

KANSAS AG BANKERS (KAB) DIVISION

2024 Annual Report



Kansas Ag Bankers
A DIVISION of KBA

*A message from the KAB Division President
Brad Zimmerman, Farmers Bank & Trust, Atwood*

*Greetings from the KBA -
Kansas Ag Bankers (KAB) Division Board of Directors!*

As I reflect on the year 2024 concerning banking and in particular ag banking, it was a time of competing for loans to non-bank and vendor competition and maintaining a respectable margin. The loan quality was good which makes our job easier. Anticipating the next move from the FOMC has allowed more flexibility in pricing our loans. A slow third quarter for making loans, then the busy season for banking in the fourth quarter.

Bankers watch the weather as much as the farmers, and for a particularly good reason. This past year started out to be dry for most of the state then turned wet in late spring and early summer with our normal weather of hot and dry finishing out the summer. The wheat crop varied throughout the state from remarkably high yields to low yields. The fall crops were mostly of our average yields throughout the state. The crop insurance proved to be a needed asset with the yield variance and low crop prices. The livestock producers continue to enjoy profits in the cow/calf area and a combination of profits with a few losses in the feeder and fat cattle feeding. The crop input cost continues to be high and has affected the bottom line on the crop net profits.

With that in mind, before each Kansas Ag Bankers meeting, I review the Mission Statement of the KAB to keep in mind what the Kansas Ag Bankers mission is.

The mission of the Kansas Ag Bankers Division of the Kansas Bankers Association is to support, enhance and promote the agricultural banking industry in Kansas with and through: Initiative-taking and competent leadership in Agricultural Banking. Identifying agricultural banking needs/issues that affect the Division, its members, and ag communities in Kansas. Offering Agricultural education activities and taking specifically designed for Ag Bankers. Promoting legislative policies that benefit banks, and their customers and public relations initiatives designed to improve the image of the agricultural banking industry.

As the Kansas Ag Bankers work with their customers, the Kansas Ag Bankers (KAB) Division has provided the necessary training through seminars, webinars, training events, and the Kansas Ag Bankers Annual Conference to help facilitate the Ag Bankers in their profession. The KAB has also continued to promote the passage of the ACRE Act and the new Farm Bill.

The Kansas Water Plan will affect all Kansans including the Ag Bankers since the Water Plan will affect the Ogallala Aquifer, reservoirs, lakes, rivers, streams, different water accesses for crop irrigation, cattle feed yards, hog facilities, and city and municipal usage. A series of public regional water meetings were held during the year to set strategies for regional water needs, priorities, and recommendations for funding. The Kansas Ag Bankers have taken a positive role in this issue to help maintain and enhance our local communities in the Kansas Water Plan. As we look back and reflect on the past year of 2024 let us not only learn from the past but anticipate the future with the history behind us as we live today in the excellence of what we have learned and what we look forward to in the future. The Kansas Ag Bankers (KAB) Division and staff have been working hard to help enable and facilitate the Kansas Ag Bankers to strive for excellence.

To serve as the President of the Kansas Ag Bankers this past year has been an honor and a pleasure. Working with the KAB board has been great, along with the staff of the Kansas Bankers Association, Doug Wareham, President & CEO and J.W. Wells, Ag Division Coordinator have been helpful and supportive.

I am looking forward to seeing everyone at the 2025 Kansas Ag Bankers Conference on March 5th and 6th.



2024 KANSAS AG BANKERS CONFERENCE HIGHLIGHTS



This year's event was a definite success! We had an exceptional line-up of presenters, 305 attendees and 22 tradeshow sponsors in attendance. Here are some of this year's highlights!

DR. DAVID KOHL, PH.D., PROFESSOR EMERITUS, VIRGINIA TECH, AGRIVISIONS SOLUTIONS, LLC **BUSINESS AND ECONOMIC OUTLOOK**

Once again, the ever-popular Dr. David Kohl was the opening keynote speaker at this year's Kansas Ag Bankers Conference! The economy, interest rates and input costs were a part of the conversation.

ED ELFMANN, SVP OF AGRICULTURE AND RURAL POLICY, AMERICAN BANKERS ASSOCIATION **FEDERAL AG POLICY UPDATE**

ABA's SVP of Agricultural & Rural Banking Ed Elfmann (left) and KBA's President & CEO Doug Wareham (right) discuss current important federal ag policies, including Access to Credit for our Rural Economy Act, also known as ACRE. Ed

KBA President & CEO Doug Wareham; KAB Division President Mikel Hadacheck, Astra Bank; and KBA Board Chairman Mark Schifferdecker, GNBANK, N.A. presented Dr. David Kohl with KBA's highest honor, the Flint Factor Award.

thanked Kansas bankers for their involvement in sharing the importance of this bill with their constituents. The ACRE Act ended 2024 with 56 co-sponsors in the U.S. House of Representatives.

JACKSON TAKACH, CFA, FARMER MAC **FUTUREPROOFING AG & AG LENDING**

Takach stressed that the combination of higher interest rates and inflation still does not put agriculture into the same scenario as in the late 1970s and early 1980s. A key difference now is that, largely, producers still have stronger income and cash on their balance sheets compared to the late 1970s.

ALEX WEBER, AMERICAN NINJA WARRIOR **UNSTOPPABLE**

Alex Weber gave the attendees the tools they needed to be leaders in all areas of their lives and how to overcome any challenges that could stop them.

RANDY BLACH, CATTLEFAX **CATTLE & PROTEIN MARKET SITUATION AND UPDATE**

Randy Blach, CattleFax, kicked off day two of the Kansas Bankers Ag Conference in Manhattan! Attendees received a timely and insightful perspective on domestic and global cattle and protein markets.



Ed Elfmann, SVP of Agriculture and Rural Policy at the American Bankers Association and Doug Wareham, KBA President & CEO, discuss the Federal Ag Policy Update.



Justin Trompke, AgWest Commodities, shared insights into today's grain markets and emphasized the importance for ag producers to have marketing plans.

JUSTIN TROMPKE, AGWEST COMMODITIES **GRAIN MARKETS: MANAGING MARKET VOLATILITY AND CAPTURING OPPORTUNITY**

Justin Trompke, AgWest Commodities, explored the factors driving today's grain markets, and attendees learned why having a plan in place can help ag producers be prepared when an opportunity comes.

ERIC SNODGRASS, NUTRIEN AG SOLUTIONS **HIGH IMPACT METEOROLOGY**

According to Snodgrass, the hype surrounding isolated weather events often leads people to make predictions about future weather patterns, yet it's important to recognize that weather is inherently non-linear.

2024 PIONEER AWARD WINNER JACK GALLE

KBA's Kansas Ag Bankers Division is honored to announce that the 2024 Pioneer Award Winner is Jack Galle. Jack is the Market President & Loan Officer for Commercial and Agricultural Lending at Legacy Bank in Pratt, Kansas.

Jack has been an outstanding member of the banking community for over 45 years, and his contributions to the industry cannot be overstated. Jack graduated in 1978 from K-State, where he studied agricultural economics. His passion for banking started early in his career, working for his hometown bank in Moundridge, Kansas, in the early 80s before moving to Hutchinson National Bank as a correspondent banker and ag lender.



Jack Galle, Market President & Loan Officer for Commercial and Agricultural Lending, Legacy Bank



Jack Galle being presented with the Pioneer Award, joined with Clay Holcomb (far left), Steven Sullentrop (left), Belinda Galle, and Brad Yaeger (right).

Jack relocated to Pratt in 1989 and began working as a community bank ag lender and branch president at Iuka State Bank. During his tenure, he managed the bank's operations while it went through multiple ownership changes in the 1990s. Later, Jack briefly worked at People's Bank for a couple of years in 2006 before joining First National Bank in Pratt. At First National Bank, he served as the lead lender and focused primarily on ag lending.

In 2018, Legacy Bank acquired and merged with First National Bank in Pratt, where Jack currently serves as market president and loan officer for commercial and agricultural lending. He was responsible for leading the bank's ag lending efforts, and his contributions helped make the merger successful. Jack is a skilled banker and a civic-minded member of the community and has been a part of the Pratt community for over 35 years. He has served on numerous organizations, including the Pratt Hospital Board, USD 382 Board of Education, Rotary, Economic Development and the Pratt Chamber of Commerce.

Congratulations, Jack!

KAB DIVISION SUPPORTS KANSAS FFA OPPORTUNITIES FAIR AND STATE OFFICER LEADERSHIP DEVELOPMENT



The Kansas Ag Bankers Division has been a longtime supporter of the mission of the Kansas FFA Foundation: to enable Kansas Agriculture Education and FFA programs to empower future leaders. To this end, the Division has continued to sponsor the Kansas FFA Opportunities Fair and underwrite leadership development for the Kansas FFA State Officer team. As a result, thousands of FFA members have been exposed to Kansas banking and have learned of the leadership banks provide to their home communities.

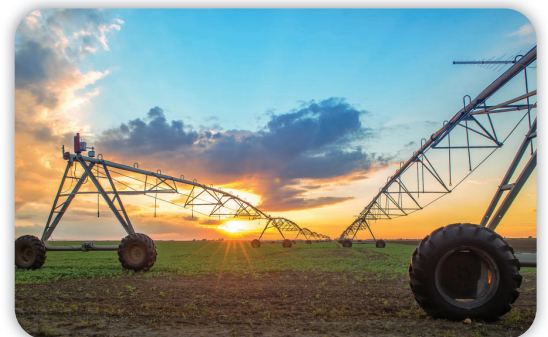
KAB DIVISION SPONSORS BIANNUAL MARGIN MANAGEMENT FOR AGRICULTURAL LENDERS SEMINAR

The Kansas Ag Bankers Division proudly sponsored the Margin Management for Agricultural Lenders seminar, providing a unique learning opportunity for ag bankers. Attendees gained valuable insights into the commodity futures market. They learned how their ag customers can use hedging to enhance their marketing strategies. By understanding these strategies, ag bankers are better equipped to help their customers navigate commodity prices and maximize farm profitability.



BANKERS REPRESENT THE INDUSTRY AT WATER CONSULT MEETINGS

Kansas Bankers Association staff and bankers from across the state participated in Local Consult Meetings organized by the Kansas Water Office. These meetings provided a platform for attendees to discuss critical water issues affecting their regions. KBA staff and member bankers shared their insights and concerns, playing a vital role in representing the Kansas agricultural banking sector. Their involvement underscores the commitment of KBA and its members to addressing water challenges and advocating for sustainable solutions that support the agricultural industry and local economies.



KAB DIVISION NEWSLETTER CREATED

The Kansas Ag Bankers Division Board of Directors is excited to announce the launch of KAB Connection, its exclusive newsletter designed to provide updates on the annual Kansas Ag Bankers Conference, news about the Division, and insights into broader trends and developments in agricultural banking. Whether you're looking for the latest industry updates or want to stay connected with the KAB Division, sign up for KAB Connection today! To subscribe or suggest a topic for future issues, contact J.W. Wells at jwells@ksbankers.com.

KBA - KANSAS AG BANKERS DIVISION 2024-2025 BOARD OF DIRECTORS

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In 2003, the Kansas Ag Bankers endowed \$100,000 to the Kansas State University Foundation to award scholarships to KSU students enrolled in Agricultural Economics. The fund was established to honor Kansas Ag Bankers and to provide financial assistance to students properly enrolled in the College of Agriculture. Eligible students must be undergraduates enrolled in the Department of Agricultural Economics, pursuing a career in banking or finance, reside in Kansas, and have a minimum grade point average of 3.2.

Four students were awarded scholarships in 2024. Lauryn Karr, a Senior studying Agribusiness, and Ryan Feldkamp, a junior studying Agribusiness both received \$3,050 during the Spring semester. This past Fall, Dalton Casey and Jay Tatum both received \$1,400.

2024-2025 KAB BUDGET

Income

Dues (\$150 per bank)	\$18,000
Interest Income	\$2,300
AG Bankers Conference	\$120,000
Total Income	\$140,300

Expense

KBSI Administrative Fee	\$15,000
Conference Expense	\$68,750
Board Meetings	\$3,000
Board Travel/Special Events	\$1,500
ABA Conference (President)	\$3,500
ABA Conference (Kansas Night)	\$1,500
Printing/Letterhead	\$500
Postage	\$500
FFA Donation	\$7,500
KARL Donation	\$7,500
4-H Donation	\$2,500
Ag in Classroom Donation	\$1,000
KS Water Cong/Conf	\$500
KBA Margin Management	\$4,000
KS Dept of Ag Growth Summit	\$500
KC. Agribusiness Council Membership	\$550
Misc. Expense	\$500
Women Managing the Farm	\$5,000
Kansas Commodity Classic	\$5,000
KBA Fed Affairs Rep (Past Pres)	\$3,000
KBA Staff Travel	\$3,500
Promotions/Advertising	\$2,500
Total Expense	\$140,300



Kansas Ag Bankers

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KAB DIVISION PARTNERS INCLUDE:



KANSAS
FFA FOUNDATION



THANK YOU!