Banking on service

Even the Great Depression couldn't close this St. Helena Parish bank

By GEORGE MORGAN

Hutchinson said, "She said, 'I trust this bank. I ain't going to move it. This bank ain't going bust.'"

Her reasoning has history on its side. Founded in 1901 with assets of $15,000, the Bank of Greensburg has been open for 90 continuous years of service. That alone does not make it unusual. According to Louisiana Bankers Association records, the Bank of Greensburg is the state's 26th oldest bank. It is 49th in longevity among banks with less than $50 million in assets. The bank has current assets of $47.5 million.

At Greensburg, however, the emphasis is on continuity. The bank never closed during the Great Depression. Even during the bank holiday that President Franklin Roosevelt declared in 1933 to prevent panic among depositors, the Bank of Greensburg kept its doors open.

The LBA has no records of which banks took advantage of the bank holiday, said Peter Gwaltney, LBA vice-president.

I don't know if we were the only one," said J.W. Cole, chairman of the Board of Directors of the Bank of Greensburg's board of directors and son of one of the bank's nine founders. "One of the few — I can say that.

The parish's only bank held a celebration last month, inviting its 2,600 depositors, the founders' descendants and the community at large to an open house. Also invited were the 58 St. Helena Parish residents known to be at least as old as the bank.

When those long-time residents — and the bank — were born, St. Helena was still one of the state's smallest parishes. Such things, however, are relative. The St. Helena population in 1910 (1,172) was only 702 less than in 1900. For a small town, Greensburg had wide significance. There were hotels and two colleges in Greensburg earlier this century. A railroad came near the town.

"When my mother was a young girl, going to Greensburg was it," said Executive Vice President Fay Williams, whose mother lived in the northern part of the parish. "That was going somewhere. It was the county seat. There was lots of activity here, and it was where you went if you went somewhere.

Greensburg was even the place that determined where you were. If you were somewhere else, the Greensburg Land Office was headquarters for federal surveyors who plotted the land from the Pearl River to the Mississippi River, from Lake Pontchartrain north to the state line. The bank's first home was the old land office building, which is now on the National Register of Historic Places. The St. Helena Echo reported that the bank opened despite not having its safe arrive on time. Discovering that inauspicious start amused Harriet Cole, J.W.'s wife.

With scores of St. Helena Parish residents attending, the Bank of Greensburg's 90th birthday party spilled out onto the sidewalk.
“They had no fear that it would do a thriving business, but I thought, ‘The safe didn’t arrive at the bank? That’s pretty bad!’” she said.

The Bank of Greensburg outgrew its original location 20 years later, moving into a brick building on Main Street. The bank built its current location a half block up the street in 1954 and expanded it in 1968. The old safe remains in the second location, which is now a hardware store.

Times change. Cotton once was king. R.A. Covington, the bank’s president, remembers a cotton gin located across the street from the bank. Now, no one grows cotton or any other annual crop. Timber and dairy farming dominate an economic scene that ranks 55th among the state’s 64 parishes in per capita income ($8,795).

The Depression did not close the Bank of Greensburg largely because area residents were confident that the bank’s stockholders were sufficiently wealthy to cover their deposits, said Dorothy Jane Peroyea, a Greensburg resident and local historian. There was no run on the bank, Cole said.

When the oil bust devastated Louisiana’s economy in the 1980s and caused many banks and savings institutions to fold, the Bank of Greensburg had to be flexible, Covington said. With little growth in the parish, the bank could not turn to new customers to replace nonperforming loans. The bank restructured loans to help customers make it, Covington said.

“We worked our way out of a lot of difficult situations that helped the bank and helped our customers, and we’re happy about that,” Covington said. “We don’t want people to lose their property or their car or whatever they’ve got mortgaged. So, it was to our advantage to try to do what we could.”

In some respects, the Bank of Greensburg is a time capsule of what banking used to be. Not that the operation is archaic: After several years of hooking into another bank’s computer, the bank got its own computer in 1993. The bank has opened a branch office in Montpelier, the parish’s second-largest town. The main office was extensively renovated early this year.

Still, Covington said, a customer service representative helps people balance their checkbooks. People still save with passbook accounts. Cashiers know their customers by name.

“We do not have an ATM,” Covington said. “We do not have any plans to have an ATM. What we can do that the bigger banks can’t do is give our customers personalized service. We don’t have a new crop of customers coming in every time a new industry comes into town. We have the same customers, so we have to take care of them.”

In November, the bank took care of them with cake and balloons, hot dogs and tours of the facility. For many, if not most, this was the only bank they have ever patronized.

“We came in and started doing business,” said Eula Miller, who opened an account with her husband, Wynton, 54 years ago. “We’re going to stay here as far as I know.”