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BRUNING STATE BANK

Your Country Bank Since 1891



Bruning • Hebron • Broken Bow • Holdrege • Kearney



Look At Past Success...

Are we overcompensating for some perceived failure as we bend over backwards for newly arrived people coming into our nation, including people of varying religious sects and ethnic backgrounds?

I have spent some time looking up the history of our country, as well as our community, since this year is the Bank's 125th Anniversary. My review leads me to believe that the hardships suffered by the new immigrants and the adversities endured by the first British settlers actually made this country what it is today. Those people came to build communities and churches, and to be an asset to their towns and their country, and boy, did they do a good job!

In the Midwest, the Czechs, Germans, Swedes, Danes, dump in a few from Russia and all the Balkan countries – despite all their difficulties, they built the Midwest as well as most of the western states. Every community was like ours. They were mixtures of the Brunings, Vosses, Edzardses, Middendorfs, and many other families who had that community pride, and actually built the churches, schools, and towns that we now have.

In the Depression, many of those folks' whole income was devoted to keeping the churches and schools alive. What's happened now?

We have lost a lot of our rural people whose families had that drive, and communities (and counties) are faltering. Who is going to step up and take us forward? Those of us who are left need to reflect on those successes and sacrifices, get together, and DO something.

Looking back, I wish I could have done more and probably am in the position to do more now, but I need the inspiration of the total community to help bring back that old "pioneer spirit."

This is a letter I'd like to send, and have its contents actually acted upon:

Dear Government:

Please quit subsidizing failures and coddling new immigrants. Let them adapt to US, and make sure they do something to BUILD America, rather than tear her down.

Your friend, Banker Frank

*Banker Frank – Frank L. Bruning
Chairman of the Board*

*Even if you're on the right track, you'll get run over
if you just sit there. – Will Rogers*

125 Years...

Bruning State Bank is celebrating its 125th Anniversary this May, as our bank started in 1891 soon after the town of Bruning was founded in 1887. One of the founders was my great-grandfather, Frank D. Bruning, followed by grandpa Fred H. Bruning, then my father Frank L. Bruning, who is still very active and healthy at age 90, and serves now as Chairman of the Board of Directors.

Both Frank L. and I started working in the Bank at age 38 (late bloomers). Frank came in because Fred H. (his dad) had cancer with not much time left, so Frank left the farm and cows because the family said "You are the one." Frank was aided in his financial education by Darlene Reinsch (who has been with us for 63 years) and Amy Reiss Lapcheska (my mother's mom.) I came in as a part-time employee, working a few days a week at the beginning, then building up to full-time in due course. My son, Adam, started with the Bank in 2011 at age 31, and is now working in our Kearney branch office as a 5th generation family member.

Frank and I feel that the Bank and its employees are part of our family. To carry on the family tradition, we have a culture that I feel is special. That culture is to hire happy people, people who care about others, our bank family and the communities in which they reside. We have a great responsibility in our communities and branches to be accurate, trustworthy, compassionate, and philanthropic. Our culture also empowers people to make decisions, encouraging and helping our customers to "Build and Maintain Wealth." We feel we have a special working environment where we laugh, cry, joke, and have fun each day. Our employees "get" what it takes to be a Bruning State Bank team member.

We are celebrating our 125 years of Banking with 5 locations now: Hebron (1991), Broken Bow (2005), Holdrege (2009), and Kearney (2015). We are proud and happy to be a part of your financial success, and to be able to sometimes help you solve problems that may arise for you. Our family Bank and family-oriented employees are important to us, and we hope we can continue to be a strong, safe, and desirable Bank for you, your family, and friends!

*Fred D. Bruning –
President*

"Banks sell peace of mind." – Mark Towers

Jerry's Journal...

Per the most recent past issue of Bruning State Bank Newsletter this is the continuation of the top issues I've been hearing in my travels as a Nebraska Bankers Association (NBA) volunteer leader from my fellow bankers as challenges for the banking industry and Nebraska in general.

As a reminder the top issues include: (1) Agricultural commodity and livestock prices (2) Burdensome regulations (3) finding and retaining qualified staff (4) Succession Planning for family owned banks (5) Tax paying verses non-tax paying competitors. (6) How dysfunctional our democratic system of government has become.

I've covered issues 1, 2 and 3 and for this issue I'll touch on 4, 5 and 6.

(4) Succession Planning – as it applies to banking is very similar to agriculture succession planning. Many times banks have a long and treasured history of being owned by the same families and have been passed down for 2 to 3 generations, via financial planning (borrowing money and paying for the bank stock) or gifting in some cases. Either way there are many examples of large and small family banks in Nebraska. I thought you'd find it interesting to know that First National Bank of Omaha is the largest family owned bank in the United States. Other Nebraska based family owned NBA member banks include: Cornerstone Bank-York, Union Bank and Trust-Lincoln, Adams Bank and Trust-Ogallala, Cattle National Bank-Seward, Jones National Bank-Seward, AmFirst Bank-McCook, McCook National Bank-McCook, Platte Valley Bank-North Bend, Thayer County Bank-Hebron, and Citizens State Bank-Carleton. This is only a very partial listing of the NBA member family banks around Nebraska.

Recruiting family members back to be involved, also means recruiting that family member's spouse. And in many cases they come from backgrounds not linked directly to banking or agriculture. The level of complexity of keeping any business in a family has increased with regulations, taxes and technology. These same issues are acting as barriers for many banks and families to continue family ownership, sad to say that consolidation of banks will continue here in Nebraska.

(5) I've been hearing from my fellow community bankers on tax paying verses non-tax paying providers of the same services. It is not about less competition, because competition is good for everyone—especially the consumer and the overall economy. The efficient and effective business models provide results that are good for everyone. The issue that community bankers have with competing with government sponsored enterprises (GSE) and credit unions has little to do with service issues or head-to-head competition, but it has to do with paying the same tax rate for all providers offering the same products. The community bankers I speak with all point to the taxpayer subsidized rates that they have to compete with. If you would like to learn more about the recent study completed by Dr. Ernie Goss a professor associated with Creighton University in Omaha, simply follow this link to the executive summary <http://bit.ly/2015GossExecSummary>. The summary lays out in great detail the tax revenue being missed by Nebraska taxpayers.

(6) The dysfunctional political state we are currently in. As each party becomes more and more polarized to the extreme, we don't have anyone that wants to find common ground. Those that are

willing to meet in the middle on common sense results and what should be easily identifiable as being good for the country. As the bankers I've visited with say, if we could leverage our 14,600 bank employees and the 2 million bank employees nationwide to support candidates that are pro-agricultural, pro-business and pro-banking we could slow down the mountainous follow of new regulations coming out of Washington DC. As clear as that observation seems to be too many bankers, getting people to engage is difficult given the dysfunctional actions and news we hear every day. That negativity flows to everyone and I hope you took your opportunity to vote in the primary election and will vote again in the general election.

Some of the same issues we face as community bankers are the same issues many face in business and agriculture.

*Jerry Catlett –
Senior Vice President,
Chief Financial Officer*



- Contact your new roommate.** You'll want to get acquainted and make plans for your new space – who's bringing what, like a fridge, microwave, tv, etc.
- List your numbers.** Write down your bank and credit card account numbers, social security number, internet passwords, serial numbers of your tech gadgets, etc. Leave this list at home in a safe place. If you should ever need any of the information, your parents can get it for you.
- Schedule your dates.** Not those kind of dates but all the important dates you need to get on your calendar and plan ahead for: Orientation events, class registration, due dates for tuition, rent, or room/board, rush for sororities/fraternities, move-in day, first day of class!
- Go shopping.** Do a web search for "college packing list" to find great lists of everything you could possibly need and items you might not have thought of yet. Spend your graduation gift money wisely!
- Check up on your health.** Schedule any necessary physicals, eye exams, dentist visits, or immunizations before you move away in the fall. Make sure you have your own copy of your health insurance card.
- Stop in to Bruning State Bank.** Come visit with us about helpful banking tools, such as mobile banking, mobile deposit, text alerts, debit cards, and ATM locator apps.
- Enjoy your summer!** Have fun, relax, and spend time with your family and friends before you start your new adventures!

Random Thoughts...

It's hard to believe, but it has been over four years since corn was \$7.00 per bushel. A lot has changed in the world to get from the high to our current price at \$3.50 per bushel. I remember going to a grain marketing seminar several years ago and there was much talk about the length of time the corn market would go down before we saw any meaningful recovery in prices. Historically, grain prices start moving toward a recovery in 3 to 5 years. I'm not sure we will see the market start strengthening this year. We had a historic run of high grain prices when corn prices went from \$2.00 per bushel to \$7.00 per bushel. Sometimes an extreme swing in one direction forces an extreme swing in the other direction.

Having gone to Dr. David Kohl seminars over the years, I've heard him say numerous times that he doesn't know many people who went broke paying taxes, but he knows quite a few who went broke trying to keep from paying taxes. In other words, buying capital items so you can depreciate them to avoid taxes is a "fool's game." Debt is paid back from net income, not depreciation. You can cash flow payments for a short time off of depreciation, but eventually you have to have net taxable income or you find yourself having to make capital injections into your business or sell assets.

With the stress in farm cash flows, we are starting to get more people inquiring about financing, as their current lender is putting conditions on them they don't like, or asking them to sell some assets they don't want to sell to pay down debt, and in some cases even asking them to move their banking relationship someplace else.

To keep from being put in this position, you may have to be proactive in how you run your operation. The core issue is finding a way to keep your operations at least breaking even. When you are losing money, your cash flow doesn't work and your debt starts growing. Then you start losing your working capital, and you lose your ability to borrow money. Being proactive when you start to have a problem and effectively communicating with your banker is key to surviving hard times.

Training the next generation on financial management is critical to building and sustaining family wealth. Too many times one generation doesn't do a very good job of teaching the next generation how to manage their money. Not only is this an issue but our education system poorly equips young people on how to manage their money, as well. "Teach Children to Save" is a program started by banks to begin the training process. But more needs to be done in not only in grade school and high school, but also at the college level.

*Darrell Raum –
Senior Vice President*

Graduation Reflections...

May is the month of graduations and celebrations of accomplishment. Achieving graduation from high school is commonplace in most homes today, but this was not always so when many students had to curtail their education in order to help support their families. Today, high school graduation remains the primary building block and first step towards economic independence as an adult. From this first step, their choices may include college, training as a technician, military service, or as some graduates do, taking a "gap" year away from school. This may present risks and rewards since many students quickly move away from formal education after graduation, and face an adjustment when they seek to return to a learning regimen.

On the other hand, a year to gain some career perspective and to earn some income for future training or education can be beneficial. The key element is to understand what this hiatus is, and what it is not. It is not a year away to goof off and to place your mind in neutral. The tremendous burden of utilizing student loans to pay for a formal education may still be worthwhile, but as with any debt, a clear understanding of the use of the funds and how repayment is to be achieved is paramount. Too many college students find that upon college graduation, the amount of debt accumulated can be crippling to their future prospects to own a home, buy a car, or start a family.

Student loan debt is a tremendously useful and potentially emancipating tool if used properly. If the degree acquired, or even worse, time spent in school without completing a degree, is in a field of study that is not in demand, the debt quickly becomes a burden. A common adage I have told my bank customers for years is that "credit is a tool, but if used improperly is like trying to drive nails all day with a crescent wrench." In short, use student debt sparingly and wisely. To all new graduates, congratulations! Enjoy and be optimistic in planning and living your future.

*Douglas King –
Kearney Branch President*

CONGRATULATIONS

Bruning State Bank is proud to announce that Jerry Catlett was elected as chairman of the Nebraska Bankers Association (NBA) during the association's Annual Convention on Thursday, May 5th. Jerry will serve throughout 2016-2017.

This reflects his dedication to the banking industry. We appreciate all Jerry does for our Bank and support him in this endeavor!



*Catlett succeeds
Michael Pate, pictured
on the right, handing
over the gavel.*

The Significance of Numbers...

I'm often asked "how are things at the bank," my first thoughts are the great staff we have. I believe that it is in the daily interactions between our employees and our customers that the true meaning of what we offer comes to life. As a bank, we offer promises: a promise that we will be there for our customers when they need us, a promise that we will provide our staff the support and products to meet the client's needs, and a promise that we will continue to grow and expand our capabilities to ensure our strength and stability for the future.

As a bank, our attention is first and foremost on our customers which is an essential reason why Bruning State Bank has been in business for 125 years. This is an impressive milestone considering the economic landscape we have experienced over the past 125 years. What is equally impressive is the staff at our Holdrege Branch has a combined 215 years of banking experience. There is power in numbers!

In celebration of the bank's 125th Anniversary we invite you to join us at the Holdrege Branch on June 14th from 8:30 a.m. to 3:30 p.m. for an open house celebration.

In closing, we all know what happened 125 years ago in Bruning, Nebraska, a bank was born. The following information is a historical perspective of what was happening 125 years ago in Holdrege/Phelps County. This information was obtained by the Nebraska Prairie Museum here in Holdrege.

1891 Phelps County Fun Facts:

- John P Strong was displaying a 15½ lb. cabbage from his garden at the Frank Johnson Store.
- Wheat was bringing 75 cents per bushel and with a good crop, farmers were jubilant.
- The outlook was for bumper crops over the area. Rains had been heavy and frequent and pastures were lush.
- Deputy Sheriff Bruner was in Kansas hunting horse thieves.
- The Model Restaurant reported they served nine dozen lemons in lemonade on the hottest day of the year.
- Holdrege was getting to be a great bicycle city with between 15 and 20 wheels. Four young ladies now possessed bicycles.
- F.A. Dean was displaying bluestem grass seven feet and three inches in height and corn stalks over 11 feet tall.

*Kyle Anderson –
Holdrege Branch Vice President*

BRUNING STATE BANK

has partnered with

Apple Pay

Paying in stores or within apps is easier as you can load your BSB card to the Wallet app on your iPhone



Look for one of these symbols at checkout



iPhone 6 or higher required

Member FDIC

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Broken Bow Square Artifacts

The Broken Bow town square has been iconic for many years with its original brick streets around the park. The gazebo is the center setting for farmers markets and band concerts on summer evenings. The concrete on the sidewalks was poured in the mid-1920's. This was a big improvement from the traditional board walks surrounding the town square. The streets around the town square are currently under renovation. The bricks have been removed from the streets and new sidewalks and curbs are being poured. This process has unveiled some interesting old coins and artifacts from under this 90+ year old concrete.

One local opportunist has taken to the streets with his metal detector to see what treasures could be found after all these years. I had the privilege of interviewing local enthusiast, Logan Girardin, who was willing to show off and discuss his findings. One of Logan's discoveries was a "Flying Eagle Cent." This type of Cent was minted from 1865 to 1868, dating back to the Civil War years. The cent Logan found, and pictured below, was minted in 1868. Should he have found this same coin minted in 1865, the same year the Civil War ended, it could have been worth up to \$25,000. Another interesting find, also pictured below, is that of a small cast-iron toy truck that predates the famous "Tootsie Toys" from the early 1900's. Logan found more than 60 old coins, a sample shown in the pictures.



Although we are currently going through some inconvenience with this renovation, we look forward once again to enjoy Broken Bow's iconic town square, newly preserved, with even some of the original bricks placed back into the streets that border our hometown businesses. We thank you all for your consideration during this time and look forward to having close-by parking again at Bruning State Bank.

*Dan Jelinek –
Broken Bow Branch President*

Weather Alert!!!

Severe thunderstorm watch! Severe thunderstorm warning! Tornado watch! Tornado warning! Tis the season that weather radios and smart phones send us alerts for potentially severe weather! Do you have coverage if your crops get damaged by hail, wind, excess moisture, lack of moisture and other weather related damage?

Don't wait for a storm to hit – get your hail & wind coverage today! The cost for hail insurance is the same whether you purchase coverage NOW or if you wait until July. SO...don't wait for those weather alerts to go off or for that storm cloud to be overhead!

Hail insurance provides coverage for MORE than just HAIL, it also provides coverage for Fire, Lightning, Theft, Vandalism, and Malicious Mischief while the crop is in the field...and while in transit within 100 miles of the first place of storage. "Green Snap" coverage and "Green Snap Extra" can also be added to your hail insurance policy on corn only. "Green Snap" provides coverage if the corn stalk is severed below the ear. "Green Snap Extra" provides coverage if the corn stalk is blown over to a point that it is more difficult to harvest.

Let us help protect your income! Stop by to see one of our agents to get more details on the different deductible and coverage options available. DON'T WAIT!!! Your coverage does not go into effect until the completed and signed application is received by the company.

MULTI-PERIL CROP INSURANCE REMINDERS:

This is a very busy time of year, so we just want to give you a few reminders on your multi-peril crop insurance...

Final planting dates for most of our area counties in Nebraska and Kansas...

Corn: May 25th (Both NE & KS)
Grain Sorghum: June 15th (NE) • June 25th (KS)
Soybean: June 10th (NE) • June 15th (KS)

Acres reporting deadline (Oats & Row Crops): July 15th
Final acres & plant dates MUST be reported by July 15th. The acres reported for multi-peril crop insurance MUST match the acres certified at the FSA office.

Wheat premium due: July 1st
Interest will start accruing on August 1st

Losses: Remember to contact us RIGHT AWAY if you think you might have a loss! Contact us before you replant, before you chop for silage, and before you destroy any crops.

We are always ready to assist you with ALL your crop insurance needs, so please contact us today!

*Kathy, Jeff, Brian, Shari,
Janet, Ryne, Zach –
Crop Insurance Agents*

Not FDIC Insured. Not a guarantee of the Bank.
Not a deposit of the Bank. Not insured by any federal government agency.
May go down in value.

Welcome...

Bruning State Bank is excited to welcome new bankers to our team!



Cece Catlett recently started in Broken Bow as a Compliance Assistant. She grew up in Bruning, NE, and is originally from Broken Bow. Cece graduated from UNO with a degree in Business Administration with a specialization in Management. Since graduating college she worked in Waverly at Horizon Bank as a Loan Assistant in the Low Income Tax Credit Department. Cece enjoys running, watching/playing sports and all outdoor activities. She looks forward to meeting new people and putting faces to names that she has heard so greatly about from her family over the years.



Joe Streufert has joined our Home and Real Estate Loan department in Bruning as a Real Estate Loan Originator. Joe has a Business degree from Buena Vista University and has 12 years of banking experience. He previously worked at the Holdrege location from 2010-2013, before moving to Wisconsin where his wife, Brindi, completed her Post-Doctoral Residency for psychology. Returning to Nebraska Joe and Brindi currently live in Geneva. He looks forward to reconnecting to the Nebraska area and assisting customers through their home and real estate loan experience!



Shauna Fangmeyer joins us in Bruning as a Customer Service Representative. Shauna grew up in Bruning, NE. She graduated from Southeast Community College with a Business Administration degree. Since graduating from college she has worked at Deshler Public School as a Para for two years and Midwest Bank in Deshler, NE for five years. She and her husband, Brandon, live in Deshler, NE. Shauna looks forward to seeing familiar faces and assisting customers at BSB.

Stop in sometime to say hello and welcome Cece, Joe, and Shauna to our staff!



**Something Missing?
Lost or Stolen
Debit Card?**

1-800-472-3272

is the 24-hour number to call and report it!
Your local branch can assist and answer
questions during business hours!

**Please remember, unless you inform us of travel
plans, all international transactions on your
ATM/debit cards are blocked.**

Technology Update...

It was a sunny Sunday in October a few years ago and I did what I always do when I first wake up in the morning - look at my phone for emails. There was clearly something wrong as my Bank email account was showing nearly 90 unread messages; as five is the standard number for a weekend day, an investigation was necessary. At the time, the service that looked for fraud on our debit cards would email myself and several others at the Bank if it thought fraud was occurring with any accounts in our system. We would then check each customer's account and call them if necessary.

That Sunday, there were several cases of fraud going on, so we came into the Bank, called several customers (who were very cool about being bothered on their day off...and we appreciated that!), and got the situation resolved. As the years have gone by, the way we deal with debit card fraud has evolved. We now have better monitoring systems and the detection center now calls you, which greatly decreases the time from when fraud is detected to when the card can be de-activated, saving everyone time and headaches. But at the heart of it, the cards themselves needed to evolve to make fraudulent transactions more difficult to perform. This time in Technology Update, we are discussing EMV Cards, the next generation of debit card that will soon be available to Bruning State Bank customers.

EMV cards (which stands for Europay, MasterCard, & Visa...we bankers love our acronyms you know) have been around for many years and are standard in the developed world outside of the United States. You may be carrying an EMV card in your wallet right now, given that several credit card companies have already begun issuing them. Each card contains a computer chip which creates a unique code every time you use it. Compare that to your current standard debit card where all of the data is contained on a magnetic strip. That data is always the same, meaning once a fraudster has it, they can replicate the card and use it. EMV will make point of sale transactions much more secure than they are now. Unfortunately, those transactions that are done online or over the telephone may still have the same issues as before, which is why it is always a good idea to do business only with online retailers that you know and trust.

We are currently in the test phases of our EMV card migration and should begin to issue them to our customers in the next couple of months. If you have any questions about your new card when you receive it in the mail, please give us a call. We've included a handy information box in this issue of the newsletter with names and phone numbers of the employees that can help you at each branch for any debit card question, whether that be about your new card, a fraud call that you received, or any question in between.

While we have yet to get to a point where debit card fraud is a thing of the past, we are hopeful that Sunday morning debit card phone calls from the Bank are. While we have tools in place to make it as tough on fraudsters as possible, the best defense for you as a card holder is to check your statements regularly. Online and Mobile banking are great for that and of course we are always here to help.

Tech Term of the Month: *Crimeware* - Malicious software designed to carry out or facilitate illegal Online activity. As an example, if a person designed some malware specifically to get passwords from a computer to facilitate wire fraud on an Online banking system, that would be considered malware.

*Corey Swartzendruber –
Vice President, Network Administrator*

Ramblings From The Insurance Department...

Just a few things you should know...

HOME INSURANCE – premiums & deductibles:

As most of you are aware, home insurance premiums have been on the rise. The cost of materials, labor and the increasing frequency of storm damage have driven these rate increases. Insurance companies, industry wide, are also making changes to their wind & hail deductibles. Some companies are changing to "split" deductibles with a higher wind & hail deductible and a lower deductible for other covered perils.

****Be sure to contact your agent to discuss your coverage and deductible options as you can reduce your premium cost by making some changes.**

STORM SEASON – roofing contractors:

You may notice that the out-of-town roofing contractors show up in your town after a major wind & hail storm. Be very cautious and wary about the contractor that calls you or knocks on your door and offers to do a free inspection on your home. Be sure to read and understand any repair contract prior to signing. Don't assign all benefits and rights on the claim to a contractor as this could eliminate any say you have in the repairs and claim handling. Make sure the contractor is well known, has their own liability insurance, provides a guarantee for their work, and will be available in the future there be problems with the workmanship.

FARM CHEMICAL – overspray:

Does your farm liability policy provide adequate coverage for any accidental overspray damage for which you are responsible? The liability coverage for overspray may be lower than your farm liability limit. You should seriously consider purchasing a personal umbrella policy to provide additional coverage over and above your primary personal liability insurance coverage.

ATVs and other recreational vehicles:

Most home or farm insurance policies provide liability coverage for "on premise" usage only. In some cases, the "automatic" coverage provided by your home/farm policy will not be adequate in the event of a loss. Be sure you have coverage for any recreational vehicle both ON and OFF your premises! Additional coverage may need to be added to your current policy or additional coverage can be written on a separate policy. Don't forget to insure your watercraft, ATVs, golf carts, camping trailers, and other "fun" vehicles.

Stop by our office or give us a call to review your insurance coverage! Contact us with any questions regarding your coverage or the cost of your insurance.

We hope everyone has a safe summer!

*Kathy Roberts, Brian Hulse,
Kristen Monteforte & Gail Anderson –
Insurance Agency*

Not FDIC Insured. Not a guarantee of the Bank.
Not a deposit of the Bank. Not insured by any federal government agency.
May go down in value.

Does Your Risk Tolerance Follow the Market?

According to an investment industry survey, in mid-2008 — when the financial crisis was still developing — 23% of U.S. households were willing to accept substantial or above-average investment risk in order to achieve substantial or above-average returns. The following year, after the stock market hit bottom, the percentage of risk-taking households fell to 19% and did not begin to rise until 2013, the fourth full year of the recovery and a strong year for market performance. Even so, risk-taking remained below the pre-crisis level through 2014 (most recent data available).¹

It's understandable that investors might feel less inclined to take risks when the market is down — after all, no one likes to watch the value of assets dwindle. However, your risk tolerance should be a fundamental component of your investment strategy, based on your own situation rather than market performance.

If you allow yourself to be swayed by the market, you might find yourself investing too heavily in riskier investments when prices are high and selling when prices have dropped, leaving you out of potential gains when the market rises again. On the other hand, if you become overly cautious and stick only to low-risk investments with little potential for gain, your savings may not keep pace with inflation over the long term.

By taking some time to assess your risk tolerance, you may be better able to construct and maintain an investment portfolio that fits your situation, regardless of market conditions. Your risk tolerance typically depends on several factors:

- **Your time frame.** The younger you are, the more time you may have to recover from potential losses. However, if you have a more immediate goal, such as saving for college, your time frame may be shorter than if you were focusing primarily on retirement.
- **Your goals.** You may have to assume more risk if you anticipate an expensive retirement lifestyle. Be careful not to assume too much risk just because you have expensive tastes!
- **Other sources of income.** If you are confident that you will receive retirement income from another source, such as a pension, a business, or an inheritance, you may be able to assume more investment risk. It's generally not wise to place too much emphasis on Social Security in your calculations.
- **Your personal style.** Regardless of other factors, you have to feel comfortable with the risk you are taking. Will the risk of an investment substantially increase your stress level? If the answer is yes, you may be better off choosing a less risky investment.

Keep in mind that all investments involve some degree of risk, including the potential loss of principal, and there is no guarantee that any investment strategy will be successful. Risk tolerance varies from person to person, and there is no one-size-fits-all approach. The key is to consider the factors that could affect your own risk tolerance and make informed investment decisions appropriate for your situation. Risk tolerance becomes more important as you approach retirement. If you would like to talk about your risk tolerance and how your current investments are structured please call or email me.

*David Frook –
Financial Planner*

¹Investment Company Institute, 2015

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David Frook, Registered Representative

Advisory Services offered through Securities America Advisors, Inc.

David Frook, Investment Advisor Representative

Bruning State Bank and Bruning State Bank Wealth Management are unaffiliated with Securities America.

May Lose Value, Not FDIC Insured, No Bank Guarantee

Tips For The College Graduate...

College graduation has come and gone and now the big decisions begin, such as finding the right job, in the right location, not to mention paying your own living expenses and loan payments for a car and most likely college debt. Here are a few tips for the new graduate:

- Create and stay within a budget after you track your monthly expenses and look where you can cut back.
- Protect your credit worthiness by making your payments on time after you select the best option for repaying student loans.
- Don't forget to save a little from each pay check to build an emergency fund to cover something unexpected such as a medical bill.
- Finally, start saving for retirement by taking advantage of an employee-sponsored 401(k) that enables you to purchase bonds, stocks and mutual funds with pre-tax dollars. Don't forget to capture any matching money your employer offers, since that is free money!

Good luck to our college graduates and we hope you have a prosperous career!

Craig Pope – Hebron Branch President



Happy Father's Day 2016!

We will have treats on **Friday, June 17** at all locations for any Dads who stop in or come by the drive-up!

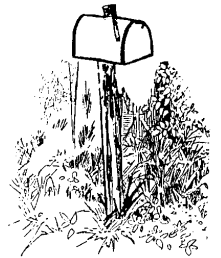
BRUNING STATE BANK

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Bruning, Nebraska 68322

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PAID
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Bruning,
Nebraska

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Since 1891



Are You Prepared...

Yes, I'll admit I'm archaic. According to my grandchildren, I am one of the few people in the whole world without the capacity to skip through commercials on television (yes, my grandchildren bemoan my inability to have their favorite programs available "on-demand"!)

However, because I can't just fast-forward through, I was exposed to (and actually remember a bit of) an advertisement that cites something like "sometimes the worst thing about having 'that conversation' is NOT having it." As my marketing coworkers can attest, I usually don't remember what product the ad is for, even if I recall almost everything else about it, and this one is no exception. Whatever the ad was trying to persuade me to do or buy, what it did accomplish was make me think about how easy it is to pretend we are "10-foot tall and bullet-proof," ignoring the reality that there is only one way out of here.

If something were to happen to you tonight, do you have all the arrangements made to keep that farm in the family, or continue the family business? Do you have young children? Have you been a caregiver or support for someone who would be unable to continue or take care of themselves in your absence? If you wanted to be certain that your grandchildren have some help at getting a higher education, did you set up provisions for them in your will or trust? Have you even had a will prepared?

Those are questions that are often easier to put off until tomorrow, if not indefinitely. But if those questions resonated with you, call your favorite attorney (and accountant, as appropriate) and get those wheels in motion. And if Bruning State Bank Trust Department can be of service to you in the administration of those decisions to be made, please stop in or give us a call. We have Trust staff in Bruning, Hebron, Broken Bow, and Holdrege for your convenience.

Janet Germer – Trust Department

Teach Children To Save...

Bruning State Bank participated in the national *Teach Children to Save* program for 2016. Our branches visited the local classrooms and brought students into the bank over the last couple weeks. BSB reached approximately 270 students from kindergarten to eighth grade through the program!



Top left and right pictures, Sarah Miller and Mollie Schoenholz visit kindergarten and first grade in Bruning. Middle left picture, Jerry Catlett poses with an elementary class in Davenport. Middle right picture, Shareen Max demonstrates counterfeit cop to a group of fifth graders. Bottom left, Kristen Monteforte works with a class at Thayer Central. Bottom right, Janice Nozicka takes a fifth grade class on a tour of the bank in Broken Bow.