

Lehi Commercial and Savings Bank

By Richard Van Wagoner

Prior to the opening of the Lehi Sugar Factor, local farmers took their products to the People's Co-op, where they would be given a due bill for the value of the goods. This script could be exchanged for provisions, clothing or merchandise, but only at the Co-op's two stores. No money changed hands during these transactions. After the sugar factory was completed, farmers took their beet crop to the factory and received money for it. Cash purchases became commonplace for the first time in Lehi. Responding to the necessity for a bank, local businessman Thomas R. Cutler, Ira D. Wines, William E. Racker, William Clark, Ole Ellingson, and Thaddeus Powell, along with Salt Lakers Francis Armstrong, P. W. Madsen J. E. Jennings, and M. E. Cummings established the Lehi Commercial and Savings Bank in June 1891 with a capitalization of \$50,000.

The bank opened its doors in the People's Co-op on 16th of July, though this was only a temporary measure. Construction began immediately on a large two-story brick structure on the original site of the original Co-op building. (200 East State). Cashier Ole Ellingson began soliciting local business with a series of ads in the "Lehi Banner". "Prepare for a rainy day", one admonished, "by placing your money in the Lehi Commercial and Savings Bank." "Now look here, friend!", another one pleaded; "Save your money and deposit it". "Do not put your money into an old stocking, he advised in still another one, "when you have it compounded and made more by putting it in the Lehi Commercial and Savings Bank."

The institution originally paid 5 percent interest compounded quarterly, though it later dropped 1 per cent. By 14 August, 1891, the bank had \$18,000 in savings accounts. Six years later the deposits totaled \$63,000. This sum which did not include funds from the Utah Sugar Company (banked in Salt Lake City) represented the savings of seven hundred depositors, most of them local farmers.

Business gains for the 1905 fiscal year were 60 percent higher than the previous twelve months. Eighty percent of the bank's business at this point came from outside the community. In July 1905, new officers were elected, including Thomas R. Cutler, president, Thomas Webb, vice-president, John Y. Smith, cashier, William Clark, George Webb, and David Smith executive committeemen; Thomas Cutler, Thomas Webb, David Smith, George Webb, William Clark, A.R. Anderson, George Austin, A.J. Evans, and John Y. Smith, directors.