

It's a matter of interest — rates, that is

How moneychangers strive for suburban bucks

By LYNN ORR

Based on advertisements, one could easily get the idea that every bank in town "pays the highest interest."

"Where the public is being taken, as far as I'm concerned, is that many banks are offering it, but you have to come in and ask for it or you won't get it," says Nick Romano, president of Michigan National Bank-Farmington, the area's newest bank.

While Romano's bank automatically pays the highest interest allowed on every type of account, some banks may be offering different interest rates among various savings accounts, he says.

And whether the interest is compounded daily, monthly, or quarterly affects the interest payout as well. If a customer deposits and withdraws \$100 in one month, for instance, the interest would be higher in a daily compounded account.

However, there's another reason why the "highest interest" can be misleading.

"The catchword is bank," says Don Thomas Jr., manager of Standard Federal Savings and Loan Association's new branch office.

What the public commonly refers to as a bank, is differentiated under the law.

THE CORNER bank can take the form of a commercial or full-service bank, a savings bank, or a savings and loan institution. While savings banks are rare in the Detroit area, the supply of full-service commercial banks and savings and loan associations is plentiful.

Regulations vary for each, as does the maximum allowable interest rate.

"A savings and loan by law can pay one-quarter per cent more interest than a commercial bank," Thomas explains.

That's just one of the differences. Standard Federal's new branch at Thirteen Mile and Farmington Road concentrates on savings accounts and lending money—the majority in home mortgages.

Michigan National offers checking accounts and a variety of loan services as well.

While Standard Federal is an association of its depositors, in which every depositor is a member and can vote, Michigan National is a subsidiary of a bank holding company—Michigan National Bank Corp.—rather than a branch of the bank.

That makes a difference under the law, or so says the Federal Reserve

Board, commonly referred to as the Fed.

A branch can be opened only within 25 miles of the head office of a bank and not within an incorporated city. Farmington branches of such banks as National Bank of Detroit were established before incorporation.

In fact, Michigan National joins only one other local bank, Metropolitan National Bank of Farmington.

However, Michigan National's subsidiary set-up recently came under fire from the Fed.

By allowing transfers of funds within subsidiary banks, the Fed ruled that the proposed Michigan National Bank-Sterling Heights would violate banking regulations.

"With the advent of electronic transfer of funds, it's really no different than the treasurer of the state of Michigan asking me to transfer half a million to National Bank of Detroit," Romano says.

"All we've done is offer that type of service to the people on the street," Michigan National is appealing the Fed ruling, and it doesn't apply to established banks, Romano adds.

"Until the whole case is resolved, the bank will continue to offer that service," he says.

ROMANO, 36, has 11 years of banking behind him. He started as a teller in the management training program for the Michigan National Bank-Detroit.



Donald Thomas Jr.

"I thought I was wasting my time in sales, and advancement meant relocation," he says. A friend's sales pitch pushed him into a world he thoroughly enjoys, he says.

As president, he answers to a board of directors comprised of officers from affiliated banks and a couple Farmington businessmen.

At 26, Thomas is a fairly young member of the banking world. He walked into Standard Federal's office at Eleven Mile and Middlebelt fresh out of Alton College nearly five years

ago. And he's still learning the trade. He'll complete his MBA at Wayne State University this spring.

Both men agree that service to the customers is the best way to sell their business. But because the business is slightly different, the approach is altered as well.

Speed and accuracy are what Standard Federal has to offer the public, especially the customers who want a mortgage on their homes.

"A customer can come in and see me and no one else," Thomas says. He'll process the entire application, while the headquarters in Troy handles the appraisal and final approval.

Both men agree that service and location are a financial institution's selling points.

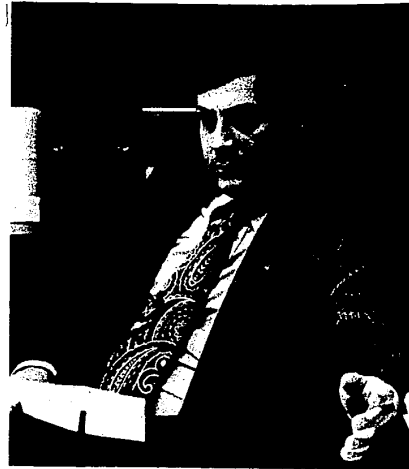
Michigan National has encouraged better service to customers since its inception, Romano says.

There was a time when banks all closed at 3 p.m. and Saturday banking was non-existent. By establishing Saturday hours, Michigan National started a trend, he adds.

To make sure banking is convenient for his customers, Romano is busy overseeing the construction of drive-in facilities that will accommodate three customers at one time. And the drive-in windows will be open until 8 p.m. weekdays, he adds.

Asked if expanded hours creates higher costs for the bank, Romano

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Nick Romano, president of Michigan National Bank-Farmington, surveys the economic scene. (Staff photo)

Courts scrutinize record marijuana bust

By GREG TAVALLRE

Whether or not Troy police needed or had search warrants during what they called the largest drug bust in the city's history will be critical to the prosecution of three men arrested last week and charged with possession of 3,500 pounds of marijuana.

The marijuana is estimated to have a street value of \$3 million. If the courts rule that Troy police at any time during the investigation needed a search warrant and did not have one, charges brought against the trio could be dropped.

Arrested were Thomas Mercurio, 22, of Detroit; Michael Butler, 29, of Farmington; and Gilbert Baker, 31, of Union Lake. Baker was also charged with possession of a firearm in the commission of a felony.

All three men were released on bond Saturday. Preliminary examinations for the three were set for Feb. 24 at 8:30 a.m. in Troy Municipal Court.

Cpl. Ewald Rollinger, who is handling the investigation, said "We had a search warrant at one point in the investigation. It's going to be one of the legal points of the case. I cannot comment further."

Rollinger would not say when police acquired the search warrant.

According to police, a search warrant is needed to investigate a private dwelling. But if an officer goes to a house and sees contraband in plain view or if he has reasonable grounds to believe something in a house is illegal, police said a search warrant may not be needed.

Mercurio was arrested on the evening of Thursday, Feb. 2 after police

answered a suspicious persons report at a recently constructed house at 1187 Nicklaus. The house was believed to be vacant.

"Mercurio responded to their (police) knock on the door and upon questioning, Mercurio did not give the officers what they felt were adequate responses to their questions relating to his presence in the home. Upon checking the residence they found the marijuana," said Rollinger.

ROLLINGER WOULD not say if police had the search warrant at that time.

After Mercurio was arrested, the marijuana, reported to be high-grade Columbian gold with a street-value of \$3 million, remained in the house. The area was put under surveillance by Troy and Madison Heights police and

the Oakland County Sheriff's Department.

At 2 p.m. the next day, Rollinger said, two men later identified as Baker and Butler showed up at the residence. Butler allegedly drove a van into the garage. A few minutes later, Butler came out and was arrested with a quantity of marijuana, Rollinger said. About 30 minutes later, Baker left the house in a car and was apprehended, he said.

Rollinger said Baker had a 9 mm loaded handgun in his possession. He would not say if Baker had marijuana in his possession. "That's another legal point," he said.

After the arrests, Rollinger said police took the marijuana and two other handguns found in the house to the Troy police station.

Rollinger would not say if police had

a search warrant at the time the evidence was confiscated.

POLICE ARE still trying to find out who rented the house. Rollinger said the house was leased by its owner, Paramount Homes of Michigan.

"We still have to get a hold of the builders," Rollinger said Tuesday. "We don't know who the house was rented to. Right now, we're more into the physical labor of getting the evidence marked and tagged."

Police also don't know who sold the marijuana to the men. "All we know is that it came from somewhere in Columbia," Rollinger said. "No doubt it came from a larger source."

Sgt. George Reed said, "We know there is someone behind it with a lot of bread (money). You don't buy that much marijuana on consignment."

Bus drivers' challenge

Make those kids smile

By LOUISE OKRUTSKY

Every weekday morning a corps of dedicated school bus drivers brave snow, ice, rambunctious children and inconsiderate motorists in the name of education.

They're the unsung heroes of the Farmington School District. Besides transporting their charges to school, drivers find themselves serving as friend, mother, disciplinarian, doctor and protector to their charges.

In between coping with the roar of the school bus and the hijinks of their passengers, drivers admit they have a special feeling for their job.

"Bus driving gets into your blood. It gives you the chance to play a small part in a child's life," said Mrs. Jennifer Belcher, a driver for 14 years.

"If I can get one sad child to smile or a withdrawn child to speak, then I

feel I've accomplished something," she said.

She is one of 67 women in the 70-driver force.

Part of her job is knowing her passengers. As she waits in front of Power Junior High for her bus to fill, she greets each one.

"Hi Fred," she calls to a fair-haired junior high student.

Fred returns the grin and sits near the front.

"You know what Fred did today? Fred helped set up the amplifiers in the school gym," reports a blond girl sitting behind Fred.

"Did you Fred?" Mrs. Belcher grins in approval at the first bit of school news she'll hear during the afternoon shift.

Besides listening to school news,

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VALENTINE'S DAY, IS FEBRUARY 14



School bus driver Jennifer Belcher talks to passengers (left to right) Dan Logan, 10, Michael Logan, 7, and Karen Kaump, a trainee. (Staff photo by Harry Mauthe)