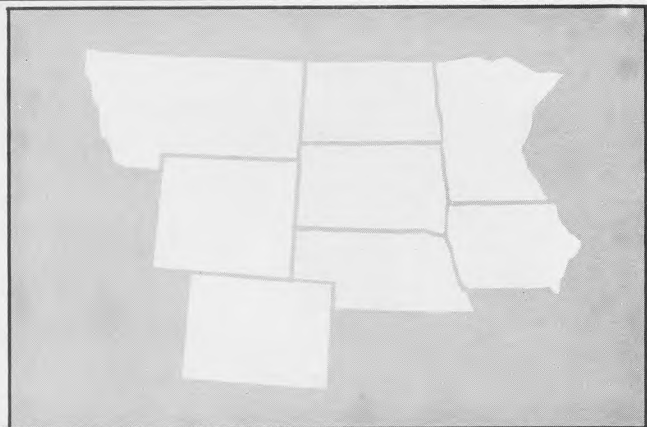


NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 961

Des Moines, Iowa

March 28, 1966

Offer 5% CD's in Des Moines and Denver

Reflecting the tight supply of money, Bankers Trust Company, Des Moines, and The Central Bank and Trust Company, Denver, increased interest rates on certificates of deposit to 5% last week.

Bankers Trust in Des Moines now offers 5% on new one-year certificates in amounts of \$1,000 or more. New six-months certificates in amounts of \$500 or more will earn 4½% on an annual basis. Interest payments will be made every six months and the certificates are automatically renewable.

The Central Bank in Denver pays 5% per year on certificates of \$1,000 or more on deposit 90 days or more. The certificates are automatically renewable and interest is paid quarterly.

Iowa-Des Moines National Bank has been paying 4½% on CD's in denominations of \$100. The Central National Bank and Trust Company and the Valley Bank and Trust Company in Des Moines continue to maintain the 4% rate on CD's and passbook savings.

In Chicago, Continental Illinois National Bank and Trust Company and the First National started paying 4½% on savings certificates of \$2,000 and \$2,500 respectively bought for six months or for one year. Other major banks and savings and loan associations met the challenge by matching the 4½% rate 24 hours later.

One Chicago banker told the NORTHWESTERN BANKER that with an amount as low as \$5,000 you could get a one-year CD

paying at least 5% without leaving the LaSalle Street area. Top rates on larger denomination CD's in the Chicago area vary from 5-1/4 to 5-3/8 now.

Two Philadelphia banks set a 5% rate on certificates. The Philadelphia National Bank offered denominations of \$2,500 to \$500, 000 for nine to 24 months.

Meanwhile, certificates in denominations down to \$25 for optional maturities ranging from six to 25 months were offered by the First Pennsylvania Banking and Trust Company.

In San Francisco, the Bank of America offered 5% on six-month certificates in amounts of \$5,000 or more.

As the increases in interest rates continued, key speakers at the ABA Savings Conference in Chicago last week asked bankers if they had an accurate idea of how much time money actually costs them and what its contribution is to bank revenues. Dr. Paul Nadler warned that a 4% savings deposit can cost a bank closer to 6% than 4%.

NATIONAL NEWS

DETROIT: C. Boyd Stockmeyer was elected president of Detroit Bank and Trust Company, succeeding Charles H. Hewitt, retired.

KANSAS CITY: Commerce Trust Company has announced the promotion of Keith Bodenhausen to assistant cashier. He will continue as the bank's agricultural representative at large.

NEW YORK: Hal S. Robinson, assistant vice president, American Express, has been named Travelers Cheque area officer for the southwest and mountain states. Mr. Robinson's territory formerly included Texas, Oklahoma, Louisiana and Arkansas. With his new assignment, he adds Iowa, Missouri, Kansas, Nebraska, Colorado, Wyoming, Montana and New Mexico to his area of responsibility.

NEW YORK: Samuel H. Woolley, president, The Bank of New York, and Henry C. Brunie, chairman, Empire Trust Company, have announced that the banks have reached an agreement in principle for the merger of Empire Trust Company into The Bank of New York. The agreement is subject to being worked out and approved by the respective boards and stockholders.

WASHINGTON, D.C.: "Authoritative sources" have reported that President Johnson has decided not to reappoint James J. Saxon, controversial Comptroller of the Currency, when his term expires in November. William M. Sherill, appointed last month to the FDIC board, is reported to be under serious consideration as a candidate for the post. Mr. Sherill, a Texas Democrat, is former president of the Homestead Bank of Houston.

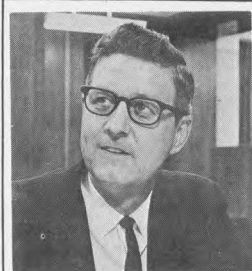
WASHINGTON, D.C.: The Federal Reserve Board has announced that, according to a Board survey, banks had made "relatively little" immediate use of the authority

(Continued on back page)

...SOUTH
—O—MAHA
...S
STOCKYARDS NATIONAL BANK

*We're Here
When You Need Help*





Bob Bueneke

We're here to help
you get what you want

IOWA-DES MOINES NATIONAL BANK

Member Federal Deposit Insurance Corporation

IOWA NEWS

AMES: Union Story Trust & Savings Bank has received approval, from the state banking department, for a parking lot office in a shopping center in the northern part of the city.

CHARLES CITY: Horace Olds, president, Citizens National Bank, has announced the election of Virgil Jacobson as vice president. Mr. Jacobson had been cashier. Succeeding him as cashier is Dean Cline, who is also an assistant vice president. Norma Baxter has been elected assistant cashier.

COUNCIL BLUFFS: Dale Ball, president, First National Bank, has been named chairman of the board of trustees of a proposed four-year college in Council Bluffs.

DURANT: Robert A. Domer, Stanwood, has joined the staff of Liberty Trust & Savings Bank here as an agricultural representative. Mr. Domer, a livestock judging expert, has been engaged in farming with his father.

MANNING: Open house was held yesterday, from 1 to 6 p.m., at the newly-remodeled First National Bank, according to President Lyle O. Arp. The open house celebration marked the bank's 80th anniversary as well as completion of the remodeling project.

MISSOURI VALLEY: George Overton Unruh, 78, chairman, Mondamin Savings Bank, died recently at the Valley Hotel here, his residence for the past 13 years. He had been engaged in banking in Mondamin

since 1946 and had been president of the bank until his retirement last July.

WALL LAKE: Wall Lake Savings Bank has been given consent to exercise trust powers by the Federal Deposit Insurance Corporation.

WATERLOO: William E. Troutman, 50, has been elected executive vice president of the Peoples Bank and Trust Company, according to President George E. Allbee. Mr. Troutman had been president of the Rushmore (South Dakota) State Bank since 1961.

NEBRASKA NEWS

State Banks Unrestricted On Surplus Account Boosts

State chartered banks have been reluctant to increase Surplus Account, assuming that it becomes restricted capital funds," according to "News and Views" published by National Bank of Commerce Trust, Lincoln, for correspondents. The bank noted that the Nebraska attorney general, in an opinion rendered late last month, said that "the Legislature did not intend to restrict the bank's discretion in the handling of surplus in excess of paid-up capital stock."

Banker Voices Opposition To Proposed Income Tax

Marvin Werve, senior vice president, Omaha National Bank, and National Democratic Committeeman, was quoted recently as saying that the proponents of a Neb-

raska state income tax are attempting to saddle the "ordinary wage-earner" with the cost of state government while securing minor tax relief for themselves. He had been asked to comment on statements made by John Klosterman, David City, leading spokesman for the state income tax. Mr. Werve was co-chairman of the successful income tax referendum petition drive which will result in the tax going to a vote in November.

BEATRICE: W. W. Cook, president, The Beatrice National Bank & Trust, has announced the receipt of a charter for the city's newest bank--the Beatrice State Bank. Mr. Cook, who is also president of the Nebraska Bankers Association, is listed as a director of the new bank.

DAKOTA CITY: Byron Dunn, Nebraska director of banking, has received an application for a bank charter for a proposed Bank of Dakota City. Applicant for the charter is Louis Carney, executive vice president, Bank of Valley.

DESHLER: Otto H. Pohlmann has been advanced from vice president to president of Nebraska Security Bank. Cread F. Pettey has been elected cashier and Henry G. Schmidt has been elected vice president.

HOLDREGE: James G. (Jerry) Schmoker, Phelps County agent, will join the staff of the First National Bank here this spring.

KENESAW: The Adams County Bank has purchased an adjoining building and expanded its facilities to accommodate the insurance quarters and a community room, according to Ramon Nolte, cashier.

NORFOLK: It was erroneously stated in last week's issue that a state bank charter had been issued for Elkhorn Valley Bank. This should have referred to the bank as a "newly proposed" bank. The officers listed last week are those who would hold those positions if the charter were granted. The further statement that the charter application filed previously by Roy Dinsdale was turned down by the state banking director also was incorrect.

Both applications are pending before new State Banking Director Byron Dunn, who told the NORTHWESTERN BANKER late last week that dates were being selected then for hearings to be held on the two applications. The hearing dates should be announced soon.

WE, TOO, OFFER

"FULL SERVICE"

IN

CALENDAR, SPECIALTY
AND GIFT ADVERTISING

The Place? Red Oak, Iowa



THE Thos. D.
Murphy Co.

1st LINCOLN ...Experts in Mortgage Loans

FIRST NATIONAL BANK & TRUST COMPANY OF LINCOLN

12th & N Street • LINCOLN, NEBRASKA • Member: F.D.I.C.



OMAHA: Controlling interest in the Indian Hills Bank was sold March 22 by stockholders to a group headed by Paul Dunlap and Ted and Millard Seldin. Mr. Dunlap was named chairman of the board. He is also president of the Houghton State Bank at Red Oak, Iowa, where he will continue to live. The Seldin brothers are Omaha home builders currently developing a large residential area at 122nd and Center and surrounding area.

Homer Lyle continues as president of Indian Hills Bank and other officers remain the same. In addition to these four, John Delehant, an Omaha attorney, was elected to the board. Resigning from the board were Duane C. Shunk, Albert J. Goracke, Calvin H. Kehn and Wilmer H. Mattson.

Mr. Lyle is withdrawing an application for a new state bank charter he made last week for 12100 Center Street. The Indian Hills Bank is located at 80th and Dodge Streets.

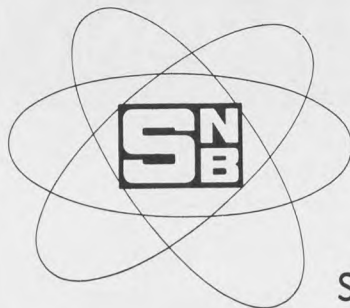
OMAHA: Alfred E. Burr, prominent Omaha mortgage banker and chairman of the board of Western Securities Company, died recently following a brief illness. Mr. Burr, who joined Western Securities in 1930, had held every office in the mortgage banking firm. He was named president in June, 1948, and chairman in February, 1963.

OMAHA: The Omaha National Bank has received an award from the International Association of Newspaper Executives for one of the 15 best advertising ideas of 1965. The bank's winning series of ads, judged the most outstanding in the financial category, appeared last fall. Its theme, designed to attract loan applicants, was, "We Help People With Ideas Grow."

PLATTSMOUTH: Approval of the charter for Cass County Bank has been granted by the state banking department it was announced here March 17. President is John Van Horne, member of a prominent Nebraska banking family and president of Van Horne Investments, Inc., Omaha. Executive vice president and managing officer is Robert H. Stillinger, who is also president of the State Bank of Table Rock in outstate Nebraska. Cashier is David J. Duey, a retail store businessman who was a Nebraska bank examiner in 1959-61. Mr. Van Horne said it is planned to open the bank about June 1 in a bank trailer, while a permanent home is being constructed. The bank has capital of \$100,000, surplus of \$75,000, undivided profits of \$25,000.

MINNESOTA NEWS

CANBY: Kenneth Kittelson, president of National Citizens Bank here for 16 years prior to his retirement in 1951, died recently in



Yes, we are electronics minded . . . but it hasn't changed our "first name" relationship with our banker friends. Give us a call when you need some personal service.

SECURITY NATIONAL BANK
SIOUX CITY, IOWA MEMBER F.D.I.C.

McAllen, Texas, where he and his wife were vacationing.

CHATFIELD: Controlling interest in the Root River State Bank has been sold by George A. Haven to Charles M. Johnson, executive vice president, First State Bank of Fountain. Mr. Haven will remain as president and Mr. Johnson will become executive vice president.

DULUTH: John G. Ring and Donald G. Wolfe, assistant vice presidents of Northwestern Bank of Commerce, have been promoted to vice presidents. In addition, Donald E. Snyder, assistant cashier, has been named assistant vice president and Erwin L. Ellefson and Wayne Sodergren have been elected assistant cashiers.

FAIRMONT: Ray L. Haeckel, formerly vice president, has been named president of Fairmont National Bank, succeeding Albert L. Fillmore, Jr., whose death was reported several weeks ago. Director Richard G. Wade has been elected vice president, succeeding Mr. Haeckel in that position.

OLIVIA: Jerry Lundberg, Murdock, has been named assistant cashier at Citizens State Bank here. Mr. Lundberg, who has moved to Olivia, was assistant cashier at the State Bank of Murdock for the past five years.

NORTH DAKOTA NEWS

Dates of the North Dakota Bankers Association annual con-

vention have been set for May 4, 5 and 6 at Grand Forks. This year's convention is scheduled for Wednesday, Thursday and Friday and will terminate at noon Friday, according to William J. Daner, Bismarck, association secretary. John Cook, vice president, Valley Bank of Grand Forks, is in charge of registration and reservations. Convention headquarters will be the Ryan Hotel.

SOUTH DAKOTA NEWS

Annual Agricultural Conference

The Annual Agricultural Conference sponsored by the South Dakota Bankers Association is scheduled Wednesday and Thursday, April 13 and 14, at Pierre Municipal Auditorium, Pierre, according to Roy W. Terwilliger, executive secretary-treasurer.

GARRETSON: Open house was held recently at Northwestern National Bank's new building and TV banking facilities. The new building also houses the bank's computer center.

YANKTON: Charles I. Danforth, 70, chairman, First Dakota National Bank, died recently. Mr. Danforth had been president of the bank from 1941 until January of this year.

COLORADO NEWS

AURORA: Open house activities marking completion of an addition

Municipal *Van Horne* Agencies

Bonds *Van Horne* Stocks

Investments, Inc.

FARM CREDIT BLDG. OMAHA PHONE 345-2241

Proud of our heritage of service to Iowa banks, we're building at 6th & Locust for an even greater tomorrow.



Central NATIONAL BANK AND TRUST COMPANY
Member Federal Deposit Insurance Corporation

CHILES & COMPANY

Member, Midwest Stock Exchange

MUNICIPAL AND CORPORATE BONDS
LISTED, UNLISTED AND LOCAL STOCKS

412 Farm Credit Building, Omaha, Nebraska 68102
Phone 346-6677

to Peoples Bank of Aurora will end Saturday. The new addition houses the bank's installment loan department.

DENVER: Charles R. Hazelrigg has been named trust officer at The Denver U. S. National Bank. Elected assistant trust officer in 1963, Mr. Hazelrigg joined the bank in 1958. He is currently officer in charge of the business development group of the trust division.

DENVER: Richard H. O'Brien, Robert S. Kohn, J. W. Ringsby and John C. Mullins, widely-known Denver businessmen, have been elected to the board of the Central Bank & Trust Company, according to Max G. Brooks, president and board chairman.

DENVER: Harry Bloom, Colorado bank commissioner, has been appointed chairman of the 10-state district number 4 of the National Association of Supervisors of State Banks. Mr. Bloom became commissioner January 1, after serving for several years as chief deputy. He succeeds Henry E. Ley, formerly Nebraska director of banking, who resigned his position to enter the Nebraska gubernatorial primary election contest, as was reported recently.

SAGUACHE: Failure of the Saguache County National Bank has been announced by the Federal Deposit Insurance Corporation. No reason for the failure has been revealed, but the F.D.I.C. said that deposits of the bank were to be transferred to the First National Bank of Center, 25 miles south of Saguache.

WYOMING NEWS

RIVERTON: Frank Norris, local auto dealer, has been elected to the board of American National Bank.

Kirk Gross Co
BANK PLANNING
Waterloo, Iowa

NATIONAL NEWS

(Continued)

given them to raise interest rates on time deposits last December. Fewer than one-fourth of all members of the Fed raised rates on any type of savings or time deposits immediately after approval was granted or said they had plans to do so at the time of the survey, according to the Board.

James B. Eckert, chief of the banking section of the Fed's division of research and statistics, said the survey showed that the banks exercised more caution in raising rates than had been the case in 1962 after a similar increase in the Regulation Q. The survey, which ended January 3, did not reflect the proliferation of rate increases announced since that time.

SAN FRANCISCO: Comptroller of the Currency James J. Saxon last week announced approval of plans for a new national bank in San Francisco to replace the defunct San Francisco National Bank which failed last year. Organizers of the new bank are executives representing five of the state's savings and loan associations which are major creditors of the SFNB, according to Mr. Saxon. Raymond D. Edwards, chairman of the organizing committee for the new bank and president of the Glendale Federal Savings and Loan Association, Los Angeles, said that the new bank hopes to assume liquidation of the SFNB. Such a move would be without precedent. The proposed bank--Banker's National Trust and Savings Company--must be approved by the FDIC, the Federal court in San Francisco which has supervised the liquidation and the Federal Home Loan Bank Board, which will rule on S&L participation in the new bank.

CHICAGO: L.C. Baron van Lawick has joined the Central National Bank as vice president in charge of international banking. He was with City National Bank, Kansas City. The bank also elected Harry L. Hatton 2nd vice president, Gerald E. Leighton, assistant cashier and R.C. Schoppe, assistant trust officer. Mr. Leighton is in the correspondent department.

WANT ADS

Rates 25 cents per word per insertion. Minimum: 12 words.
NORTHWESTERN BANKER
306 15th St., Des Moines, Iowa

POSITION AVAILABLE

Cashiership in Florida bank in city of 75,000. Salary \$7,500 plus. Write...

BANKERS SERVICE Corporation
1301 Register & Tribune Building
Des Moines, Iowa 50309

BANK FOR SALE

Controlling interest in a \$6.2 million bank located in south central Michigan. Excellent growth potential. Write...

BANKERS SERVICE Corporation
1301 Register & Tribune Building
Des Moines, Iowa 50309

EXCELLENT OPPORTUNITY

For young man, age 25-35, to represent the correspondent bank department of one of the midwest's largest banks. Should have degree in Business Administration or Agriculture; country bank experience preferred. All replies completely confidential. Write Box PPC, c/o NORTHWESTERN BANKER, 306 - 15th St., Des Moines, Iowa 50309.

WANTED

Agricultural bankers to distribute The Farm Picture newsletters on a franchise basis in their local trade area. Farm Business Council, Inc., P.O. Box F, Urbana, Illinois 61801.

BANKS WANTED

Hard-working staff of energetic Chicago Loop bank desires to serve more banks in the midwest better than they have ever been served before. This is not a lip-service ad. We'll perform! Call Max Roy in Iowa City at 338-5908. Or phone us direct at La Salle National Bank, 135 S. La Salle Street, Chicago, Illinois 60690. State 2-5200 (Area Code 312). Complete trust services. Member of Federal Deposit Insurance Corporation, of course!

EXTRA DIVIDEND

Increase insurance sales in your bank agency by sending \$1 for 12 monthly issues of the UNDERWRITERS REVIEW. Sales ideas, surveys and news of the industry keep alert underwriters ahead of the competition. Write c/o 306 15th St., Des Moines, Iowa.

YOUR STATE BANKERS ASSOCIATION
OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
F. E. DAVENPORT & CO.
OMAHA

No. 961 Northwestern Banker is published five times monthly by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309. Subscription 50¢ per copy, \$4 per year. Second class postage paid at Des Moines, Iowa. Address all mail

subscriptions, change of address, Form 3579, manuscripts, mail items to above address.
Digitized for FRASER
<https://fraser.stlouisfed.org>
Federal Reserve Bank of St. Louis