State Banks Had Odd Practices Many Years Ago

Portland, Ore. – (UPI) – An individual can keep his money where he likes, in a money belt, a mattress or a woodpile.

But when a bank keeps the deposits in a woodpile, it does give rise to some concern.

The banks of today are fine structures, molded of steel and stone and principle. But the history of the Old West, and Oregon in particular, reveals banking procedures that make one wonder how we got this far.

Not until 1907 were state banks in Oregon subject to examination. As a result the assets and transactions of the banks were not segregated from those of the owner. For many years banks continued to be operated in a corner or across an end of a general store.

Snowden Guy Sargent, a bank examiner at the turn of the century, records many strange banking practices.

$5,000 Short

In one bank, he found the books $5,000 short. This appeared to be a shock to the banker.

A second and third count still showed a shortage. After a bit of head scratching, the banker remembered.

He led Sargent to a woodshed at the rear of the bank and busied himself lifting wood out of a sack containing the missing funds.

He explained that the bank had only a small safe which was not burglar proof. If it were robbed, the bank would save at least some of the money.

In another case, Sargent found the combination of the safe written on a small piece of paper pasted to the safe.

The reasoning was that since the safe was not burglar proof, and the burglar had the combination, he would not blow up the safe. And though they might lose the assets, they still would have the safe.

In an old country bank, Sargent found the books $1,000 short. The banker looked around and then whispered to the examiner, "Wait a minute. I'll get it for you."

He stepped over to an old table, stacked high with paper, boxes and debris. From this he pulled out a cigar box containing several hundred dollars in gold. A similar amount was found under the fuel in a wood box. Still more was found beneath the ashes in a stove.

He explained that the money would be safer almost anywhere than in the safe. After Sargent examined the safe, he agreed.

According to O. K. Burrell of the University of Oregon, some Northwest banks had strange beginnings.

Special Deposits

Pioneer merchants and express companies often accepted special deposits such as gold dust and pouches of cash. This did not actually constitute banking, although Burrell says many banks did evolve from this practice.

In Seattle, Dexter Horton, a respected merchant, often kept "deposits" for trappers, loggers and traders. Finally they acquired the habit of leaving their money in his store, tied in cloth or buckskin sacks and labeled with the owner's name. The sacks or pouches were hidden somewhere around the store. The coffee barrel was a favorite place.

From this beginning came what is now the Seattle First National Bank.

Court Records

MEDFORD MUNICIPAL COURT

Joseph Edward Paulson, failure to obtain Oregon's license, no operator's license, $25.

James Owen Crane, operating vehicle with instruction permit without licensed person in vehicle, $15.

Frank Fay Ditto, no registration visible in vehicle, $2.50.

Thomas William Carter, improper left turn, $10.

Ronald Ross Plankenhorn, wrong way on one way street, $10.

Earl Finley Clough, failure to yield right of way, $15.

Harry Warren Russell, failure to leave information at scene of accident, $150, suspended.

Alpha Henry Harris, no driver's license, $5, dismissed.

Edith Lyle Jacobs, one head light, $10, suspended.

Florence Cornell Foster, wrong way on one way street, $5.

John Bennett Gilliland, no license plate light, $10.

Sandra Lea Sanchez, disobeyed traffic signal, $10.

Markey Lee James, excessive noise, $10.

Linda Ruth Vice, disobeyed traffic signal, $10.

Maurice Lane Henderson, failure to yield right of way to pedestrian, $15.

Richard Keenan Ryan, following too close, $25.

Carmaletta Patsy Graham, improper right turn, $10.

Homer John Luke, violation of basic rule, $10.

Samuel Benjamin Lew, disobeyed stop sign, $10.

Eleanor Ruth Lisac, violation of basic rule, $10.

CIRCUIT COURT

Jeremiah Veatch Ward vs. Carol Sue Ward, divorce complaint.

Ruth C. Mason vs. Harold R. Mason, divorce complaint.

Oliver R. McNeel vs. Mildred May McNeel, divorce complaint.

Edna Lavern McClour vs. W. B. McClour, divorce complaint.