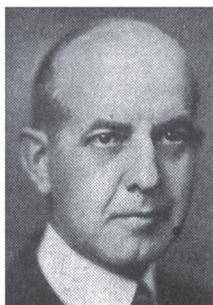


THE FIRST NATIONAL BANK OF FOREST CITY – CHARTER #5518

by Michael Saharian

“There were monster hemlock trees, some of them of beautiful symmetry lifting their magnificent proportions to an altitude of nearly 100 feet.” This was the description by William Pentecost, when he first settled in the Forest City area in 1864. Forest City is located in Susquehanna County in the mountains of northeastern Pennsylvania.

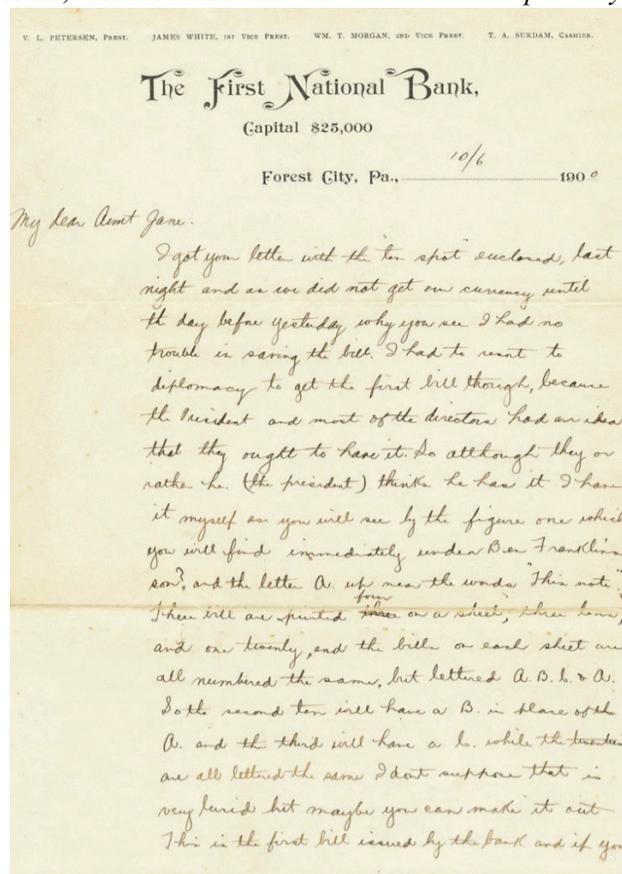
The First National Bank of Forest City was organized June 4, 1900 and chartered July 26, 1900. The first president of the bank, charter #5518, was V. L. Petersen. He was born in Copenhagen, Denmark on February 8, 1862 and immigrated to Scranton, PA at the age of 20. Shortly after arriving, he received a job as clerk with the Hillside Coal and Iron Company. Late in the nineteenth century, he was named general manager of that company. Mr. Petersen served as president of The First National Bank of Forest City until 1901. He died suddenly of a heart attack on March 24, 1934 in Factoryville, PA at 72 years of age.



The first cashier of this bank was T. A. Surdam (left). An article appeared in the Carbondale Daily News, Carbondale, PA, on July 11, 1900. The paper stated “Truman A. Surdam, of Scranton, has been elected cashier of the First National Bank of Forest City. Mr. Surdam has had several years’

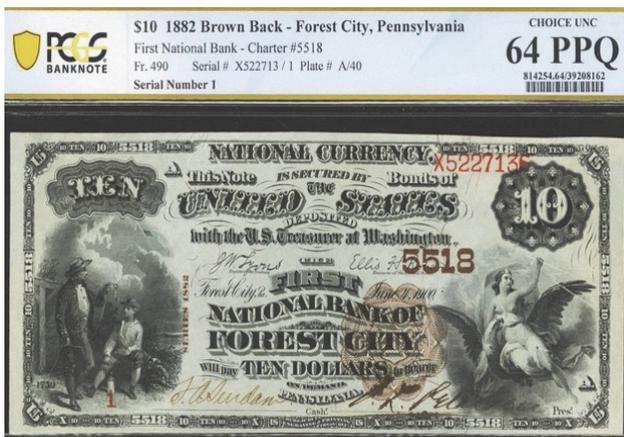
experience in the Third National Bank at Scranton and comes highly recommended. The bank will commence business about the first of August.” The note pictured below was signed by T.A. Surdam and V. L. Petersen. What makes this note interesting is that Surdam was able to secure it for his aunt.

On October 6, 1900 he penned a letter on bank letterhead (below), addressed to “My dear Aunt Jane” and enclosed the \$10 national bank note. In the letter, Mr. Surdam states “I had to resort to diplomacy



to get the first bill though, because the president and most of the directors had an idea that they ought to have it.” He goes on to explain to his aunt where on the bill the serial #1 is located, writing “I have it myself, as you will see by the figure one which you will find immediately under Ben Franklin’s son?” Seemingly unsure if that is Franklin’s son, I had the luxury of being able to Google the June 15, 1752 kite experiment, and yes, that is his son, William. Interestingly enough, William was born February 22, 1730, so he was 22 and not a child, as depicted on the \$10 note. A steadfast loyalist throughout the American Revolutionary War, William was the last colonial governor of New Jersey.

Mr. Surdam continues “This is the first bill issued by the bank and if you ever have to part with it, kindly send it to me and I will try to reimburse you for it”. It’s hard to believe that you would have to “try to reimburse” someone for \$10. However, to put that into



perspective, \$10 in 1900 is equivalent in purchasing power to about \$307 in 2020. Makes one wonder what a financial burden it must have been to collect higher denominations of currency in these earlier times. It is the first national note issued by the bank, as it's not only serial #1, but the plate position is A. In Mr. Surdam's letter he explains to his aunt that the first sheet contains four notes, consisting of three \$10 bills and one \$20 bill. All the notes have the same serial number, but each \$10 bill is differentiated by a single letter. He goes on to tell her where on the note the letter appears.

Truman Arnold Surdam was born in Middletown, New York on December 24, 1878. He started his career as a bank messenger and was the first cashier for The First National Bank of Forest City from 1900-1904. Before going into business for himself he had been associated with J. H. Brooks and the J. E. Weissenfluh Company, both investment firms. Per Mr. Surdam's obituary, which appeared in The Scranton Times on May 18, 1951, "*Surdam and Company was formed in May 1929, from the old Weissenfluh and Company, following the retirement of Mr. Weissenfluh*". He married May Francis Albro (1879-1965) on October 15, 1903. Mr. Surdam died on May 18, 1951 at the age of 72 in Scranton, PA (Dunmore cemetery).

The First National Bank of Forest City issued 1,800 sheets of 1882 Brown backs, 8,300 sheets of 1882 Date and Value backs, and 6,807 sheets of 1902 Plain backs. All of the sheets consisted of (3) \$10 notes and (1) \$20. No other denominations were issued. 67,628 large national notes were issued, totaling \$845,350. 13,905 small size national notes were issued, totaling \$166,295. Track and Price lists 18 large Forest City nationals known for charter #5518 and 41 small national notes. Although this bank issued a small number of \$5, \$10 and \$20 type 2 nationals, all 41 known are type 1. In general, finding uncirculated notes from this charter can prove rather challenging. Specifically, T + P documents (2) 1882 \$10 Brown backs known. The note pictured in this article, along with serial number 876. Both notes are signed by cashier Surdam, but serial number 876 is signed by President J. J. Walker.

In 1902 James J. Walker became the 2nd bank president of The First National Bank of Forest City, after having been active in its organization and being elected a director of the institution. Mr. Walker was born in Carbondale, PA on September 29, 1866. In 1884 he became connected with the Hillside Coal and

Iron Company working as chief clerk. In 1892 he married Winifred Fleming. After T. A. Surdam resigned at the end of 1904, James J. Walker relinquished the bank presidency to John Lynch and on January 1, 1905 became cashier. Mr. Walker remained cashier of the bank until early 1926. He died suddenly on March 29, 1926 at 59 years of age in Forest City. Most of Mr. Walker's information was collected from his obituary, which appeared in The Tribune newspaper in Scranton on March 30, 1926.

Following the sudden death of J. J. Walker, Thomas P. McCormick became acting cashier and on June 17, 1926 was officially elected cashier. Mr. McCormick was born on August 13, 1865 in Silver Lake, NY and moved to Forest City in 1888. He was postmaster of Forest City during the Woodrow Wilson administration, and in addition to being cashier, was a member of the firm T. P. McCormick and Brother, Forest City Grocers. He served as cashier of the bank until 1928, before becoming ill and passing on August 7, 1928 in Carbondale, PA at the age of 62.

John Lynch became president of the bank on January 1, 1905 and served in that capacity until 1927. In 1928 he became cashier until the banks closing. Mr. Lynch was born in 1860 and was a native of Wales. He came to the US as a young man and first settled in Carbondale, where he operated a general store for many years, before moving to Forest City to join the bank. Mr. Lynch died on December 20, 1952 in Carbondale.

Atty. William John Maxey was the last president of the bank. He was born July 22, 1863 in Lansford, PA. He moved to Forest City in 1886, where he was borough solicitor and also served as justice of the peace, before being named sheriff of Susquehanna County in 1900. He had also assumed proprietorship of the Forest City News in October 29, 1896. Atty. Maxey was president of the Vandling Silk Throwing Co. and was an organizer and president of The First National Bank of Forest City, serving from 1928, until the banks closing. Mr. Maxey died in Carbondale on November 28, 1946 at the age of 83 and is buried in Forest City. Much of Mr. Maxey's information was gathered from his obituary, which appeared in the Standard-Speaker newspaper in Hazleton, PA on November 30, 1946.

William Pentecost first settled in the Forest City area in 1864 when he opened a lumber mill by the Lackawanna River. Lumbering was the largest industry in the area until 1872, when an outcropping of coal was discovered. The Hillside Coal and Iron Company bought large tracts of land, and by 1872 the first commercially profitable coal mining enterprise

was established. In 1888, the borough of Forest City became incorporated. By 1900, when the bank opened their doors, the population of Forest City rose to over 4,000 inhabitants. By the onset of the twentieth century, silk manufacturing had also become a chief industry in the area. By the Roaring Twenties' the US Census had determined the resident population of Forest City to be over 6,000. However, the Great Depression hit the town hard, as the primary sector of the economy, lumber and coal, were hardest hit. The population slowly declined, as coal mining came to a halt. Currently, the population is 1,800. Sadly, The National Bank of Forest City did not fare well after the depression either, going into receivership on August 10, 1934.

In the balance of T.A. Surdam's letter to his aunt, he talks about the current coal strike in the area. He writes, *"In regards to the strike, although our deposits are larger than they would be if there was no strike, (owing to the fact that people are laying their money aside and not spending much of it), we have been rather slow about making investments until things get a little more settled."* Mr. Surdam is upset at how the political cartoons in the New York papers depict poor coal miners sitting in front of their broken-down houses with his wife and kids dressed in rags. Mr.

Surdam tells his aunt *"The miners have really quite respectable looking houses and their wives and children are far from being in rags. I enclose a cartoon which shows how the miners do not live."* In researching, the United Mine Workers union struck on September 17, 1900 for wage increases and better working conditions in the anthracite coal district. The mine owners, under pressure from Republican leaders fearful of losing the White House, reluctantly made concessions and the strike ended on October 29, 1900. On November 6, 1900 republican William McKinley defeated his democratic challenger, William Jennings Bryan. After a speech on September 6, 1901 in Buffalo, McKinley was assassinated by an anarchist named Leon Czolgosz. He was executed the following month.

Mr. Surdam ends the letter to his aunt by writing *"I am getting to feel quite at home and I feel encouraged over the business"*. Signing the letter *"Your loving True"*. Appreciation goes to T. A. Surdam for having the foresight to secure the very first national note from this bank in the quaint town of Forest City and to his family for preserving it in pristine condition, along with the letter, for future generations of collectors to enjoy.



Building from where The First National Bank of Forest City ran its operations. Today it is home to a liquor store.

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