



blessing of Fresno's soft economy. While business customers are harder to come by, quality employees come at a fair price. "There is no fluff in our organization," says Woods. "I answer my own phone. My business card has a direct number and cellphone number. You can call me 24 hours a day."

The technique appears to pay off. The subchapter C bank's 2006 ROA of 2.19 percent exceeded its 2005 ROA of 1.96 percent in addition to posting a 19.49 percent ROE.

With such high-level service, United Security Bank doesn't compete as a commodity that matches rates. It also doesn't advertise, relying instead on personally courting commercial customers. In 2007 and beyond, Woods hopes to mine existing customers for more business by adding wealth management and cash management services by rolling out remote deposit and other new products. "This year we think we have all the tools necessary to offer new products. We've invested in ourselves," says Woods, whose bank upgraded its entire platform.

Prior Lake State Bank employees also have more

than a passing interest in the community bank's performance. Their salary bonus is based on the bank's annual ROA—the higher the ROA, the higher the bonus. "We don't have a lot of stockholders, but we have a lot of stakeholders in our employees," says Bob Barsness, chairman, president and CEO of the Prior Lake, Minn.-based bank. "Our philosophy is to make sure our stakeholders fare as well as our stockholders. It lends itself to an 'everyone on the bandwagon' mentality that helps us do our best."

The collective effort led the \$163 million-asset, Subchapter S corporation bank to an ROA of 3.54 percent, up from 2.83 percent in 2005, and an ROE of 29.18 percent. To ensure that employees don't lose sight of long-term goals, Prior Lake State Bank has for the past 30 years offered an incentive program. Every four to five years employees who meet goals for referrals, community service activities and other benchmarks are awarded with a group trip. Last year, the reward was a four-day trip to an all-inclusive resort in Cancun, Mexico.

*continued on page 47*

### TOP ROA SUBCHAPTER S BANKS

*(banks with \$50 million–\$100 million in assets)*

Institution Name	Location	ROA
1 Latimer State Bank	Wilburton, OK	3.22
2 Grand Timber Bank	McGregor, MN	3.18
3 State Bank of Wheaton	Wheaton, MN	3.17
4 Alamerica Bank	Birmingham, AL	3.06
5 Preston National Bank	Dallas, TX	3.05
6 Friona State Bank, N.A.	Friona, TX	3.03
7 Bank of Dade	Trenton, GA	3.02
8 First National Bank of Alvin	Alvin, TX	2.99
9 Security Bank of Southwest Missouri	Cassville, MO	2.94
10 The National Bank of Andrews	Andrews, TX	2.92
11 Ruby Valley National Bank	Twin Bridges, MT	2.91
12 Corydon State Bank	Corydon, IA	2.86
13 Security State Bank of Aitkin	Aitkin, MN	2.84
14 Peoples State Bank	De Smet, SD	2.76
15 Lakes State Bank	Pequot Lakes, MN	2.73
15 State Bank of Niantic	Niantic, IL	2.73
15 First Bank	Wadley, AL	2.73
18 First National Bank	Stigler, OK	2.72
18 First State Bank	Graham, TX	2.72
20 Peoples Bank & Trust Co.	Owenton, KY	2.70

### TOP ROE SUBCHAPTER S BANKS

*(banks with \$50 million–\$100 million in assets)*

Institution Name	Location	ROE
1 Bank of Dade	Trenton, GA	47.82
2 First National Bank	Stigler, OK	46.18
3 Wilburton State Bank	Wilburton, OK	42.72
4 First State Bank	Graham, TX	37.30
5 The First Security Bank	Beaver, OK	36.92
6 Grand Timber Bank	McGregor, MN	35.68
7 First Bank	Wadley, AL	35.37
8 State Bank of New Richland	New Richland, MN	34.34
9 The National Bank of Andrews	Andrews, TX	33.12
10 Security Bank of Southwest	Missouri Cassville, MO	33.06
11 Bank of St. Croix, Inc.	Christiansted, VI	33.00
12 Bank Northwest	Hamilton, MO	32.89
13 Community Bank	Longview, TX	32.69
14 First Kansas Bank & Trust Co.	Gardner, KS	32.32
15 Fort Davis State Bank	Fort Davis, TX	31.74
16 Covenant Bank	Leeds, AL	31.20
17 Security State Bank of Howard Lake	Howard Lake, MN	29.90
18 Central Bank & Trust	Lander, WY	29.19
19 Grand Bank of Texas	Grand Prairie, TX	28.85
20 Bank Iowa	Clarinda, IA	28.69