bank, FSB, Rock Valley, to establish bank offices at 71 Hardy Street, Akron; 507 Thomas Street, Lester; and 806 North Main Street, Sioux Center.
- (22) Application by First Community Bank, FSB, Keokuk, a federal savings bank, to convert to a state-chartered bank to be known as First Community Bank. Application by First Community Bank, FSB, Keokuk, to establish bank offices at 115 Boulevard Road, Keokuk, and 618 Main Street, Carthage, Illinois.
- (23) Application by State Savings Bank, Baxter, to relocate principal place of business to West Des Moines. Application by State Savings Bank, Baxter, to establish a bank office at 102 South Main, Baxter.
- (24) Application by Farmers State Bank, Raymond, to relocate principal place of business to Waterloo. Application by Farmers State Bank, Raymond, to establish a bank office at 300 South Third Street, Raymond.
- (25) Application by Security State Bank, Lake Park, to relocate principal place of business to Spirit Lake. Application by United Community Bank, Milford, to relocate bank office in Lake Park from 107 Market Street to 113 Market Street. P&A of Security State Bank, Lake Park (Lake Park office only).
- (26) Application by Grinnell State Bank, Marengo, to relocate principal place of business to Grinnell. Application by Grinnell State Bank, Marengo, to establish a bank office at 1101 Court Avenue, Marengo.
- (27) Application by First State Bank, Webster City, to establish a bank office at 111 North Commercial, Eagle Grove (limited to insurance brokerage services). Purchase of an insurance agency.
- (28) Application by Cedar Valley State Bank, Saint Ansgar, to establish a bank office at 105 East Second Street, Riceville. Insurance brokerage activities only.

(29) Application by Central State Bank, Muscatine, to establish a bank office at 140 Holiday Road, Coralville. It will be a limited purpose office (trust only).

FINANCIAL DATA

**OPERATING STATEMENT
FOR
JANUARY 1, 2001, THROUGH DECEMBER 31, 2001**

RECEIPTS	BANK BUREAU	FINANCE CO. BUREAU	TOTAL DIVISION
Examination Fees	\$ 3,374,051.00	\$ 211,931.93	\$ 3,585,982.93
Administrative Fees	2,446,152.91	0.00	2,446,152.91
Investigation Fees	112,850.00	900.00	113,750.00
License Fees	0.00	391,634.60	391,634.60
Fines & Penalties	0.00	3,650.00	3,650.00
Sale of Law Books	15.20	0.00	15.20
Other Receipts	428.57	0.00	428.57
TOTAL RECEIPTS	<u>\$ 5,933,497.68</u>	<u>\$ 608,116.53</u>	<u>\$ 6,541,614.21</u>
 DISBURSEMENTS			
Salaries:			
Board Per Diem	\$ 2,150.00	\$ 0.00	\$ 2,150.00
Office Personnel	796,139.43	130,894.40	927,033.83
Supervisors and Examiners	2,830,759.47	74,596.00	2,905,355.47
Subtotal	<u>\$ 3,629,048.90</u>	<u>\$ 205,490.40</u>	<u>\$ 3,834,539.30</u>
IPERS, FICA & Insurance	813,437.55	44,781.31	858,218.86
Subtotal	<u>\$ 4,442,486.45</u>	<u>\$ 250,271.71</u>	<u>\$ 4,692,758.16</u>
Travel:			
Board Members	\$ 905.46	\$ 0.00	\$ 905.46
Office Personnel	25,173.21	1,291.20	26,464.41
Supervisors & Examiners	355,078.73	13,444.88	368,523.61
Subtotal	<u>\$ 381,157.40</u>	<u>\$ 14,736.08</u>	<u>\$ 395,893.48</u>
Other Disbursements:			
Administrative Services*	\$ 17,074.71	\$ 0.00	\$ 17,074.71
Intra-State Transfers	14,465.73	1,106.69	15,572.42
Attorney General Reimbursement	94,822.08	0.00	94,822.08
Communications	44,247.83	3,908.85	48,156.68
Data Processing Purchases	199,716.01	0.00	199,716.01
Data Processing (Non-Inventory)	54,798.87	0.00	54,798.87
Equipment Purchases	4,885.92	0.00	4,885.92
Office Supplies & Materials	84,411.10	1,712.39	86,123.49
Equipment & Building Rental	108,259.15	11,826.43	120,085.58
Equipment Repair & Maintenance	3,750.83	279.11	4,029.94
Annual Report Printing	2,298.73	215.70	2,514.43
Official Newspaper Publications	851.98	0.00	851.98
Moving Charges	0.00	0.00	0.00
Outside Services	210,462.05	1,264.50	211,726.55
Refunds & Reimbursements	0.00	0.00	0.00
Subtotal	<u>\$ 840,044.99</u>	<u>\$ 20,313.67</u>	<u>\$ 860,358.66</u>
TOTAL DISBURSEMENTS	<u>\$ 5,663,688.84</u>	<u>\$ 285,321.46</u>	<u>\$ 5,949,010.30</u>
GAIN OR LOSS	<u>\$ 269,808.84</u>	<u>\$ 322,795.07</u>	<u>\$ 592,603.91</u>

*Off Budget Item

**OPERATING STATEMENT
FOR
FISCAL YEAR ENDED JUNE 30, 2002**

RECEIPTS	BANK BUREAU	FINANCE CO. BUREAU	TOTAL DIVISION
Examination Fees	\$ 3,353,119.00	\$ 216,285.32	\$ 3,569,404.32
Administrative Fees	1,873,244.00	0.00	1,873,244.00
Investigation Fees	117,100.00	750.00	117,850.00
License Fees	0.00	321,689.60	321,689.60
Fines & Penalties	0.00	1,200.00	1,200.00
Sale of Law Books	25.20	0.00	25.20
Other Receipts	341.12	0.00	341.12
TOTAL RECEIPTS	<u>\$ 5,343,829.32</u>	<u>\$ 539,924.92</u>	<u>\$ 5,883,754.24</u>
 DISBURSEMENTS			
Salaries:			
Board Per Diem	\$ 2,300.00	\$ 0.00	\$ 2,300.00
Office Personnel	829,977.60	139,572.16	969,549.76
Supervisors and Examiners	2,824,665.01	77,641.92	2,902,306.93
Subtotal	<u>\$ 3,656,942.61</u>	<u>\$ 217,214.08</u>	<u>\$ 3,874,156.69</u>
IPERS, FICA & Insurance	848,769.41	49,748.70	898,518.11
Subtotal	<u>\$ 4,505,712.02</u>	<u>\$ 266,962.78</u>	<u>\$ 4,772,674.80</u>
Travel:			
Board Members	\$ 777.33	\$ 0.00	\$ 777.33
Office Personnel	15,715.66	2,161.54	17,877.20
Supervisors & Examiners	347,378.32	12,361.95	359,740.27
Subtotal	<u>\$ 363,871.31</u>	<u>\$ 14,523.49</u>	<u>\$ 378,394.80</u>
Other Disbursements:			
Administrative Services*	\$ 18,055.51	\$ 0.00	\$ 18,055.51
Intra-State Transfers	24,297.07	422.43	24,719.50
Attorney General Reimbursement	96,527.71	0.00	96,527.71
Communications	45,227.68	2,132.24	47,359.92
Data Processing Purchases	69,839.80	0.00	69,839.80
Data Processing (Non-Inventory)	61,883.60	0.00	61,883.60
Equipment Purchases	25,132.95	189.48	25,322.43
Office Supplies & Materials	78,880.86	2,050.00	80,930.86
Equipment & Building Rental	108,071.24	11,938.81	120,010.05
Equipment Repair & Maintenance	6,314.42	177.36	6,491.78
Annual Report Printing	0.00	0.00	0.00
Official Newspaper Publications	1,208.32	20.24	1,228.56
Moving Charges	0.00	0.00	0.00
Outside Services	133,218.26	3,970.95	137,189.21
Refunds & Reimbursements	1,500.00	0.00	1,500.00
Subtotal	<u>\$ 670,157.42</u>	<u>\$ 20,901.51</u>	<u>\$ 691,058.93</u>
TOTAL DISBURSEMENTS	<u>\$ 5,539,740.75</u>	<u>\$ 302,387.78</u>	<u>\$ 5,842,128.53</u>
GAIN OR LOSS	\$ (195,911.43)	\$ 237,537.14	\$ 41,625.71

*Off Budget Item

ABSTRACT #251

STATE OF IOWA – DIVISION OF BANKING
 Abstracts of Reports of Condition of 365 Iowa Chartered Banks as of
 June 30, 2002, as Compared with 379 Iowa Chartered Banks as of June 30, 2001
 (000s)

	June 30, 2002		June 30, 2001		June 30, 2002 compared with June 30, 2001	Percent of Change
		Percent		Percent		
ASSETS						
Cash & Due from Banks	\$1,097,716	3.49%	\$969,287	3.28%	\$128,429	13.25%
Federal Funds Sold	890,109	2.83%	1,069,528	3.62%	(179,419)	-16.78%
Held-to-Maturity Securities	1,061,001	3.37%	956,427	3.24%	104,574	10.93%
Available-for-Sale Securities	6,929,189	22.03%	5,986,230	20.27%	942,959	15.75%
Loans & Direct Lease Financing	20,383,762	64.80%	19,508,452	66.04%	875,310	4.49%
Less: Loan Loss Valuation	(265,684)	-0.84%	(248,353)	-0.84%	(17,331)	6.98%
Fixed Assets	464,061	1.48%	440,554	1.49%	23,507	5.34%
Other Real Estate	29,296	0.09%	20,205	0.07%	9,091	44.99%
Intangible Assets	159,128	0.51%	139,143	0.47%	19,985	14.36%
Other Assets	703,986	2.24%	697,615	2.36%	6,371	0.91%
Total Assets	<u>\$31,452,564</u>	<u>100.00%</u>	<u>\$29,539,088</u>	<u>100.00%</u>	<u>\$1,913,476</u>	6.48%
LIABILITIES						
Transaction Deposits	\$5,894,842	18.74%	\$5,412,628	18.32%	\$482,214	8.91%
Non-transaction Deposits	19,369,678	61.58%	18,298,973	61.95%	1,070,705	5.85%
Total Deposits	\$25,264,520	80.32%	\$23,711,601	80.27%	\$1,552,919	6.55%
Federal Funds Purchased	685,147	2.18%	642,449	2.17%	42,698	6.65%
Mortgages Payable & Other Borrowings	2,085,143	6.63%	1,946,330	6.59%	138,813	7.13%
Subordinated Notes & Debentures	0	0.00%	100	0.00%	(100)	-100.00%
All Other Liabilities	236,188	0.75%	271,274	0.92%	(35,086)	-12.93%
Total Liabilities	\$28,270,998	89.88%	\$26,571,754	89.95%	\$1,699,244	6.39%
Minority Int in Consolidated Subs	0	0.00%	0	0.00%	0	0.00%
Total Equity Capital	<u>3,181,566</u>	<u>10.12%</u>	<u>2,967,334</u>	<u>10.05%</u>	<u>214,232</u>	7.22%
Total Liabilities & Equity Capital	<u>\$31,452,564</u>	<u>100.00%</u>	<u>\$29,539,088</u>	<u>100.00%</u>	<u>\$1,913,476</u>	6.48%
Tier 1 Leverage Ratio		9.65%		9.84%		

ABSTRACT #251

STATE OF IOWA – DIVISION OF BANKING
 Abstracts of Reports of Condition of 365 Iowa Chartered Banks as of
 June 30, 2002, as Compared with 371 Iowa Chartered Banks as of December 31, 2001
 (000s)

	June 30, 2002		December 31, 2001		June 30, 2002 compared with Dec 31, 2001	Percent of Change
		Percent		Percent		
ASSETS						
Cash & Due from Banks	\$1,097,716	3.49%	\$1,298,087	4.16%	\$(200,371)	-15.44%
Federal Funds Sold	890,109	2.83%	1,187,917	3.81%	(297,808)	-25.07%
Held-to-Maturity Securities	1,061,001	3.37%	1,113,641	3.57%	(52,640)	-4.73%
Available-for-Sale Securities	6,929,189	22.03%	6,644,629	21.30%	284,560	4.28%
Loans & Direct Lease Financing	20,383,762	64.80%	19,843,783	63.62%	539,979	2.72%
Less: Loan Loss Valuation	(265,684)	-0.84%	(254,532)	-0.82%	(11,152)	4.38%
Fixed Assets	464,061	1.48%	463,477	1.49%	584	0.13%
Other Real Estate	29,296	0.09%	25,057	0.08%	4,239	16.92%
Intangible Assets	159,128	0.51%	151,467	0.49%	7,661	5.06%
Other Assets	703,986	2.24%	716,972	2.30%	(12,986)	-1.81%
Total Assets	<u>\$31,452,564</u>	<u>100.00%</u>	<u>\$31,190,498</u>	<u>100.00%</u>	<u>\$262,066</u>	<u>0.84%</u>
LIABILITIES						
Transaction Deposits	\$5,894,842	18.74%	\$6,378,353	20.45%	\$(483,511)	-7.58%
Non-transaction Deposits	<u>19,369,678</u>	<u>61.58%</u>	<u>18,848,612</u>	<u>60.43%</u>	<u>521,066</u>	<u>2.76%</u>
Total Deposits	\$25,264,520	80.32%	\$25,226,965	80.88%	\$37,555	0.15%
Federal Funds Purchased	685,147	2.18%	671,106	2.15%	14,041	2.09%
Mortgages Payable & Other Borrowings	2,085,143	6.63%	1,982,678	6.36%	102,465	5.17%
Subordinated Notes & Debentures	0	0.00%	0	0.00%	0	0.00%
All Other Liabilities	<u>236,188</u>	<u>0.75%</u>	<u>256,683</u>	<u>0.82%</u>	<u>(20,495)</u>	<u>-7.98%</u>
Total Liabilities	\$28,270,998	89.88%	\$28,137,432	90.21%	\$133,566	0.47%
Minority Int in Consolidated Subs	0	0.00%	0	0.00%	0	0.00%
Total Equity Capital	<u>3,181,566</u>	<u>10.12%</u>	<u>3,053,066</u>	<u>9.79%</u>	<u>128,500</u>	<u>4.21%</u>
Total Liabilities & Equity Capital	<u>\$31,452,564</u>	<u>100.00%</u>	<u>\$31,190,498</u>	<u>100.00%</u>	<u>\$262,066</u>	<u>0.84%</u>
Tier 1 Leverage Ratio		9.65%		9.57%		

EARNINGS, EXPENSES AND DIVIDENDS OF IOWA CHARTERED BANKS
FOR CALENDAR YEARS 1999-2001
(Amounts Expressed in Thousands of Dollars)

Item Description	2001	2000	1999
INTEREST INCOME			
Interest on Loans and Leases	\$1,611,000	\$1,575,000	\$1,678,000
Interest on Securities	407,000	462,000	493,000
Other Interest Income	58,000	41,000	47,000
Total Interest Income	<u>\$2,076,000</u>	<u>\$2,078,000</u>	<u>\$2,218,000</u>
INTEREST EXPENSE			
Interest on Deposits	932,000	956,000	984,000
Expense of Fed Funds	27,000	48,000	43,000
Interest on Borrowed Money	107,000	107,000	73,000
Interest on Notes & Debentures	<u>0</u>	<u>0</u>	<u>0</u>
Total Interest Expense	\$1,066,000	\$1,111,000	\$1,100,000
Net Interest Income	1,010,000	967,000	1,118,000
Provision for Loan Losses	61,000	43,000	55,000
Non-interest Income	215,000	186,000	240,000
Securities Gains or (Losses)	9,000	(3,000)	(7,000)
NON-INTEREST EXPENSE			
Salaries & Related	424,000	395,000	444,000
Net Occupancy Expense	107,000	95,000	113,000
Other Non-interest Expense	<u>221,000</u>	<u>207,000</u>	<u>259,000</u>
Total Non-interest Expense	\$752,000	\$697,000	\$816,000
Income Before Taxes and Extra Items	421,000	410,000	480,000
Income Taxes	89,000	89,000	119,000
Income Before Extraordinary Items	332,000	321,000	361,000
Extraordinary Items	0	0	0
Applicable Income Tax-Extra Items	0	0	0
Net Income (Loss)	\$332,000	\$321,000	\$361,000
Dividends	\$236,000	\$223,000	\$228,000
Year-end Equity Capital Funds	<u>\$3,053,066</u>	<u>\$3,116,299</u>	<u>\$ 2,976,179</u>

ANNUAL REPORT
OF THE SUPERINTENDENT OF BANKING
DEPARTMENT OF COMMERCE
DIVISION OF BANKING

Annual Report of the Loan Licensees

Consolidated report as made to the Superintendent of Banking for the year ending December 31, 2001, by the 169 licensees engaged in the business of making loans of \$25,000 or less pursuant to Chapters 536 and 537, Code of Iowa, and the 149 licensees engaged in the business of making industrial loans as provided for under the provisions of Chapters 536A and 537, Code of Iowa.

During calendar year 2001, the Superintendent of Banking issued 17 regulated loan licenses and 11 industrial loan licenses.

BALANCE SHEET

ASSETS		LIABILITIES	
Cash:		Borrowings:	
a) In banks	\$ 23,752,077	a) Short term	\$ 491,182,491
b) Compensating balance	0	b) Long term	430,799,214
Short term investments	118,468,280	Reserves:	
Loan receivable:		a) Dealer reserve	462,902
a) Gross receivable	910,128,721	b) License & taxes	569,528
b) Less unearned	<u>(72,398,164)</u>	c) Other reserves	<u>1,716,003</u>
c) Net receivable	837,730,557	Dividends payable	17,904
d) Less reserve bad debt	<u>(14,602,626)</u>	Other liabilities	24,169,113
e) Adjusted net receivable	823,127,931	Total liabilities	<u>\$ 948,917,155</u>
Total liquid and earning assets	<u>\$ 965,348,288</u>	Net worth	0
Inter-company loans	163,705	Capital stock:	
Investments in affiliates	78,798,727	a) Preferred	21,195,500
Other investments	2,023,797	b) Common	6,782,075
Furniture, fixtures, equipment and vehicles (less depreciation)	4,486,092	c) Less treasury stock	<u>(524,059)</u>
Building and land (less depreciation)	565,546	Paid-in surplus	112,883,529
Repossessed property	568,136	Retained earnings	131,023,101
Prepaid expenses & deferred charges	24,708,992	Stockholders' equity	<u>\$ 271,360,146</u>
Other assets	<u>143,614,018</u>	Total liabilities, net worth, and stockholders' equity	<u>\$ 1,220,277,301</u>
Total assets	<u>\$ 1,220,277,301</u>		

DETAIL OF LOANS RECEIVABLE

	INDUSTRIAL	REGULATED	RETAIL	OTHER	TOTAL
Gross receivable	\$ 299,480,375	\$ 361,578,675	\$ 42,920,563	\$ 206,149,108	\$ 910,128,721
Less unearned	<u>(17,834,909)</u>	<u>(15,259,349)</u>	<u>(2,289,889)</u>	<u>(37,014,017)</u>	<u>(72,398,164)</u>
Net receivable	\$ 281,645,466	\$ 346,319,326	\$ 40,630,674	\$ 169,135,091	\$ 837,730,557
Less reserve for bad debt	<u>(4,486,279)</u>	<u>(4,700,371)</u>	<u>(1,288,107)</u>	<u>(4,127,869)</u>	<u>(14,602,626)</u>
Net receivable	<u>\$ 277,159,187</u>	<u>\$ 341,618,955</u>	<u>\$ 39,342,567</u>	<u>\$ 165,007,222</u>	<u>\$ 823,127,931</u>

INCOME

	<u>INDUSTRIAL LOAN</u>	<u>REGULATED LOAN</u>	<u>RETAIL</u>	<u>OTHER</u>	<u>TOTAL</u>
Charges collected and/or earned	\$ 38,256,896	\$ 43,889,538	\$ 9,789,086	\$ 20,598,906	\$ 112,534,426
Service charge income	817,371	345,069	246,081	249,452	1,657,973
Other loan fees	225,916	409,814	178,192	1,767,197	2,581,119
Credit insurance income	91,024	215,804	320,300	2,257	629,385
Other income	533,101	1,801,905	16,912	1,180,437	3,532,355
Total operating income	<u>\$ 39,924,308</u>	<u>\$ 46,662,130</u>	<u>\$ 10,550,571</u>	<u>\$ 23,798,249</u>	<u>\$ 120,935,258</u>

EXPENSES

Advertising	\$ 391,527	\$ 278,375	\$ 110,039	\$ 162,358	\$ 942,299
Auditing	70,300	89,983	19,514	24,071	203,868
Bad debt:					
a) Charge off	5,379,008	1,704,858	1,097,508	888,782	9,070,156
b) Deduct collections on charge off	(222,875)	(173,398)	(98,914)	(61,340)	(556,527)
c) Additions to reserve for bad debt	1,348,417	4,279,874	157,552	2,881,834	8,667,677
Depreciation and amortization	270,627	907,847	131,875	153,128	1,463,477
Insurance and fidelity bonds	133,046	242,316	78,521	37,868	491,751
Legal fees and disbursements	133,685	132,635	33,117	70,140	369,577
Postage, printing, stationery & supplies	373,014	758,566	212,003	264,505	1,608,088
Rent, janitorial services & utilities	506,828	964,068	354,866	455,900	2,281,662
Salaries of officers, owners & partners	785,631	706,262	158,270	94,600	1,744,763
Salaries of all other employees	2,926,759	8,509,690	2,823,099	3,714,229	17,973,777
Taxes (other than income)	213,219	244,616	213,474	268,031	939,340
License fees	55,293	74,812	8,865	21,000	159,970
Telephone & telegraph	207,893	643,593	145,704	140,194	1,137,384
Travel, auto expense & allowance	251,280	231,410	87,506	110,921	681,117
Supervision & administration	1,624,927	924,924	609,364	631,895	3,791,110
Other expenses	2,620,102	6,050,616	1,649,561	2,342,048	12,662,327
Interest paid on borrowed funds	15,270,055	16,214,877	3,390,998	12,848,386	47,724,316
Total expenses before income taxes	<u>\$ 32,338,736</u>	<u>\$ 42,785,924</u>	<u>\$ 11,182,922</u>	<u>\$ 25,048,550</u>	<u>\$ 111,356,132</u>
Income before income taxes	\$ 7,585,572	\$ 3,876,206	\$ (632,351)	\$ (1,250,301)	\$ 9,579,126
State income taxes	688,058	360,400	793,654	(879,083)	963,029
Federal income taxes	2,274,285	84,434	(1,124,192)	506,009	1,740,536
Total expenses	<u>\$ 35,301,079</u>	<u>\$ 43,230,758</u>	<u>\$ 10,852,384</u>	<u>\$ 24,675,476</u>	<u>\$ 114,059,697</u>
NET EARNINGS	<u>\$ 4,623,229</u>	<u>\$ 3,431,372</u>	<u>\$ (301,813)</u>	<u>\$ (877,227)</u>	<u>\$ 6,875,561</u>

LOAN BUSINESS PROFIT PERCENTAGES

	<u>INDUSTRIAL</u>	<u>REGULATED</u>	<u>RETAIL</u>
Rate of Return:			
Average net receivable outstanding	\$ 256,461,212	\$ 315,643,533	\$ 38,344,518
Net income	\$ 4,623,229	\$ 3,431,372	\$ (301,813)
Rate of return	1.80%	1.09%	(0.79%)

Analysis of charges on loans:

Charges collected and/or earned	\$ 38,256,896	\$ 43,889,538	\$ 9,789,086
Average monthly rate collected	1.24%	1.16%	2.13%

Analysis of expense per account:

Average number of accounts outstanding	33,028	72,535	27,052
Total expenses	\$ 35,301,079	\$ 43,230,758	\$ 10,852,384
Average monthly expense per account	\$89.07	\$49.67	\$33.43

ANALYSIS OF BUSINESS ACTIVITY

	<u>INDUSTRIAL</u>		<u>REGULATED</u>		<u>RETAIL</u>	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
Loans outstanding at beginning of year	30,310	\$ 225,336,935	66,723	\$ 252,703,899	28,482	\$ 37,784,805
Loans made during year	40,664	268,170,418	40,874	173,357,853	N/A	N/A
Loan Balances purchased during year	484	2,951,462	4,920	30,828,836	27,555	47,993,079
Total	71,458	\$ 496,458,815	112,517	456,890,588	56,037	85,777,884
Loan balances charged off during year	1,044	\$ 6,197,549	2,119	\$ 4,800,887	767	\$ 1,276,492
Loan balances sold during year	96	2,208,407	3,559	17,407,050	204	533,019
Loans outstanding at year end	34,466	281,080,690	81,736	348,987,646	27,869	40,639,166
Total	35,606	\$ 289,486,646	87,414	\$ 371,195,583	28,840	\$ 42,448,677
Collection of principal during the year	35,852	\$ 206,972,169	25,103	\$ 85,695,005	27,197	\$ 43,329,207

LOAN BUSINESS — LEGAL ACTION

	INDUSTRIAL		REGULATED		RETAIL	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
Suits for recovery:						
a) Suits instituted during period	232	\$ 1,316,634	457	\$ 892,780	127	\$ 132,670
b) Suits settled before judgment during period	37	\$ 90,334	60	\$ 78,789	35	\$ 45,294
c) Real estate foreclosure	62	\$ 2,701,833	5	\$ 152,851	N/A	N/A
Possession of chattels obtained by licensee:						
a) Household goods	1	\$ 2,953	16	\$ 30,272	11	\$ 8,287
b) Automobiles	50	\$ 232,249	182	\$ 761,928	50	\$ 239,098
c) Other chattels and property	0	\$ 0	2	\$ 13,265	N/A	N/A
d) Real estate	32	\$ 1,371,022	2	\$ 56,070	0	\$ 0
Sales of chattels by licensee:						
a) Number		29		158		32
b) Amount due		\$ 178,727		\$ 352,047		\$ 124,286
c) Amount collected		\$ 93,651		\$ 191,960		\$ 76,913
Sales of real estate by licensee:						
a) Number		37		0		N/A
b) Amount due		\$ 79,593		\$ 0		N/A
c) Amount collected		\$ 1,722,862		\$ 0		N/A

SUPPLEMENT INSURANCE REPORT

INDUSTRIAL LOAN

- 1. Loans made during the year:
 - a) Number 40,664
 - b) Amount (Gross loan amount) \$276,315,089

	CREDIT LIFE	CREDIT HEALTH	OTHER
2. Insured loans made during the year:			
a) Number	7,938	6,847	2,098
b) Amount (Gross loan amount)	\$65,442,950	\$58,450,103	\$20,554,432
3. Premiums	\$1,557,175	\$1,595,069	\$357,242
4. Claims paid	\$348,362	\$511,885	\$77,169
5. Net income from all credit insurance	\$126,030		

REGULATED LOAN

- 1. Loans made during the year:
 - a) Number 40,874
 - b) Amount (Gross loan amount) \$177,789,593

	CREDIT LIFE	CREDIT HEALTH	OTHER
2. Insured loans made during the year:			
a) Number	18,503	16,390	23,351
b) Amount (Gross loan amount)	\$86,798,490	\$80,578,588	\$99,378,465
3. Premiums	\$1,207,708	\$1,711,410	\$2,057,427
4. Claims paid	\$331,253	\$398,943	\$357,696
5. Net income from all credit insurance	\$290,038		

