

# Security Savings Bank

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## Community Reinvestment Act Public File

2024

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# Section 1

## Written Comments

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There have been no public written comments in the current or preceding two calendar years.

## Section 2

# *SECURITY SAVINGS BANK*

## CRA PERFORMANCE EVALUATION

THIS SECTION OF THE PUBLIC FILE CONTAINS A COPY OF THE PUBLIC SECTION OF SECURITY SAVINGS BANK'S MOST RECENT CRA PERFORMANCE EVALUATION PREPARED BY THE FDIC. THE BANK PLACES THIS COPY IN THE PUBLIC FILE WITHIN 30 DAYS AFTER ITS RECEIPT FROM THE FDIC.

# **PUBLIC DISCLOSURE**

December 9, 2019

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Security Savings Bank  
Certificate Number: 28925

220 East Broadway  
Monmouth, Illinois 61462-1871

Federal Deposit Insurance Corporation  
Division of Depositor and Consumer Protection  
Chicago Regional Office

300 South Riverside Plaza, Suite 1700  
Chicago, Illinois 60606

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.

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## 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 area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Security Savings Bank's (SSB) 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 average loan-to-deposit ratio is reasonable.
- A majority of small farm loans and a substantial majority of home mortgage loans were granted within the AA.
- The geographic distribution of loans is reasonable.
- The bank has a reasonable penetration of lending to farms of different sizes and borrowers of different income levels.
- The bank has not received any CRA-related complaints since the prior evaluation. Therefore, this factor was not considered in the overall rating.

## DESCRIPTION OF INSTITUTION

SSB is wholly owned by Security Bancorp, MHC, Monmouth, Illinois, a one-bank holding company. The institution does not have any affiliates. The main office is located in Monmouth, Illinois which is located in Warren County, a rural county in west central Illinois. The institution operates one additional branch in Stronghurst, Illinois which is located approximately 25 miles southwest of Monmouth in Henderson County. SSB has not opened or closed any branches since the previous evaluation.

The September 30, 2019, Consolidated Reports of Condition and Income disclosed total assets of \$198,426,000, total deposits of \$175,243,000, and total loans of \$141,485,000. Total assets and total deposits have increased by approximately 11 and 9 percent, respectively since the previous evaluation. Total loans have increased by approximately 26 percent in that same time period. The following table reflects the loan portfolio concentrations as of September 30, 2019.

<i>Loan Portfolio Distribution as of September 30, 2019</i>		
Loan Category	\$ (000s)	%
Construction, Land Development, and Other Land Loans	\$0	0.0%
Secured by Farmland	\$47,054	33.3%
Secured by 1-4 Family Residential Properties	\$24,739	17.5%
Secured by Multi-family (5 or more) Residential Properties	\$977	0.7%
Secured by Non-farm Non-residential Properties	\$9,635	6.8%
<b>Total Real Estate Loans</b>	<b>\$82,405</b>	<b>58.2%</b>
Commercial and Industrial Loans	\$4,754	3.4%
Agricultural Production and Other Loans to Farmers	\$41,410	29.3%
Consumer	\$12,893	9.1%
Obligations of States and Political Subdivisions in the United States	\$0	0.0%
Other Loans	\$23	0.0%
Less: Unearned Income	\$0	0.0%
<b>Total Loans and Leases</b>	<b>\$141,485</b>	<b>100.0%</b>
<i>Source: Reports of Condition and Income</i>		

SSB is a full-service institution that offers an array of conventional loan and deposit products. Deposit products include checking, savings, certificates of deposit, and money market accounts. The institution also has three automated teller machines (ATMs). SSB offers free internet and telephone banking, as well as bill pay and mobile deposit capabilities. Four bilingual employees are employed at the Monmouth office who are able to assist Spanish-speaking customers in both the deposit and lending operational areas. These individuals include two tellers, one loan officer, and one loan administrator.

Loan product offerings include commercial, agricultural, home mortgage, and consumer installment loans. In addition to in-house lending, the institution offers long-term fixed rate home mortgages in the secondary market. SSB also offers Farm Service Agency (FSA) guaranteed loans and participates in other special loan programs including the Federal Home Loan Bank (FHLB) Down Payment Plus Program and the Illinois Hardest Hit Program.



In 2018, SSB originated two loans for \$2,024,000 through the FSA and ten loans for \$657,310 through the FHLB. In addition, SSB offers USDA and Rural Development loans, which are referred to a correspondent bank. However, no loans have been originated through these two programs.

Examiners did not identify any factors affecting the bank's ability to meet credit needs based on its financial condition, size, product offerings, prior performance, or legal impediments. SSB's CRA performance was rated "Satisfactory" at the previous evaluation dated October 7, 2013 using the Interagency Small Institution Examination Procedures.

## **DESCRIPTION OF ASSESSMENT AREA**

### **Warren County Census Tracts 8701, 8702, 8703, 8704, and 8705 Henderson County Census Tracts 9733, 9734, and 9735**

SSB has designated all of Warren County and Henderson County as its assessment area. Both counties are located in a non-metropolitan statistical Non-MSA area of the State of Illinois. The assessment area consists only of whole geographies, includes the tracts where the institution's offices are located, does not reflect illegal discrimination or arbitrarily exclude any low- or moderate-income areas.

According to the 2015 American Community Survey (ACS) data, the assessment area is comprised of one moderate-income census tract, and seven middle-income census tracts. There are no low-income census tracts in the assessment area. The City of Monmouth consists of one moderate-income census tract and one middle-income census tract. The main office in Monmouth and the branch in Stronghurst are both located in middle-income census tracts. All three tracts in Henderson County are classified as distressed middle-income geographies due to population loss. There are five other financial institutions located in Monmouth with several others located in, and adjacent to, the assessment area. The assessment area is largely rural in nature with agricultural-related occupations responsible for a large portion of employment.

### **Economic and Demographic Data**

As of October 2019, the Illinois Department of Employment Security reports the unemployment rate for Warren County at 3.6 percent and Henderson County 3.5 percent. These figures are in line with the State of Illinois unemployment rate of 3.6 percent, but slightly higher than the national rate of 3.3 percent. These two county figures also represent decreases from the same period in 2018 when the unemployment rate was 4.2 percent in Warren County, 4.8 percent in Henderson County.

The community contact identified the major employers in the area to include: Smithfield/Farmland Foods, a food processor that employs approximately 1,700; Cloverleaf Cold Storage, a packaging and storage container company that employs approximately 300; Monmouth College, a four-year liberal arts university that employs approximately 300; Monmouth-Roseville School District, a local school district that employs approximately 250; and OSF Holy Family Medical Center, a local hospital and health care facility that employs approximately 225.

The following table outlines the demographic and economic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	8	0.0	12.5	87.5	0.0	0.0
Population by Geography	24,743	0.0	20.5	79.5	0.0	0.0
Housing Units by Geography	11,501	0.0	18.2	81.8	0.0	0.0
Owner-Occupied Units by Geography	7,601	0.0	17.9	82.1	0.0	0.0
Occupied Rental Units by Geography	2,322	0.0	24.5	75.5	0.0	0.0
Vacant Units by Geography	1,578	0.0	10.3	89.7	0.0	0.0
Businesses by Geography	1,108	0.0	21.9	78.1	0.0	0.0
Farms by Geography	235	0.0	3.0	97.0	0.0	0.0
Family Distribution by Income Level	6,587	19.4	22.2	21.3	37.1	0.0
Household Distribution by Income Level	9,923	22.4	18.0	19.8	39.8	0.0
Median Family Income Non-MSAs – IL – 2015		\$59,121	Median Housing Value			\$85,639
Median Family Income Non-MSAs – IL – 2018		\$63,900	Median Gross Rent			\$558
					Families Below Poverty Level	9.5%
<i>Sources: 2015 ACS Census and 2018 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

There are 11,501 housing units in the assessment area, of which 66.1 percent are owner-occupied, 20.2 percent are rental units, and 13.7 percent are vacant. The geographic distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units.

The evaluation used the 2018 FFIEC-updated median family income (MFI) levels to analyze home mortgage loans under the Borrower Profile criterion. Since the assessment area is not located in an MSA, examiners used the statewide non-MSA MFI figure for the State of Illinois and the corresponding income levels shown in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
<b>IL NA Median Family Income (99999)</b>				
2018 (\$63,900)	<\$31,950	\$31,950 to <\$51,120	\$51,120 to <\$76,680	≥\$76,680
<i>Source: FFIEC</i>				

### **Competition**

The assessment area has a somewhat competitive financial services market in Monmouth which includes a large nationwide bank with a branch office, a large regional credit union also with a branch office, as well as several community banks located in Monmouth and various communities throughout, and adjacent to, the assessment area. According to the FDIC Deposit Market Share data as of June 30, 2019, ten FDIC-insured financial institutions operate 15 full-service offices within Warren and Henderson Counties. Of the ten institutions, SSB ranked 2<sup>nd</sup> with 24.9 percent of the deposit market share.

### **Community Contacts**

As part of the evaluation process, examiners conducted a community contact in the assessment area to assist in identifying the credit and community development needs. This information helps determine whether local financial institutions are responsive to these needs. It also shows what credit and community development opportunities are available.

The contact indicated that there has been moderate economic growth in recent years with most businesses, including farming operations, showing profitability. The contact indicated that the activity in the residential and commercial real estate market has been slow in recent years, which is consistent with most communities in the area. This slow real estate market is attributed to past national and state economic conditions, which also negatively affected the area and the shrinking population in rural areas. Agricultural land prices have stabilized to approximately \$10,000 per acre according to the contact after experiencing sharp increases in previous years. The contact stated a need for affordable housing in Monmouth and surrounding areas due to the large number of workers at the City's largest employer, Smithfield/Farmland Foods. Also, the contact indicated that the overall condition of housing in the assessment area is average to good and that housing is very affordable.

Approximately 60 percent of the Monmouth's residents work in the City while others commute to nearby Galesburg, IL (15 miles to the east of Monmouth), the Quad Cities (42 miles northeast of Monmouth), or Peoria, IL (58 miles southeast of Monmouth) according to the contact.

### **Credit Needs**

According to the contact, there is a shortage of affordable housing. However, loans are available from various financial institutions in the assessment area to meet this type of credit need. The contact stated that all of the area's institutions appear to be willing to make loans to credit-worthy individuals and businesses. The contact also stated that all of the local financial institutions are generally involved in the community and are committed to assisting consumers, business owners, farmers, and homebuyers with financing.

## **SCOPE OF EVALUATION**

### **General Information**

This evaluation covers the period from the prior CRA evaluation dated October 7, 2013 to the current evaluation dated December 9, 2019. Examiners used the Interagency Small Institution Examination Procedures to evaluate SSB's CRA performance, which includes the small bank Lending Test. The Lending Test considered the institution's performance according to the following criteria:

- Loan-to-deposit ratio
- Assessment area concentration
- Borrower profile
- Geographic distribution
- Response to CRA-related complaints.

### **Activities Reviewed**

Examiners determined that SSB's major product lines are agricultural and residential loans. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period.

As of September 30, 2019, agricultural loans represented 62.6 percent and residential loans represented 17.5 percent of the total loan portfolio. By dollar amount, agricultural loans increased 16.3 percent since the previous evaluation, while residential loans increased 9.8 percent. Examiners gave more consideration to agricultural loans in this evaluation, because this loan type represents the bank's main lending focus and business strategy. Commercial loans represented 10.2 percent and consumer loans represented 9.1 percent of the total loan portfolio. These two loan types are not included in the evaluation since they are not a main lending focus of the bank and represent nominal percentages in the loan portfolio.

Examiners reviewed the universe of agricultural and residential extended from January 1, 2018 through December 31, 2018 to evaluate the bank's performance for lending within the assessment area and geographic distribution. The universe of agricultural loans originated within the assessment area was used for borrower income distribution. A sample of residential loans originated within the assessment area was used for borrower income distribution. The loans included in this evaluation are considered representative of SSB's lending performance during the entire period since the last evaluation. The following table represents the loan products reviewed during this evaluation.

<b>Loan Products Reviewed</b>				
<b>Loan Category</b>	<b>Universe</b>		<b>Loans used for Borrower Profile</b>	
	#	\$(000s)	#	\$(000s)
Agricultural Loans	76	9,712	76	9,712
Residential Loans	94	6,472	50	3,214
<i>Source: Bank Records</i>				

## CONCLUSIONS ON PERFORMANCE CRITERIA

### LENDING TEST

SSB demonstrates reasonable CRA performance. The bank's lending performance in the assessment area provides support for this conclusion. The evaluation of SSB's lending performance is based on a review of agricultural and residential lending activity during the evaluation period.

#### Loan-to-Deposit Ratio

The net loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. SSB's average net loan-to-deposit ratio is 77.7 percent, based on the 24 calendar quarters since the prior evaluation. The net loan-to-deposit ratio fluctuated from a low of 70.0 percent as of March 31, 2014 to a high of 83.7 percent as of September 30, 2018. As of September 30, 2019, the net loan-to-deposit ratio was 80.0 percent with a slightly increasing trend noted since the prior evaluation.

There are few comparable financial institutions with headquarters in, or adjacent to, the bank's assessment area, based on asset size and lending focus. A review of seven counties surrounding the bank's assessment area revealed four comparable institutions with average net loan-to-deposit ratios that ranged from 63.7 percent to 82.0 percent. SSB's average net loan-to-deposit ratio is significantly higher than one of these institutions and comparable to the three other institutions as shown in the following table.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets 9/30/2019 \$(000s)	Average Net LTD Ratio (%)
Security Savings Bank	198,426	77.7
Institution A	182,237	82.0
Institution B	142,482	79.4
Institution C	217,230	75.8
Institution D	144,443	63.7

*Source: Reports of Condition and Income 12/31/2013 to 9/30/2019*

#### Assessment Area Concentration

All agricultural and residential loans originated by the bank during 2018 were analyzed to determine the portion of loans extended inside and outside the assessment area. Examiners determined SSB originated a majority of its agricultural loans and a substantial majority of its residential loans to borrowers within its assessment area by number and dollar amount.

The following table depicts the bank's originated loans in 2018.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Agricultural										
2018	61	80.3	15	19.7	76	7,383	76.0	2,329	24.0	9,712
Residential										
2018	88	93.6	6	6.4	94	6,125	94.6	347	5.6	6,472

*Source: Bank Data. Due to rounding, totals may not equal 100.0*

### Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. The performance of small farm and home mortgage lending supports this conclusion.

#### *Small Farm Loans*

SSB's level of small farm lending throughout the assessment area is reasonable based on performance in moderate-income geographies. As mentioned previously, there are no low-income geographies in the bank's designated assessment area. As reflected in the table below, the performance of small farm lending in the moderate-income geography was 3.3 percent for 2018, which is in line with the percentage of farms in the area at 3.0 percent.

Geographic Distribution of Small Farm Loans						
Tract Income Level	% of Farms	#	%	\$(000s)	%	
Low						
2018	0.0	--	--	--	--	
Moderate						
2018	3.0	2	3.3	60	0.8	
Middle						
2018	97.0	59	96.7	7,323	99.2	
Upper						
2018	0.0	--	--	--	--	
Not Available						
2018	0.0	--	--	--	--	
<b>Totals</b>						
<b>2018</b>	<b>100.0</b>	<b>61</b>	<b>100.0</b>	<b>7,383</b>	<b>100.0</b>	

*Source: 2018 D&B Data; 1/1/2018 - 12/31/2018 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0*

**Home Mortgage Loans**

SSB’s level of home mortgage lending throughout the assessment area is reasonable based on loan activity in moderate-income tracts. As previously mentioned, there are no low-income tracts in the designated assessment area. As reflected in the table below, the performance of home mortgage lending, based on the number of loans originated in the moderate-income geography, is slightly above the percentage of owner-occupied housing units in that area.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level		% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low						
	2018	0.0	--	--	--	--
Moderate						
	2018	17.9	17	19.3	969	15.8
Middle						
	2018	82.1	71	80.7	5,156	84.2
Upper						
	2018	0.0	--	--	--	--
Not Available						
	2018	0.0	--	--	--	--
<b>Totals</b>						
	<b>2018</b>	<b>100.0</b>	<b>88</b>	<b>100.0</b>	<b>6,125</b>	<b>100.0</b>

*Sources: 2015 ACS Census; 1/1/2018 - 12/31/2018 Bank Data, "--" data not available.  
Due to rounding, totals may not equal 100.0*

**Borrower Profile**

The distribution of borrowers reflects reasonable penetration among farms of different sizes and individuals of different income levels in the assessment area. The reasonable performance in lending to small farms and home mortgage lending supports this conclusion. Examiners focused on the percentage by number of small farm loans to farms with gross annual revenues of \$1 million or less. They also focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers.

**Small Farm Loans**

The lending distribution of small farm loans reflects reasonable penetration of loans to farms with gross annual revenues of \$1 million or less in the assessment area. Although SSB’s small farm lending performance, based on the number of loans originated to farms with gross annual revenues of \$1 million or less is at 82.0 percent and below the percentage of farms in the assessment area with similar revenue levels at 97.4 percent, the bank’s performance is reasonable, particularly since as a majority of the borrowers with gross annual revenues that exceeded \$1 million had multiple loans in dollar amounts of \$500,000 or less.

The table below shows the bank's levels of lending to farms of varying sizes within its assessment area.

<b>Distribution of Small Farm Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>&lt;=&lt;\$1,000,000</b>					
2018	97.4	50	82.0	5,525	74.8
<b>=&gt;\$1,000,000</b>					
2018	0.4	11	18.0	1,858	25.2
<b>Revenue Not Available</b>					
2018	2.1	--	--	--	--
<b>Totals</b>					
2018	100.0	61	100.0	7,383	100.0
<i>Sources: 2018 D&amp;B Data; 1/1/2018 - 12/31/2018 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0</i>					

### ***Home Mortgage Loans***

The overall distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable.

SSB's level of home mortgage lending to low-income borrowers in 2018 was 6.0 percent, which is below the percentage of low-income families in the assessment area at 19.4 percent. However, this disparity can be largely attributed to the 9.5 percent of all families who live below the poverty level. Due to their limited financial resources, families with incomes below the poverty level generally do not have the capacity to support a home mortgage, limiting the demand and opportunity for lending to low-income borrowers. Given these considerations, the bank's performance is reasonable.

The bank exhibited an excellent record of home mortgage lending in 2018 to moderate-income borrowers when compared to the assessment area demographics. SSB's record of home mortgage lending to moderate-income borrowers was 38.0 percent in 2018, which far exceeds the percentage of moderate-income families at 22.2 percent in the assessment area. The following table shows the bank's level of lending to families of various income segments.

<b>Distribution of Home Mortgage Loans by Borrower Income Level</b>					
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Low</b>					
2018	19.4	3	6.0	131	4.1
<b>Moderate</b>					
2018	22.2	19	38.0	931	29.0



<b>Distribution of Home Mortgage Loans by Borrower Income Level</b>					
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Middle</b>					
2018	21.3	10	20.0	676	21.0
<b>Upper</b>					
2018	37.1	18	36.0	1,476	45.9
<b>Not Available</b>					
2018	0.0	--	--	--	--
<b>Totals</b>					
2018	100.0	50	100.0	3,214	100.0
<i>Sources: 2015 ACS Census, 1/1/2018 - 12/31/2018 Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0</i>					

**Response to Complaints**

The bank has not received any complaints regarding its CRA performance since the previous evaluation on October 7, 2013.

**DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

Recent originated loans and rejected credit applications were reviewed to ascertain compliance with applicable fair housing and fair lending laws and regulations. No violations of the substantive provisions of the anti-discriminatory laws and regulations or other illegal credit practices, inconsistent with helping to meet community credit needs, were identified during this examination.

## APPENDICES

### SMALL BANK PERFORMANCE CRITERIA

#### Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes;
- 4) The geographic distribution of the bank's loans; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

## 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).

**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 (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., 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 Loans:** Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

**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 (e.g., 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.

**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 (also known as non-MSA):** 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.

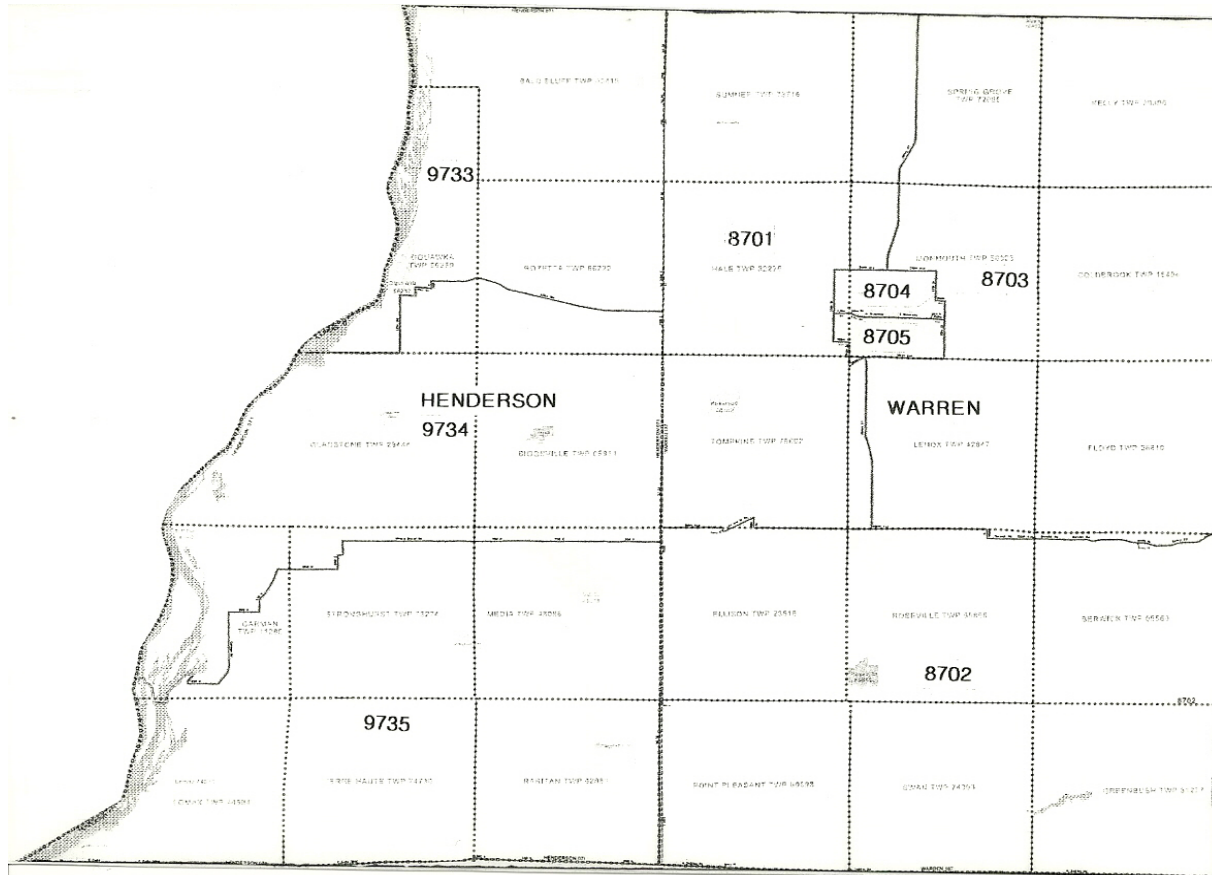
**Upper-Income:** Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

**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.

# Section 3

## CRA ASSESSMENT AREA



Monmouth (Main Office)  
220 East Broadway  
Tract 8704

Other Warren County Tracts:  
8701 8702 8703 8705

Stronghurst (Branch Office)  
200 South Broadway  
Tract 9735

Other Henderson County Tracts:  
9733 9734

## Section 4

### Branch Locations

Main Office  
220 East Broadway  
Monmouth, IL 61462  
(309)734-9333

Branch Office  
200 South Broadway  
Stronghurst, IL 61480  
(309)924-1172

### Branch Openings & Closings

No branches were opened or closed during the last three years



# Section 5

## Security Savings Bank

### Loan to Deposit Ratios

3/31/2023	56.49%
6/30/2023	59.82%
9/30/2023	62.97%
12/31/2023	64.47%

# Section 6

## LIST OF SERVICES AND PRODUCTS

### A. DEPOSIT SERVICES AND PRODUCTS

1. Certificates of Deposit
  - a. 3 months to 6 years maturities
  - b. Special terms as determined by management
2. Checking Accounts
3. Individual Retirement Accounts (IRA)
4. Simplified Employee Pension Plans (SEPP)
5. Qualified Pension Plans (Keogh)
6. Savings Accounts
7. Commercial Money Market Accounts
8. U.S. Savings Bond Redemption
9. Health Savings Accounts

### B. LOAN SERVICES AND PRODUCTS

1. Residential Mortgage Loans (1-4 family and multi-family)
  - a. New Purchase, Renovation, Construction Loans
  - b. First-time Homebuyer Loans
  - c. Fixed Rate Mortgage Loans
  - d. Adjustable-Rate Mortgage Loans
  - e. Federal Home Loan Bank Down Payment Plus grants
  - g. Online mortgage application

2. Consumer Loans
  - a. Auto Loans
  - b. Home Improvement Loans
  - d. Personal Loans
  - e. Home Equity Line of Credit (HELOC) Loans
  - d. CD Account Loans
3. Commercial Loans
  - a. Real Estate Mortgage Loans (Commercial and Small Business)
  - b. Inventory, Equipment, and Accounts Receivable Loans
  - c. Operation Lines of Credit
  - d. USDA, SBA, and other government loan programs
4. Agribusiness Loans
  - a. Farm Real Estate Mortgage Loans
  - b. Equipment and Machinery Loans
  - c. Capital Improvement Loans
  - d. Operating Capital Loans

C. CUSTOMER CONVENIENCE SERVICES

1. Automated Teller Machines (ATMs)
2. Cashier's Checks
3. Drive-up Windows
4. Night Depository
5. Credit Cards (agent)
6. Safe Deposit Boxes
7. Wire Transfers

8. Debit Cards and ATM cards
9. Internet Banking and Bill Pay Services
10. Business Online Banking
11. Mobile Banking
12. Mobile Check Deposit
13. Zelle Payment Service
14. Transfer Now Funds Transfers
15. Credit Sense
16. Digital Wallet

## SERVICE CHARGES

Effective May 1, 2022

### CASHIER'S CHECKS

(Cash or Collected Funds) .....\$3.00 each

### SERVICE OF LEVY, LIEN

or CITATION..... \$50.00

### BOOKKEEPING ASSISTANCE

and RESEARCH TIME ..... \$25.00 per hour  
(\$15.00 minimum)

STATEMENT COPY FEE ..... \$2.00

BOOKKEEPING COPIES..... \$2.00

### FOREIGN ITEMS HANDLING

Cost plus..... \$10.00

### WIRE TRANSFERS (for customers only)

Outgoing..... \$20.00

Foreign, cost plus ..... \$40.00

#### Incoming

with notification ..... \$5.00

without notification ..... \$10.00

(Cash or Collected Funds)

### NIGHT DEPOSITORY BAGS

Bag Purchase..... \$25.00

Bag Drop Key Deposit ..... \$5.00

### FOREIGN CURRENCY

#### ORDERS/EXCHANGE

Cash, Bank Drafts .....\$10.00 per order/  
exchange plus shipping

COUNTER CHECKS ..... \$1.00 per page

(free for money market accounts)

### LOW BALANCE SAVINGS ACCOUNT

\$2.00 per month fee if account balance falls below \$25.00 at any time during the month.

### ATM CARD REPLACEMENT

Damaged ..... no charge

Other ..... \$3.00

DEBIT CARD REPLACEMENT

Damaged..... no charge  
Other..... \$10.00

FACSIMILE (FAX) TRANSMISSIONS

incoming and outgoing ..... \$1.00 per page  
PHOTOCOPIES ..... \$0.25 for each  
LAMINATING .....\$1.00 per item

STOP PAYMENT ..... \$20.00  
STOP PAYMENT REMOVAL..... \$10.00

OVERDRAFT FEE ..... \$26.00

(Paid or returned)

An insufficient funds item may be created by check, in person withdrawal, or ACH withdrawal. Items may be re-presented for payment on subsequent days, and each presentment can cause the overdraft fee to be charged.

COIN COUNTING FEE

for non-customers ..... 10% of counted amount

PRINTED CHECKS..... (Fees based on style)

SAFE DEPOSIT BOXES

(Annual Rental Fees)

3 X 5 ..... \$21.00  
5 X 5 ..... \$26.00  
3 X 10 ..... \$31.00  
4 X 10 ..... \$36.00  
5 X 10 ..... \$42.00  
10 X 10 ..... \$62.00

SAFE DEPOSIT BOX

Lost Key ..... \$25.00  
Drilled Box Fee ..... Cost plus \$50.00

Requirements and/or fees are subject to change at the discretion of Security Savings Bank.