

April 1st, 2024

RE: CRA Public Comments

As of today's date (4-1-2024) Citizens Savings Bank has received no public comment pertaining to the CRA performance of the bank or helping to meet the needs of the communities (Anamosa or Tipton).

Jacqui Herrick

Compliance Associate

PUBLIC DISCLOSURE

February 6, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Citizens Savings Bank
10125**

**215 E. Main Street
Anamosa, Iowa 52205**

**Federal Deposit Insurance Corporation
300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

Institution Rating	1
Scope of Evaluation	2
Description of Institution	4
Description of Assessment Areas	5
Conclusions on Performance Criteria – Institution.....	13
Discriminatory or Other Illegal Credit Practices Review.....	16
Conclusions on Performance Criteria –Anamosa MSA Assessment Area.....	17
Conclusions on Performance Criteria –Tipton Non-MSA Assessment Area.....	25
Glossary	27

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated Satisfactory. An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas (AAs), including low- and moderate-income (LMI) neighborhoods, in a manner consistent with its resources and capabilities.

Citizen Savings Bank's (CSB's) satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the bank's Lending Test performance.

- The Loan-to-Deposit (LTD) ratio is reasonable, given the institution's size, financial condition, and credit needs of its AAs.
- CSB granted a majority of its small business, small farm, and home mortgage loans within the AAs.
- The geographic distribution of loans reflects reasonable dispersion throughout the AAs.
- The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses and farms of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the overall rating.

SCOPE OF THE EXAMINATION

General Information

This evaluation covers the period from the prior evaluation dated March 5, 2012, to the current evaluation dated February 6, 2018. Examiners used the Interagency Small Institution Examination Procedures to evaluate CSB's CRA performance. This evaluation does not include any lending activity performed by affiliates. The Lending Test considered the following performance criteria:

- LTD ratio
- AA concentration
- Geographic distribution
- Borrower profile
- Response to CRA-related complaints

CSB has defined two contiguous AAs, all in the State of Iowa, which are described in more detail under "Description of Assessment Areas." One AA, comprised partially of the Cedar Rapids Metropolitan Statistical Area (MSA), is referenced herein as the "Anamosa MSA AA." The Non-Metropolitan Areas (Non-MSA) is referenced as the "Tipton Non-MSA AA." A full review was conducted of both AAs.

Loan Products Reviewed

Loan reviews were conducted to arrive at conclusions relating to the bank's lending performance. Examiners determined that CSB's major product lines are small farm, small business, and home mortgage loans. This conclusion considered business strategy, the number and dollar volume of loans granted during the evaluation period, and a review of the bank's Consolidated Reports of Condition and Income (Call Reports). Examiners did not evaluate consumer loans due to the limited volume and small portion of the loan portfolio these loans represent.

Bank records indicate that the lending focus and product mix remained generally consistent throughout the evaluation period; however, the product concentration has changed with a decline in residential real estate lending. Specifically, according to the bank's Call Reports, the concentration of residential real estate lending decreased 30.2 percent as a percentage of the loan portfolio between December 31, 2011 and December 31, 2017. As such, examiners expanded the review of home mortgage loan activity reported pursuant to Home Mortgage Disclosure Act (HMDA) data collection requirements. All home mortgage loans originated or purchased from January 1, 2015, through December 31, 2017, and recorded on the bank's Loan Application Registers (LARs) were reviewed. In addition, examiners reviewed a sample of small business and small farms loans originated between January 1, 2017, and December 31, 2017. These samples were considered representative of the bank's performance during the entire evaluation period.

For CRA evaluation purposes, small farm and small business loans are defined using the Call Report definitions. These definitions, as well as that for home mortgage loans, are detailed in the Glossary at the end of this document. The following table provides the number and dollar volume of the universe of loans and of the sampled loans.

Small Institution Performance Evaluation

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Small Farm	114	\$12,886	34	3,910
Small Business	67	\$10,473	28	\$3,861
Home Mortgage	149	\$16,111	149	\$16,111

Sources: Bank Records from 1/1/2017 through 12/31/2017 for small farm and small business loans; HMDA reported data for 2015, 2016 and 2017 for home mortgage loans

Management reports CSB's business focus as serving customers through the financing of credit needs. Generally, the institution's lending strategies encompass home mortgage, commercial, and agricultural credits. When considering loan portfolio percentages and lending activity during the evaluation period, examiners placed the most weight on small farm, then small business, and then home mortgage loans, sequentially.

Given the distribution of the number of loans by AA and the distribution of funds on deposit by dollar volume, the results of various performance criteria from the Anamosa MSA AA will be given more weight throughout this evaluation. The following table provides detailed information by AA.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Anamosa MSA AA	128,673	82.1	76,711	73.6	1	50.0
Tipton Non-MSA AA	28,005	17.9	27,504	26.4	1	50.0
Total	156,678	100.0	104,215	100.0	2	100.0

Sources: Bank Records; FDIC Summary of Deposits (6/30/17)

Examiners determined that valid conclusions could not be made in the Tipton Non-MSA AA for small farm and home mortgage lending due to the nominal amount of loans originated. Specifically, in 2017, CSB originated 19 small farm loans totaling \$1,572,000 from the Tipton branch location. HMDA results indicated that six loans totaling \$467,000, eight loans totaling \$883,000, and five home mortgage loans totaling \$782,000 were originated in the Tipton Non-MSA AA in 2015, 2016, and 2017, respectively. As indicated above, CSB's overall lending and deposits in the Non-MSA AA are limited and are significantly affected by competition described under "Description of Assessment Areas." Given these factors, conclusions regarding the bank's performance in the Tipton Non-MSA AA are limited to its small business lending performance.

Examiners reviewed the number and dollar volume of small business, small farm, and home mortgage loans. While number and dollar volume of loans are presented, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of businesses, farms, and individuals served. To measure CSB's performance, examiners utilized 2010 U.S. Census Bureau data, 2015 American Community Survey (ACS) data, and 2017 D&B business and farm demographic data for comparison purposes; these statistics are presented in the

applicable sections under the Lending Test. When arriving at conclusions related to home mortgage loans, examiners placed greater weight on the bank's performance in comparison to aggregate data than demographic data.

DESCRIPTION OF INSTITUTION

Background

Citizens Savings Bank, a subsidiary of First Community Bancshares Corporation, Milton, Wisconsin, is a commercial bank located in Anamosa, Iowa. Through common ownership, the bank is affiliated with First Community Bank, Milton, Wisconsin. CSB received a "Satisfactory" rating at its March 5, 2012 FDIC Performance Evaluation based on Interagency Small Institution Examination Procedures.

Operations

The institution is headquartered in Anamosa, Iowa, and has a full-service branch in Tipton, Iowa. Additional services are provided through two full-service automated teller machines (ATMs) at the Anamosa and Tipton locations, and two cash-dispensing ATMs offered at other locations in Anamosa. No branches have opened or closed during the evaluation period, and the bank has no loan or deposit production offices. No merger or acquisition activities occurred since the previous evaluation.

Various products and services, including agricultural, commercial, consumer, and residential real estate credits, are offered. Secondary market financing options are available for home mortgage loans and include the First Time Home Buyer program. Further, the bank participates in three government loan programs to assist small farms and small businesses in obtaining affordable financing: guaranteed loans through the Farm Service Agency, Small Business Administration (SBA) loans, and beginning farmer loans through the Iowa Agricultural Development Authority.

CSB provides a variety of deposit-related services including checking, savings, and money market accounts, and certificates of deposit. Alternative services include Internet and mobile banking, as well as electronic bill payment and statements, night deposit, and bank-by-mail options.

Ability and Capacity

Assets totaled \$119,017,000 as of December 31, 2017, representing an increase of 2.7 percent since the December 31, 2011, Call Report. Total deposits equaled \$104,337,000, evidencing a 0.3 percent decrease, and total loans equaled \$61,887,000, reflecting a 19.7 percent increase for the same period.

A review of the bank's loan portfolio since the prior CRA evaluation reveals growth in agricultural, commercial, and construction/land development lending, and a decrease in residential real estate and consumer lending. The loan portfolio, as of December 31, 2017, is itemized by loan type in the following table.

Small Institution Performance Evaluation

Loan Portfolio Distribution as of 12/31/2017		
Loan Category	\$(000s)	%
Construction and Land Development	3,330	5.4
Secured by Farmland	14,777	23.9
1-4 Family Residential	12,496	20.2
Multi-family (5 or more) Residential	0	0.0
Commercial Real Estate	10,666	17.2
Total Real Estate Loans	41,269	66.7
Commercial and Industrial	6,758	10.9
Agricultural	12,489	20.2
Consumer	1,112	1.8
Other	259	0.4
Less: Unearned Income	0	0.0
Total Loans	61,887	100.0
<i>Source: 12/31/2017 Call Report</i>		

Examiners did not identify any legal, financial, or other impediments that affect the bank's ability to meet the credit, retail, or community development needs of its AAs.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more AAs within which its CRA performance will be evaluated. CSB has two distinct, contiguous AAs in Eastern Iowa. The delineated areas encompass CSB's offices and remain unchanged since the prior evaluation.

Economic and Demographic Data

The combined AAs are comprised of 10 census tracts (CTs). The Anamosa MSA AA includes the entirety of Jones County (five CTs), part of the Cedar Rapids MSA. The Tipton Non-MSA AA consists of the entirety of Cedar County (five CTs). Under the 2015 ACS data, one CT is designated moderate-income, eight are middle-income, and one is upper-income. The bank's Anamosa office is located in a moderate-income CT in Jones County, and the Tipton office is located in a middle-income CT in Cedar County.

Some income designations of CTs in the Anamosa MSA AA changed between the 2000 Census and 2010 Census, and again with the 2015 ACS data. Specifically, the 2000 Census data (used at the last CRA evaluation) classified one CT (#705) in the Anamosa MSA AA as a moderate-income CT. Under the 2010 Census, the income designation of CT #705 remained as moderate-income, but CT #706 was also designated as moderate-income. Under the 2015 ACS data, the income designations of both CTs #705 and #706 changed to middle-income, and CT #703, where the Anamosa office is located, is now designated as a moderate-income CT, the only one in Jones County. There are no low- or moderate-income CTs in the Tipton Non-MSA AA. The 2010 Census data is applied to 2015 and 2016 loan transactions, and the ACS data is applied to 2017

Small Institution Performance Evaluation

loan transactions. The following sections, including the table below, discuss demographic and economic information for the AAs.

Demographic Information of the Combined Assessment Areas						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	10	0.0	10.0	80.0	10.0	0.0
Population by Geography	38,935	0.0	12.2	78.8	9.0	0.0
Housing Units by Geography	17,013	0.0	9.8	80.9	9.3	0.0
Owner-Occupied Units by Geography	12,473	0.0	7.9	82.3	9.8	0.0
Occupied Rental Units by Geography	3,318	0.0	13.7	78.7	7.6	0.0
Vacant Units by Geography	1,222	0.0	18.7	72.7	8.7	0.0
Businesses by Geography	2,699	0.0	10.4	81.7	7.9	0.0
Farms by Geography	680	0.0	1.8	87.1	11.2	0.0
Family Distribution by Income Level	10,847	16.0	18.0	29.6	36.3	0.0
Household Distribution by Income Level	15,791	19.2	17.7	20.8	42.3	0.0
Median Family Income MSA - Cedar Rapids, IA MSA		\$75,812	Median Housing Value			\$131,490
Median Family Income Non-MSAs - IA		\$61,934	Median Gross Rent			\$613
			Families Below Poverty Level			5.0%

*Sources: 2010 U.S. Census, 2015 ACS Census, and 2017 D&B Data
 Due to rounding, totals may not equal 100.0
 The NA category consists of geographies that have not been assigned an income classification.

The 2017 Federal Financial Institution Examination Council (FFIEC)-updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table for each AA. Refer to the Glossary for definitions of the income designations used in this evaluation.

Small Institution Performance Evaluation

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Cedar Rapids, IA MSA Median Family Income				
2015: \$78,100	<\$39,050	\$39,050 to <\$62,480	\$62,480 to <\$93,720	≥\$93,720
2016: \$75,800	<\$37,900	\$37,900 to <\$60,640	\$60,640 to <\$90,960	≥\$90,960
2017: \$78,300	<\$39,150	\$39,150 to <\$62,640	\$62,640 to <\$93,960	≥\$93,960
Iowa Non-MSA Median Family Income				
2015: \$62,000	<\$31,000	\$31,000 to <\$49,600	\$49,600 to <\$74,400	≥\$74,400
2016: \$63,300	<\$31,650	\$31,650 to <\$50,640	\$50,640 to <\$75,960	≥\$75,960
2017: \$63,900	<\$31,950	\$31,950 to <\$51,120	\$51,120 to <\$76,680	≥\$76,680
<i>Source: FFIEC</i>				

Anamosa MSA AA

Economic and Demographic Data

According to the 2010 U.S. Census, the Anamosa MSA AA is comprised of one moderate-income and four middle-income CTs. The moderate-income geography, CT #703, is located in downtown Anamosa, Iowa, and houses the bank's main office. The following table illustrates select demographic characteristics of the Anamosa MSA AA.

Small Institution Performance Evaluation

Demographic Information of the Assessment Area						
Assessment Area: Anamosa MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	5	0.0	20.0	80.0	0.0	0.0
Population by Geography	20,560	0.0	23.1	76.9	0.0	0.0
Housing Units by Geography	8,902	0.0	18.8	81.2	0.0	0.0
Owner-Occupied Units by Geography	6,389	0.0	15.5	84.5	0.0	0.0
Occupied Rental Units by Geography	1,782	0.0	25.5	74.5	0.0	0.0
Vacant Units by Geography	731	0.0	31.2	68.8	0.0	0.0
Businesses by Geography	1,392	0.0	20.2	79.8	0.0	0.0
Farms by Geography	351	0.0	3.4	96.6	0.0	0.0
Family Distribution by Income Level	5,684	20.2	22.9	28.9	27.9	0.0
Household Distribution by Income Level	8,171	22.1	20.4	22.2	35.3	0.0
Median Family Income MSA - Cedar Rapids, IA MSA		\$75,812	Median Housing Value			\$129,627
			Median Gross Rent			\$574
			Families Below Poverty Level			5.6%
Sources: 2010 U.S. Census, 2015 ACS Census, and 2017 D&B Data Due to rounding, totals may not equal 100.0 *The NA category consists of geographies that have not been assigned an income classification.						

According to 2017 D&B data, there were 1,392 businesses and 351 farms in the Anamosa MSA AA. Gross annual revenues (GARs) for these businesses and farms are listed below. The analysis of small business and small farm loans under the Borrower Profile criterion compares the distribution of businesses and farms by GAR level.

Businesses

- 83.8 percent reported GARs of \$1,000,000 or less.
- 4.8 percent reported GARs of more than \$1,000,000.
- 11.4 percent have unknown revenues.

Farms

- 99.7 percent reported GARs of \$1,000,000 or less.
- 0.3 percent reported GARs of more \$1,000,000.
- 0.0 percent have unknown revenues.

Further, according to 2017 D&B data, service industries represent the largest portion of businesses and farms at 35.5percent; followed by Agriculture, Forestry, and Fishing (20.1 percent); and by Retail Trade (9.6 percent). Additionally, 78.6 percent of AA businesses and farms have four or fewer employees, and 89.8 percent operate from a single location.

Based upon 2015 ACS data, there are 8,902 housing units in this AA. Of these, 71.8 percent are owner-occupied, 20.0 percent are occupied rental units, and 8.2 percent are vacant. The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units.

A comparison of 2007 and 2012 Census of Agriculture reports revealed that the number of Jones County farms decreased by 5.0 percent, while the average size of operation increased by 2.1 percent. Similarly, for the same period, the State of Iowa reported a 4.5 percent decrease in the number of farms and a 4.2 percent increase in the average size of farms.

According to information reported by Iowa Workforce Development as of December 2017, the unemployment rate in Jones County was 3.2 percent. Jones County showed a decrease in the unemployment rate in comparison to the unemployment rate of 3.9 percent reported in December 2016. The State of Iowa reported an overall unemployment rate of 2.8 percent in December 2017, which was a decrease from the 3.6 percent rate in December 2016.

Competition

The FDIC Deposit Market Share Report as of June 2016 and 2017 reflects eight FDIC-insured institutions operating from 13 locations within Jones County. These institutions range from small community banks to larger financial institutions operating branch locations in the area. In 2016, CSB is tied for last with 7.7 percent of deposit market share; in 2017, the bank is ranked 2nd with 16.9 percent of deposit market share within this area. Agricultural financing competition also comes from non-bank entities with options for operating, machinery, and land loans. Overall, the AA is considered extremely competitive.

There is also a high level of competition for home mortgage loans in the AA among banks, credit unions, and non-depository mortgage lenders. Based on 2016 HMDA data, 88 lenders reported a total of 781 residential mortgage loans originated or purchased. CSB ranked 4th, holding a 6.0 percent market share. The institutions with a higher market share include a large credit union and two larger local financial institutions. These institutions account for 28.8 percent of total home mortgage lending in the AA.

Community Contact

As part of the evaluation process, examiners conducted an interview with a community contact with an individual that has expertise and knowledge about the AA to assist in identifying the area's credit needs. This information helps determine whether local financial institutions are responsive to area needs.

Examiners performed an interview with a government organization operating within CSB's AA. The contact stated that programs necessary to assist LMI individuals obtain affordable housing is a need in this AA. The contact acknowledged that some of these individuals may not qualify for credit due to high debt-to-income ratios and/or poor credit. However, programs such as down payment assistance, or loan programs targeted at assisting in an emergency situation, such as the

Small Institution Performance Evaluation

loss of a furnace, would be beneficial for these individuals acquiring or maintaining a home. The contact indicated that financial institutions appear to be meeting the majority of the credit needs in the area; however, the referenced programs would be beneficial to LMI individuals.

Based on information from the community contact, bank management, and economic data, examiners determined that affordable home mortgage and home improvement loans are primary credit needs for the AA. This conclusion is also supported by Call Reports filed by area financial institutions.

Tipton Non-MSA AA

Demographic and Economic Data

The Tipton Non-MSA AA is comprised of five CTs, four middle- and one upper-income. One full-service office is located in this AA. The next table illustrates select demographic characteristics of the Tipton Non-MSA AA.

Demographic Information of the Assessment Area						
Assessment Area: Tipton Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	5	0.0	0.0	80.0	20.0	0.0
Population by Geography	18,375	0.0	0.0	80.9	19.1	0.0
Housing Units by Geography	8,111	0.0	0.0	80.5	19.5	0.0
Owner-Occupied Units by Geography	6,084	0.0	0.0	79.9	20.1	0.0
Occupied Rental Units by Geography	1,536	0.0	0.0	83.6	16.4	0.0
Vacant Units by Geography	491	0.0	0.0	78.4	21.6	0.0
Businesses by Geography	1,307	0.0	0.0	83.7	16.3	0.0
Farms by Geography	329	0.0	0.0	76.9	23.1	0.0
Family Distribution by Income Level	5,163	11.4	12.6	30.4	45.6	0.0
Household Distribution by Income Level	7,620	16.1	14.7	19.3	49.9	0.0
Median Family Income Non-MSAs - IA		\$61,934	Median Housing Value			\$133,533
			Median Gross Rent			\$659
			Families Below Poverty Level			4.3%

Sources: 2010 U.S. Census, 2015 ACS Census, and 2017 D&B Data
Due to rounding, totals may not equal 100.0
**The NA category consists of geographies that have not been assigned an income classification.*

According to 2017 D&B data, there were 1,307 businesses and 329 farms in the AA. GARs for these businesses and farms are listed below. The analysis of small business and small farm loans under the Borrower Profile criterion compares the distribution of businesses and farms by GAR level.

Businesses

- 82.7 percent reported GARs of \$1,000,000 or less.
- 4.5 percent reported GARs of more than \$1,000,000.
- 12.8 percent have unknown revenues.

Farms

- 99.7 percent reported GARs of \$1,000,000 or less.
- 0.0 percent reported GARs of more \$1,000,000.
- 0.3 percent have unknown revenues.

Further, according to 2017 D&B data, service industries represent the largest portion of businesses and farms at 35.5 percent; followed by Agriculture, Forestry, and Fishing (20.1 percent); and by Retail Trade (9.6 percent). Additionally, 78.6 percent of AA businesses and farms have four or fewer employees, and 89.8 percent operate from a single location.

Based upon 2010 U.S. Census Bureau data, there are 8,111 housing units in this AA. Of these, 75.0 percent are owner-occupied, 18.9 percent are occupied rental units, and 6.1 percent are vacant.

A comparison of 2007 and 2012 Census of Agriculture reports revealed that the number of Cedar County farms decreased by 7.8 percent, while the average size of operation increased by 0.6 percent. Similarly, for the same period, the State of Iowa reported a 4.5 percent decrease in the number of farms and a 4.2 percent increase in the average size of farms.

According to information reported by Iowa Workforce Development as of December 2017, the unemployment rate in Cedar County was 2.8 percent. Cedar County showed a decrease in the unemployment rate in comparison to the unemployment rate of 3.4 percent reported in December 2016. The State of Iowa reported an overall unemployment rate of 2.8 percent in December 2017, which was a decrease from the 3.6 percent rate in December 2016.

Competition

The FDIC Deposit Market Share Report as of June 2017 reflects six FDIC-insured institutions operating from 13 locations within Cedar County. These institutions range from small community banks to larger national financial institutions operating branch locations in the area. CSB ranked last with 7.6 percent of deposit market share within this area. Agricultural financing competition also comes from non-bank entities with options for operating, machinery, and land loans. Overall, the AA is considered very competitive.

There is also a high level of competition for home mortgage loans in the AA. Based on 2016 HMDA data, 106 lenders reported a total of 662 residential mortgage loans originated or purchased. CSB tied for 15th, holding a 1.2 percent market share. The institutions with a higher market share include lenders with a national footprint, mortgage companies, large credit unions, and large local financial institutions.

CONCLUSIONS WITH RESPECT TO LENDING TEST PERFORMANCE CRITERIA

LENDING TEST

CSB demonstrated reasonable performance under the Lending Test. CSB’s CRA rating was primarily based on its performance in the Anamosa MSA AA because the majority of the bank’s loans and deposits are located in this AA. Further, due to the nominal amount of loans originated in the Tipton Non-MSA AA, valid conclusions could not be made for the Borrower Profile for small farm or home mortgage loans. Additionally, because the Tipton Non-MSA AA does not contain any LMI CTs, a review of the Geographic Distribution criterion was not conducted in this AA given that it would not result in meaningful conclusions. In addition, as indicated under “Scope of Evaluation,” greater weight is given to small farm, small business, and home mortgage lending, sequentially. The following is a discussion of each performance criterion and how it supports the bank’s overall rating.

Loan-to-Deposit Ratio

CSB’s average net LTD ratio is reasonable given the institution’s size, financial condition, and the AAs’ credit needs. The LTD ratio is also reasonable when compared to similarly-situated institutions. CSB’s average net LTD ratio was compared to those of five similar institutions operating in or near the bank’s AAs. These financial institutions were considered comparable due to similarities in business focus, resources, markets served, market conditions, and/or product mix. Information pertaining to this review appears in the next table; selected institutions are listed alphabetically by location of their main office.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 09/30/2017 \$(000s)	Average Net LTD Ratio (%)
Citizens Savings Bank, Anamosa	121,309	51.1
Liberty Trust & Savings Bank, Durant	154,264	58.2
Bridge Community Bank, Mount Vernon	88,895	75.3
Mount Vernon Bank & Trust Company, Mount Vernon	117,488	78.8
Community State Bank, Tipton	119,940	50.1
Citizens State Bank, Wyoming	92,520	70.8
<i>Sources: 03/31/2012 through 09/30/2017 Call Reports</i>		

As reflected in the preceding table, CSB’s average net LTD ratio is 51.1 percent, among the lowest of the similar institutions. This represents a decrease in the institution’s average net LTD ratio as compared to the March 2012 evaluation. The most recent net LTD ratio reported as of September 30, 2017 was 56.9 percent. Review of the 23 quarters of Call Report information from March 31,

Small Institution Performance Evaluation

2012, to September 30, 2017, indicates that although some fluctuation is evident, the LTD ratio has primarily trended upward and shows growth. The data also shows that deposits fluctuated and are lower when compared to the March 2012 evaluation. However, it is noteworthy that there were quarters in the review period with larger influxes of deposits which impacted the LTD ratios when calculating averages.

In an effort to increase loan volume, the bank has increased the responsibilities of two lenders to include mortgage lending. Additionally, the bank is reviewing the possibility of accepting online loan applications. Currently, the institution has the ability to originate mortgage loans that are subsequently sold through secondary market relationships; these loans are reported on the bank's HMDA LARs but are not reflected in the LTD ratio of this or the other institutions listed in the table above. CSB originated 95 loans totaling just over \$14 million that were subsequently sold on the secondary market since the last CRA evaluation. Overall, the bank's average net LTD ratio is reasonable when compared to similarly-situated institutions in the AAs when considering trends and performance context factors.

AA Concentration

CSB originated a majority of its small farm, small business, and home mortgage loans, by number and dollar volume, within the AAs. Refer to the next table.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Farm	29	85.3	5	14.7	34	3,403	87.1	506	12.9	3,910
Small Business	27	96.4	1	3.6	28	3,411	88.3	450	11.7	3,861
Home Mortgage										
2015	46	83.6	9	16.4	55	4,017	70.8	1,655	29.2	5,672
2016	55	87.3	8	12.7	63	6,151	91.2	591	8.8	6,742
2017	26	83.9	5	16.1	31	2,534	68.5	1,163	31.5	3,697
Subtotal	127	85.2	22	14.8	149	12,702	78.8	3,409	21.2	16,111

Sources: Bank Data; 2015, 2016, 2017 HMDA Data

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AAs. The bank's reasonable performance of small farm and small business in the Anamosa MSA AA lending supports this conclusion. Because the Tipton Non-MSA AA does not include any LMI geographies, no review of the Geographic Distribution criterion was conducted as it would not result in meaningful conclusions. Therefore, the Geographic Distribution analysis is based on performance in the Anamosa MSA AA. Examiners focused on the percentage by number of loans

Small Institution Performance Evaluation

in LMI census tracts. Only loans originated inside the AAs were used in this review. Refer to comments under the Anamosa MSA AA for more specific analysis.

Small Farm Loans

Overall, the geographic distribution of small farm loans in the Anamosa MSA AA indicates that the bank's lending is comparable to demographic information in 2015, 2016, and 2017, and reflects an upward trend.

Small Business Loans

Overall, the geographic distribution of small business loans reflects a reasonable dispersion throughout the Anamosa MSA AA. CSB demonstrates higher performance than demographic information in 2017 and similar performance in 2015 and 2016.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects poor dispersion throughout the Anamosa MSA AA. The institution's lending is generally lower than demographic and aggregate data.

Borrower Profile

The distribution of borrowers reflects an overall reasonable penetration among individuals of different income levels and farms and businesses of different sizes. Examiners focused on the percentage by number of small farm and small business loans to those with GARs of \$1 million or less, and home mortgage loans to LMI borrowers. Due to the nominal amount of lending, this factor was not analyzed in the Tipton Non-MSA AA for small farm or home mortgage loans. All conclusions are based on performance in the Anamosa MSA AA.

Small Farm Loans

CSB's penetration among farms with GARs of \$1 million or less indicates a reasonable level of lending. Penetration was comparable to demographics for farms with revenues of \$1 million or less.

Small Business Loans

The bank's lending distribution to businesses with GARs of \$1 million or less reflects reasonable penetration. The lending analysis showed CSB has a penetration comparable to demographic information among businesses with revenues of \$1 million or less.

Home Mortgage Loans

The distribution of loans to borrowers of different income levels reflects reasonable penetration. Additional bank and performance context information were also considered.

Response to Complaints

The bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution’s overall CRA rating.

CONCLUSIONS ON PERFORMANCE CRITERIA ANAMOSA MSA AA

LENDING TEST

As indicated under the “Scope of Evaluation,” the Anamosa MSA AA is given greater weight than the Tipton Non-MSA AA in this evaluation, and weight is granted to small farm, small business, home mortgage lending, sequentially.

Geographic Distribution

Overall, CSB’s geographic distribution overall reflects reasonable dispersion throughout the AA. As stated previously, for loans originated in 2017, ACS data states that CSB has one moderate-income and four middle-income CTs within the Anamosa MSA AA. Given the reclassification of moderate-income CTs, 2015 and 2016 loans were also analyzed under 2010 Census data which identifies CTs #705 and #706 as moderate-income. This analysis does not appear in the following tables; however, it is discussed in the narrative that follows. This data includes only those loans granted inside the AA.

Small Farm Loans

The following table reflects the overall reasonable dispersion of small farm loans sampled based upon the geography income level.

Geographic Distribution of Small Farm Loans Assessment Area: Anamosa MSA AA					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Moderate	3.4	2	7.4	329	10.0
Middle	96.6	25	92.6	2,964	90.0
Totals	100.0	27	100.0	3,293	100.0

Sources: 2017 D&B Data; Bank Data.

The distribution of small farm loans originated in 2017 is reasonable when compared to area demographics. Specifically, CSB extended 7.4 percent of sampled loans to agricultural operations

Small Institution Performance Evaluation

located in the moderate-income CT. The preceding table shows that 3.4 percent of agricultural operations are located in the moderate-income geography.

A review of 2015 and 2016 loans by number indicates that 19.0 and 22.1 percent of loans respectively, were made in moderate-income CTs. Although lower than the D&B statistics of 29.3 and 29.2, respectively, the bank's lending percentages should be considered in the context of the changes in the moderate-income CT designations during the review period.

Small Business Loans

The geographic distribution of sampled small business loans reflects reasonable dispersion throughout the AA.

Geographic Distribution of Small Business Loans					
Assessment Area: Anamosa MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate	20.2	6	37.5	1,566	77.4
Middle	79.8	10	62.5	456	22.6
Totals	100.0	16	100.0	2,022	100.0

Source: 2017 D&B Data; Bank Data

The distribution of small business loans originated in 2017 is excellent when compared to demographic data. Specifically, CSB extended 37.5 percent of sampled loans to small businesses located in the moderate-income CT. The preceding table shows that 20.2 percent of small businesses are located in the moderate-income geography. A review of 2015 and 2016 loans by number indicates that 13.9 percent and 11.8 percent of loans, respectively, were originated in moderate-income CTs. Although lower than the percentage of businesses (39.6 percent and 39.2 percent, respectively) in the AA, the bank's performance is reasonable when considered in the context of the changes in the moderate-income CT designations since the last CRA evaluation.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects poor dispersion compared to aggregate information and market share performance.

Small Institution Performance Evaluation

Geographic Distribution of Home Mortgage Loans Assessment Area: Anamosa MSA AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Moderate						
2015	34.2	30.9	2	5.0	489	13.8
2016	34.2	30.9	8	17.0	1,431	27.2
2017	15.5	--	4	19.0	84	4.8
Middle						
2015	65.8	69.1	38	95.0	3,061	86.2
2016	65.8	69.1	39	83.0	3,837	72.8
2017	84.5	--	17	81.0	1,668	95.2
Totals						
2015	100.0	100.0	40	100.0	3,550	100.0
2016	100.0	100.0	47	100.0	5,268	100.0
2017	100.0	--	21	100.0	1,752	100.0

Sources: 2010 U.S. Census & 2015 ACS Census; Bank Data, 2015 & 2016 HMDA Aggregate Data "--" data not available.

As a review of the table above indicates, the distribution of home mortgage loans throughout the AA is poor. The bank's lending performance in moderate-income CTs is lower than both aggregate and demographic data. Further, the data indicates that CSB's lending, based on the number of loans, trended downward in 2017. Moderate-income CT market share reports for 2015 and 2016 indicate CSB ranked 12th and was tied for 7th, respectively, holding only a 0.9 percent and 3.3 percent market share, respectively. The bank's performance is poor compared to other financial institutions, many of which are located in Jones or surrounding counties.

Although management reports that loan demand has diminished in recent months, an analysis between 2015 and 2016 aggregate statistics indicate an increase of approximately 11 percent in both overall lending and lending in moderate-income CTs. According to the 2010 Census, competition in the moderate-income CTs includes eight branches which comprise 61.5 percent of branches within the AA. The 2010 Census data is applicable to 2015 and 2016 data.

Opportunities to lend in moderate-income CTs in 2015 and 2016 were greater than in 2017 given the decrease in moderate-income CTs under the 2015 ACS data. This is reflected in the reduction of owner-occupied units.

The dispersion of home mortgage loans in the Anamosa MSA AA is poor. This takes into consideration CSB's limited outreach efforts, the area's competition, related performance of peer financial institutions, and current economic conditions.

Borrower Profile

The distribution of borrowers reflects reasonable penetration of loans among farms and businesses of different revenue sizes and individuals of different income levels in the Anamosa MSA AA. This data includes only those loans granted inside the AA. Examiners focused primarily on the percentage by number of small business and small farm loans to entities with GARs equal to or less than \$1 million and percentage by number of home mortgage loans to LMI families.

Small Farm Loans

Distribution of Small Farm Loans by Gross Annual Revenue Category Assessment Area: Anamosa MSA AA					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
≤\$1,000,000	99.7	24	88.9	2,686	81.6
>\$1,000,000	0.3	3	11.1	607	18.4
Revenue Not Available	0.0	0	0.0	0	0.0
Total	100.0	27	100.0	3,293	100.0
<i>Sources: 2017 D&B Data, Bank Data.</i>					

A review of sampled loans to farms within the AA shows a reasonable level of performance, considering the relevant benchmark data. Specifically, 88.9 percent of the sampled loans were originated to farms with GARs of \$1 million or less. This number is lower than the percent of farms in this revenue category. However, 2012 Census of Agriculture data reveals that 46.8 percent of the farms in the AA are small hobby farms. The same data also shows that 46.1 percent of the farms had no borrowing needs as they reported not incurring any interest expense. Further, three sampled loans were made to entities with GARs of over \$1 million. Upon further review, management indicated that all of these borrowers are long-time customers of the bank with operations that have grown over time. When also considering these factors, CSB’s performance reflects reasonable performance.

Small Business Loans

The distribution of small business loans among businesses with GARs of \$1 million or less is comparable to demographic information when considering performance context factors, reflecting reasonable penetration.

Small Institution Performance Evaluation

Distribution of Small Business Loans by Gross Annual Revenue Category Assessment Area: Anamosa MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤\$1,000,000	83.8	12	75.0	927	45.8
>\$1,000,000	4.8	4	25.0	1,095	54.2
Revenue Not Available	11.4	0	0.0	0	0.0
Total	100.0	16	100.0	2,022	100.0
<i>Sources: 2017 D&B Data; Bank Data</i>					

CSB extended 75.0 percent of its small business loans by number to businesses with GARs of \$1 million or less. In comparison, D&B data shows that 83.8 percent of AA businesses reported revenues of less than or equal to \$1,000,000. It is also noted that 11.4 percent of businesses did not report revenue information, which may impact results. The bank's lending is lower than but within the range of businesses with GARs of \$1,000,000 or less, and reflects reasonable penetration.

CSB also participates in SBA lending which significantly aids small businesses in obtaining credit. Since the prior evaluation, the bank extended three loans in this AA totaling just under \$390,000 utilizing this program.

Home Mortgage Loans

The distribution of borrowers reflects reasonable penetration of loans among businesses of different sizes and individuals of different income levels.

The distribution of home mortgage loans among individuals of different income levels, by number and dollar volume, reflects reasonable penetration. The bank's lending is compared to demographic and aggregate HMDA data.

Small Institution Performance Evaluation

Distribution of Home Mortgage Loans by Borrower Income Level Assessment Area: Anamosa MSA AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2015	21.5	16.0	11	27.5	610	17.2
2016	21.5	12.7	3	6.4	210	4.0
2017	20.3	--	0	0.0	0	0.0
Moderate						
2015	23.2	20.6	6	15.0	392	11.0
2016	23.2	19.8	7	14.9	460	8.7
2017	22.9	--	5	23.8	443	25.3
Middle						
2015	23.5	21.4	7	17.5	843	23.7
2016	23.5	22.9	7	14.9	659	12.5
2017	28.9	--	0	0.0	0	0.0
Upper						
2015	31.9	24.7	14	35.0	1,504	42.4
2016	31.9	28.8	12	25.5	2,381	45.2
2017	27.9	--	7	33.3	419	23.9
Not Available						
2015	0.0	17.3	2	5.0	201	5.7
2016	0.0	15.7	18	38.3	1,558	29.6
2017	0.0	--	9	42.9	890	50.8
Totals						
2015	100.0	100.0	40	100.0	3,550	100.0
2016	100.0	100.0	47	100.0	5,268	100.0
2017	100.0	--	21	100.0	1,752	100.0

*Sources: 2010 U.S. Census & 2015 ACS Census; Bank Data, 2015 & 2016 HMDA Aggregate Data "--" data not available.
Due to rounding, totals may not equal 100.0*

The distribution of home mortgage loans has fluctuated over the review period. Home mortgage lending to low-income borrowers during 2015 surpassed both demographic and aggregate data. CSB extended 27.5 percent of its home mortgage loans to low-income borrowers. This exceeds aggregate data, which shows 16.0 percent of loans extended by all HMDA reporters were to low-income borrowers for the reporting year. CSB lending to moderate-income borrowers for the same time period was less than the referenced benchmark data.

CSB HMDA LAR data for 2016 indicates that 6.4 percent of loans, by number, were extended to low-income borrowers in the AA, while 2010 U.S. Census Bureau data shows that 21.5 percent of families in the AA are considered low-income. Aggregate information indicates 12.7 percent of lending was originated or purchased to low-income individuals. Bank performance decreased between 2015 and 2016; however, it is noted that aggregate data also decreased in this same time frame. Although appearing lower, the bank's level of lending is reasonable when consideration is given to the product category and affordability. An estimated 28.1 percent of these low-income families are below the poverty level. Based upon calculations derived from the average median housing values in the AA, families with incomes below the poverty level generally do not have the capacity to support a traditional home mortgage loan, limiting the demand and opportunity for lending to low-income borrowers. Given these considerations, the bank's performance is reasonable.

In addition, in 2016, the bank extended 14.9 percent of home mortgage loans, by number, to moderate-income borrowers. Although less than aggregate, the bank's level of lending is in the range of aggregate lending and is considered reasonable.

CSB's 2017 lending to low-income borrowers shows a declining trend. However, lending to moderate-income individuals has increased so that loans to moderate-income borrowers for this time period slightly exceeded the demographics. Specifically, the bank originated 23.8 percent of loans in 2017 by number to moderate-income borrowers, while area demographics indicate that 22.9 percent of AA families are moderate-income.

CSB's performance in this area has generally declined from the previous evaluation, reflecting a decrease in the bank's performance in comparison to both area demographics and aggregate lending statistics, for low-income borrowers. Results are similar for moderate-income borrowers with the exception of 2017; however, the small number of loans in the universe impacts this percentage. It is noteworthy that aggregate data is also less than demographic data for LMI borrowers in both 2015 and 2016.

In addition, bank lending (by number of loans) has steadily declined between 2015 and 2017. Management stated these decreases, both by number and by individual income category, is the result of lower loan demand and increased competition. However, when analyzing aggregate data/market share, total originations and purchases increased 11 percent between 2015 and 2016. Further, FDIC Deposit Market Share Reports indicate competition has remained stable.

However, lending data reveals that 38.3 percent of 2016 and 42.9 percent of 2017 loans reported income as "not applicable." The high percentage of borrowers reporting no income artificially deflates the percentages of lending in the other income categories. Management reports that 50 percent of the loans originated in 2016 in this category were extended to a larger entity that purchased mobile homes that will be used as rental properties for LMI individuals. This was an AA need identified by a community contact.

Small Institution Performance Evaluation

Management reports that one loan originated in 2017 included in the “NA” category was extended to a commercial borrower. The loan was used to purchase property where the rent charged meets the criteria of affordable housing in the AA. Another loan in 2017 was extended to a commercial borrower whose primary residence was used to secure the loan. This loan is on the LAR in the “NA” category. Management stated that the income of this borrower would classify as moderate-income if it had been reported. Overall, the distribution of home mortgage lending to LMI borrowers is reasonable when considering the additional information and the performance context.

In summary, the Borrower Profile review reflects reasonable penetration among farms and businesses of different sizes and individuals of different income levels throughout the AA.

CONCLUSIONS ON PERFORMANCE CRITERIA TIPTON NON-MSA AA

LENDING TEST

As stated previously, due to the nominal amount of small farm and home mortgage lending in the Tipton Non-MSA AA, this factor was not analyzed as no meaningful conclusions could be reached.

Geographic Distribution

As stated previously, there are no LMI CTs in the Tipton Non-MSA AA; therefore, this factor was not evaluated in this AA.

Borrower Profile

The following table displays the number, dollar volume, and related percentages of small business loans made to businesses of different sizes, as reported to D&B. This data includes only those loans granted inside the AA. The analysis reveals an overall reasonable level of lending to small businesses.

Distribution of Small Business Loans by Gross Annual Revenue Category Assessment Area: Tipton Non-MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤\$1,000,000	82.7	10	90.9	889	64.0
>\$1,000,000	4.5	1	9.1	500	36.0
Revenue Not Available	12.8	0	0.0	0	0.0
Total	100.0	11	100.0	1,389	100.0

Sources: 2017 D&B Data; Bank Data.

CSB extended 90.9 percent of small business loans in the Tipton Non-MSA AA by number to businesses with GARs of \$1,000,000 or less. In comparison, D&B data shows that 82.7 percent of

Small Institution Performance Evaluation

AA businesses reported revenues of \$1,000,000 or less. The data also indicates that one of the sampled loans was made to an operation earning greater than \$1,000,000. The limited number of loans in the universe impacts this conclusion.

The bank demonstrates reasonable performance in its lending among businesses of different sizes in the Tipton Non-MSA AA. Overall, the distribution of lending to small businesses is reasonable.

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

Family Income: Includes the income of all members of a family that are age 15 and older.

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Disclosure Loan Application Register (HMDA LAR): The HMDA LARs record all applications received for residential purchase, refinance, home improvement, and temporary-to-permanent construction loans.

Home Mortgage Loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwelling loans, loans to purchase manufactured homes, and refinancings of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Household Income: Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households are only one person, median household income is usually less than median family income.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area: All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

BRANCH LOCATIONS, ADDRESSES AND GEOGRAPHIES

<p><i>Citizens Bank - Anamosa</i> <i>215 East Main Street</i> <i>Anamosa, IA 52205</i></p>	<p style="text-align: center;">MSA AA Location Census Tract Income Level as a % of MSA Median</p> <p>0 Tracts @ $\geq 120\%$</p> <p>6 Tracts @ $80\% < 120\%$ (0701.00, 0703.01, 0704.01, 0704.02, 0705.00 & 0706.00)</p> <p>1 Tract @ $50\% < 80\%$ (0703.02)</p> <p>0 Tracts @ $.01\% < 50\%$</p>
<p><i>Citizens Bank- Tipton</i> <i>427 Cedar Street</i> <i>Tipton, IA 52772</i></p>	<p style="text-align: center;">Non-MSA AA Location Census Tract Income Level as a % of MSA Median</p> <p>2 Tracts @ $\geq 120\%$ (4504.00, 4505.00)</p> <p>3 Tracts @ $80\% < 120\%$ (4501.00, 4502.00.00, 4503.00)</p> <p>0 Tracts @ $50\% < 80\%$</p> <p>0 Tracts @ $.01\% < 50\%$</p>

BRANCH/ATM ADDRESS AND SERVICE AREA	DRIVE UP FACILITY YES/NO	ATMS	CENSUS TRACTS AND INCOME GEOGRAPHIES
Citizens Savings Bank	Yes	Drive-up (24 hr. access)	703.01
215 East Main Street	Drive up ATM		% of MSA Median
Anamosa, IA 52205			Middle/ 80% < 120%
<i>serving market area</i>			
<i>MSA Area</i>			
Citizens Savings Bank	Yes	ATM	4503.00
427 Cedar Street	No Drive up ATM		% of MSA Median
Tipton, IA			Middle/ 80% < 120%
<i>serving market area</i>			
<i>Non MSA Area</i>			
Wal-Mart		In-store (24 hr. access)	704.02
101 115th Street			% of MSA Median
Anamosa, IA 52205			Middle/ 80% < 120%
<i>MSA Area</i>			
Jones Regional Medical Center		Inside (24 hour access)	704.02
1795 Highway 64 E.			% of MSA Median
Anamosa, IA			Middle/ 80% < 120%
<i>MSA Area</i>			

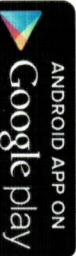
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Choosing the right bank for your financial needs can be challenging with the many choices available today. We're pleased you're interested in knowing more about Citizens Bank and what we can do for you. We want to provide our customers with the best products and services available.

Our community bank setting is a strong advantage we have over larger, less personal banks. Customers are more than account numbers, they are our friends and neighbors. Working together, we help make our communities better places to live and raise our families.

DEPOSIT SERVICES:

- Checking Accounts
- Savings Accounts
- Money Market Accounts
- Certificates of Deposit
- Individual Retirement Accounts
- Christmas Club Accounts



MOBILE BANKING:

We make banking from anywhere easy. Download our app to get started!

- Check balances, transfer funds between accounts and banks
- Deposit checks right from your phone
- Snap and Pay Bills and more!

ONLINE BANKING:

- Check balances, transfer funds between accounts and banks
- Pay bills online
- Pay a friend (P2P)
- Communicate with bank through secure email
- E-statements
- Unique customer selected security information

DEPOSIT SERVICES:

- Same day issued debit cards with customer selected security number
- Process direct deposit of company payroll
- Merchant credit card program
- Safe Deposit Boxes

LENDING SERVICES:

- Residential Mortgages- Fixed and variable rate
- Home Equity Lines of Credit
- Construction
- Auto
- Commercial
- Agricultural
- Personal Loans
- Overdraft Lines of Credit

LOAN SERVICES ENHANCEMENTS:

- Fixed or variable rate options
- Secondary market financing available
- Customized payment options such as biweekly
- Small Business Administration loans
- Beginning Farmer Program



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Anamosa - Tipton



Member FDIC

SERVICE CHARGES & FEES (FOR INTERNAL USE ONLY) EFFECTIVE April 3rd, 2024

DEPOSIT ACCOUNTS

Statement Savings

Minimum balance	\$200 *
Opening deposit	\$200 *
Service charge	\$ 4 *
Excess withdrawals-ea. (more than 6)	\$ 3
Interest paid on balances over \$200	
No minimum balance requirement for age 23 & younger.	

EZ Saver Savings

Minimum balance	\$ 50
(to avoid service charge)	
Opening deposit	N/A
Service charge	\$ 4
(if balance falls below \$50)	
Excess withdrawals-ea. (more than 6)	\$ 3
Interest paid on balances over \$50	
Must have at least one automatic transfer from checking per month (\$10 minimum)	
No minimum balance requirement for age 23 & younger	

Basic Checking

Minimum balance	\$100
Opening balance	\$100
Service Charge	\$ 6
No minimum balance requirement for age 23 & younger or persons over 60. These accounts have check safekeeping.	

Citizens Best Checking

Minimum balance	N/A
Opening balance	N/A
Monthly fee with check safekeeping	\$8

Checking With Interest

Minimum balance	\$500
Opening balance	\$500
Service charge	\$7
No minimum balance required for Passport members	

Money Market

Minimum balance	\$2000
Opening balance	\$2000
Service charge	\$10
Excess withdrawals-ea. (more than 6)	\$5

\$250k+ Money Market

Minimum balance	\$2000
Opening balance	\$2000
Service charge	\$10
Excess withdrawals-ea. (more than 1)	\$50

OTHER FEES

Foreign Currency Order	\$20
Foreign Check Processing	\$15
ATM/Debit Card Annual Fee	\$15 ***
(Automatically deducted June 1 st of each year)	
ATM/Debit Card replacement Fee	\$ 15
Cashier's Check (customers)	\$ 5
Money Orders - customers	\$ 2 ***
Dormant Account Fee per month	\$ 2
Overdraft Fee – per item presentment	\$30
(Apply to overdrafts created by check, in person withdrawal, ATM withdrawal or other electronic means)	
Return Item Fee – per item presentment	\$30
(Imposed when checks and items presented by electronic means are returned unpaid)	
Returned deposit item	\$ 5
Account Research per hr./1 hr. min	\$25
Stop Payments	\$20
ACH Stop Payments	\$25
Account closed within 60 days of opening	\$30
Indemnity bond	\$25
Garnishments	\$50
Wire transfers (\$100 minimum)	\$30
International wire transfers	\$60
Overdraft Protection Transfers	\$ 4
Safety Deposit Box Drilling Fee	\$100

Check Printing

Passport (club checks)	N/C
Citizens Best (club checks)	N/C
Or, Passport & Cit. Best can get a credit towards other styles	
Check printing for other customers Depends on style of check	
Courtesy Checks per 10	\$ 1
(Customers not using our checks)	

Lobby Services

Fax – per page in or out	\$ 1
Notary – customer	N/C
Notary – non-customer	\$ 5
Copies – each	\$.25
Copies – Passport – 10 free then	\$.10
Coin counting for non-customers – 5% of total	

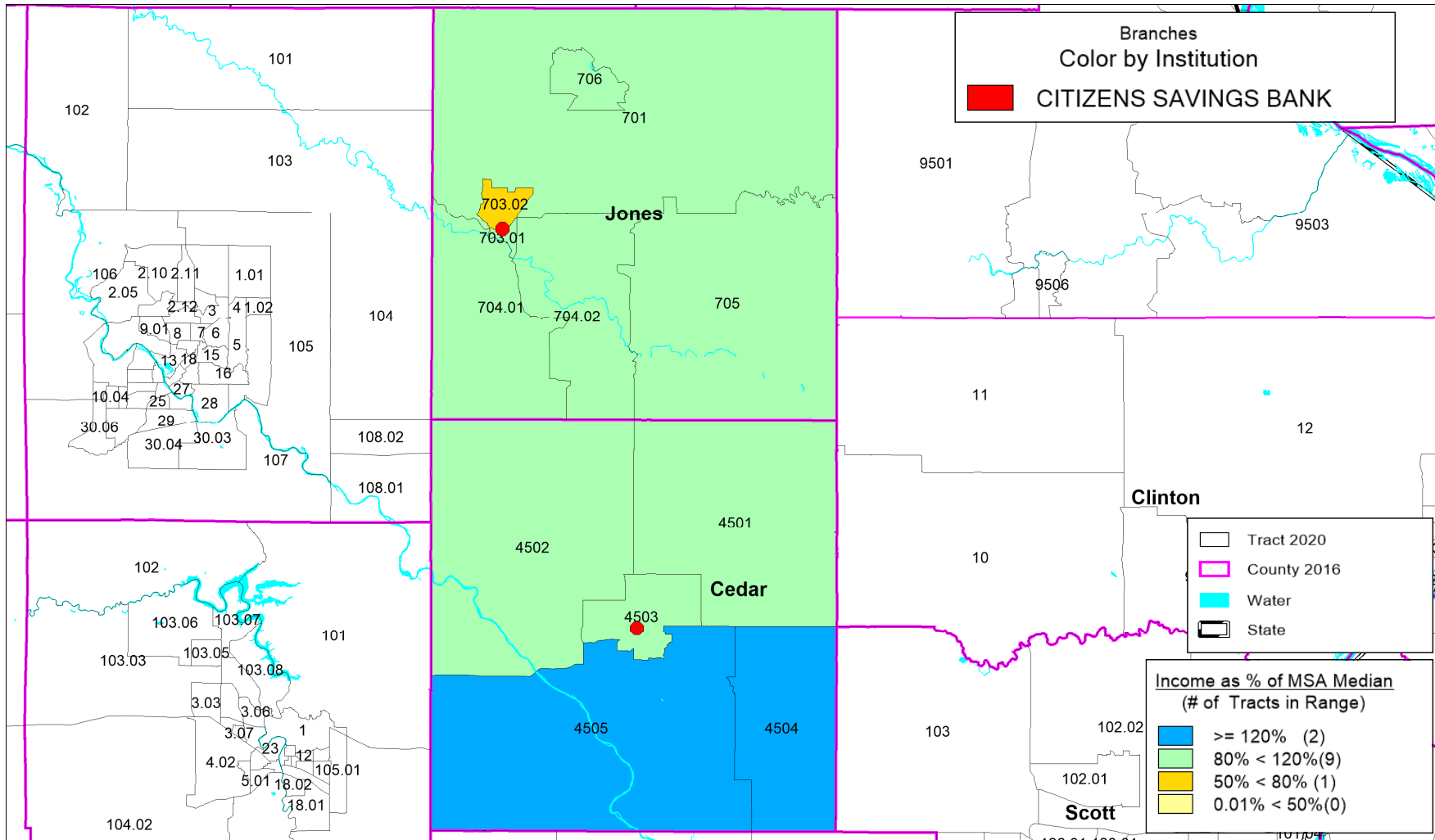
Safety Deposit Boxes

		Passport	
3x5	\$17	Free	
3x8	\$20	\$3	
5x5	\$21	\$4	
3x10	\$26	\$9	
4x10	\$28	\$11	
5x10	\$32	\$17	
10x10	\$58	\$41	

* Does not apply to minor/student accounts (through age 23)

***No charge for Citizens Best & Passport
Sales tax charged on all fees when applicable

Facility	Lobby Hours	Teller Walk Up Hours	Teller Drive-Up Hours
215 East Main Street Anamosa, Iowa	8:00 am - 4:00 pm M-Th 8:00am - 5:00pm Fri 8:00am - 11:00am Sat		7:30am - 5:00pm M-Th 7:30am - 5:30pm Fri 7:30am - 11:00am Sat
427 Cedar Street Tipton, Iowa	9:00am - 4:00pm M-Fri	8:00am -5:00pm M-Fri 8:00am - 11:00am Sat	8:00am -5:00pm M-Fri 8:00am - 11:00am Sat



Loan-to-Deposit Ratios

03/31/2019	63.45%
06/30/2019	67.08%
09/30/2019	61.67%
12/31/2019	63.36%
03/31/2020	58.07%
06/30/2020	55.40%
09/30/2020	49.49%
12/31/2020	45.87%
03/31/2021	41.78%
06/30/2021	39.75%
09/30/2021	34.66%
12/31/2021	36.59%
03/31/2022	34.87%
06/30/2022	36.69%
09/30/2022	34.64%
12/31/2022	39.23%
03/31/2023	36.62%
06/30/2023	38.88%
09/30/2023	38.13%
12/31/2023	40.96%

Loan to Deposit Ratio taken from the Call Report Schedule RC lines 4.b/13.a

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA. You may review today the public section of our most recent CRA evaluation, prepared by the FDIC, and a list of services provided at this branch. You may also have access to the following additional information, which we will make available to you at this branch within five calendar days after you make a request to us: (1) a map showing the assessment area containing this branch, which is the area in which the FDIC evaluates our CRA performance in this community; (2) information about our branches in this assessment area; (3) a list of services we provide at those locations; (4) data on our lending performance in this assessment area; and (5) copies of all written comments received by us that specifically relate to our CRA performance in this assessment area, and any responses we have made to those comments. If we are operating under an approved strategic plan, you may also have access to a copy of the plan.

[If you would like to review information [If about our CRA performance in other communities served by us, the public file for our entire bank is available at Citizens Saving Bank, located at 215 E. Main St. Anamosa, IA 52205.]

At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the FDIC Regional Director, Division of Compliance and Consumer Affairs, 300 South Riverside Plaza, Suite 1700, Chicago, IL 60606. You may send written comments about our performance in helping to meet community credit needs to Jacqui Herrick, Citizens Savings Bank, 215 E. Main St., P.O. Box 137, Anamosa, IA 52205-0137 and the FDIC Regional Director. You may also submit comments electronically through the FDIC's Web site at www.fdic.gov/regulations/cra. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of First community Bancshares Corp., a bank holding company. You may request from the Public Information Center, Federal Reserve Bank of Chicago, 230 South LaSalle St., Chicago, IL 60604, an announcement of applications covered by the CRA filed by bank holding companies.

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You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the FDIC; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

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