



## Del Scott

**“I came back to Steamboat and worked as a teller.”**

**BY**

**Damien Mitchell**

Del Scott, retiring on January 3, 1984, from IntraWest Bank of Steamboat Springs after having served the Yampa Valley for 46 years, likes to travel, ski, play golf and tennis. Coming from a large family, Del grew up on a farm in Missouri. After attending college at Maryville, Missouri, he moved to Steamboat Springs to work as a teller for The Routt County National Bank. After duty in the Air Force, he commenced to work his way up the proverbial banking ladder. Here is his story:

“I was born on a farm in northwest Missouri in a family of eight children, five boys and three girls. We also had my maternal grandmother and my paternal grandfather living with us. We kids rode horses, played lots of horseshoes, and did lots of fishing. We all had chores on the farm — milked cows, fed hogs, took care of the chickens, helped plow the corn, harvest the grain, and took care of the lambs. We had a diversified farm.

“I had wonderful parents and a happy childhood. Our family was very congenial and we all got along well. Although my parents are both dead now, all eight children are still living.”

Del graduated from high school in 1936. He continued, “I went to college for one year and lived in an apartment house. I worked in a bank in Fort Collins for seven weeks as a trainee, and then I was offered a job in Steamboat Springs. In November of 1937, I started working at The Routt County National Bank, presently IntraWest Bank of Steamboat Springs.

**“I had wonderful parents and a happy childhood.”**

“In 1942, I joined the Air Force. At that time most young people felt they wanted to be a part of the army or any service to defend our country.

We felt our entire challenge to freedom was at stake. We all wanted to play a part in defending



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our freedom. I was in the service for five years, three of them in the South Pacific. I was in radar control and helped direct the fighters to intersect the Japanese planes. After I was discharged, I came back to The Routt County National Bank and worked as a teller. I was married to Doris Lufkin on November 9, 1947. We have three children, Susan Hoffner, Douglas Scott and Lori Scott.

“Susan lives in Steamboat Springs presently. She graduated from the University of Colorado as a registered nurse and she married Scott Hoffner, who is now vice president and real estate loan officer of IntraWest Bank of Steamboat Springs. Susan and Scott have two children, Benjamin, age 8 and Kelly, age 5.

“Douglas graduated from the University of Colorado and took post graduate work at Boston College. He was admitted to the bar in Colorado and is now practicing law with Rothgerber, Apple and Powers in Denver and lives in Boulder. Doug is married to Sally Woods from Dallas, Texas.

so proud that all three have completed college and are doing well in establishing their homes in Colorado.

“I was soon promoted to an installment loan officer and began financing cars and household appliances. Then I was promoted to a commercial loan officer working mostly in the agricultural loan area. I made loans to ranchers and merchants in town to finance their businesses



**“I married Doris Lufkin on November 9, 1947.”**

“Steamboat was a much smaller community then. Actually, our banks, in general, were smaller in those days, too. Our total assets were \$750,000 and we had only five employees when I first started work. Later we had seven employees, and I believe when I went into the service, we had nine employees working with us. The bank used to be located next to where the Beckett Drug store is today. In 1970, we moved to 3rd and Lincoln and at that time our totals were up to \$15 million. Today we are up to \$75 million.”

Del now serves on the Federal Reserve Board. This is his seventh year and he was appointed to the board based on his past banking experience. “In 1968,” he said, “I was elected president of the Colorado Bankers Association. That year I

“Lori Ann will graduate from Colorado State University in December of 1983. Doris and I are

traveled the entire state and visited every bank in Colorado, a total of 235 banks. That was a real challenge and was a wonderful year in banking getting to know so many other bankers in the state. I also served as an appointed advisor to the Comptroller of the Currency. I was named to a number of American Bankers Association committees. For example, I was the head of the Insurance and Protection Division of the ABA for five years. I served on the agriculture committee and numerous other committees. I served on the Community Bankers Division of the ABA for recognition to me and that resulted in my selection to be a member of the Federal Reserve Board. To be on the Federal Reserve Board one has to make policies that pertain to banking. The board is made up of bankers and businessmen. The Federal Reserve Board establishes the discount rate which is a charge to banks when they borrow from the Federal Reserve. Banks are required to also maintain a certain liquidity in order to meet the demands of their community.

"When the bank is a member of the Federal Reserve System, it serves as a collection institution for clearing out-of-town checks. They serve as custodians in keeping not only the cash but reserves that are required to meet the demand for loans. At the state level, they keep cash in reserve, government bonds and investments of that type which banks buy and sell.

"My position on the Federal Reserve Board does take up some time; actually, we meet monthly in Denver and quarterly in Kansas City. We also attend a meeting in Washington D.C. at least once a year depending on how the economy is performing."

## **"I had ambitions, and I worked hard to become president."**

Del never thought he would become the president of the bank. He said, "I had ambitions and I worked hard to become the president. Banking has changed a great deal. It is a highly regulated financial agency regulated by the federal government and supervised and chartered by the Comptroller of the Currency and the Federal Reserve system. All deposits in commercial banks are insured by the Federal Deposit Insurance Corporation up to \$100,000 which is the maximum of any bank in the country. Most banks are under this type of insurance."

Mr. Scott continued further by talking about the future of world economics. "The entire world has suffered a recession the last couple years, but we do feel that we are beginning to show

indications of coming out of it now. The world is tied closely together mostly through transportation and communication, much closer than when I first became a banker in 1937. Anything that affects our economic system or our government today will also affect other governments around the world because we are dependent on each other somewhat. I feel, throughout history, we've gone through adjustment periods in our society, and this is probably one of the most severe adjustment periods since the 1929 depression. This is a very deep and serious recession.



"Banks are perhaps becoming too generous. We have gone through many years where a lending officer couldn't make a bad loan. Not only are the banks too generous with our own customers, as are money center banks like New York, Chicago and San Francisco, but we have become too generous with foreign governments in financing underprivileged countries above and beyond their ability to repay.

"We are finding out today that these countries are still underprivileged and are unable to service the debt for which they have been willing to obligate themselves. We find in our own community that we have more bankruptcy, more business failures, and more people going broke than ever before in our history. It's mostly because people have over-extended themselves — living beyond their means. They like the good

life, and they are willing to commit themselves for conveniences and material things that our society offers even though they are unable to pay for them."

## **"There are more people going broke than ever before in our history"**

Mr. Scott talked about changes in today's banking. "People and bankers are becoming much more conservative — banks are requiring more collateral and are looking more at their customers' ability to pay back their indebtedness than we have in the past.

"We all have a great deal of concern about our federal government owing a trillion dollars, but most of the economists feel that it isn't as serious a problem as one would think taking into consideration our total gross national product. When interest rates became too high, not only for the individual but for the businesses and corporations, the federal government, too, was charged with paying the high rates. High interest rates played a major role in bringing about the serious recession but as we have experienced in the past, high rates do stop inflation. The reason is people just do not spend the money for a capital improvement and delay expenditures that they can when money costs so much therefore driving the demand for money down and as a result interest rates will move down."

Del then talked about Mexico. "They owe us money and are unable to pay us back. This is true with a number of foreign countries who have found themselves over-extended. Mexico, as you know, has a great deal of oil which is an export product. I believe Mexico can recover if we don't get into an energy crisis today. Many countries cut rates below the actual cost of production which, of course, could be devastating economically. The countries of Venezuela and Poland are an example where they owe our country money but are unable to pay back. Russia, whom we consider today probably one of our greatest challenges in supremacy, owes us, too. We have been too generous with these countries and they haven't paid their loans as agreed. They apparently have not had the income to maintain their economies to permit them to repay their foreign debts.

"All through history, supply and demand of money have affected interest rates. We had experienced in our own community high speculation and now we haven't near the developers and promoters in Steamboat Springs as we used to have. In past years, they could oftentimes get 100 percent financing, now banks are requiring that they have a substantial in-

vestment of their own funds. As time goes on, we will see this more and more where investors and developers will have to put out more up-front money."

Mr. Scott talked about the social security system. "Although I feel that the government is not addressing the problem as they should, the problem of social security will be resolved. The government has made numerous mistakes with their maintenance of the social security program. The retirement age is presently 65 but one might live to be 80-85. Our longevity continues to increase but the retirement age has not been changed. They are talking now about moving it to age 67 which may take effect in the next two to three years and that is practical. Therefore, I feel the increase in social security payments is proper knowing that people do live longer. Some of our disability programs should be evaluated more closely as these programs certainly affect social security."

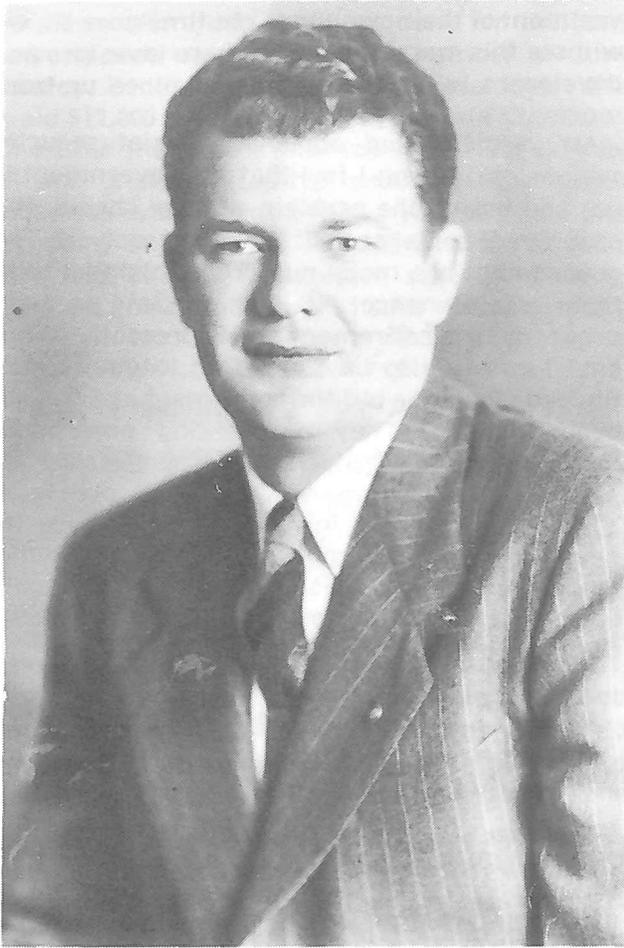
## **"Our total assets were \$750,000."**

Del tells us about what he foresees for changes in our own Steamboat Springs community.

"I foresee an exciting future for Colorado — more in particular Western Colorado mostly because of the vast supply of energy which have not been developed as well as the potential recreational development that is becoming more in demand as our population in Colorado grows. Steamboat Springs has the climate to attract summer visitors as well as skiers in the winter months. I predict Western Colorado will be one of the greatest playgrounds in the United States in the near future, in downhill and cross country skiing. People love to be out with Mother Nature, and this area is beautiful for that.

"Steamboat Springs does need to attract an industry that would bring a substantial payroll to the community to complement the other natural resources we have to offer. We are an active community, and we all feel proud of the people who live here and the grand friendship and warmth extended to our visitors. We have built a worldwide reputation for our friendliness in this community. It is not only our privilege, living in this country, to have a cheerful heart, but our duty. We owe it to our family, friends and customers. A heart of cheer is made possible, not so much by freedom from burden of care as by finding the true source of the joy that abides. I am sure we will continue to spread this friendship to our visitors in the future.

"Now that I'm retired the president is pretty much responsible to me — we're training a new president to be the chief executive officer after I retire. I am actually higher than the president



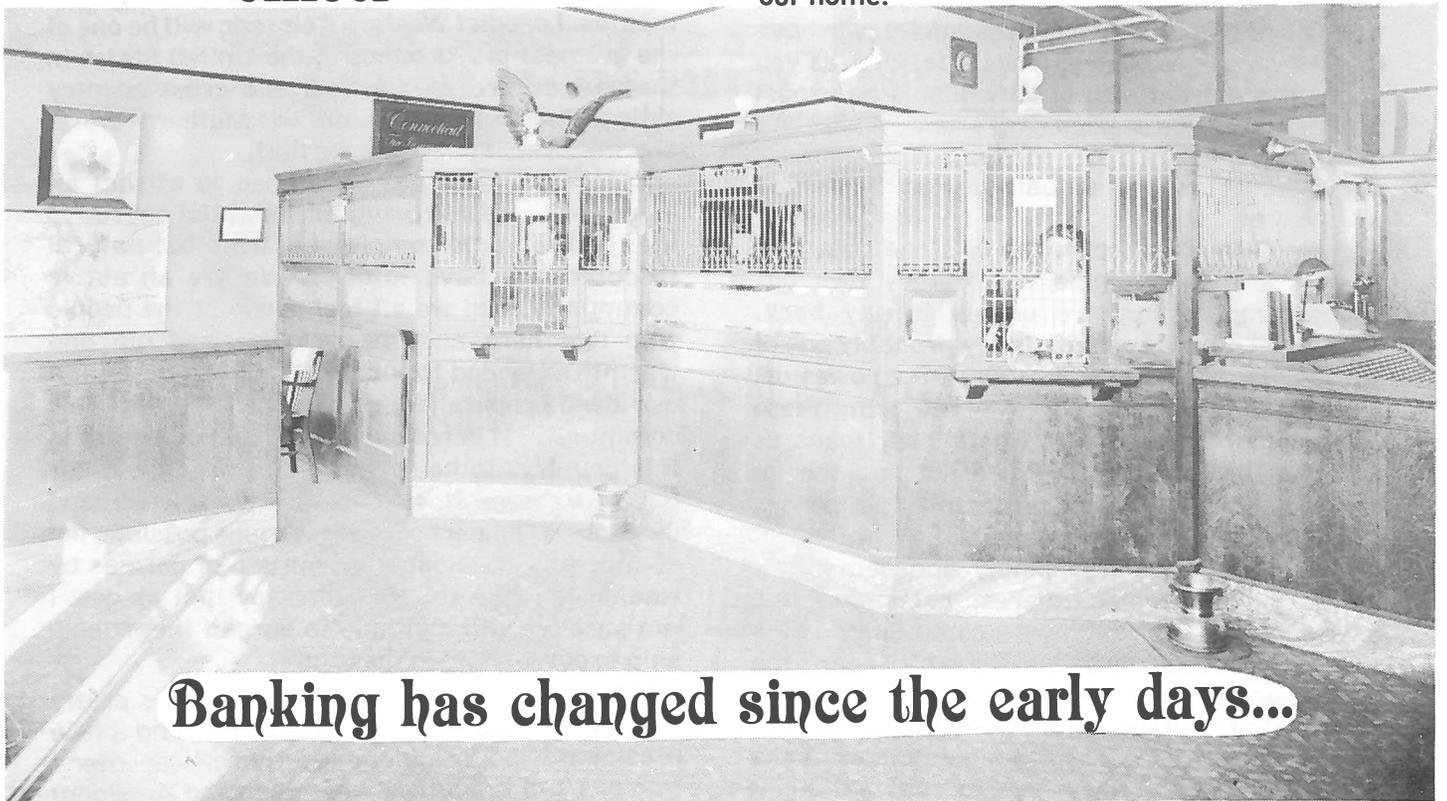
**“I was soon promoted to an installment loan officer”**

now. I gave up the presidency voluntarily because I wanted to take retirement at sixty-five. I will be sixty-five on my next birthday, January 3, 1984. I have had this role for 20 years; it's just a continuation, and I'm trying to pass over my responsibilities to the new president. I have made many decisions as far as the bank is concerned, both with personnel and general operation of the bank.”

We then asked Del what he would have done if he weren't a banker. He answered, “Well, that's a good question. I could have been a medical doctor, or I could have been a lawyer, but I chose banking over those professions. It kinda just happened, I would guess. I liked it well enough, once I got into it, and I stayed with it. Last November 2, I was in banking for 46 years.

“I have had a great personal satisfaction in helping to finance the growth in this community and the Yampa Valley since 1937. I know it will be an exciting time for the banks and other business people to finance the continued future growth.

“Now that I'm retired I manage my own interests. I have substantial holdings besides banking and I am developing my own business. My wife and I do a lot of traveling. We have traveled pretty much all over the world. We will continue to travel as long as we are able. We've been to Africa, Japan, China, Russia, all the European countries, Australia, New Zealand, the Philippines and Singapore. We think traveling expands our horizons. It helps us to understand world conditions better and how other people live, but Steamboat will always be our home.”



**Banking has changed since the early days...**