



RENSSELAER, INDIANA



THE
STATE BANK
of
RENSSELAER
INDIANA



50 YEARS

OF SERVICE

1904 ★ 1954

the records revealed a total deposit of \$17,000.

The original incorporators included John Eger, Delos Thompson, B. F. Fendig, S. P. Thompson, Granville Moody, Warren Robinson, John J. Lawler, Lucius Strong, Judson J. Hunt, William Washburn, Frank Foltz, Charles G. Spittler, Charles C. Warner, E. D. Rhoades, Jesse E. Wilson, T. H. Robinson, George A. Williams, A. K. Yeoman, and R. B. Porter.

Five incorporators formed the first board of directors. These men were John Eger, the first president, Delos Thompson, Granville Moody, Warren Robinson, and Lucius Strong. The sound banking policies of the present day bank reflect the beliefs of these first directors who were interested in the community, in promoting profitable business enterprises, and most of all, in using honest and astute thought when making the bank's decisions.

Mr. Delos Thompson, an original director, served the bank as the cashier, president, and director for forty-six years from 1904-1950. Alfred Thompson, his father, and Alfred R. Thompson, his son,

had been and are interested in the field of banking. The latter is a present day director.

Mr. Thompson was graduated from the Rensselaer High School in the first class, the Class of 1880. He matriculated at the University of Michigan from which institution he received his degree in 1885. He immediately returned to Rensselaer to assist his father with his land holdings and cattle feeding operations. In 1895, he served as the first president of the Jasper County Telephone Company. He was interested in the Rensselaer Stock Farm and helped develop the race horse "Rensselaer Wilkes."

The records of 1905 revealed deposits amounting to \$139,000 and a list of 270 depositors. Miss Maude Irwin was elected to serve as the assistant cashier.

With a little imagination we can visualize the steady progress of Rensselaer as the State Bank worked quietly to contribute to the community's sturdy growth and prosperity. The State Bank of Rensselaer had proved its value to the citizens and town in the first few years after its beginning.



Granville Moody 1904 - 1936

John Eger
1904 - 1936



James Chapman
1905 - 1928



BANK DIRECTORS 1904 ★ 1954

1904-1950 Mr. Delos Thompson (The story of Delos Thompson has been told on page 6).

1904-1936 Mr. John Eger served as the first president of the bank and was an original director. He was born in Rensselaer on January 30, 1856, a son of Michael and Louise Eger. His parents had come from Germany, and settled in Lafayette in 1833. As a boy he drove cattle on foot to Chicago. He worked at many odd jobs, one of which was carrying water from a river for his neighbor. He worked for the C. C. Starr Grocery Store and later with his brother, William Eger, opened a grocery store of their own. Mr. Eger served as a director for thirty-two years of his fifty-five years as a Rensselaer business man.

1904-1936 Mr. Granville Moody was born in Dayton, Ohio on July 2, 1854, the son of the Reverend and Mrs. Granville Moody. His father, a Methodist preacher, settled in Barkley Township in 1873. Mr. Moody grew up on a farm and for over fifty years he fed cattle. He became a large landowner. His experience in farming made him a well informed consultant for the bank which he served for a time as vice president and for thirty-two years as a director.

1904-1905 Warren Robinson, an original director, was born in Gillam Township on April 8, 1858, the son of Thomas and Margaret Robinson. He was a well known Rensselaer business man who conducted a lumber yard.

1904-1921 Lucius Strong, an original director, was born in Marion, Ohio, on September 21, 1836. A farmer, he served as the trustee of Newton Township and

for seventeen years as a director of the bank.

1904-1908 Miss Maude Irwin served as the assistant cashier from 1904 until her marriage to Mr. A. E. Wallace in 1908.

1905-1928 Mr. James C. Chapman succeeded Warren Robinson as a director. He was born in Fullers Site, Sawyer, Michigan on January 8, 1868. His experience as a traveling auditor for the C.I.D. Railroad led him to accept a position as a ticket agent in Rensselaer. He became affiliated with the B. F. Ferguson Real Estate Office where he studied law and was later admitted to the bar. For a number of years he served as the City Treasurer of Rensselaer and as an officer of the local Building Loan and Savings Association. He resigned his directorship in 1928 because of ill health.

1908-1914 Charles M. Sands joined the bank as an assistant cashier. He resigned in 1914 to practice law.

1908-1940 John W. Tilton joined the bank in 1913. He, born in Wheatfield on January 1, 1871, served as a postmaster there. He served as the Recorder of Jasper County from 1905 to 1913. As an assistant cashier and later as a director, he served the bank for twenty-seven years.

1921-1934 Mr. B. F. Fendig, an original stockholder, assumed a directorship when Mr. Lucius Strong moved to Tab, Indiana in 1921. Mr. Fendig was born in Chicago in 1868 and was a graduate of the Rensselaer High School in 1889. Mr. Fendig, owner and operator of a drugstore, found time to serve in many other capacities too. He was elected the first president of the Rensselaer Building

Loan and Savings Association. During World War I. Mr. Fendig served as the Jasper County Fuel Administrator.

1934-1944 Mr. Charles W. Hanley, a native of Jasper County, succeeded Mr. Fendig. He was born in Jasper County on July 5, 1865. He was elected sheriff in 1892; following this he studied law and was admitted to the bar. For eighteen years from 1902 to 1920 he was the judge of the 30th Judicial Circuit Court of Jasper and Newton Counties. Judge Hanley had a general law practice from 1920 until his death in 1944. In 1936 he was elected to the presidency of the State Bank and in 1943 to the chairmanship of the board of directors.

1936-1947 Mr. Samuel Fendig succeeded Granville Moody. He was born in Rensselaer on August 27, 1872, a son of Ralph and Fredericka Fendig who had come to our community as pioneers in 1868. Fendig's Fair, a dry goods store, has been a landmark in our city for many years and it celebrated its 50th anniversary in 1943. Mr. Fendig served as a director for eleven years from 1936 until his death in 1947.

1936- Mr. Alfred R. Thompson, son of Delos Thompson, was elected a director on March 17, 1936. He was born in Rensselaer and was graduated by the local high school in 1912. He, like his father, received his B. S. degree in 1916 from the University of Michigan. One year later he was granted a M. S. degree by the same university. He joined the Federal Life Insurance Company in Chicago in 1918 and at the present time is the associate actuary and secretary of this company.

1938- Mr. Paul W. Lewis, the executive vice president of the State Bank today came to Rensselaer in December, 1938. He was born in Decatur, Illinois and was graduated by the high school there. After attending the University of Pennsylvania, he entered the banking business in 1927, in Decatur, Illinois, in the Millikin National Bank. Seven years later he was made the cashier of the First State Bank of Morrisonville, Illinois. He came to the State Bank in 1938 and has served as the assistant cashier, as a director (1940), as the cashier (1943), as a trust officer (1950) and at present as the executive vice president. In 1954 his family had completed 66 years in the bank-

ing business in which field his father had entered in 1888.

1940- Mr. Willard E. Merritt, a native of Rensselaer and the son of Mr. and Mrs. John R. Merritt joined the bank's staff in 1940. "Bill" was a member of the Rensselaer High School's Class of 1921. He gained valuable experience in the county treasurer's office before entering the banking business. Since 1944, he has capably served as the bank's assistant cashier.

1945- Mr. Emmet M. LaRue succeeded Charles W. Hanley in 1945 as a member of the board of directors. Following his graduation in the class of 1908 from the local high school, Mr. LaRue attended Indiana University where he studied law. Following his graduation from I.U. he was admitted to the bar on June 12, 1912. At the death of Delos Thompson in 1950, this practicing attorney was elected to serve as the president of the State Bank.

1945- Mr. Paul H. Neininger, a native of South Haven, Michigan, joined the bank in 1945. Paul was a graduate of the Lake View High School in Chicago in 1934. For several years he worked as an accountant in the J. H. Williams and Company in Chicago. During 3½ years of World War II. he served in the Army. He was promoted from an assistant cashier in 1951 to a cashier. He is also a member of the Rensselaer City Council.

1948- Hugh Tom Kirk, a grandson of the late Delos Thompson, served for one year from 1948 to 1949 as a director.

1949- Ralph W. Fendig, son of the late B. F. Fendig, at a stockholders' meeting in 1949 was elected to serve as a director. Mr. Fendig was born and educated in Rensselaer. Following his graduation from the local high school in 1926, he matriculated at the University of Wisconsin. He received his degree in 1930 and returned to Rensselaer to assist his father in his drugstore. Mr. Fendig served in World War II.

1950- Mr. F. O. Hershman was elected to the board membership in 1950 to succeed Delos Thompson. Mr. Hershman was born in Tefft, Indiana and attended both Valparaiso and Purdue Universities. In 1936, he started the John Deere Implement business which he now operates with his son.



Maude Irwin Wallace



Old State Bank - 1904

OUR FIRST 50 YEARS 1904 ★ 1954

The word bank is traced to a word "bancus" or bench upon which the money-changers sat when banking was merely the act of purchasing or selling coins. Banks can be traced back to Roman, Greek and Egyptian civilizations. Prior to the adoption of the Constitution in 1787, there was only a little banking done in the United States. With the enactment of the law of April 2, 1792, when a mint and coin regulations were established, a new era in banking was begun.

Robert Morris in 1763 conceived of a bank plan to promote the slowly developing American trade. The first true bank was organized on July 17, 1780, in the United States for a very patriotic reason — the procurement of supplies for Washington's armies. Alexander Hamilton, as the first Secretary of the Treasury, laid the foundations of our present financial system and our sound public credit code.

By an act authorized by the territorial legislature at Corydon in 1814, two banks were established at Vincennes and Madison, Indiana. These were not of the "wild-cat" variety. By the Indiana Constitution these banks were considered as incorporated banks. In 1817, the Vincennes Bank became a State Bank and fourteen branch banks were created; only three of these actually materialized at Brookville, Corydon, and Vevay. The Second State Bank of Indiana was authorized in 1834 and liquidated at the expiration of its charter in 1855. The Third State Bank of Indiana was opened in 1855, but the National Bank Act of

1863 forced its closing.

Many private banks were established in Indiana; the first in Rensselaer was organized by Alfred McCoy in 1856. Mr. McCoy had come from Ohio in 1832. On October 1, 1858, a private banking firm of Thomas McCoy, Alfred McCoy and Alfred Thompson was capitalized for \$8,000 and opened its doors for business. This bank continued until May, 1904, when it was liquidated.

On June 1, 1904, the State Bank of Rensselaer was opened for business. On the eventful day of April 13, 1896, our town, which had grown considerably, became a city with a population of 2,142. The first few years of the bank's history as it developed during this era appears earlier in our story. Our bank continued to grow in its banking endeavors in spite of a tense financial situation which was developing at this time.

By October of 1907, a critical financial situation had arisen. In order to avert a crisis, the banks of Rensselaer, Wheatfield, and Mt. Ayr issued certificates as a medium of exchange. These certificates were secured by a deposit of collateral in the amount of 110% of the face of the certificate, and they were guaranteed by the personal endorsement of the directors of the banks. The Auditor of the State of Indiana authorized the certificates issued by the State Bank of Rensselaer. The merchants of Rensselaer ameliorated the condition by accepting the certificates in payment for services and materials. The situation had improved enough within the year so that the certificates were taken up. The Bank of Remington was

closed in December of 1907. Our bank survived this crisis, and the story of its progress can not be separated from the story of Rensselaer's growth.

The State Bank bid on the issue of the Rensselaer City School bonds in 1912. These bonds were 5% bonds which sold at a premium of \$86.25 for \$5,000 par value of them. Another progressive endeavor of the city in 1912 was the organization of the Jasper County Hospital. The hospital, a modern construction, was completed in 1916, at a cost of about \$20,000. Mr. Alben W. Coen was the architect.

The financial picture was drastically affected in 1913 by two important acts which radically changed the banks of the country. The federal government in an effort to improve the national banking scheme instituted the Federal Reserve System. In the words of the late Senator Carter Glass the system was designed to correct "Those Siamese twins of disorder — an inelastic currency and a fictitious reserve system." Twelve Federal Reserve Banks had been opened for business by November 14, 1914. In later years, national banks were forced to become members of this system, but joining by state banks was optional. The State Bank of Rensselaer has never joined the Federal Reserve System, but it has been affected by its policies through its correspondent banking connections in Chicago and Indianapolis. The Federal Income Tax Law passed in 1913 has greatly affected the citizens of the United States. According to the first income tax law, married couples had exemptions of \$4,000, and single persons of \$3,000. The tax on the first \$1,000 income was 1%.

In 1913, a charter was obtained for the Farmers State Bank which was capitalized at \$35,000. It occupied the old Harris Building where the old Rensselaer Bank had been. The Trust and Savings Bank occupied the site of Hendrickson's Grocery Store. The stockholders of the newly chartered Farmers State Bank purchased Mr. E. L. Hollingsworth's interest in the First National Bank of Rensselaer and gave up their state charter.

Rensselaer's history records that on February 4, 1913, a contract for \$95,000 was let to dredge the lower Iroquois River. This greatly affected the rural citizens of our county. A French aviator,

Mr. George Mestach, flew a monoplane over our city during the Red Men's celebration on September 16, 1913.

Rensselaer's social life was enlivened by the formation of the Van Rensselaer Club with a membership of forty-four. Its board of directors consisted of C. G. Spitler, C. W. Hanley, E. J. Randle, Moses Leopold, and Rex Warner. W. L. Bott and A. L. Clark assumed the ownership of the Jasper County Telephone Company. The Iroquois Roller Mill was under the management of Mr. Ralph Sprague. At a loss of \$50,000 a fire destroyed the Babcock and Hopkins Elevator on July 28, 1914.

World War I., which had struck with shocking suddenness, was in progress. People were called upon to support the American Red Cross. The French government ordered 15,000 horses for its artillery from Crouch and Son of Lafayette. An epidemic of the Hoof and Mouth disease made national precautions necessary and restricted the cattle raisers in our country.

Undreamed of costs of the war created new taxes — the individual income tax was biting increased and corporation taxes jumped. A new kind of expert — a tax specialist — made his debut.

The Rensselaer Building Loan and Savings Association was chartered December 2, 1915. Capitalized at \$50,000, it was opened for business January 8, 1916, with Mr. B. F. Fendig as the president and D. Delos Dean as the secretary. The other directors were George H. Healey, George A. Williams, Thomas M. Callahan, and George E. Murray.

The State Bank was moved into the building formerly occupied by the Trust and Savings Bank on August 8, 1916.

On January 23, 1917, the Jasper County Hospital was opened and in March of the same year the Farmers Grain Company was organized with Michael Kanne serving at its president.

During these war years the State Bank was helping to finance the War by the sale of bonds. Its efforts resulted in the sale of these bonds: First Liberty Loan \$30,000, Second Liberty Loan \$47,000, Third Liberty Loan \$92,850, Fourth Liberty Loan \$100,000. During the Victory Loan Drive in 1919, the State Bank sold \$58,000 worth of bonds.

The State Bank was remodeling the