

Community Reinvestment Act

Public File

Main Office

Section

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- 1. Written comments from the public relating to The Portage County Bank's CRA performance and responses to them for the current and preceding two calendar years.**

There have been no comments from the public during the preceding three years relating to The Portage County Bank's CRA performance. There are no responses from the Bank.

2. The Portage County Bank's most recent CRA performance evaluation

PUBLIC DISCLOSURE

December 30, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Portage County Bank
Certificate Number: 10012

1155 County Road D
Almond, Wisconsin 54909

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.

- **Loan-to-Deposit Ratio:** The average loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area (AA) credit needs.
- **Assessment Area Concentration:** The bank originated a substantial majority of home mortgage and small business loans within the AA.
- **Geographic Distribution:** Home mortgage and small business loans reflect a reasonable dispersion throughout the AA.
- **Borrower Profile:** Home mortgage and small business loans reflect a reasonable distribution among individuals of different income levels and businesses of different sizes.
- **Response to Complaints:** The institution has not received any CRA-related complaints since the previous evaluation. Therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

Portage County Bank (PCB), headquartered in Almond, Wisconsin, is owned entirely by Portage County Bancshares, Incorporated. The bank received a Satisfactory rating during its previous FDIC Performance Evaluation, dated September 3, 2013, based on Small Bank Examination Procedures.

Merger Activity

On December 6, 2016, PCB acquired Bancroft State Bank (BSB) and five new branch offices, all of which were located in middle-income census tracts in the communities of Bancroft, Hancock, Plainfield, and Wisconsin Rapids. Following the acquisition of BSB, management closed four branch offices. These offices were located in Plainfield, Stevens Point, Wisconsin Rapids, and Hancock. With the exception of the Stevens Point branch office, all of these closed branches were located in middle-income census tracts. The Stevens Point office was located in a moderate-income census tract. Management closed these four offices because of their close proximity to other nearby branch offices and minimal customer traffic. Management also explained that customers are more frequently relying on mobile and online banking services to conduct transactions, further reducing the need for branch offices located in close proximity of each other. PCB currently maintains six offices in Almond, Plover, Plainfield, Stevens Point, Bancroft, and Wisconsin Rapids. With the exception of the Plover branch, all current offices are located in middle-income census tracts. The Plover office is located in an upper-income tract.

Portfolio Composition

PCB's total assets increased approximately 70 percent after the acquisition of BSB. As of September 30, 2019, PCB maintained total assets of \$162 million, total loans of \$103 million and total deposits of \$144 million.

| Loan Portfolio Distribution as of 9/30/19 | | |
|---|-----------------|--------------|
| Loan Category | \$(000s) | % |
| Construction and Land Development | 4,735 | 4.6 |
| Secured by Farmland | 8,889 | 8.6 |
| Secured by 1-4 Family Residential Properties | 29,425 | 28.7 |
| Secured by Multifamily (5 or more) Residential Properties | 7,091 | 6.9 |
| Secured by Nonfarm Nonresidential Properties | 30,350 | 29.6 |
| Total Real Estate Loans | 80,490 | 78.4 |
| Commercial and Industrial Loans | 11,329 | 11.1 |
| Agricultural Loans | 6,414 | 6.3 |
| Consumer Loans | 1,266 | 1.2 |
| Other Loans | 3,122 | 3.0 |
| Total Loans | 102,621 | 100.0 |
| <i>Source: Reports of Condition and Income</i> | | |

PCB offers a variety of loan and deposit products, with a focus on residential real estate and commercial lending activities. PCB also offers alternative retail banking services, including telephone, mobile and online banking services.

Examiners did not identify any financial, legal or other impediments that affect the bank's ability to meet AA credit needs.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more AAs within which examiners will evaluate its CRA performance. PCB has designated a single AA, consisting of Portage County and portions of Wood and Waushara Counties. The following sections discuss demographic and economic information about the AA.

Economic and Demographic Data

The AA includes 14 census tracts in Portage County, ten census tracts in Wood County and two census tracts in Waushara County. Since the last performance evaluation, management added one tract in Waushara County to the AA. This tract includes the location of the Hancock branch office, which the bank acquired from BSB. The following table illustrates select demographic characteristics of the AA.

| Demographic Information of the AA | | | | | | |
|--|----------|-----------------------|------------------------------|--------------------------|-------------------------|----------------------|
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA % of # |
| Geographies (Census Tracts) | 26 | 0.0 | 7.7 | 80.8 | 11.5 | 0.0 |
| Population by Geography | 124,193 | 0.0 | 6.5 | 78.9 | 14.6 | 0.0 |
| Housing Units by Geography | 55,995 | 0.0 | 6.9 | 79.6 | 13.5 | 0.0 |
| Owner-Occupied Units by Geography | 36,740 | 0.0 | 4.3 | 78.6 | 17.1 | 0.0 |
| Occupied Rental Units by Geography | 13,827 | 0.0 | 15.0 | 78.9 | 6.1 | 0.0 |
| Vacant Units by Geography | 5,428 | 0.0 | 4.4 | 88.1 | 7.5 | 0.0 |
| Businesses by Geography | 6,736 | 0.0 | 4.5 | 81.0 | 14.5 | 0.0 |
| Farms by Geography | 567 | 0.0 | 1.9 | 92.9 | 5.2 | 0.0 |
| Family Distribution by Income Level | 31,923 | 16.0 | 19.1 | 23.6 | 41.3 | 0.0 |
| Household Distribution by Income Level | 50,567 | 22.5 | 16.7 | 18.3 | 42.5 | 0.0 |
| Median Family Income Non-MSAs - WI | | \$60,911 | Median Housing Value | | | \$131,450 |
| | | | Median Gross Rent | | | \$666 |
| | | | Families Below Poverty Level | | | 7.0% |

Sources: 2015 ACS Census; 2018 D&B Data; FFIEC Estimated Median Family Income

Approximately 35 percent of the families in the AA earn a low- or moderate-income. Demographic data further shows that approximately seven percent of the families residing in the AA earn an income below the poverty level and are, therefore, less likely to afford a home. Income classifications are based on median family income, as defined by the Federal Financial Institutions Economic Council (FFIEC). Median family income figures for the AA are summarized below.

| Median Family Income Ranges | | | | |
|------------------------------------|-------------------------|-------------------------------------|------------------------------------|----------------------------|
| Median Family Income | Low < 50% | Moderate 50% to < 80% | Middle 80% to < 120% | Upper > 120% |
| 2018 - \$67,800 | < \$33,900 | \$33,900 to < \$54,240 | \$54,240 to < \$81,360 | ≥ \$81,360 |

Source: FFIEC

The table below shows the unemployment rates throughout the AA as of November 2019.

| Unemployment Data | |
|--------------------------|-----------------|
| Area | Rate (%) |
| Portage County | 2.6 |
| Wood County | 3.2 |
| Waushara County | 3.4 |
| State of Wisconsin | 3.3 |

Source: Wisconsin Department of Workforce Development

According to 2018 demographic data provided by D&B, approximately 6,700 businesses operate within the AA, of which, 79 percent reported gross annual revenues (GARs) of \$1 million or less. In addition, 65 percent of these businesses have less than five employees, while 85 percent operate from a single location. Major industries within the AA include service; agriculture, forestry and fishing; and finance, insurance and real estate.

Competition

PCB operates in a moderately-competitive environment. Local and national banks, as well as area credit unions and non-depository mortgage lenders, pose the greatest degree of competition for financial services within the AA. According to the June 30, 2019 Summary of Deposits compiled by the FDIC, twenty-four financial institutions operate 63 full-service branches in Portage, Waushara and Wood Counties. PCB ranks ninth with a deposit market share of 3.5 percent.

Community Contacts

As part of the evaluation process, examiners contact third parties active in the AA 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 aids in helping examiners understand what credit and community development opportunities are available.

According to a representative of a local economic development organization, residential growth in the AA is somewhat limited. Although some single-family residential development is occurring in Wood County, a majority of the current housing stock is comprised of older, smaller homes that are affordable, but often in need of repair. Conversely, the contact stated that multiple industrial parks have land available for development. He believes there is a need for more small business and start-up financing and indicated that financial institutions have been responsive to the credit needs of the area.

Credit Needs

In consideration of demographic and economic data, as well as information from bank management and the community contact, home mortgage and small business loans represent the primary credit needs of the AA.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation, dated September 3, 2013, to the current evaluation. Examiners used Interagency Small Institution Examination Procedures to assess the bank's CRA performance. In accordance with these procedures, examiners evaluated the institution's CRA performance based on its loan-to-deposit ratio, AA concentration, geographic distribution of loans, borrower profile, and response to CRA-related complaints.

Activities Reviewed

Home mortgage and small business loans continue to be the bank's major product lines. Examiners made this determination in consideration of PCB's business strategy, as well as the number and dollar volume of home mortgage and small business loans originated during the evaluation period. As of September 30, 2019, home mortgage loans represented approximately 36 percent of the loan portfolio, while commercial loans comprised approximately 41 percent of the portfolio. Other loan types, such as small farm and consumer loans, represent nominal percentages of the loan portfolio and, therefore, were not analyzed as part of this evaluation.

To determine the scope of the evaluation, examiners randomly selected from small business and residential real estate loans originated during 2018. This lending activity is representative of the bank's lending performance throughout the evaluation period.

| Loans Reviewed | | | | |
|-----------------------|-----------------|------------------|-----------------------|------------------|
| Loan Type | Universe | | Loans Reviewed | |
| | # | \$ (000s) | # | \$ (000s) |
| Home Mortgage | 137 | 17,901 | 47 | 4,413 |
| Small Business | 117 | 13,215 | 47 | 5,095 |
| TOTAL | 254 | 31,116 | 94 | 9,508 |

Source: Bank Data

PCB's record of originating small business and home mortgage loans contributed equal weight to overall conclusions.

Examiners used 2018 D&B data as the source of comparable data for small business lending activity and 2015 ACS data for home mortgage lending activity.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

PCB demonstrated reasonable performance under the Lending Test. Examiners based this conclusion primarily on the borrower profile and geographic distribution of home mortgage and small business loans among borrowers of different income levels and businesses of different sizes.

Loan-to-Deposit Ratio

The loan-to-deposit ratio, which has averaged 73 percent over the 25 quarters since the prior Performance Evaluation, is reasonable given the institution's size, financial condition and AA credit needs. This ratio, which has ranged from 65 percent to 83 percent, is comparable to that of similarly-situated financial institutions, who maintained average loan-to-deposit ratios of 68 to 77 percent during the same time period. Examiners selected comparable financial institutions based on their asset size, geographic location and lending focus.

| Loan-to-Deposit Ratio Comparison | | |
|--|--|--------------------------------------|
| Bank | Total Assets as of 09/30/2019 (\$ 000s) | Average Net LTD Ratio (%) |
| The Portage County Bank | 162.2 | 72.9 |
| Similarly-Situated Institution #1 | 151.3 | 77.2 |
| Similarly-Situated Institution #2 | 139.1 | 67.9 |
| Similarly-Situated Institution #3 | 157.5 | 69.5 |
| Similarly-Situated Institution #4 | 145.8 | 70.4 |
| <i>Source: Reports of Condition and Income</i> | | |

Assessment Area Concentration

PCB extended a substantial majority of home mortgage and small business loans, by number and dollar volume, within the AA.

| Lending Inside and Outside of the Assessment Areas | | | | | | | | | | |
|---|------------------------|------|----------------|------|--------------------|----------------------------------|------|----------------|------|----------------------------|
| Loan Category | Number of Loans | | | | Total # | Volume of Loans \$ (000s) | | | | Total \$ (000s) |
| | Inside | | Outside | | | Inside | | Outside | | |
| | # | % | # | % | | \$ | % | \$ | % | |
| Home Mortgage | 38 | 80.9 | 9 | 19.1 | 47 | 3,392 | 76.9 | 1,021 | 23.1 | 4,413 |
| Small Business | 43 | 91.5 | 4 | 8.5 | 47 | 4,651 | 91.3 | 444 | 8.7 | 5,095 |
| <i>Source: Bank Data</i> | | | | | | | | | | |

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AA. Examiners focused on lending activity in the moderate-income census tracts, as there are no low-income census tracts in the AA.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the AA.

| Geographic Distribution of Home Mortgage Loans | | | | | |
|---|--|-----------|--------------|------------------|--------------|
| Tract Income Level | % of Owner-Occupied Housing Units | # | % | \$ (000s) | % |
| Moderate Income | 4.3 | 1 | 2.6 | 19 | 0.6 |
| Middle Income | 78.6 | 32 | 84.2 | 2,657 | 78.3 |
| Upper Income | 17.1 | 5 | 13.2 | 716 | 21.1 |
| TOTAL | 100.0 | 38 | 100.0 | 3,392 | 100.0 |

Source: Bank Data; 2015 ACS Census

PCB extended almost three percent of home mortgage loans sampled during this evaluation to individuals residing in moderate-income census tracts. This concentration of lending activity is slightly lower than demographic data, which indicates that four percent of owner-occupied housing units are located in moderate-income tracts. Nonetheless, the bank's performance is reasonable given the location and demographic composition of the two moderate-income census tracts in the AA, one of which is comprised primarily of agricultural land, while the other is located near the University of Wisconsin - Stevens Point, where the majority of the housing units are rental properties.

Small Business Loans

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

| Geographic Distribution of Small Business Loans | | | | | |
|--|------------------------|-----------|--------------|------------------|--------------|
| Tract Income Level | % of Businesses | # | % | \$ (000s) | % |
| Moderate Income | 4.5 | 3 | 7.0 | 230 | 4.9 |
| Middle Income | 81.0 | 33 | 76.7 | 3,900 | 83.9 |
| Upper Income | 14.5 | 7 | 16.3 | 521 | 11.2 |
| TOTAL | 100.0 | 43 | 100.0 | 4,651 | 100.0 |

Source: Bank Data; 2018 D&B Data

Small business lending activity in moderate-income census tracts is comparable to demographic data.

Borrower Profile

Home mortgage and small business loans reflect reasonable penetration of loans among borrowers of different income levels and businesses of different sizes.

Home Mortgage Loans

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

| Distribution of Home Mortgage Loans by Income Level | | | | | |
|--|----------------------|-----------|--------------|------------------|--------------|
| Borrower Income Level | % of Families | # | % | \$ (000s) | % |
| Low Income | 16.0 | 12 | 31.6 | 793 | 23.4 |
| Moderate Income | 19.1 | 7 | 18.4 | 405 | 11.9 |
| Middle Income | 23.6 | 4 | 10.5 | 241 | 7.1 |
| Upper Income | 41.3 | 15 | 39.5 | 1,953 | 57.6 |
| TOTAL | 100.0 | 38 | 100.0 | 3,392 | 100.0 |

Source: Bank Data; 2015 ACS Census

The number and volume of home mortgage loans to low-income borrowers significantly exceeds demographic data, especially considering the percentage of families that earn an income below the poverty level (seven percent). Families living below the poverty level often face significant challenges in qualifying for home mortgage loans. Home mortgage lending to moderate-income borrowers is comparable to demographic data.

Small Business Loans

Small business lending reflects reasonable dispersion among businesses of different sizes.

| Distribution of Small Business Loans by Gross Annual Revenue | | | | | |
|---|------------------------|-----------|--------------|------------------|--------------|
| Gross Revenue Level | % of Businesses | # | % | \$ (000s) | % |
| ≤ \$1,000,000 | 78.9 | 38 | 88.4 | 3,329 | 71.6 |
| > \$1,000,000 | 6.6 | 5 | 11.6 | 1,322 | 28.4 |
| Revenue Not Available | 14.5 | 0 | 0.0 | 0 | 0.0 |
| TOTAL | 100.0 | 43 | 100.0 | 4,651 | 100.0 |

Source: Bank Data; 2018 D&B Data

The bank extended approximately 88 percent of small business loans sampled during this evaluation to entities with gross annual revenues of \$1 million or less. This performance exceeds 2018 D&B demographic data, which indicates that approximately 79 percent of the businesses in the AA earn gross annual revenues of \$1 million or less; however, 15 percent of businesses did not report income information.

Response to Complaints

PCB has not received 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.

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 u

- 3. A map of each Assessment Area showing its boundaries are to follow and include the following census tract numbers.**

Portage County

**9601
9602
9603
9604
9605
9606
9607.01
9607.02
9608
9609
9610
9611.01
9611.02
9612
9613**

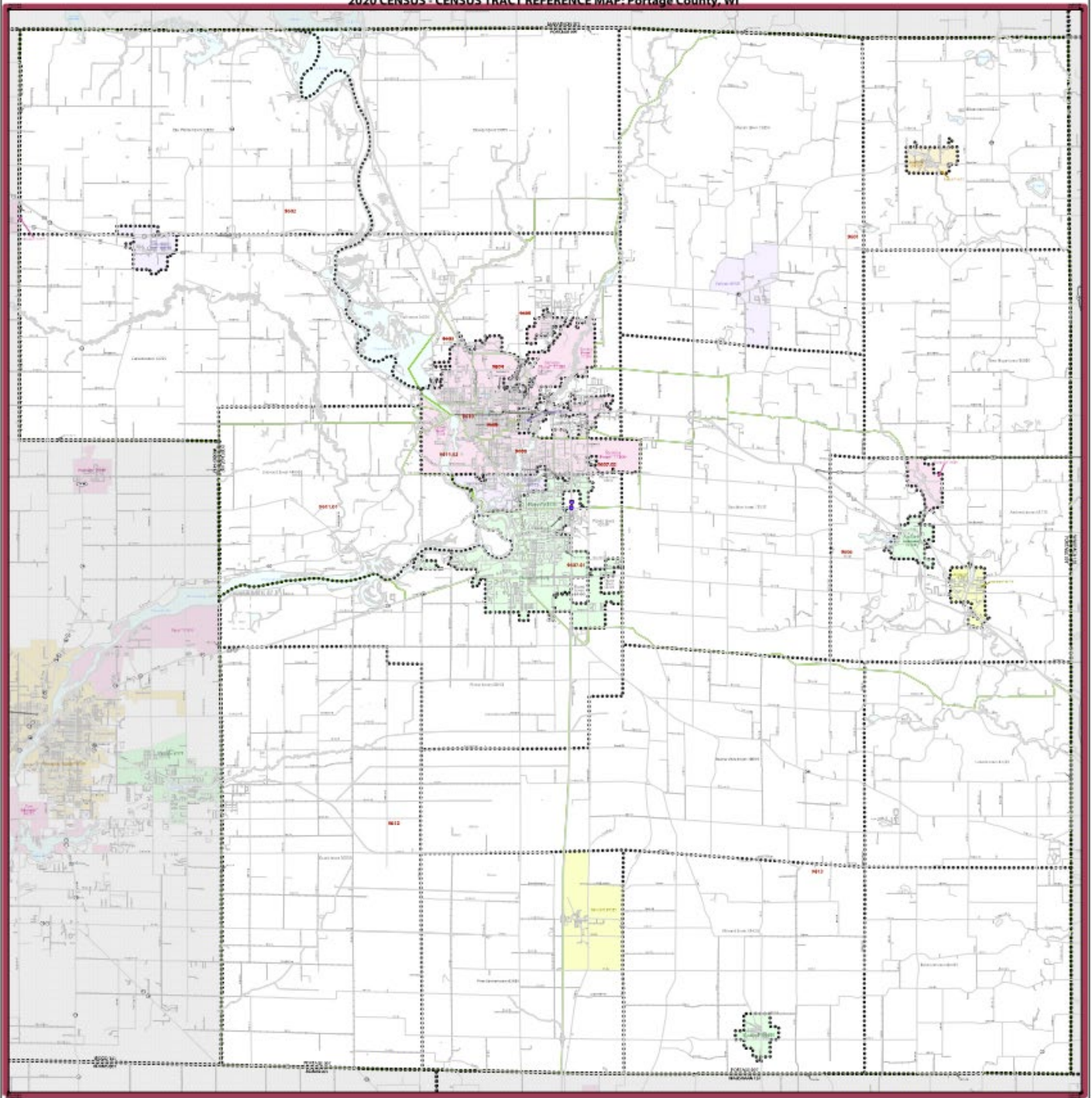
Wood County

**101
109
110
111
112
113
114
115
116
117**

Waushara County

**9603
9604**

2020 CENSUS - CENSUS TRACT REFERENCE MAP: Portage County, WI



LEGEND

| | | | |
|--|-----------------------------------|--|-----------------------------------|
| | COUNTY BOUNDARY | | PRECINCT BOUNDARY |
| | INTERSTATE | | STATE ROAD |
| | COUNTY ROAD | | TOWNSHIP BOUNDARY |
| | PRECINCT CENTER | | PRECINCT BOUNDARY (Dashed) |
| | PRECINCT BOUNDARY (Dotted) | | PRECINCT BOUNDARY (Dashed) |
| | PRECINCT BOUNDARY (Dotted) | | PRECINCT BOUNDARY (Dashed) |
| | PRECINCT BOUNDARY (Dotted) | | PRECINCT BOUNDARY (Dashed) |

Scale 1:62,500

North Arrow

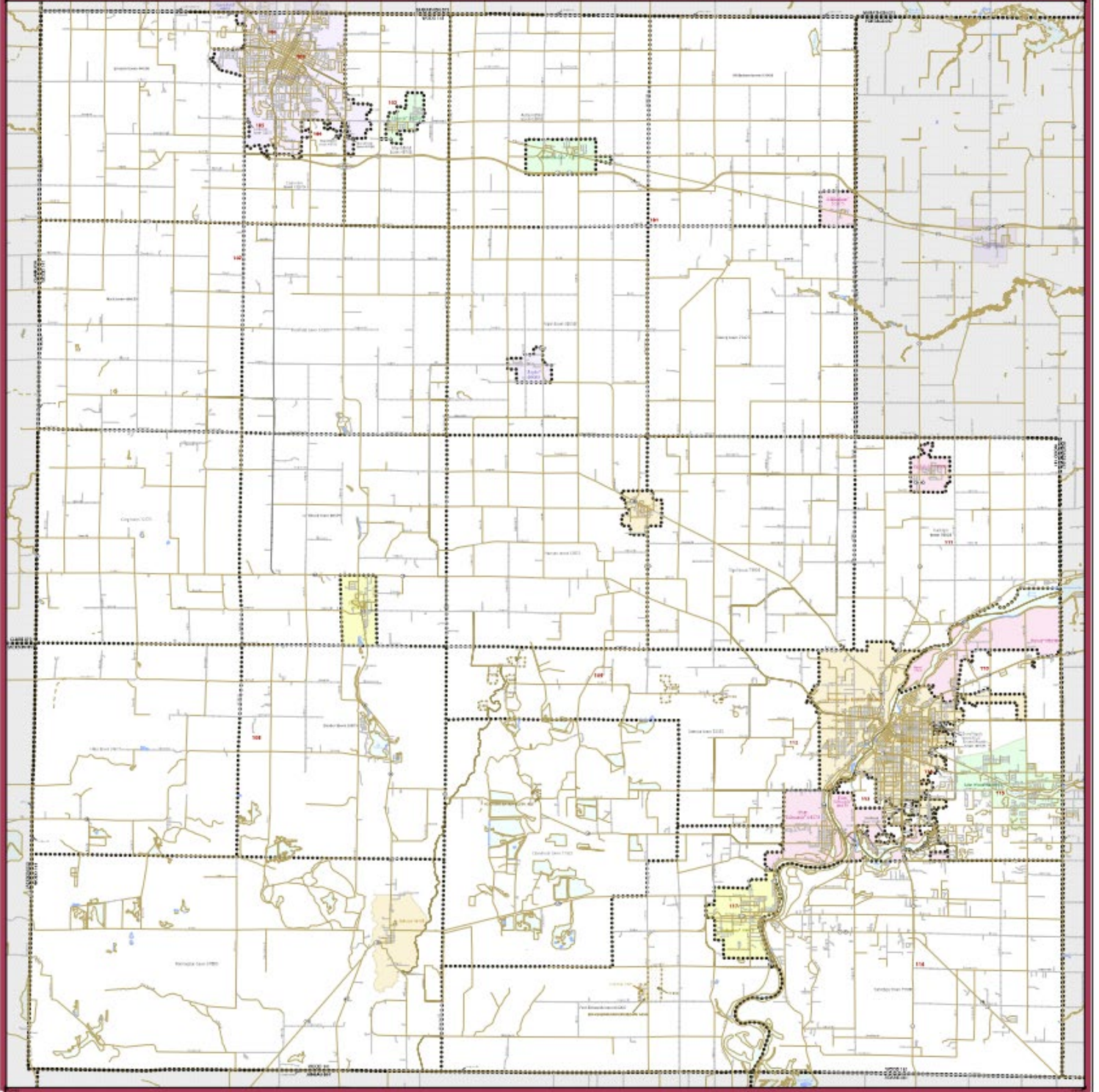
Map of Portage County, WI
 Total Area: 1,044.0 Square Miles

Map of Portage County, WI
 Total Area: 1,044.0 Square Miles

Map of Portage County, WI
 Total Area: 1,044.0 Square Miles



2020 CENSUS - CENSUS TRACT REFERENCE MAP: Wood County, WI



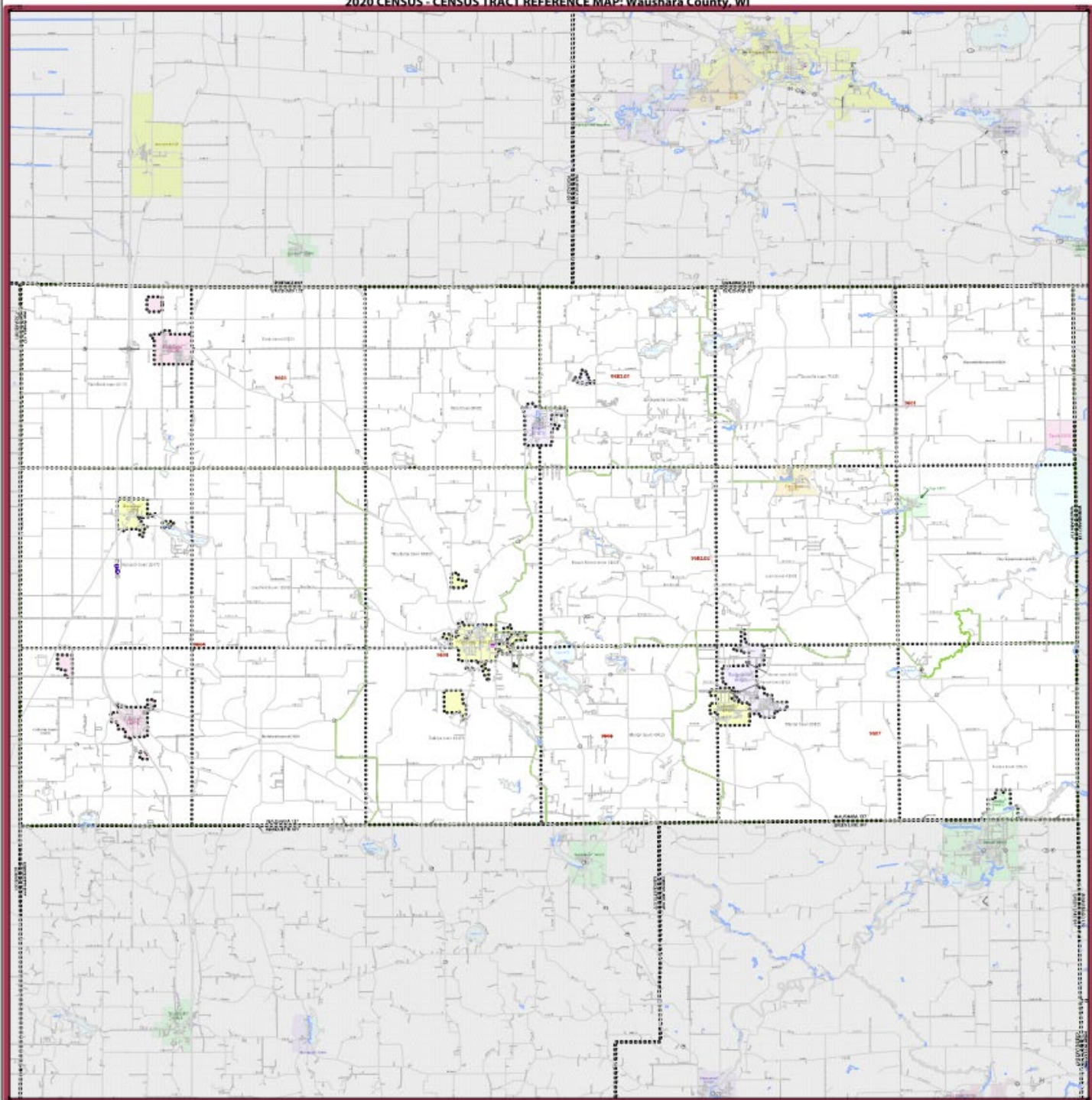
LEGEND

| SYMBOL | DESCRIPTION | SYMBOL | DESCRIPTION |
|--------|-------------------------|--------------|-------------|
| ***** | CANADA | Light Blue | Water |
| | UNINCORPORATED AREA | Yellow | Wetland |
| | STATE OF WISCONSIN | Light Green | Forest |
| | STATE OF ILLINOIS | Light Purple | Barren |
| | STATE OF MINNESOTA | Light Blue | Water |
| | STATE OF MICHIGAN | Light Green | Forest |
| | STATE OF INDIANA | Light Purple | Barren |
| | STATE OF OHIO | Light Blue | Water |
| | STATE OF KENTUCKY | Light Green | Forest |
| | STATE OF TENNESSEE | Light Purple | Barren |
| | STATE OF MISSISSIPPI | Light Blue | Water |
| | STATE OF ALABAMA | Light Green | Forest |
| | STATE OF GEORGIA | Light Purple | Barren |
| | STATE OF SOUTH CAROLINA | Light Blue | Water |
| | STATE OF NORTH CAROLINA | Light Green | Forest |
| | STATE OF VIRGINIA | Light Purple | Barren |
| | STATE OF WEST VIRGINIA | Light Blue | Water |
| | STATE OF PENNSYLVANIA | Light Green | Forest |
| | STATE OF MARYLAND | Light Purple | Barren |
| | STATE OF DELAWARE | Light Blue | Water |
| | STATE OF NEW JERSEY | Light Green | Forest |
| | STATE OF NEW YORK | Light Purple | Barren |
| | STATE OF CONNECTICUT | Light Blue | Water |
| | STATE OF RHODE ISLAND | Light Green | Forest |
| | STATE OF MASSACHUSETTS | Light Purple | Barren |
| | STATE OF VERMONT | Light Blue | Water |
| | STATE OF NEW HAMPSHIRE | Light Green | Forest |
| | STATE OF MAINE | Light Purple | Barren |
| | STATE OF NEW BRUNSWICK | Light Blue | Water |
| | STATE OF PENNSYLVANIA | Light Green | Forest |
| | STATE OF MARYLAND | Light Purple | Barren |
| | STATE OF DELAWARE | Light Blue | Water |
| | STATE OF NEW JERSEY | Light Green | Forest |
| | STATE OF NEW YORK | Light Purple | Barren |
| | STATE OF CONNECTICUT | Light Blue | Water |
| | STATE OF RHODE ISLAND | Light Green | Forest |
| | STATE OF MASSACHUSETTS | Light Purple | Barren |
| | STATE OF VERMONT | Light Blue | Water |
| | STATE OF NEW HAMPSHIRE | Light Green | Forest |
| | STATE OF MAINE | Light Purple | Barren |



Sheet 1 of 3 PARTIAL sheets
 Twp 26 North, R 9 East, S 2 West, WI
 WISCONSIN COUNTY 1195
 2020 Census Tract Reference Map
 11/18/2020

2020 CENSUS - CENSUS TRACT REFERENCE MAP: Waushara County, WI



| Symbol | Feature | Color | Symbol | Feature | Color |
|--------|-----------------|--------|--------|-------------|--------|
| ----- | Canada | Yellow | ----- | Interstate | Red |
| ----- | US Border | Yellow | ----- | State Route | Orange |
| ----- | County Boundary | Yellow | ----- | Local Road | Grey |
| ----- | Water | Blue | ----- | Water | Blue |
| ----- | Forest | Green | ----- | Forest | Green |
| ----- | Urban | Pink | ----- | Urban | Pink |

LEGEND

Map information can vary over time. It is recommended that users check the map for updates and contact the map publisher for the latest version.

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Scale: 1 inch = 1 mile

North Arrow

Map Information can vary over time. It is recommended that users check the map for updates and contact the map publisher for the latest version.

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Map Information can vary over time. It is recommended that users check the map for updates and contact the map publisher for the latest version.

4. A list of the The Portage County Bank's branches, branches opened and closed during the current and each of the prior two calendar years, and their street addresses and geographies

| Location | | Lobby | Drive-Up |
|---|-------------|-----------|-----------|
| The Portage County Bank | Mon – Thurs | 8:30-3:00 | 8:30-4:30 |
| 1155 County Road D | Friday | 8:30-5:00 | 8:30-5:00 |
| Almond, WI 54909 | Saturday | Closed | Closed |
| (715) 366-4311 | | | |
| MSA-State-County-Tract: NA-55-097-9613.00 | | | |

| | | | |
|---|-------------|------------|------------|
| The Portage County Bank | Mon – Thurs | 8:30-4:30 | 8:00-5:00 |
| 5417 Vern Holmes Drive | Friday | 8:30-5:00 | 8:00-6:00 |
| Stevens Point, WI 54482 | Saturday | 8:30-12:00 | 8:00-12:00 |
| (715) 341-8808 | | | |
| MSA-State-County-Tract: NA-55-097-9607.02 | | | |

| | | | |
|---|-------------|------------|------------|
| The Portage County Bank | Mon – Thurs | 8:30-3:00 | 8:00-4:30 |
| 123 W. North Street | Friday | 8:30-6:00 | 8:00-6:00 |
| Plainfield, WI 54966 | Saturday | 8:30-12:00 | 8:00-12:00 |
| (715) 335-4200 | | | |
| MSA-State-County-Tract: NA-55-137-9603.00 | | | |

| | | | |
|---|-------------|-------------------|------------|
| The Portage County Bank | Mon – Thurs | 9:00-3:00 | 8:00-4:00 |
| 9031 State Road 13 South | Friday | 9:00-4:00 | 8:00-5:00 |
| Wisconsin Rapids, WI 54494 | | Closed 12:00–1:00 | |
| (715) 335-325-3000 | Saturday | Closed | 8:00-12:00 |
| MSA-State-County-Tract: NA-55-141-0116.00 | | | |

Branches opened and closed during 2020, 2021 and 2022

None

Branches opened and closed during 2023

Plover Branch and Bancroft Branch

ATMs opened and closed during 2020, 2021, 2022 and 2023

None

5. The HMDA disclosure statement for the prior two calendar years, if applicable.

Not Applicable

6. The Portage County Bank's net loan to deposit ratio for each quarter of the prior calendar year

| <u>Loan to Deposit Ratio</u> | <u>As Of</u> |
|------------------------------|--------------|
| 60.41% | 3-31-22 |
| 69.77% | 6-30-22 |
| 68.15% | 9-30-22 |
| 65.66% | 12-31-22 |
| 69.40% | 3-31-23 |
| 73.01% | 6-30-23 |
| 64.14 % | 9-30-23 |
| 59.76% | 12-29-23 |

7. A quarterly report of the institution's efforts to improve its record if it received a less than satisfactory rating during its most recent CRA examination.

Not Applicable

8. A list of services offered by The Portage County Bank at the following locations.

| Location | | Lobby | Drive-Up |
|---|--------------------|---|-------------------|
| The Portage County Bank 1155 County Road D Almond, WI 54909 (715) 366-4311 | Mon – Thurs | 8:30-3:00 | 8:30-4:30 |
| | Friday | 8:30-5:00 | 8:30-5:00 |
| | Saturday | Closed | Closed |
| The Portage County Bank 5417 Vern Holmes Drive Stevens Point, WI 54482 (715) 341-8808 | Mon – Thurs | 8:30-4:30 | 8:00-5:00 |
| | Friday | 8:30-5:00 | 8:00-6:00 |
| | Saturday | 8:30-12:00 | 8:00-12:00 |
| The Portage County Bank 123 W. North Street Plainfield, WI 54966 (715) 335-4200 | Mon – Thurs | 8:30-3:00 | 8:00-4:30 |
| | Friday | 8:30-6:00 | 8:00-6:00 |
| | Saturday | 8:30-12:00 | 8:00-12:00 |
| The Portage County Bank 9031 State Road 13 South Wisconsin Rapids, WI 54494 (715) 335-325-3000 | Mon – Thurs | 9:00-3:00 | 8:00-4:00 |
| | Friday | 9:00-4:00 | 8:00-5:00 |
| | Saturday | Closed 12:00–1:00 Closed | 8:00-12:00 |



FEEES

The following fees may be assessed against your account & the following transaction limitations, if any, apply to your account.

| | |
|---|----------------|
| Check Printing..... (fee depends on style & quantity) | |
| Garnishments- Executions- Levies..... | \$50.00 |
| Overdraft Charge per item..... | \$30.00* |
| Overdraft Charge (max charge per day)..... | \$150.00* |
| Return Check Charge per item/per time..... | \$25.00 |
| Return Check Charge (max charge per day)..... | \$125.00 |
| Account research per hour..... | \$25.00 |
| Account balancing assistance per hour..... | \$25.00 |
| Duplicate statement..... | \$5.00 |
| Copy of check-per item..... | \$1.00 |
| Image statements: (For consumer accounts only) | |
| Front of items only..... | \$3.00 |
| Front & back of items..... | \$6.00 |
| Transfer Charge..... | \$2.00 |
| Voice response unit telephone transfer..... | \$1.00 |
| Transfer Charge (For a Deficient Funds Transfer)..... | \$1.50 |
| Stop payments..... | \$20.00 |
| Account closed within 90 days of opening..... | \$10.00 |
| ATM card annual fee /card (charged April 1 st)..... | \$10.00 |
| Debit Card annual fee /card (charged April 1 st)..... | \$10.00 |
| Replace lost or stolen ATM/Debit card..... | \$35.00 |
| Replacement fee of a captured ATM/ Debit Card..... | \$10.00 |
| Wire transfer (domestic) incoming /outgoing..... | \$25.00 |
| Wire transfer (international) incoming /outgoing..... | \$50.00 |
| Check cashing..... | \$5.00 /check |
| Canadian check processing fee..... | \$10.00 /Check |
| Money order fee..... | \$2.00 |
| Photocopies fee..... | 25¢ per page |
| Faxing fee..... | \$2.00 |
| Non-customer currency /coin exchange..... | 2% of order |
| Overdraft charge Continuous overdraft charge (7 calendar days & each additional 7 calendar days thereafter..... | \$10.00 |
| Returned mail (undeliverable)..... | \$5.00 |
| Remote Deposit Capture..... | \$30 /month |

* An overdraft fee will be charged per item for covering overdrafts created by checks, service charges, in-person withdrawals, or other electronic means.

BRANCH LOCATIONS

1155 County Road D
Almond, WI 54909 Phone 715-366-4311

123 W. North Street
Plainfield, WI 54966 Phone 715-335-8200

5417 Vern Holmes Dr, Suite 1
Stevens Point, WI 54452 Phone 715-341-8805

9031 State Hwy 13 S-Saratoga
Wisconsin Rapids, WI 54494 Phone 715-325-3000

Visit our website at:
www.portagecountybank.com
1-800-406-9863



PERSONAL CHECKING ACCOUNT

You must deposit \$25.00 to open this account.

A maintenance fee of \$6.00 plus .20¢ for each check will be imposed every statement cycle unless you maintain either a minimum daily balance of \$400.00 or an average daily balance of \$750.00 for the statement cycle. The average daily balance is calculated by adding the principal in the account for each day of the period & dividing that figure by the number of days in the period.

These fees will be waived if you have payroll direct deposit to this account or have a savings account or certificate of deposit with a balance of \$1000.00 or more at the end of the statement cycle. They would also be waived if you are a minor, full-time student, Sign up for E-Statements, or a senior citizen age 62 or older, when you advise us.

STATEMENT SAVINGS ACCOUNT

You must deposit \$25.00 to open this account.

A maintenance fee of \$2.00 will be imposed every statement cycle if the balance in the account falls below \$300.00 any day of the statement cycle. A fee of \$.25 will be imposed for any (withdrawal, automatic transfer, or payment) out of this account in excess of 15 per statement cycle.

These fees will be waived for minors, full-time students, senior citizens age 62, or anyone receiving payroll direct deposits, when you advise us.

Transfers from a statement savings account to another account or to third parties by preauthorized, automatic, or telephone transfer, computer transfer or by check, draft, debit card, or similar order to third parties is not limited to 6 transactions per statement cycle.

Updated 1/1/2024

CHRISTMAS CLUB ACCOUNT

You must deposit \$25.00 to open this account.

If any withdrawal is made from this account prior to October 13th when the balance & accrued interest in the account are paid by check or directly deposited into your account- then this account may be closed.

This is a variable rate account and the bank may change the rate & APY at their discretion.

MONEY MARKET ACCOUNT

You must deposit \$2500.00 to open this account.

A maintenance fee of \$5.00 will be imposed every statement cycle if the daily balance in the account falls below \$2500.00 any day of the statement cycle.

A per item fee of \$3.00 will be charged for each debit transaction (withdrawal, check paid, automatic transfer, telephone transfer or payment out of this account) in excess of six during a statement cycle.

Transfers from a money market account to another account or to third parties by checks, preauthorized, automatic, or telephone transfer are limited to six per statement cycle.

You must maintain a minimum daily balance of \$1,000.00 in the account each day to obtain the annual percentage yield.

This is a variable rate account and the bank may change the rate & APY at their discretion.

PERSONAL NOW ACCOUNT

You must deposit \$100.00 to open this account.

A maintenance fee of \$5.00 plus .50¢ per check will be imposed every statement cycle unless you maintain either a minimum daily balance of \$750.00 or an average daily balance of \$1,000.00 for the statement cycle. The average daily balance is calculated by adding the principal in the account for each day of the period & dividing that figure by the number of days in the period.

This is a variable rate account and the bank may change the rate & APY at their discretion.

CERTIFICATE OF DEPOSIT

You must deposit \$500.00 to open this account. You may not make deposits into your account before maturity. You may make withdrawals of principal from your account before maturity but a penalty may be imposed. The penalty amount imposed will be based on the term of the certificate of deposit.

We offer terms varying from 3 months to 36 months.

Fees assessed could reduce earnings on the account.

IRA TIME DEPOSIT

No minimum required to open the account.

You may make unlimited deposits into your account.

We offer 12, 18, 24, 30 or 36 month terms for IRA time deposits.

Account holders age 59 ½ or older may make withdrawals from this account at any time. A withdrawal from this account may need to be reported on your income taxes. A withdrawal will reduce earnings.

A penalty may be imposed for withdrawals before maturity. The penalty amount imposed will be based on the term of the IRA.

Fees assessed could reduce earnings on the account.

BASIC CHECKING ACCOUNT

You must deposit \$25.00 to open this account.

A per item fee of .50¢ will be charged for each check.

There are no minimum daily or monthly balance requirements and no monthly service charges.

HEALTH SAVINGS ACCOUNT

You must deposit \$25.00 to open account

You must maintain a minimum daily balance of \$1000.00 in your account to obtain the annual percentage yield.

This is a variable rate account and the bank may change the rate & APY at their discretion. See bank representative for current years limits.

BUSINESS CHECKING ACCOUNT

You must deposit \$250.00 to open this account

A maintenance fee of \$20.00 plus .20¢ per check will be imposed every statement cycle unless you maintain either a minimum daily balance of \$1500.00 or an average daily balance of \$2500.00 for the statement cycle. The average daily balance is calculated by adding the principal in the account for each day of the period & dividing that figure by the number of days in the period.

If image statements are requested, the following charges will apply:

From images only \$5.00 per statement
Front & Back images \$10.00 per statement

SOLE PROPRIETORSHIP NOW ACCOUNT/PUBLIC FUNDS NOW ACCOUNT

You must deposit \$250.00 to open this account.

A maintenance fee of \$20.00 plus .50¢ per check will be imposed every statement cycle unless you maintain either a minimum daily balance of \$2,000.00 or an average daily balance of \$3,000.00 for the statement cycle. The average daily balance is calculated by adding the principal in the account for each day of the period & dividing that figure by the number of days in the period.

This is a variable rate account and the bank may change the rate & APY at their discretion.

If image statements are requested, the following charges will apply:

From images only \$5.00 per statement
Front & Back images \$10.00 per statement

SAFE DEPOSIT BOX RENTALS ANNUAL RENT

| | | | |
|---|---------|-------|---------|
| 2X5 | \$10.00 | 5X5 | \$30.00 |
| 3X5 | \$15.00 | 5X7 | \$30.00 |
| 3X10 | \$30.00 | 5X10 | \$50.00 |
| 4X10 | \$40.00 | 10X10 | \$75.00 |
| Lost Key Fee | | | \$20.00 |
| Drilling/new lock fee is a passed-on charge from Locksmith. | | | |

The Portage County Bank Offers the Following Loan Products.

Consumer Loans:

Mortgage Loans:

Commercial Loans:

Agricultural Loans: