



BANKERS' BANK
— OF KANSAS —

2020 Annual Report

Letter From The President

2020 was a good year for your Bankers' Bank of Kansas! Net income came in \$120,000 above budget, one of our best years.

Our achievements were not a result of the plan we laid out in late 2019. On March 13, 2020, the President declared a national emergency and Coronavirus became the word of the year. The pandemic triggered a chain of industry changing events including remote work, quarantines, the PPP loan program and interest rates dropping to zero.

Loans issued through the Payroll Protection Program coupled with low interest rates inflated our balance sheet. BBOK assisted 36 customer banks in processing loans for roughly 700 small business customers. For perspective, in an average year BBOK processes and documents between 50 and 75 loans. For PPP, we delivered 10 times that activity equaling \$44 million in initial loan funding. Plus, we were able to share \$800,000 in fee income with those banks.

The rate environment gave our customers the ability to place bank funds with BBOK for an earnings credit that was more attractive than other alternatives. DDA balances grew by \$55 million. Alternatively, consumer spending was down which correlated to \$400,000 less in interchange and bank card fees.

Through it all, we maintained a strong capital position.

EVEN WITH THE RADICAL CHANGE IN OUR BUSINESS THIS PAST YEAR, OUR TEAM MOVED FORWARD ON SEVERAL STRATEGIC PROJECTS IN 2020 WHICH INCLUDED:

- An upgrade to our Safekeeping software – with customer service enhancements and capacity for continued growth.
- Finalizing the details on our new mortgage program to rollout in 2021.
- Researching and creating a new Merchant services program for 2021.

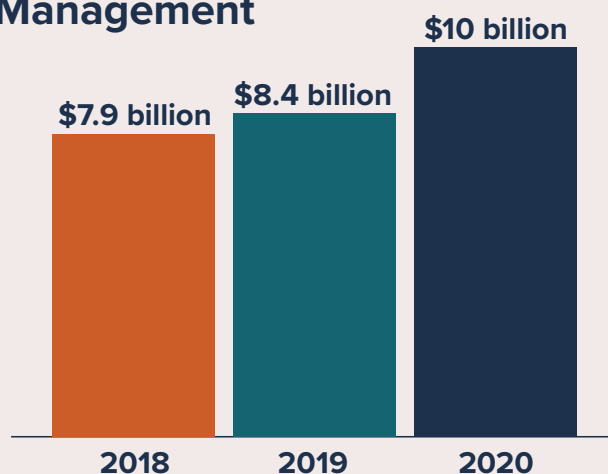
Our board of directors got way more than what they signed on for with the pandemic challenges. We are grateful for their contribution. Thank you especially to Lloyd Culbertson for his service to the board the past six years. We will miss his leadership in the year ahead.

While our year-end results weren't accomplished through executing our carefully crafted strategic plan, your Bankers' Bank was well served by a clear understanding of our mission. The officers and employees proved to be flexible, making the necessary adjustments in one of the most unusual years in bank history. Thank you for your continued partnership.

CALVIN COADY, PRESIDENT/CEO



Assets Under Management



2020 Financials

OPERATING DATA	2020	2019	2018
Interest income	6,791,262	7,957,588	7,329,353
Interest expense	1,336,133	1,921,336	1,389,701
Net Interest Income	5,455,129	6,036,252	5,939,652
Provision for loan losses	825,000	420,000	420,000
Other income	9,584,901	8,501,328	8,017,723
Other expenses	11,713,470	11,594,023	10,728,413
Income before taxes	2,501,560	2,523,557	2,808,962
Taxes on income	542,914	614,788	730,923
Net Income	1,958,646	1,908,769	2,078,039

FINANCIAL CONDITION DATA

Gross loans	149,245,251	129,163,125	130,981,686
Less: allowance for loan losses	3,220,260	2,791,389	2,819,085
Net Loans	146,024,991	126,371,736	128,162,601
Due from banks and federal funds sold	72,758,742	32,218,030	22,683,466
Investment securities and CD's with other banks	3,749,439	4,395,976	8,276,910
Property and equipment	1,076,049	1,019,099	1,090,598
Other investments	1,525,226	1,504,336	1,194,513
Other real estate owned	-	-	-
Other assets	8,386,162	8,391,434	8,085,165
Total Assets	233,520,609	173,900,611	169,493,253
Deposits	169,703,841	137,366,870	130,497,690
Borrowings	29,060,000	4,000,000	7,000,000
Other liabilities	4,602,138	3,619,233	3,923,724
Stockholders' equity	30,154,630	28,914,508	28,071,839
Total Liabilities and Stockholders' Equity	233,520,609	173,900,611	169,493,253

2020 Highlights

0.95%

ROA

6.82%

ROE

2.80%

Net Interest Margin

22,389

Outstanding Shares

\$87.48

Earnings Per Share

\$25.00

Dividend Per Share

\$1,346.85

Book Value Per Share



Participations Sold

2020 \$132,238,707

2019 \$129,810,620

2018 \$128,136,686

Allowance for Loan Loss Reserves

2.21%

Bankers' Bank
of Kansas

1.48%

Kansas
Banks

2.16%

Bankers'
Bank Peers

Loan Concentrations



124%
Commercial Real Estate



22%
Hospitality



26%
Construction & Development



116%
Bank Stock

Payroll Protection Program

36

Customer Banks Assisted

\$44,000,000

Initial Funding

Nearly 700

Small Businesses Assisted

\$22,000,000

Outstanding as of
December 31, 2020

2020 Impact to Kansas Banks from Loan Participations

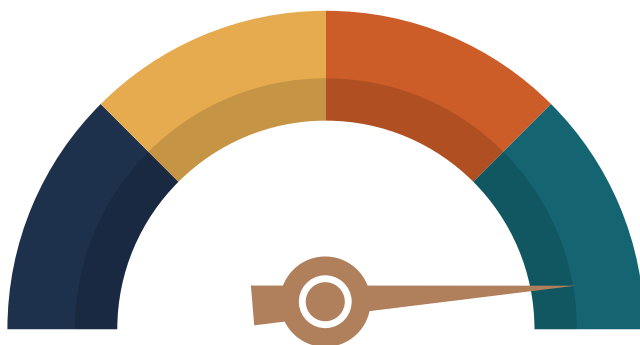
\$133M

quality earning assets

\$6.3M

interest income

Customer Survey



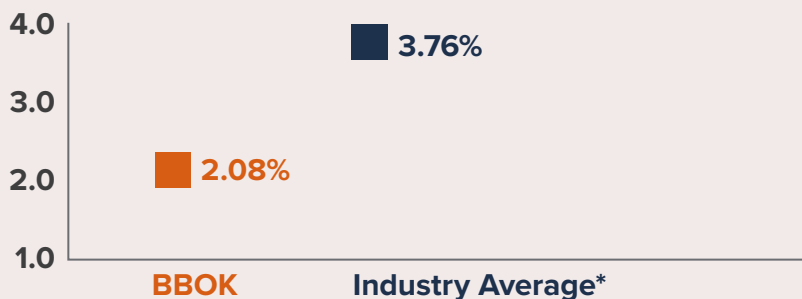
91%
Satisfaction

Be a trusted partner and deliver: solid financial strength, superior products and unwavering customer service.

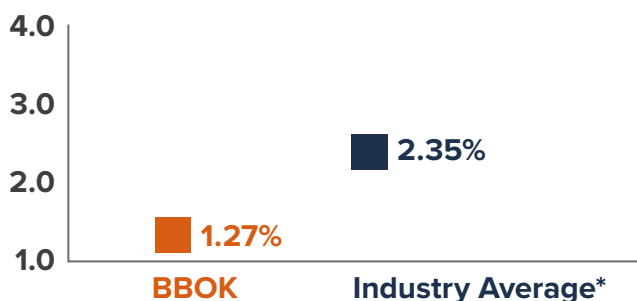
BBOK MISSION

Bank Card

Credit Card Charge-Off Average



Average Delinquency



*According to federalreserve.gov

Board Of Directors

CHAIRMAN

Lloyd Culbertson

President
First National Bank and Trust, Phillipsburg

VICE CHAIRMAN

Michael Scheopner

President/CEO
Landmark National Bank, Topeka

Robert Beymer

Chairman/CFO/Senior Trust Officer
The Kearny County Bank, Lakin

Calvin Coady

President/CEO
Bankers' Bank of Kansas, Wichita

Mark Emley

President/CEO
Kendall State Bank, Olathe

Michael Ewy

CEO
Community State Bank, Coffeyville

Larry Fief

President
Bank of Tescott, Salina

Tim Matlack

President/CEO
FNB Washington, Washington

Patricia Minard

President/CEO/COB
Southwest National Bank, Wichita

Steven Niemack

President/CEO
Stockgrowers State Bank, Maple Hill

Thomas Pruitt

President/CEO
Peoples Bank & Trust Co., McPherson

Brad Yaeger

President/CEO
Legacy Bank, Wichita

555 N. Woodlawn, Bldg. 5
Wichita, Kansas 67208

800.999.5725
316.681.2265

BOK.COM



BANKERS' BANK
OF KANSAS