



Bath State Bank in Bath, Ind., was built around ag lending. The team, from left: Barb Bruns, Brandon Ertel, Krissy Myers, Molly Belmonte, Maria Chesnut, Annette Meier, Alex Nocton and Keaton Mueller. Not pictured: Greg Selking.

ICBA's TOP LENDERS 2023

Interest rates are up, house prices are down, and the uncertain economic environment persists. But through it all, community banks have continued to make smart, strategic lending decisions, all with the aim of helping the individuals and businesses in their communities achieve their dreams. In these pages, we reveal the most successful loan producers according to lending category and asset size, and hear from some of the winners as to how they exemplify the community bank difference.



AGRICULTURE

TRADITIONAL RELATIONSHIPS, NEW OPERATIONS

By William Atkinson

As technology and regulations have evolved over time, so has agricultural lending.

“The ag lending landscape is constantly evolving, and therefore the customer needs change as well,” says Branden Logue, who is president and CEO of \$285 million-asset Bath State Bank in Bath, Ind., as well as president of Bath State Bancorp and vice president of Bath Insurance Group. “The past couple of years have been very volatile in terms of fertilizer prices, chemicals prices, commodity

prices, cash rents and interest rates.”

Dan Schopp, president and CEO of \$109 million-asset First Security Bank in Mackinaw, Ill., has also seen changes in ag lending.

“The last two years have seen great prices and good net incomes, following five years of lower commodity prices and tight times,” he says. “Ag needs have changed with a need for larger lines of credit, because of increased acres per farmer and higher input costs.”

The difficult part for the typical farmer is that most changes in the

+ Methodology

Using FDIC data for 2022, we calculated a lender score out of 100 for each community bank. The score combines the average of the bank's percentile rank for lending concentration and for loan growth over the past year in each lending category. We then adjusted each score for loan charge-offs in each category at certain percentile thresholds.

ag lending landscape are out of their control, especially since prices have been affected by trade policy, war and the supply chain disruptions caused by the COVID-19 pandemic. “This makes it more difficult for a beginning farmer to compete with an established operation,” Logue says, “which can spread the costs of new purchases over more acres.”

In response, many community banks are turning to new methods

to set their clients up for success. For \$237 million-asset Heartland Bank, in Manson, Iowa, technological advances and consolidation of operations are changing the complexity of farming.

“Farmers are essentially CEOs of growing and complex operations,” says John S. Rosenboom, executive vice president. “Understanding how they manage their operation, current financials, break-evens and up-to-date cash flows are essential details that lenders need to understand in order to guide financial decisions that will impact their bottom line.”

Heartland Bank’s strategies also include utilizing industry schools, events, peer groups and webinars to learn more about agriculture, banking, and credit management.

“We invest in software for underwriting credits and provide in-depth information and trendlines of farmers’ operations to work with them to achieve their goals,” says Rosenboom. “At the end of the day, we as banks all sell the same products for similar prices. Customer service, beneficial relationships and added value are what differentiate our team.”

Strong relationship banking

One reason for Bath State Bank’s success in ag lending is that the bank was built around ag lending, and its commitment has never wavered.

“Our entire management team and ag department have farming roots and are still involved in some form of production agriculture today,” explains Logue. “We are bankers who enjoy getting out and visiting the operations and seeing how different producers operate, and building genuine relationships with our customers.”

The team at Heartland Bank spends a lot of their time visiting the farms and learning everything possible about the operations they



Heartland Bank's ag lending team. Top, from left: Austin Nerhus, Kevin Black, John S. Rosenboom and Braden Moser. Bottom, from left: Randy Besch, Steve Tucker, Tommy Halligan. Not pictured: Scott Weber and Jared Taggart.

Agriculture: Less than \$300M in assets

Rank	Bank name	City	State	Ag lender score
1	Lusk State Bank	Lusk	WY	95.5
2	Rolette State Bank	Rolette	ND	93.7
3	Farmers Trust and Savings Bank	Williamsburg	IA	93.7
4	Bath State Bank	Bath	IN	93.6
5	Anchor State Bank	Anchor	IL	93.5
6	Bank of Gibson City	Gibson City	IL	93.5
7	First Security Bank	Mackinaw	IL	93.4
8	First Community Bank	Beemer	NE	93.2
9	Iowa State Bank and Trust Company	Fairfield	IA	92.8
10	Lamont Bank of St. John	Saint John	WA	92.3
11	Heartland State Bank	Redfield	SD	92.2
12	State Bank Northwest	Spokane Valley	WA	92.1
13	Peoples State Bank of Velva	Velva	ND	92.0
14	Grant County State Bank	Carson	ND	91.9
15	State Bank of Jeffers	Jeffers	MN	91.9
16	The First State Bank	Abernathy	TX	91.7
17	Heartland Bank	Gowrie	IA	91.6
18	Farmers National Bank of Griggsville	Griggsville	IL	91.4
19	Iroquois Farmers State Bank	Iroquois	IL	91.1
20	The First National Bank Of Hereford	Hereford	TX	90.9



Above: The First Security Bank lending team. From left: Vice president commercial lending Ryan Curtis; branch manager/ag lender Rebecca Dwyer, president/CEO Dan Schopp; vice president Sheri Golden; and vice president agricultural lending Trent Ahlers.

are working with. “Our lenders keep informed and share information with their customers, which helps build trusting relationships that also lead to referrals down the road,” Rosenboom says.

Finding the right people

Similarly, Schopp points at First Security Bank’s efforts in developing knowledgeable and experienced lenders who understand their farm clients’ business as a key part of its successful ag lending.

“When we hire, we look for someone who understands agriculture, who has grown up around or been exposed to the ag sector of our economy,” he says. “We can teach them how to spread and analyze farm financials much easier when they already understand and can ‘talk the talk’ of agriculture.”

As for the future, Logue looks to Bath State Bank’s clientele. “We let customer needs drive the decisions to change or modify how we conduct ag lending,” he says. “We view ourselves as a tool for the farmers to use to maximize their success, and we are thankful to be a part of that.”

William Atkinson is a writer in Illinois.

Agriculture: \$300M to \$1B in assets

Rank	Bank name	City	State	Ag lender score
1	First United Bank	Park River	ND	94.3
2	Dakota Heritage Bank	Hunter	ND	94.0
3	KodaBank	Drayton	ND	92.3
4	First Southern Bank	Florence	AL	91.1
5	Farmers Trust & Savings Bank	Buffalo Center	IA	90.9
6	BankNorth	Arthur	ND	90.4
7	Iowa State Bank	Orange City	IA	90.2
8	TrustBank	Olney	IL	89.9
9	Dakota Western Bank	Bowman	ND	89.5
10	Farmers Bank and Trust Company	Blytheville	AR	89.5
11	Hoosier Heartland State Bank	Ladoga	IN	89.2
12	Winnsboro State Bank & Trust Company	Winnsboro	LA	88.7
13	United Valley Bank	Cavalier	ND	88.6
14	First State Bank	Webster City	IA	88.6
15	HOME BANK	Palmyra	MO	88.5
16	Verimore Bank	Brookfield	MO	88.3
17	Texas Heritage National Bank	Daingerfield	TX	88.2
18	Thumb Bank & Trust	Pigeon	MI	88.1
19	Decorah Bank and Trust Company	Decorah	IA	87.3
20	Profinium, Inc.	Truman	MN	87.3

Agriculture: More than \$1B in assets

Rank	Bank name	City	State	Ag lender score
1	First Financial Bank	El Dorado	AR	92.6
2	Fidelity Bank & Trust	Dyersville	IA	90.4
3	BTC Bank	Bethany	MO	89.1
4	American Bank & Trust	Sioux Falls	SD	87.2
5	First Bank of Berne	Berne	IN	86.4
6	Elkhorn Valley Bank & Trust	Norfolk	NE	86.3
7	Opportunity Bank of Montana	Helena	MT	84.5
8	Pinnacle Bank	Fort Worth	TX	83.1
9	The First National Bank In Sioux Falls	Sioux Falls	SD	83.0
10	First State Bank	Mendota	IL	82.3
11	Peoples Bank and Trust Company	McPherson	KS	82.2
12	United Bank of Iowa	Ida Grove	IA	81.9
13	Security State Bank & Trust	Fredericksburg	TX	81.8
14	Dakota Community Bank & Trust, National Association	Hebron	ND	81.8
15	Peoples Bank	Lubbock	TX	81.4
16	Richwood Bank	Richwood	OH	80.9
17	Citizens Alliance Bank	Clara City	MN	80.5
18	Independence Bank	Havre	MT	80.4
19	BankWest, Incorporated	Pierre	SD	79.9
20	Frandsen Bank & Trust	Lonsdale	MN	79.8