

## A TOWN WITH 'BEER' IN THE NAME AND MUCH MORE GOING FOR IT

The Winnebago banker pulls into Beresford, S.D., and has a banking surprise

Larry and Mary Ann Marik's latest trip took them into Beresford, on Interstate 29 between Sioux Falls, S.D., and Sioux City, Iowa.

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New to this blog? After he hung up his president hat, bank chairman Larry and Mary Ann decided to sell their house, buy a Winnebago, and see more of America. They will now also be blogging about what they see about banking for ABA Banking Journal. Read more about the Mariks in "Chairman of the Open Road";

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Another gig, another state, another town, and most importantly, another bank.

The Smoke Ring, a vintage rhythm and blues horn band that in the late 60s had a top 20 hit and in 1969 appeared on American Bandstand, had a gig in Beresford, S.D. Larry is one of the horn players, so we headed for Beresford, with his sax packed in the Winnebago.

First Savings--bank of many charters

We headed out a day earlier than the actual gig because we wanted to see some of the community. One thing about traveling in a motor home is that we can turn any parking lot into our temporary home.

We were very fortunate to find a spot right across the street from the Bertz Bar, site of the next night's show, and

went to the bar for our supper. Larry asked Carla, the owner, about the community's banks, and she recommended her institution, First Savings Bank.

The next morning we headed uptown in search of an interview.

We walked into a lobby where several young women were raising money for Relay for Life. The event was taking place that evening at the local high school stadium, home of the Watchdogs. Cory Worth, branch president, welcomed us into his office. It turned out that what we thought was a relatively small bank has assets of \$433 million and 23 additional branch locations.

First Savings Bank initially received its corporate charter from the state of South Dakota in October 1913, and operated under the name American State Bank for a short time. In January 1916, it converted to a federal charter and became First National Bank of Beresford. (The interior of the current bank building reflects that of the historic First National Bank building, which is now the Beresford city office.) In 1987 and 1988, First National acquired several branches, and in 1988, it liquidated its bank charter and received a federal savings bank charter and as a result, changed its name to First Savings Bank.

Cory Worth is the Beresford branch manager for First Savings, part of a community banking organization spanning several states.

Now, of course, many savings institutions like First Savings have had a change in agency, courtesy of the Dodd-Frank Act. Dodd-Frank "retired" the Office of Thrift Supervision.

The day we talked to Cory, he was waiting for his first visit from his new regulator, the Office of the Comptroller of the Currency. In discussing the effect of Dodd-Frank and the regulatory burden, he, like all the other bankers we have talked to, doesn't like it; however, he feels they have good people to deal with the situation.

We learned that the First Savings approach is a centralized compliance office. "All of our compliance people (for the 23 locations) are on the second floor," said Cory. Regarding the Durbin Amendment, Cory said, "You look for ways to increase your income to offset that drop in income from the interchange."

Part of an interesting banking family, in two ways

Despite the size of the bank, First Savings remains a family-owned institution. Frank L. Farrar, a former South Dakota governor, is the main shareholder and the man responsible for this banking enterprise, which consists of four separate holding companies with combined assets of over \$1 billion, with offices not only in South Dakota but in a network of nearby states. At the age of 82, Farrar still participates in Iron Man competitions.

From gathering school supplies to gathering food for the local food pantry to sponsoring a team for the Walk for Life, First Savings is committed to Beresford.

"We're here to help our community," said Cory. "One of the great values of community banking is the ability to give customers personal attention. Large banks are so structured, policies need to fit in a certain box. We are able to make local decisions that meet local needs."

Beresford, population 2,000, is a rural community at the crossroads of I-29 and Highway 11. Sioux Falls is approximately 30 miles away so attracting retail is a challenge, but there is a nice industrial base. Prinsco manufactures commercial drain tile; Slumberland has a warehouse; Quality Park produces envelopes; Sioux Steam is a steam cleaner.

"But," said Cory, "agriculture is still predominant. When real estate was hot, the focus was metro, but in a down economy, the Midwest is gold."

Making our way around Beresford

Regular readers will recall that a few trips back we were in "Bridges of Madison County" territory. There was an echo of that, in a way, on this trip.

Once again we walked nine at the local golf course; this one named "Bridges of Beresford."

The story behind the unusual course name: When the county closed several minimum maintenance roads, Beresford moved the bridges to this beautiful course. First Savings Bank sponsors hole #3, a very nice par 3.

What do you do with a couple of municipal bridges that are no longer needed for roads? You add them to the local golf course, Bridges of Beresford.

Not to forget the gig&hellip;

We enjoyed our visit to First Savings Bank, and we enjoyed our evening at Bertz Bar. There&rsquo;s a lot of pride in this community, and a lot of fun-loving, friendly people.

One patron of Bertz put it this way: &ldquo;Any town with the word &lsquo;beer&rsquo; in its name is a good place to be from.&rdquo;

Carla, the owner, has a bus that patrons may take home if they don&rsquo;t feel they&rsquo;re in any shape to drive. When we woke up the next morning, there were lots of cars left in the Bertz parking lot.

Another example of a community that is doing well because of a strong community bank.

Larry Marik, the Winnebago banker, blows sax with his fellow Smoke Ring players. Larry&rsquo;s second from the right.

Keep your eyes open for Larry and Mary Ann Marik and their huge Winnebago Journey. If they come to your bank, you just might wind up as their next blog.