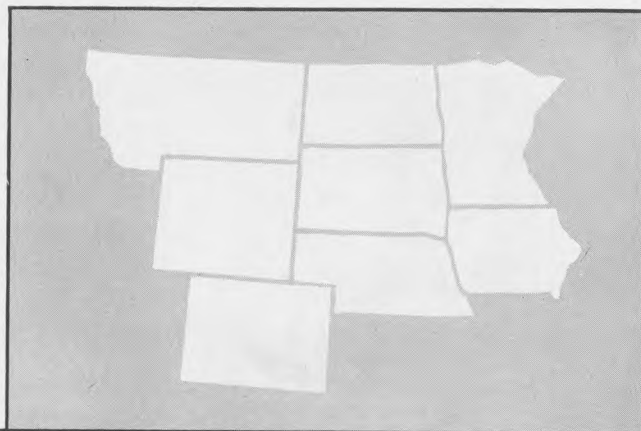


NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 1049

Des Moines, Iowa

August 14, 1967

Express Concern Over Spiraling Taxes

"In the face of forthcoming tax increases, now is the time for a searching reappraisal of government projects at all levels."

This is the suggestion made in a special Bank of America report entitled, "Focus on Rising Taxes." The bank warns that the possibility of spiraling tax increases is the most profound danger in America's current tax situation.

Total revenue from increased taxes will fall below expectations if the combined impact of the tax increases acts to slow the advance of the economy, the bank predicted.

"This raises the disturbing question as to whether receipts below expectations will give rise to attempts for additional rate increases. In short, there is the possibility that the failure of this medicine to cure the patient will induce the physician to apply more of the same."

Designed to clarify some of the basic issues of the tax situation, the Focus report points out that the stimulant to the private economy made possible by the 1964 and 1965 tax reductions will be wiped out by the contemplated tax increases.

Bank of America expressed the belief that "the people and the various governments of this nation must face up to the need for establishing real priorities in govern-

ment spending.

"At some time our nation must come to the realization that spiraling taxes long continued will kill the goose that lays the golden egg, and at such a time a reassessment of spending and taxes must take place. We at Bank of America believe that time has come."

The bank indicated it does not oppose tax increases to overcome the crises created by war and the inexorable demands imposed on state and local governments by growth and urbanization.

However, the bank called for a closer coordination of federal, state and local tax policies if fiscal policy is to be of maximum effectiveness as a tool of economic stabilization.

Bank of America asserts that "the long range growth of the American economy and the economic well-being of all its members will be best served by lower rather than higher tax rates. We do not and cannot believe that America's long term best interest will be served by a continuation of spiraling tax rate increases."

BULLETIN...

DES MOINES: Funeral services were held last week for George B. Jensen, 82. He was the father of Homer R. Jensen, vice president,

Bankers Trust Co., Des Moines. A resident of Sun City, Arizona, Mr. Jensen was president of the former Des Moines Bank and Trust Company, from 1926 until its merger with Bankers Trust Co. in 1953. AINSWORTH, NEBR.: Controlling interest of Commercial National Bank was recently obtained from S. Dean Evans, Sr., Salina, Kansas by a local group headed by Dale Sorensen, president and long-time Nebraska banker.

NATIONAL NEWS

CHICAGO: Albert L. Fern, formerly vice president in charge of Continental Illinois National Bank's Asian, African and Middle Eastern business, has been named to a new post in the international department. He is assisting R. E. Anderson, senior vice president of the department, and A. F. Miossi, in charge of the administration of the department. Mr. Fern's duties have been assumed by Wayne M. Allen, who was vice president in charge of the bank's London branches.

CHICAGO: The First National Bank of Chicago has changed its telephone number to 312/FR-0408.

CHICAGO: Woodward Burgert, vice president in the investment department of Harris Trust and Savings Bank, recently retired after 40

(Continued on back page)

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IOWA NEWS

AMES: Homer P. McNeil, vice president of the First National Bank, has been elected to the board of directors. Paul L. Klingseis, assistant vice president, has been named manager of the bank's new University Office, which will open approximately September 1. Edward C. Jacobson was recently advanced from auditor to assistant cashier of the bank.

CLEAR LAKE: The Clear Lake Bank & Trust Company sponsored an annual "Knothole" trip to Minneapolis August 12. Approximately 300 boys participating in summer baseball programs were guests of the bank for the game between the Minnesota Twins and the Chicago White Sox.

CLEGHORN: The Cleghorn State Bank recently celebrated its 75th anniversary with an open house, according to F.R. Ducommun, president. Recent statements show the bank's assets now total more than \$2 million.

CLINTON: Marvin R. Carlson has joined the staff of the Clinton



George Harnagel

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National Bank as an assistant trust officer. Mr. Carlson has been assistant secretary of the Curtis Companies, Inc., for the past 15 years.

DECORAH: Neal Sloan has joined the staff of the Decorah State Bank and will head the newly-established installment loan department. Mr. Sloan has been manager of a local finance company for 12 years.

ELDORA: Plans are now being made for the centennial year of the Hardin County Savings Bank, which will commence January 1, 1968.

ONAWA: Mrs. Allen Muir, wife of prominent western Iowa banker Allen Muir, died July 25 in California. Mr. Muir was president of the Onawa State Bank.

REINBECK: Remodeling has begun on the Lincoln Savings Bank. The project includes a new front for the bank, and revamped heating, plumbing and electrical systems. Completion is slated for January, 1968.

REMSEN: John Carter and Mrs. Ann Bergner were recently advanced to assistant cashiers of the First Trust & Savings Bank. Mr. Carter joined the bank in 1965, and Mrs. Bergner in 1959.

WEST DES MOINES: Loren E. Babcock, formerly cashier of the Cornhusker Bank in Lincoln, Nebraska, has joined the West

Des Moines State Bank as cashier.

NEBRASKA NEWS

LINCOLN: The annual conference for correspondents of the First National Bank & Trust Company will be held in Lincoln on Friday and Saturday, September 29 and 30. Current banking developments will be discussed, with emphasis on agriculture business.

LINCOLN: The Lincoln Bank South recently announced the appointment of Julie Adams to the post of assistant cashier of the bank.

LINCOLN: Paul R. Scott, assistant vice president, has been named manager of the computer services department to succeed Bernie Farmer, vice president, who has resigned and moved back to Iowa. Mr. Scott has been with the bank for 15 years.

OMAHA: Larry L. Betsinger, vice president of the U. S. National Bank of Omaha, has been named head of the data processing division for the bank. Mr. Betsinger joined the bank in 1965. Robert B. Friend, assistant cashier, was named manager of the data processing services department. Dennis M. Kennedy has been named to the new post of assistant controller. John A. Miller, formerly a senior security analyst for Woodmen of the World Life Insurance Society, has joined the bank as an assistant trust officer.

SOUTH SIOUX CITY: Glenn Ritterbush has joined the Nebraska State Bank as executive vice president. Mr. Ritterbush has been in the insurance business in Mitchell, South Dakota, and previously was vice president of the Commercial Trust and Savings Bank in Mitchell.



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He replaces Bill Bernard, now with Great West Casualty Company in South Sioux City.

MINNESOTA NEWS

HUNTLEY: The Farmers State Bank of Huntley moved into its new building recently. The new quarters provide needed expansion and new facilities, such as drive-in banking. A grand opening for the bank will be held in September.

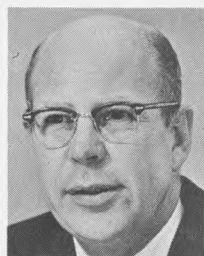
MOUND: The Federal Home Loan Bank Board has approved the application of the Minnesota Federal Savings and Loan Association to begin construction on a new office in Mound. The office is expected to open within six months.

OLIVIA: Application has been filed with the regional administrator of national banks in Minneapolis for the establishment of a new national bank in Olivia. It is proposed that the bank be capitalized with \$120,000 in capital, \$120,000 surplus and \$60,000 in undivided profits.

RAPIDAN: Clyde Grenz has joined the Farmers State Bank as executive vice president. He was formerly with the Epworth Savings Bank of Epworth, Iowa.

ST. ANTHONY: Rob R. McCampbell has been named vice president of the State Bank of St. Anthony Village. Mr. McCampbell, who will head the commercial lending department, was in charge of bank services research at Valley National Bank of Phoenix, Arizona, for the past ten years.

ST. PAUL: Frank L. Wimer has been elected an installment loan officer of the American National Bank and Trust Company of St. Paul. Mr. Wimer was formerly assistant vice president at the



HOMER JENSEN

Northwestern National Bank of St. Paul.

NORTH DAKOTA NEWS

BISMARCK: The State Banking Board of North Dakota has issued a bank charter subject to certain conditions for the First American Bank and Trust Company of Bismarck, according to State Examiner H. L. Thorndal. Mr. Thorndal said the charter was issued on condition that the bank secure Federal Deposit Insurance Corp. coverage, increase its capital structure to \$350,000 and meet certain other technical conditions.

VALLEY CITY: Richard Lanz, cashier of the First National Bank of Valley City, was elected president of the Valley City Chamber of Commerce August 1.

WASHBURN: The Farmers Security Bank recently held an open house for public viewing of its newly-remodeled quarters. W. A. Stroup is president of the bank.

SOUTH DAKOTA NEWS

BERESFORD: J. J. DeLay of Norfolk, Nebraska, recently marked his 50th anniversary as chairman of the board of the First National Bank of Beresford. Mr. DeLay obtained controlling interest in the Beresford bank in 1917, and he was elected president and chair-

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man at that time. He continued as president until January, 1953.

MITCHELL: Five Mitchell men have filed an application for the establishment of a new First National Bank in Mitchell with the regional administrator of national banks in Minneapolis. The bank, to be located at 405 North Main Street, is proposed for a capitalization of \$500,000.

MONTANA NEWS

HELENA: James H. Dion has been elected chairman of the board of the Union Bank and Trust Company to succeed John Carlson, who retired July 31 after serving with the bank for 37 years. Mr. Dion will continue to hold the title of executive trust officer and to be in charge of the bank's trust department. He was first elected to the board of directors in 1955.

LINCOLN: Articles of incorporation have been filed with the Montana secretary of state for the First Bank of Lincoln. The bank will be the first bank to be established in the small town of 700 people. Capital structure of the bank is



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\$210,000. Earl G. Athearn, president, said the bank will open December 1. Mr. Athearn, who has been a rancher for the past seven years, served with banks in Deer Lodge and Phillipsburg from 1952 to 1960.

WYOMING NEWS

CASPER: Sam E. Gibson has been appointed business development officer by Security Bank and Trust Company. Mr. Gibson was with the Casper National Bank from 1936 to 1941, after which he moved to Kansas City and later Denver. He returned to Casper in 1953 in the ranching business, and became vice president and general manager of Diamond Ring Company in 1963.

LANDER: Mike Mercer has joined the First National Bank as operations officer. Mr. Mercer, who has been with Mutual of Omaha for several years, succeeds Dick Scarlett, who recently resigned to join a Denver bank.

LUSK: Mrs. Vivian Akers was recently elected cashier of the Stockmans National Bank. She has been with the bank since 1961.

COLORADO NEWS

BOULDER: The Colorado School of Banking, now in progress at the Boulder campus of the University of Colorado, will graduate 43 men who have completed the three-year course of study on August 18. The 17th annual session of the school began August 6. Joseph L. Frascogna, professor of business law at

the University of Colorado, is director of the school.

DENVER: The Central Bank and Trust Company will hold an invitational dinner in the Denver Arena on September 16 to commemorate its 75th anniversary. Al Hirt will provide entertainment for the occasion.

DENVER: Charles W. Derby has been named data processing officer by the Denver U. S. National Bank. Gene M. Garner has been elected personal trust officer, Jerry Moore has been elected loan officer, and Patrick Owen has been appointed assistant trust officer.

DENVER: Charles Whitehead, formerly installment loan manager at the North Denver Bank, has been named vice president of the bank.

DENVER: A two-day opening celebration was held August 4 and 5 at the new Villa National Bank in the Villa Italia Shopping Center. Entertainment and prizes were featured in the grand opening.

NATIONAL NEWS

(Continued from front page)

years of service with the bank.

NEW YORK: Chase Manhattan Bank is giving consideration to entering the travelers check field. According to John D. Wilson, senior vice president in charge of the bank's corporate planning, a comprehensive market survey is being conducted to determine the profitability of such a move. Mr. Wilson said the bank made a similar study five years ago and declined to

introduce travelers checks at that time. The only other banks with travelers checks are First National City Bank of New York, Bank of America and Republic National Bank of Dallas.

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