

# BRUNING STATE BANK

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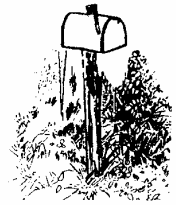
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## Are We Too Satisfied?

I read an article the other day on how long a certain life style lasts. They predicted a cycle of 200 years from bondage to expansion and profitability, then to complacency, back to bondage. Just look around at the countries that have gone through that. Scary, isn't it?

At times I am a little confused. The Bible says not to lay up stores for yourself (and 38 stockholders?). The next sermon I reflected on also said we should use our talents. The servant who buried his talents in the Bible story was accused of being lazy and was thrown out.

The person who is satisfied rarely has new ideas. And only when you try something new do you move ahead.

I am often asked about our Bank – why we are not satisfied with the status quo, and keep trying new products and want to expand. Businesses, communities, and agriculture may some times think that they are “mature” and have no room for change and improvement, that new risk and innovation is not needed. Well, then they become stagnant.

Some of the ideas we considered years ago and thought they were failures may just work now. I find the more we interact with people, the better chance to expand our horizons. Some don't like to go to meetings, but did you ever notice the conversation with others before and after the meeting? New ideas may spring up. Neighbors are usually up to something new; and don't forget that those who live in another area but have a common interest would be a good source of ideas.

All of this sounds like Frank is trying to justify his job. That may be, but it is a great feeling to see the young people in our organization grow and come up with new ideas. Darlene and I are the cheering section, and we think our team is doing great! Still, we don't want to be too satisfied...

*Banker Frank  
Frank L. Bruning—  
President*

## Involvement In Your Community...

Rural Nebraska communities are struggling to find people willing to run for school boards, church and city councils, commissioners, etc. It is our responsibility to get involved in our communities, either by running for office or encouraging others, especially young people, to run. Too many times, organizations continue on with the same people, because younger citizens are just not getting involved. Encourage your son, daughter, wife, husband or employees to be involved. There is a lot of pressure involved in public service; however, critical and good decisions need to be made. Those who step up to the plate to do so are to be commended. Support those in office; visit with them to explain your views and why. Go to meetings to hear, understand and be involved. Again, encourage young people to actively seek election. Then, when they do, support and thank them.

“If you want to predict the future, you must participate in creating it!” Chuck Schroeder

*Fred D. Bruning—  
Executive Vice President*



## Farmers & Ranchers College Schedule...

**February 15, 2006**—"Pork Again: The Nebraska Model for Pork Production" featuring Rod Johnson and others at Shickley, 1:30 p.m.

**March 7, 2006**—"Managing Crop Price Risk: Crop Insurance Tools & Crop Marketing Strategies" featuring Dr. Steve Johnson and others at Davenport, 9:00 a.m. to 3:00 p.m.

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## **Financial Management A Key To Success...**

More consumers filed bankruptcy this past year than any year in history. A financial research firm tallied over 2 million consumer filings. The number is up over 31% from 2004. Granted, a large part of the reason for the increase is because of the sweeping changes that took place with the overhaul of the bankruptcy laws. The point, however, is we are not doing a very good job of teaching our young people to be good financial managers.

America is a consuming, not a saving, society. Bankruptcy has become a form of financial planning. There is a recent survey indicating Americans rank terrorism and not being able to save for retirement equally as their top two fears.

The young and middle aged workers need to be concerned. With little or no training on how to manage personnel money, many companies are considering doing away with retirement plans for their employees as a way to cut cost and become more efficient. For many people this has been the only way they were able to save money for retirement.

To get started down the road of personal financial success, you must establish how much money you have to work with (income) and what you have for expenses. In other words you have to establish a personal budget. From this you can start making decisions that will hopefully allow you to start saving for the future. Some key things to think about when managing your money are:

- What things do I have to have versus things I want but don't necessarily need? Many things we spend money today are not really things we have to have (such as almost everything you buy that doesn't involve food or shelter).

- Are there lifestyle habits I can change that will help me to save money? An example would be eating out every day at lunch rather than bringing your lunch from home. Not a big cost, but over time it makes a big difference.

- Pay yourself first. Most people pay the bills and then say "Well, I would like to save some money, but there's nothing left after I pay the bills." If the first bill you pay is to yourself for your own savings, you may be able to budget in the rest of the expenses or find a way to cut out an expense with some small changes in how you live.

- Have a long-term plan on getting completely out of debt. If you don't have a house or car payment to make, saving gets easier as this is additional money you could be paying yourself rather than somebody else. Don't use your credit card for anything that you can't pay off when the bill comes due at the end of the month.

- Don't fall into the trap most consumers do of keeping up with your neighbors or friends. Live within your

means. You don't have to have the latest and best of everything.

If you are diligent in your money-saving efforts over time, you will be surprised at how fast money saved starts working for you. Remember, it doesn't matter how much money you make; what matters is how much of your money you are able to save.

*Darrell Raum--  
Senior Vice President &  
Credit Supervisor*

## **Medicare Supplement D...**

Unless you have been out of the country for an extended period of time, chances are that you have heard about the new Medicare Prescription Drug program or Supplement D. Open enrollment began on November 15, 2005. If you wanted benefits to begin January 1, 2006, you needed to be signed up with a program by the end of December.

Many people did some homework, met with their agent, chose one of the many plans and signed up. This resulted in thousands of applications for the companies to sift through which has led to some delay in getting the policies out to you, the insured.

If your application was sent in by the December 31 deadline, your coverage was effective January 1, regardless of whether or not you have the policy and card in your hand. We must be patient; the companies will get the policies issued; but until you receive yours, there are still ways to receive benefits. Most companies will allow you to show a copy of your application as proof of coverage.

In some instances, you may need to pay for prescriptions up front and then submit a claim form for these drugs for reimbursement after you are notified of your acceptance. Be sure to save your receipts! As with anything that is new, there are sure to be some glitches. The first year for this new Medicare Plan will require patience from everyone to allow the system to work out any problems.

If you haven't signed up, it isn't too late! Open enrollment continues through May 15, 2006; until then, you may sign up without penalty. We have several different companies that offer Supplement D coverage, including BlueCross BlueShield, which has 3 plans and various premiums. We would be happy to visit with you and find a plan that is right for you in regards to the medication you are taking or answer any questions you may have. Please give us a call at 402-353-2085 or just stop in the office.

*Fred Kobza, Stephen Hoff & Jeff Hammer--  
Life 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

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## ***That Was The Year That Was- This Is The Year That Is!***

In retrospect, this past year has been an interesting one. Of the happenings that have occurred affecting agriculture, here are a few:

**Drought** - The major portion of the Corn Belt, namely Illinois, experienced a severe drought situation. Even with the drought, the recent USDA crop report indicated the second largest bean and corn crop on record. The USDA report also followed up with reduced export numbers and larger world carryovers. This is not what you call positive news for the 2006 crop year. However, without exception, profitable pricing opportunities will be periodically available through the 2006 crop year.

**Hurricanes** - Mainly Katrina doing the most damage to the Coastal region of Louisiana. Shipping up and down the Mississippi was disrupted for weeks, which had a direct effect on our grain markets and energy costs. The cost to the nation for clean up will affect everyone's pocket.

The Canadian border opened to allow beef imports from Canada, which did not have a large effect to the US beef industry. Beef trade with Japan resumed in December which, due to BSE, was discontinued two years ago. This will have a very positive effect on the cattle industry. Feeder cattle today are at an all time high. Cattle should be very positive for a few years until herd numbers are rebuilt.

Governor Johanns resigned as Nebraska's governor to take over as USDA Secretary. Hopefully, someone with ties to the Midwest can influence some positive Ag policy. A new farm bill is due out for 2007. Many believe that it will be very conservation-oriented. Payments may be based on farming techniques and efforts to comply with good conservation practices. These will include water management, fertilizer and chemical management, planting soil conserving buffer strips and tillage management.

Fuel and fertilizer prices this past year reached an all-time high. Fertilizer prices will be higher this year and fuel will probably escalate to last year's prices. This could mean an increase in inputs to crop production of \$40-\$50 per acre. What is interesting here is, when costs explode, the agriculture sector seems to be able to come up with technology to offset these cost increases.

At the present, the outlook for the 2006 crop year doesn't look real promising, but with proper management and pricing there are still good profits to be made.

*Larry Olson—  
Vice President & Loan Officer*

## ***Travel Update...***

It's a brand new year and we hope you enjoyed the holidays with your family and friends. It's time to think about traveling for the New Year!

We have three very interesting destinations this year and we hope that all of you will take the time to look them over.

- Our one-day trip will be to the Minden Opera House on Sunday afternoon, March 19<sup>th</sup>. Flyers are available at all locations and you will note that it is very reasonably priced. In the beautiful 1891 renovated Minden Opera House (276-seat theater and art gallery) you will enjoy the performance of the famed "State Fair", a Rodgers and Hammerstein Broadway production with setting in the American Heartland. Following the performance, we will enjoy a delicious dinner at the Red River Restaurant in Minden before heading for home. Deadline for reservations is February 19<sup>th</sup>.
- Our three-day summer get-away trip will be June 8-10 to Jamesport, MO with stops in Washington Kansas: a seeing eye dog training center tour and a visit to a pie making business that will let us tour and taste (tour their facility and taste their product). We will overnight in St. Jo and spend day two at an Amish settlement with several stops in the Jamesport, MO area. We spend the night back in St. Jo and tour the city before heading for home on day three. Please let us sign you up and you will automatically receive a flyer as soon as they are available to us.
- We are excited about our seven-day air trip to Tennessee and North Carolina, October 24-30. This trip will be southern hospitality at its finest. Some of the highlights of this trip include: Tour of Nashville—"Music City USA", Opryland Hotel, Grand Ole Opry performance, Ruby Falls, Lookout Mountain Incline Railway, Rock City Gardens, Battles for Chattanooga Museum, Great Smokey Mountains National Park, Pigeon Forge, Dolly Parton's Dixie Stamped Dinner & Show, Dollywood, Biltmore Estate and so much more. Our travel company catalog has some overall information about the trip and we will be happy to send out a copy if you need more details. Personalized information for our Banks will be available soon. We are more than happy to answer any questions you might have OR get those answers for you!! Having your name on our maybe list will remind us to send you a Bank flyer as soon as they are available.

Give us a call and let us help with travel destinations in 2006!!

*Sarah Miller, Mabel Hogeland  
& Renee Ferguson—  
Group Travel*

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## For Women Only?

February is upon us - the month of love, Valentines, flowers, and chocolates. My resources for this article (the Internet, so you know it's true!) say that men crave fat and salt while women crave chocolate. Now from my personal experience, a bad day for just one of us, and chocolate helps all us girls at work. Ask any of us. It doesn't take long for the word to get out that chocolate has arrived in the building. In fact it doesn't have to be a trying day and chocolate gets the attention of all of us (even the guys, actually).

I typed in "chocolate" as a keyword on the Internet and it listed 8,530,000 sites to visit. Needless to say I only looked at a few. Chocolate is made from the seeds of a tropical tree called the cacao. Because of a spelling error probably by English traders (men, I'm sure), these beans became known as cocoa beans.

Did you know that chocolate can be seized and that once it is you have to throw it out? Now this sounds to me like you should just keep a good tight grip on your chocolate and eat it fast, but it really means when melting chocolate it changes from a shiny, smooth liquid to a dull, thick paste. I think I could still eat it anyway.

I read that it (especially dark chocolate) can be good for the heart and with my family history, I'll be glad to believe that one.

A cup of coffee contains at least 3-4 times more caffeine than the average chocolate bar, proving that we should take less coffee breaks and more chocolate breaks.

And although some people can be allergic to chocolate, it has been proven not to cause acne. That should be good news for all you teenagers out there.

I have left the best facts for last. # 1 - chocolate is a VEG-ETABLE!!!

The logic: It is derived from cacao beans. Bean = vegetable. Sugar is derived from either sugar CANE or BEETS. Both are plants placing them in the vegetable category. Thus chocolate is a vegetable.

To go one step further, chocolate candy bars also contain milk, which is a dairy product. Thus candy bars are a health food.

- Chocolate-covered raisins, cherries, orange slices and strawberries all count as fruit; so eat as many as you want.
- If you've got melted chocolate all over your hands, you're eating it too slowly.
- Diet tip: Eat a chocolate bar before each meal. It'll take the edge off your appetite, and you'll eat less.
- Store your chocolates on top of the fridge. Calories are afraid of heights and will jump out of the chocolate to protect themselves.
- Chocolate has many preservatives. Preservatives make you look younger. Therefore, eat more chocolate.

- A nice box of chocolates can provide your total daily intake of calories in one place. Now isn't that handy?
- If not for chocolate, there would be no need for control top pantyhose. An entire garment industry would be devastated. We can't let that happen, can we?

The above were not intended to promote obesity, just a few laughs. One more for the road - chocolate once was considered an aphrodisiac, but that could be another article.

As a parting thought, "stressed" spelled backwards is "desserts". So to reverse being stressed...CHOCO-LATE!!!

*Janice Fintel, Pam Lemke  
& Carm Hinrichs--  
Bookkeeping*

## **IRA Changes..**

Since tax year 2002, significant changes have been made and continue to be made in Individual Retirement Account (IRA) contributions. These changes have made an impact on the amount of money consumers may deposit into their accounts in preparation of retirement.

For tax year 2005, the maximum allowable contribution to an IRA is \$4,000. This contribution limit is effective through tax year 2007. However, any individual who reaches age 50 before the end of a tax year can make an additional contribution to "catch up" for lost years when he/she made little or no contributions. For tax year 2005, this catch-up contribution amount is \$500 (\$4,500 total contribution). For tax years 2006 and 2007, the catch-up contribution limit is increased to \$1,000 (\$5,000 total contribution).

If you don't have a plan for your retirement, an Individual Retirement Account is a good place to start! You may deposit any amount you wish up to the limits, so don't let the maximum allowable contribution bother you! Small weekly, monthly or annual deposits into a retirement account will accumulate over the years! Start saving for your future today!

*Cheryl Houser, Jan Bentley,  
Deb Schultz & Nancy Lahners--  
Customer Service*

## **CONGRATULATIONS!**

To the Saltzman family of Shickley, Nebraska. Saltzman, Inc. recently received the Safety Grand Champion Award and were included in the 2005 People Of The Year in *The Nebraska Trucker* magazine!

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# NOTICE OF YOUR FINANCIAL PRIVACY RIGHTS

**We, our, and us**, when used in this notice, mean Bruning State Bank.

This is our privacy notice for our customers. When we use the words “you” and “your” we mean the following types of customers:

- Our consumer customers who have a continuing relationship by purchasing or holding financial products or services such as a(n):
  - Deposit account
  - Loan account
  - Credit card account
  - Safe deposit box
  - Insurance policies issued by or through us
  - Financial, investment, or economic advisory services
  - All persons who use our trust department
  - Former customers

We will tell you the sources of the information we collect about you. We will tell you what measures we take to secure that information.

We will tell you what information we share about you with other entities. We will explain what your rights are, and how you can exercise them. If you share an account relationship with someone else, such as a joint account holder or co-borrower, we suggest that you share this information with such persons to ensure that each of you is aware of our policy and your options.

We first define some terms.

**Nonpublic personal information** means information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or government records. Hereafter, we will use the term “information” to mean nonpublic personal information as defined in this section.

An **affiliate** is a company we own or control, a company that owns or controls us, or a company that is owned or controlled by the same company that owns or controls us. Ownership does not mean complete ownership, but means owning enough to have control.

A **nonaffiliated third party** is a person we do not employ or a company that is not an affiliate of ours. This is also known as nonaffiliated third party, or simply, an “other party.”

**Opt out** means a choice you can make to prevent certain sharing of information. We will explain how you can exercise this choice.

## THE INFORMATION WE COLLECT

We collect information about you from the following sources:

- Information you give us on applications or other forms
- Information about your transactions with us
- Information about your transactions with our affiliates
- Information about your transactions with other parties
- Information from a consumer reporting agency

## THE CONFIDENTIALITY, SECURITY, AND INTEGRITY OF YOUR INFORMATION

We restrict access to information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to protect this information.

## YOUR INFORMATION AND OUR AFFILIATES

We may disclose information about you to our affiliates. Here are the kinds of information and the source of that information Transaction and experience information from our account records:

- Information about your transactions and experience with us, such as:
  - Name
  - Address
  - Account balances
  - Account activity
  - Types of accounts
  - Parties to the transaction
  - Credit card usage
  - Payment history
  - Deposit history

Federal law allows us to disclose the information listed above with our affiliates. However, we will allow you to opt out of the disclosure of this information to our affiliates.

Other information not taken from transactions and experience:

- Information you give us on an application or other forms, such as:
  - Social Security Number
  - Assets
  - Income
- Information we receive from a credit reporting agency, such as:
  - Creditworthiness
  - Credit history

You may opt out of the disclosure of the information listed above.

#### Types Of Affiliates

We may disclose information about you to the following types of affiliates:

- Financial service providers, such as:
  - Bankers
  - Mortgage bankers
  - Securities brokers-dealers
  - Insurance agents

#### Reasons For Disclosure

We may disclose information about you to our affiliates to provide you with information about additional products and services.

### YOUR INFORMATION AND OTHER PARTIES

We will not disclose information about you to anyone except as disclosed in this policy or as permitted by law. Examples of this might include disclosures necessary to service your account or prevent unauthorized transactions.

### INFORMATION ABOUT FORMER CUSTOMERS

We have the same policy about disclosing information about former customers as we do about current customers.

#### YOUR RIGHT TO BLOCK THE DISCLOSURE OF YOUR INFORMATION

**Affiliates** We may disclose your information with our affiliates. If you do not want us to disclose your information with our affiliates, you can block the disclosure of this information. This is known as your right to "opt out."

Your decision to block the disclosure of your information will apply to information collected from all products and services you receive from us.

If you have obtained one or more products or services jointly, an opt out instruction by any party will be effective for all of that party's information we have collected and for all information collected in conjunction with the product or service for all other joint parties. If one of you chooses to opt out, no information we have collected about you will be shared, nor will we share information about any other joint party collected in conjunction with the product or service.

If you previously sent us an opt out, then we will apply your instruction to all the information you can now opt out of as described in this disclosure. If you have joint accounts, your previous opt out will also apply to information about other parties to your accounts as described in this disclosure.

If you wish to opt out of the disclosure of your information, you may do so by using any of the following methods:

- Write us at: Bruning State Bank, P.O. Box 100, Bruning, Nebraska 68322-0100  
or
- Call this toll free number: 1-800-403-5889

<b>INSURANCE</b> Property/Casual Crop Disability Life Automobile Long Term Care Health <small>Not FDIC Insured Not a guarantee of the bank Not a deposit of the bank</small>	<b>PRODUCTS AND SERVICES</b>	<b>AG REAL ESTATE</b> Real Estate Sales Escrows 1031 Land Exchange
<b>TRUSTS</b> Power of Attorney Farm Management Estate Management Conservatorships Living Trust Irrevocable Trust Testamentary Trust <small>Not FDIC Insured Not a guarantee of the bank Not a deposit of the bank</small>	<b>INVESTMENT</b> Retirement Planning Service Full-Service Brokerage (including Stocks, Bonds & Mutual Funds) College Savings Account IRAs Health Savings Account <small>Not FDIC Insured Not a guarantee of the bank Not a deposit of the bank</small>	<b>LOANS</b> Revolving Line of Credit Machinery Livestock Commercial Home Mortgages Consumer Leasing Ag Real Estate Commercial Real Estate
		<b>CUSTOMER SERVICE</b> Money Market Credit/Debit Cards ATM Card Checking/Savings Account Certificate of Deposit IRA Overdraft Protection Internet Banking/Bill Paying

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**Home Loans  
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**Rates are still low!**

- \* Check with us to learn more about Purchasing or Refinancing a home
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- \* Long-term fixed rates available
- \* 100% financing available on Home Purchases--do not have to be a first-time home buyer
- \* "Low-Documentation" and "No-Documentation" Products available for self-employed people that don't qualify for conventional financing.

**FDIC**

## A New "Breed" Of Livestock Insurance...

Livestock Risk Protection Insurance or LRP, has been around for awhile and is still available for sale. Livestock Gross Margin or LGM, is a new insurance product, most recently approved for sale in the states of Nebraska, Kansas, Colorado, and Oklahoma. Sales will begin on January 31<sup>st</sup>, 2006.

### LRP

Livestock Risk Protection is available on Fat Cattle, Feeder Cattle and Swine. Coverage is available daily, after closing of the market. Once Coverage Prices are made available on the Government "Risk Management Agency" Website, which is usually between 4:30 and 5:00 P.M. each day, coverage may be purchased anytime after that and up to 9:00 A.M. the next business day. The highest coverage available through the LRP program is 95% of the contract end-date price, based on futures trading for the same time period. In other words, it is not possible to purchase "at the money" coverage. The goal with this program is to market the livestock as close to the coverage end-date, as possible. Unlike the option, this insurance may not be "exercised" at any time, it must be allowed to expire on the date specified on the coverage endorsement. It does

not matter what you actually get for your cattle, whether at the sale barn or through a private sale, everything is based on the board. If on the end-date of the contract, regardless of whether you sell your livestock or not, the actual ending value is less than your expected coverage value, a loss indemnity is paid. Coverage is available in four-week increments from 13 to 52 weeks.

### LGM-Designed For Yearling-Finishing and Calf-Finishing Operations

Livestock Gross Margin Insurance will be available for sale on January 31<sup>st</sup>, 2006. At this time it is only available on cattle. LGM coverage provides protection against two things: 1) A declining livestock market 2) Increasing feed costs. LGM is designed for the "Yearling-Finishing" and "Calf-Finishing" operations. With Yearling-finishing coverage, it is assumed that the yearling will start at a weight of 750 lbs. and will be marketed at a weight of 1,250 lbs. with a consumption of 57.5 bushels of corn. With the Calf-finishing coverage, it is assumed that the calf will start at a weight of 550 lbs. and will be marketed at a weight of 1,150 lbs., with a consumption of 54.5 bushels of corn. Like LRP, LGM is driven completely from the board of trade; it doesn't matter what your actual feed costs are, or how much you actually receive for your cattle. Without getting into too much detail, let's say, for example, you purchase yearling-finishing insurance on February 28<sup>th</sup>, 2006, and choose August as the marketing month (on the coverage endorsement, you may choose any month within 12 months of the insurance purchase date, as a target marketing date. If the cattle are not at the 1,250 weight by your target marketing date, it will not matter). As long as the numbers on the board of trade work out in your favor, you will be paid an indemnity.

### LGM Indemnity

In a nutshell, if your "Actual Gross Margin" ends up less than your "Expected Gross Margin", an indemnity will be due. The Expected Gross Margin for yearlings is the expected cattle price, determined from a three day average settlement price on CME live cattle futures contracts with a state and month specific basis adjustment minus the expected feeder cattle price, determined from feeder cattle futures five months prior to the marketing date, with state and month specific basis adjustment, minus the cost of feed, determined from a three day average settlement price on the CBOT two months prior to the marketing date, with a state and month specific basis adjustment. The Actual Gross Margin (the number determined at the end of your insurance coverage) is determined from basically the same formula, but figured at the time of the target marketing date. To get more specific details on the CME and CBOT contract settlement dates for yearlings and calves, and state-specific basis used on corn and cattle, see Jeff Hammer, Craig Pope or Kathy Roberts for more details.

*Jeff Hammer, Craig Pope & Kathy Roberts—  
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

## Teddy Bear Winners...

We want to thank all of our young savers who participated in our 14th annual Teddy Bear Drawing. We had six winners—two drawn at Bruning Bank, two from the Hebron Branch, and two from the Bank of Broken Bow. They were:



Tanner Nun  
Derek Domeier  
Ben Hintz  
Chloe Souerdyke  
Chase Dishman  
Chad Dishman

### INTERNET BANKING & BILL PAYING

With Internet banking, you have access to your account activity 24 hours a day, 7 days a week! While online, you may wish to take advantage of our bill paying service. You simply complete the details of the payment you wish to make and we will do the rest!

Check us out at: [www.bruningbank.com](http://www.bruningbank.com)

## Do You Know Your Credit Score And What It Means?

A credit score is a rating used by a lender to help determine whether you qualify for a particular credit card, loan, or service. Based on information in your credit file, the credit report agency analyzes your information using a complex mathematical model to yield your credit score. Usually, the higher the score, the less risk you represent. Many different formulas are used to calculate credit scores, but most are based on the following factors:

- A habit of late payments on current and past credit accounts will lower your score.
- Your public records, such as bankruptcies, judgments, and collection items may lower your score.
- Owing too much will lower your score, especially if you're approaching your total credit limit.
- A longer credit history is better.
- Opening multiple new accounts in a short period of time may lower your score.
- Whenever someone else gets your credit report – a

lender, landlord, or insurer, for example – an inquiry is recorded on your credit report. A large number of recent inquiries may lower your score.

- The presence of too many open accounts can lower your score, whether you are using the accounts or not.

The most common credit score used is the FICO score by Fair Isaac Corporation, which starts at 850. The credit reporting agencies then use a formula that “deducts” points for each reason shown above that applies to your credit. It is designed to take away points. Borrowers with perfect credit will still have deductions! The credit bureaus do not disclose the entire process of calculating your credit score.

Based on a top score of 850, the median FICO score is 720, which means 50% of borrowers' scores are above and 50% are below 720. A FICO score above 725 is considered good while a score below 600 is considered poor. Because some companies and/or creditors use FICO scores in determining their risk level lending money to you, the higher your FICO score is, the cheaper your interest rate is likely to be.

Please remember other credit bureaus' scores may evaluate your credit report differently than FICO, and in some cases, a higher score may mean more risk, not less as with FICO scores. Also remember your FICO score will change as your date changes at the credit-reporting agency.

You can obtain a free copy of your credit report every 12 months, upon request, by calling 1-877-322-8228 or by going online at [www.annualcreditreport.com](http://www.annualcreditreport.com). You are also entitled to a free report if:

- A company takes adverse action against you, such as denying your application for credit, insurance, or employment, but you must ask for your report within 60 days of receiving notice of action. The denial notice will give you the name, address, and phone number of the consumer reporting company to contact.
- You are unemployed and plan to look for a job within 60 days.
- You are on welfare.
- Your credit report is inaccurate because of fraud, including identity theft.

Otherwise, a consumer reporting company may charge you up to \$9.50 for another copy of your report within a 12-month period.

*Craig Pope—  
Hebron Branch President*

When you order you need to provide your name, address, social security number, and date of birth. To verify your identity, you may need to provide some information only you would know, such as the amount of your monthly mortgage payment, for example.



**Multi-Peril Crop Insurance  
INFORMATIONAL MEETING  
AND  
CUSTOMER APPRECIATION DINNER**

Wednesday, February 22

11:00 a.m.

Belvidere Community Center  
Belvidere, NE

All who would like to learn more about the crop  
insurance program are invited to attend this  
meeting and dinner, including non-customers!

RSVP's are appreciated!

Please call 353-2085 or 768-7473

## Health Savings Accounts...

With the New Year upon us, changes always seem to come with it. The Health Savings Accounts (HSA) that are offered at our banks are no exception. Below is a table showing the changes from 2005 to 2006 for Self-only coverage:

**Health Insurance Plan Deductible**

<u>2005</u>	<u>2006</u>
\$1,000	\$1,050

**Out of Pocket Expenses cannot exceed**

<u>2005</u>	<u>2006</u>
\$5,100	\$5,250

**Maximum Contributions**

<u>2005</u>	<u>2006</u>
\$2,650	\$2,700

This table shows the changes for Family coverage:

**Health Insurance Plan Deductible**

<u>2005</u>	<u>2006</u>
\$2,000	\$2,100

**Out of Pocket Expenses cannot exceed**

<u>2005</u>	<u>2006</u>
\$10,200	\$10,500

**Maximum Contributions**

<u>2005</u>	<u>2006</u>
\$5,250	\$5,450

If you would like more information on these changes and how they affect you, or if you need more information on the Health Savings Accounts, please stop by and we would be more than happy to answer your questions.

*Stephen Hoff-*  
*Investment Representative*

## Financial Resolutions...

For many of us, entering into a New Year means making a New Year's resolution. Most times that resolution involves losing weight or breaking bad habits. When the first of the year begins, we are eager to conquer those goals. Over a period of time the resolution turns into old habit again and we say, "there is always next year."

Guess what, there is a New Year's resolution that could easily be kept. Make your resolution to improve your financial goals. You might say "that sounds complicated and I don't have the money." However, you can be creative without spending a lot of money. Here are a few simple ways to make that **financial resolution**:

- When your cleaning house and come across that stack of important papers, such as insurance policies, car titles, certificates of deposit, wills, passports, etc., consider a **Safe Deposit Box** at the bank.
- Tired of all the coin containers on your child's dresser? Open a savings account for your child. If your child is 12 or younger, **Buck's Buckaroo Club** is a great way to get children excited about saving.
- Maybe the coin container belongs to you? Perhaps you have enough money to invest in a **Certificate Of Deposit, Health Savings** account, or a personal **Savings** account for yourself.
- Trying to gather all your information to prepare your tax return? If you can't find all those statements, get organized for the upcoming year. Stop by the bank for a 3 ring binder.
- Are you looking for a way to get a bigger tax return next year? Look into an **IRA (Individual Retirement Account)**
- Perhaps you need more deductions? Consider purchasing more livestock, machinery or real estate with an **agricultural loan**.
- Is your family growing in size? Do you need a larger vehicle or bigger home? Ask the bank to assist you with an **auto loan** or a **home loan**. Maybe you want to make home improvements? In that instance, you may qualify for a **home improvement loan**.
- Are you wondering about saving for the education of your children? It's never too early to start investing in a **Higher Education Savings** account.
- Have you always wanted to take a vacation but don't like traveling alone? Stop by the bank and sign up for a trip sponsored by the bank.

The tips mentioned above are some simple ways to enhance your financial goals. The wonderful thing about a financial goal is having control of how much money you want to spend or save in the New Year. One thing is for certain, a New Year's resolution involving your financial goals should be an easy one to keep.

**\* On February 15, 2006, stop by the Farm and Home Show to visit with the Bank of Broken Bow.**

*Bank of Broken Bow Staff*

# BRUNING STATE BANK

Charter No. 618

"Since 1891"

## Statement of Condition At Close Of Business On December 31, 2005

ASSETS		LIABILITIES	
CASH.....	\$4,887,000.00	DEPOSITS .....	\$102,306,000.00
(Cash in our vault, plus cash due on demand from other banks where funds are deposited.)		(Amount of money on deposit by customers of the bank, in the form of checking accounts, savings accounts and certificates of deposit.)	
U.S. BONDS.....	20,646,000.00	BORROWED FUNDS - FHLB & OTHERS.....	10,926,000.00
(This is the amount of government bonds owned by the bank, most of which are due in less than three years.)		OTHER LIABILITIES .....	442,000.00
MUNICIPAL BONDS.....	10,738,000.00	(Accrued interest payable on all interest bearing checking accounts, savings accounts and certificates of deposit, payable at a future date, and income taxes payable during the fiscal year.)	
(Investments in high-grade bonds issued by cities, school districts and other municipal government.)		<b>TOTAL LIABILITIES .....</b>	<b>113,674,000.00</b>
FEDERAL FUNDS SOLD.....	00.00		
(Funds loaned to other banks for daily cash needs, payable on demand.)		EQUITY CAPITAL	
<b>TOTAL CASH ASSETS .....</b>	<b>36,271,000.00</b>	CAPITAL STOCK.....	\$600,000.00
(Total of liquid investments that could be quickly converted to cash or other immediately available funds.)		(Par value of 6,000 shares of common stock of the bank, paid by the people who own the stock.)	
LOANS AND DISCOUNTS.....	86,321,000.00	SURPLUS .....	11,800,000.00
(Amount of money loaned to customers for all types of loans, such as real estate, agriculture, commercial and consumer.)		(Amount taken from the profits of the bank to further strengthen the position of the bank.)	
BANKING HOUSE, FURNITURE AND FIXTURES.....	1,325,000.00	UNDIVIDED PROFITS AND RESERVES .....	5,082,000.00
(The depreciated value of the bank, all furniture and equipment.)		(Amount that has accumulated from earning of the bank for reserves.)	
OTHER ASSETS.....	7,239,000.00	<b>TOTAL EQUITY CAPITAL .....</b>	<b>17,482,000.00</b>
(Accrued interest earned but not collected and other receivables.)			
<b>TOTAL ASSETS.....</b>	<b>131,156,000.00</b>	<b>TOTAL LIABILITIES &amp; EQUITY CAPITAL .....</b>	<b>131,156,000.00</b>