

# **PUBLIC DISCLOSURE**

February 20, 2024

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Community State Bank  
Certificate Number: 9536

1500 Main St  
Union Grove, Wisconsin 53182

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.

**The Lending Test is rated Satisfactory.**

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and the credit needs of its assessment areas (AAs).
- The bank originated a substantial majority of small business and home mortgage loans within the AAs.
- The geographic distribution of small business and home mortgage loans throughout the AAs is poor.
- The distribution of borrowers reflects reasonable penetration of loans among businesses of different sizes and individuals of different income levels.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

**The Community Development Test is rated Satisfactory.**

- The institution demonstrated adequate responsiveness to the community development needs of its AAs through community development loans, qualified investments and donations, and community development services. Examiners considered the institution's capacity and the need and availability of such opportunities for community development within the AAs.

## DESCRIPTION OF INSTITUTION

Community State Bank (CSB) is a full-service community bank headquartered in Union Grove, Wisconsin, and operates in the Racine, WI Metropolitan Statistical Area (MSA), Lake County-Kenosha County, IL-WI MSA, and the Wisconsin Non-MSA. Union Bancorporation, Inc., a one-bank holding company located in Union Grove, owns 100 percent of CSB. No merger or acquisition activities have occurred since the previous evaluation. The institution received a Satisfactory rating at its previous FDIC Performance Evaluation, dated April 12, 2021, based on Interagency Intermediate Small Institutions Examination Procedures.

CSB operates seven full-service locations in the southeastern part of the state. In addition to the main office located in Union Grove, it has the following six branches: Burlington, Mount Pleasant, and Waterford located in Racine County; Kenosha and Paddock Lake (Salem) located in Kenosha County; and Lake Geneva located in Walworth County. The bank moved the location of its

Waterford, WI branch on November 1, 2023. The relocation was one mile away and is in the same upper-income census tract, with no adverse impact on the community. There were no other office changes, openings, or closings. Of the seven locations, five are located in middle-income census tracts and two are located in upper-income census tracts as designated by the 2020 U.S. Census.

CSB continues to offer traditional lending products and deposit products. Management predominantly focuses on business and home mortgage lending opportunities within their market. CSB offers various loan products including commercial, home mortgage, consumer, and agricultural. Commercial loan products include term loans, lines of credit, real estate loans, construction loans, and small business loans. Offered loan products include special loan programs that target small businesses and low- and moderate-income (LMI) individuals. Examples of such loan programs include: the Small Business Administration (SBA) loans, including 7(a) and (504), Farm Service Agency (FSA) Guaranteed Loans, Residential VA Loans (correspondent only), and the Fannie Mae HomeReady program. Consumer loans include home mortgage, construction, vehicle loans, and other personal loans.

CSB provides a variety of deposit services including checking, savings, money market deposit accounts, certificates of deposit, and health savings accounts. Alternative banking services include online banking, mobile banking, electronic bill pay, mobile check deposit, online mortgage applications, and ten bank-owned ATMs, of which four accept deposits. There have been no changes to the bank's business strategy.

CSB's assets totaled \$598 million as of December 31, 2023. As of the same financial date, CSB had loans totaling \$357 million, securities totaling \$194 million, and deposits totaling \$573 million. Commercial and residential loans represent the largest concentrations of the bank's lending activity. The following table shows that loans secured by nonfarm, nonresidential properties and commercial and industrial loans make up 62.1 percent of total loans, while residential mortgage loans secured by 1-4 family residential properties make up 18.2 percent of total loans. This table does not reflect residential mortgage loans sold in the secondary market. The bank originated 148 loans for \$35.1 million in the last eight months of 2021, 92 loans for \$23.0 million in 2022, and 16 loans for \$3.3 million in 2023. The following table illustrates CSB's loan portfolio.

<b>Loan Portfolio Distribution as of 12/31/2023</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	37,319	10.4
Secured by Farmland	5,438	1.5
Secured by 1-4 Family Residential Properties	65,152	18.2
Secured by Multifamily (5 or more) Residential Properties	4,910	1.4
Secured by Nonfarm Nonresidential Properties	127,254	35.6
<b>Total Real Estate Loans</b>	<b>240,073</b>	<b>67.2</b>
Commercial and Industrial Loans	94,361	26.5
Agricultural Production and Other Loans to Farmers	13,133	3.7
Consumer Loans	1,798	0.5
Obligations of State and Political Subdivisions in the U.S.	7,303	2.0
Other Loans	494	0.1
<b>Total Loans</b>	<b>357,162</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income, Due to rounding, totals may not equal 100%.</i>		

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

## **DESCRIPTION OF ASSESSMENT AREAS**

The CRA requires each financial institution to define one or more AAs within which examiners evaluate its CRA performance. CSB has designated three AAs: the Racine County AA, the Kenosha County AA, and the Walworth County AA. The AA boundaries are unchanged since the previous evaluation; however income level designations for census tracts and other demographics have changed. Refer to the individual assessment areas for additional information. Sources of the data used throughout this report are as follows: Federal Financial Institutions Examination Council (FFIEC), 2015 American Community Survey (ACS), 2020 U.S. Census, D&B data, U.S. Bureau of Labor Statistics, Wisconsin Realtors Association, and Wisconsin Department of Workforce Development.

## **SCOPE OF EVALUATION**

### **General Information**

This evaluation covers the period from the prior evaluation dated April 12, 2021, to the current evaluation dated February 20, 2024. Examiners used the Interagency Intermediate Small Institutions Examination Procedures to evaluate CRA performance. These procedures include two tests: the CRA Small Bank Lending Test and the Community Development Test. The Appendix details the performance criteria related to these tests. Banks must achieve at least a Satisfactory rating under each test to obtain an overall Satisfactory rating.

All three AAs received a full-scope review. The Racine County AA was weighted more heavily in the conclusions and the overall rating because this AA includes the highest level of lending, deposits, community development activities, banking offices, and resources. Furthermore,

performance in the Walworth County AA carried the least weight as the bank has less of a market presences in the area, resulting in the least amount of overall activity. For the Lending Test criteria, examiners placed higher evaluation consideration on Borrower Profile performance in the AAs, as this is a better indicator of who the bank is serving.

This evaluation does not include any lending activity performed by affiliates, given that the bank does not have any affiliates that are involved in any lending activities.

### **Activities Reviewed**

CSB's CRA performance is based on a review of small business and home mortgage loans. These categories represent the most significant level of lending at the bank based on Call Report data and loan originations. No other loan types, such as small farm or consumer loans, represent a major product line, and therefore they were not included in this evaluation. Of the products reviewed, small business loans received slightly greater evaluation weight due to the bank's business strategy, Call Report data, and the related number and dollar volume of lending activity.

Examiners reviewed the full universe of small business loans originated during calendar years 2022 and 2023. The bank reported 309 small business loans totaling \$50.5 million in 2022, and 156 small business loans totaling \$23.9 million in 2023. Examiners used D&B business demographic data as a measure of comparison for small business loans.

Examiners reviewed the full universe of home mortgage loan originations and purchases recorded on the bank's 2021, 2022, and 2023 HMDA Loan Application Registers. The bank reported 377 home mortgage loans totaling \$82.7 million in 2021, 203 home mortgage loans totaling \$47.1 million in 2022, and 123 home mortgages totaling \$26.2 million in 2023. The volume of 2021 home mortgage loans was significantly higher given the lower interest rates, resulting in a higher demand for refinances. HMDA aggregate data, 2015 ACS data, and 2020 U.S. Census demographic data provided standards of comparison for the bank's home mortgage loans. Specifically, 2021 HMDA lending performance is analyzed using the 2015 ACS and 2010 Census boundary data. Data from 2022 and 2023 is compared to 2020 Census data.

All community development loans, qualified investments and donations, and community development services since the previous evaluation are included in this evaluation. Management did not present any activities after year-end 2023 for consideration, and therefore, year-to-date 2024 community development activity is not included in this evaluation. All outstanding qualified investments that were purchased prior to the previous evaluation are included at their current book values. Quantitative consideration is given to these activities based on the bank's financial capacity and impacts to the AAs, and qualitative consideration is given based on opportunity and how the activities meet the needs in the AAs.

## CONCLUSIONS ON PERFORMANCE CRITERIA

### LENDING TEST

CSB demonstrated Satisfactory performance under the Lending Test. Borrower Profile, Loan-to-Deposit Ratio, and AA Concentration performances primarily support this conclusion.

#### Loan-to-Deposit Ratio

CSB's loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and AA needs. The ratio, calculated from Call Report data, averaged 56.7 percent over the past 12 calendar quarters from March 31, 2021, to December 31, 2023.

The LTD ratio ranged from a high of 61.5 percent as of December 31, 2023, to a low of 52.9 percent as of September 30, 2022. The quarterly LTD ratio has been improving from fourth quarter 2022 through 2023. Notably, loans originated through the secondary market are not included in the bank's LTD ratio. Since May 1, 2021, CSB originated 256 secondary market loans totaling \$61.4 million. However, it is worth noting that such lending activity would enhance similarly situated institutions' (SSIs) ratios as well.

Although on the low end of the range of ratios of SSIs, CSB's LTD ratio is improving and is reasonably comparable to those of the SSIs as shown in the following table. Examiners selected the SSIs based on their asset size, banking structure, geographic location, and lending focus.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 12/31/2023 (\$000s)	Average Net LTD Ratio (%)
Community State Bank	598,086	56.7
Baraboo State Bank	501,818	56.4
Port Washington State Bank	972,018	61.9
Premier Bank	536,917	65.7
Citizens Bank	1,059,254	73.2
The Greenwood's State Bank	591,609	92.2
Source: Reports of Condition and Income 3/31/2021 through 12/31/2023		

#### Assessment Area Concentration

CSB originated a substantial majority of its small business and home mortgage loans, by number and dollar volume, within its AAs. See the following table.

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		
	#	%	#	%		\$	%	\$	%	
Small Business										
2022	284	91.9	25	8.1	309	46,881	92.8	3,660	7.2	50,541
2023	143	91.7	13	8.3	156	20,908	87.2	3,075	12.8	23,983
Subtotal	427	91.8	38	8.2	465	67,789	91.0	6,735	9.0	74,524
Home Mortgage										
2021	358	95.0	19	5.0	377	77,634	93.9	5,023	6.1	82,656
2022	187	92.1	16	7.9	203	43,781	93.0	3,298	7.0	47,080
2023	105	85.4	18	14.6	123	23,462	89.5	2,759	10.5	26,221
Subtotal	650	92.5	53	7.5	703	144,877	92.9	11,080	7.1	155,957
Source: Bank Data Due to rounding, totals may not equal 100.0%										

### **Geographic Distribution**

The geographic distribution of small business and home mortgage loans reflects poor dispersion throughout the AAs. The geographic distribution performance and conclusions were not consistent among the bank's AAs. Geographic distribution was poor for both products in the Racine County AA, which received the greatest weight. However, the small business geographic distribution performance was reasonable in Kenosha County. No geographic distribution analysis was warranted in the Walworth County AA due to the absence of LMI census tracts in that market.

### **Borrower Profile**

The distribution of loans to borrowers reflects, given the demographics of the AAs, reasonable penetration among businesses of different sizes and individuals of different income levels. Borrower profile performance was not consistent among all of the bank's AAs. Performance is consistent throughout the Racine County and Kenosha County AAs, with performance in Racine County carrying the greatest weight. Performance in the Walworth County AA was poor; however, this AA contributes the least weight in arriving at overall conclusions, and therefore did not negatively impact the overall rating.

### **Response to Complaints**

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

## **COMMUNITY DEVELOPMENT TEST**

CSB demonstrated adequate responsiveness to the community development needs of its AAs through community development loans, qualified investments, and community development

services. Examiners considered the institution’s capacity and the need and availability of such opportunities.

### **Community Development Loans**

CSB originated or renewed 32 community development loans totaling \$20.1 million in the AAs, and one community development loan totaling \$100,000 in the broader statewide regional area (BSRA) during the evaluation period. This level of activity represents 3.4 percent of average total assets and 6.2 percent of average net loans in the 12 quarters since the prior evaluation.

By number, the current level of community development loans exceeds the 12 community development loans at the prior evaluation (not including SBA Paycheck Protection Program (PPP) loans, discussed later in this evaluation). However, at the prior evaluation, community development loan dollars totaled \$27.2 million, which represented 6.5 percent of average total assets and 10.4 percent of average net loans at that time. While the dollar amount and percentages relative to average total assets and average net loans have decreased at the current evaluation, the increase in the number of loans reflects the bank’s responsiveness to the needs of their AAs.

CSB’s community development lending performance is on the lower end of SSIs’ performance, but is close to or within range. These banks had community development loans ranging from 3.5 percent to 11.4 percent of average total assets, and 6.2 percent to 18.5 percent of average net loans.

The below tables summarize CSB’s community development loans by purpose, AA, and year. The bank did not provide any activity after December 31, 2023, for consideration.

<b>Community Development Lending by Assessment Area</b>										
<b>Assessment Area</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Revitalize or Stabilize</b>		<b>Totals</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
Racine County	3	952	1	150	9	8,476	0	0	13	9,578
Kenosha County	4	393	2	700	9	4,320	0	0	15	5,413
Walworth County	2	646	0	0	2	4,491	0	0	4	5,137
BSRA Activities	0	0	0	0	1	100	0	0	1	100
<b>Total</b>	<b>9</b>	<b>1,991</b>	<b>3</b>	<b>850</b>	<b>21</b>	<b>17,387</b>	<b>0</b>	<b>0</b>	<b>33</b>	<b>20,228</b>
<i>Source: Bank Data</i>										

<b>Community Development Lending by Year</b>										
<b>Activity Year</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Revitalize or Stabilize</b>		<b>Totals</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
2021 (Partial)	1	900	0	0	9	7,145	0	0	10	8,045
2022	5	989	2	350	6	2,316	0	0	13	3,655
2023	3	102	1	500	6	7,926	0	0	10	8,528
<b>Total</b>	<b>9</b>	<b>1,991</b>	<b>3</b>	<b>850</b>	<b>21</b>	<b>17,387</b>	<b>0</b>	<b>0</b>	<b>33</b>	<b>20,228</b>
<i>Source: Bank Data</i>										

Notable examples of community development loans include the following.

- Across all AAs and the BSRA, the CSB's lending supported 127 jobs for LMI individuals through the SBA 504, 7A, and Express loan programs.

### **Qualified Investments**

CSB made 40 qualified investments and donations totaling \$581,001 during the review period. The majority of the dollars is comprised of two investments totaling \$552,110. One of these investments, totaling \$250,000, was made outside of the AAs, but it benefitted the BSRA. The second qualifying investment, totaling \$302,110, was a prior period investment that remains on the bank's books. A significant majority of the qualified investments and donations is comprised of 38 donations totaling \$28,891, which benefitted 25 local non-profit organizations having primary purposes of affordable housing, community services, or economic development.

The dollar amount of CSB's qualified investments equates to 0.1 percent of average total assets, 3.0 percent of average equity capital, and 0.3 percent of average total securities since the prior evaluation. This level represents a decline from the 55 qualified investments and donations totaling \$2.3 million at the previous evaluation, which equaled 0.6 percent of average total assets, 6.3 percent of average equity capital, and 2.3 percent of average total securities at that time. Much of the reduction in qualifying investments is due to prior period investments that have since matured, and CSB has not sought out new qualifying activities.

While investments have been directed to the primary needs of the AAs, CSB's qualified investment activity as a whole demonstrates a low level of responsiveness. CSB's qualified investment and donation activity level is below that of SSIs. CSB's performance significantly trails three SSIs that were assessed as having adequate responsiveness, with investment activity ranging from 1.0 percent to 1.4 percent of average total assets, 9.3 percent to 21.1 percent of average equity capital, and 3.3 percent to 6.1 percent of average total securities. CSB's performance is consistent with one SSI who also demonstrated a low level of responsiveness to the community development needs within its AAs.

The following tables illustrate the CSB's qualified investments by AA, year, and purpose. The bank did not provide any activity after December 31, 2023, for consideration.

<b>Community Development Qualified Investments by Assessment Area</b>										
<b>Assessment Area</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Revitalize or Stabilize</b>		<b>Totals</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
Racine County	0	0	11	311	4	3	0	0	15	314
Kenosha County	1	<1	6	2	6	4	0	0	13	6
Walworth County	1	2	7	8	3	1	0	0	11	11
BSRA Activities	0	0	1	250	0	0	0	0	1	250
<b>Total</b>	<b>2</b>	<b>2</b>	<b>25</b>	<b>571</b>	<b>13</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>581</b>
<i>Source: Bank Data</i>										

Comminute Development Qualified Investments by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	1	302	0	0	0	0	1	302
2021	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	1	250	0	0	0	0	1	250
<b>Subtotal</b>	0	0	2	552	0	0	0	0	2	552
Qualified Grants & Donations	2	2	23	19	13	8	0	0	38	29
<b>Total</b>	2	2	25	571	13	8	0	0	40	581
<i>Source: Bank Data</i>										

Notable examples of community development investments include the following.

- CSB made one deposit of \$250,000 into a certified Community Development Financial Institution headquartered in the BSRA.

### **Community Development Services**

During the evaluation period, bank employees provided 49 instances of financial expertise or technical assistance in the AAs. This is equivalent to the 49 instances of qualified community development services at the previous evaluation. CSB employees did not complete any community development services in 2020 and partially into 2021 due to limitations caused by the COVID-19 pandemic. Bank employees dedicated hours totaling 1,185 in 2021, 907 in 2022, and 618 in 2023, reflecting a high level of total hours devoted to engaging in community development services.

CSB's community development service performance is in line with the performance of SSIs in Wisconsin that received Satisfactory ratings for their Community Development Test. Specifically, four SSIs completed between 33 and 80 community development services during their respective evaluation periods.

The following tables illustrate CSB's community development services by AA, year, and purpose. The bank did not provide any activity after December 31, 2023, for consideration.

Community Development Services by Rated Area					
Rated Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Racine County	1	17	12	0	30
Kenosha County	0	9	3	0	12
Walworth County	3	1	2	0	6
Regional Activities	0	0	1	0	1
<b>Total</b>	4	27	18	0	49
<i>Source: Bank Data</i>					

Community Development Services by Year					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2021 (Partial)	1	10	4	0	15
2022	1	9	6	0	16
2023	2	8	8	0	18
<b>Total</b>	4	27	18	0	49
<i>Source: Bank Data</i>					

Notable examples of community development services include the following.

- Bank employees serve on loan committees of organizations that provide financial and technical support to small businesses throughout Racine County and the BSRA.

## **DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

### **RACINE COUNTY ASSESSMENT AREA – Full-Scope Review**

#### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE RACINE COUNTY ASSESSMENT AREA**

The Racine County AA includes all census tracts in Racine County. Sources of the data used in this section are as follows: FFIEC, 2015 ACS, 2020 U.S. Census, D&B data, U.S. Bureau of Labor Statistics, Wisconsin Realtors Association, and Wisconsin Department of Workforce Development.

#### **Economic and Demographic Data**

Evaluation of the 2021 lending data uses the 2015 ACS for comparisons. Under the 2015 ACS, the census tracts in this AA reflected the following income designations:

- 3 low-income
- 9 moderate-income
- 21 middle-income
- 9 upper-income
- 3 not available

Evaluation of lending data during and after 2022 uses the 2020 U.S. Census for comparisons. The census tracts in this AA reflect the following income designations as of this Census data:

- 4 low-income
- 9 moderate-income
- 16 middle-income
- 16 upper-income

- 2 not available

All LMI census tracts are located in the easternmost part of the county. The bank's four offices in this AA are located in two middle-income census tracts and two upper-income census tracts. CSB's closest branch location is just west of the cluster of LMI census tracts, ranging from one to seven air miles from any particular LMI census tract. The following table illustrates select demographic characteristics of this AA based on the 2020 U.S. Census.

Demographic Information of the Assessment Area						
Racine County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	47	8.5	19.1	34.0	34.0	4.3
Population by Geography	197,727	9.1	17.9	36.9	35.7	0.5
Housing Units by Geography	82,977	10.2	18.2	37.1	34.4	0.0
Owner-Occupied Units by Geography	52,896	4.2	15.0	38.1	42.7	0.0
Occupied Rental Units by Geography	24,752	20.7	24.4	35.6	19.3	0.0
Vacant Units by Geography	5,329	21.3	21.0	34.6	22.9	0.2
Businesses by Geography	12,643	10.8	15.8	36.2	37.0	0.1
Farms by Geography	507	3.2	6.3	31.0	59.6	0.0
Family Distribution by Income Level	51,478	21.0	18.3	20.1	40.5	0.0
Household Distribution by Income Level	77,648	24.0	16.0	18.2	41.7	0.0
Median Family Income MSA - 39540 Racine, WI MSA		\$77,503	Median Housing Value			\$182,995
			Median Gross Rent			\$886
			Families Below Poverty Level			8.6%
Source: 2020 U.S. Census and 2022 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.						

There are 82,977 housing units in the Racine County AA, with 63.8 percent owner-occupied, 29.8 percent occupied rental, and 6.4 percent vacant. Type of housing is 84.0 percent 1-4 family, 14.9 percent multifamily (five or more units), and 1.1 percent mobile homes. This data provides insight into the potential credit needs and opportunities for various types of residential lending.

Examiners rely on the FFIEC-estimated median family income (MFI) levels to analyze the home mortgage loans under the Borrower Profile criterion. The FFIEC bases its annual estimates on the most recent U.S. Census or ACS data, and factors in inflation and other economic variables to arrive at a MFI that more closely reflects current economic conditions. The following table presents the low-, moderate-, middle-, and upper-income levels for this AA.

Median Family Income Ranges				
Racine County				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$77,200)	<\$38,600	\$38,600 to <\$61,760	\$61,760 to <\$92,640	≥\$92,640
2022 (\$89,500)	<\$44,750	\$44,750 to <\$71,600	\$71,600 to <\$107,400	≥\$107,400
2023 (\$89,500)	<\$44,750	\$44,750 to <\$71,600	\$71,600 to <\$107,400	≥\$107,400
<i>Source: FFIEC</i>				

The Wisconsin Realtors Association provides information on the number of home sales and median sales price by county. The following information provides insight into the availability of housing, the market's potential credit needs, as well as the potential affordability of the housing to LMI individuals. As the following table illustrates, the median home prices increased each year since the prior evaluation.

Racine County Housing Sales and Median Prices		
Year	Total Sales	Median Home Price YTD (\$)
2021	3,538	213,000
2022	2,957	230,000
2023	2,289	240,000
<i>Source: Wisconsin Realtors Association</i>		

Unemployment rates within this AA, as reflected in the following table, have decreased during the evaluation period. The unemployment rates in the AA were above the state level and slightly below the national level.

Unemployment Rates (Annual)			
Racine County			
Area	2021	2022	2023
	%	%	%
Racine County	4.7	3.5	3.4
Statewide	3.8	2.9	2.9
Nationwide	5.3	3.6	3.7
<i>Source: Bureau of Labor Statistics</i>			

The largest employment sectors in the Racine County AA are services (33.6 percent), non-classifiable establishments (21.8 percent), and retail trade (11.0 percent). Top employers within the AA include Ascension All Saints Hospital, Johnson Family Enterprises, Insinkerator, and Racine County Courthouse.

Of the AA businesses, 62.2 percent have four or fewer employees, while 92.2 percent have fewer than 10 employees. This data further demonstrates that a large percentage of AA businesses are smaller businesses.

### **Competition**

The Racine County AA is moderately competitive in the market for financial services. According to the FDIC Deposit Market Share data, as of June 2023, 13 FDIC-insured financial institutions operated 39 full-service branches within the Racine County AA. Of these institutions, CSB ranked third with a 10.1 percent deposit market share.

CSB is not required to collect or report small business data, and it has elected not to do so. Therefore, the analysis of these loan types under the Lending Test does not include direct comparisons to aggregate data. However, the aggregate data provides insight into the level of demand and competition for business lending. The most recent aggregate data available for small business lending is from 2022, which shows 87 lenders reported 3,434 small business loans in Racine County. It should be noted that many institutions are not required to report lending data, therefore, competition for these loan types is greater than the aggregate small business data suggests.

The Racine County AA is moderately competitive in the market for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. In 2022, 311 lenders reported a total of 6,935 HMDA-reportable loans in the Racine County AA. CSB ranked 15th by number, reporting a market share of 1.5 percent.

### **Community Contacts**

As part of the evaluation process, examiners contact third parties active in the AA to assist in identifying credit needs. This information helps determine whether local financial institutions are responsive to these needs.

Examiners conducted one community contact interview with a non-profit organization in Racine County, who is familiar with the economics and demographics of the area. According to the contact, there is a large stock of homes and foreclosed-upon housing, but they are difficult to access for LMI individuals. The contact is seeing foreclosed homes from 15 to 20 years ago still sit vacant. Many of the homes available to LMI individuals have middle- and upper-income individuals outbidding them. Additionally, the contact noted that they are not seeing any growth with small businesses in the area. They note that shops have closed in uptown Racine over the last couple of years. Both with small businesses and housing, they are seeing limited partnerships with financial institutions in the area and there can be more work done to redevelop the area. Overall, the contact stated that there is much work to do in Racine County for both housing and small businesses.

### **Credit and Community Development Needs and Opportunities**

Considering information from bank management, demographic and economic data, and the community contact, examiners determined that there are credit and community development needs

for small businesses and affordable housing in this AA. The substantial percentage of businesses with gross annual revenues (GARs) of \$1 million or less, and the large number of businesses with four or fewer employees support the need for small business lending. The available home inventory, their condition, and median housing values in comparison to the LMI income levels, support the need for more affordable housing. There are available opportunities for community development loans, investments, and services, as well as for revitalization, in Racine County.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE RACINE COUNTY ASSESSMENT AREA**

### **LENDING TEST**

CSB demonstrated reasonable performance under the Lending Test. Borrower Profile performance primarily supports this conclusion.

### **Geographic Distribution**

The geographic distribution of loans reflects poor dispersion throughout the Racine County AA. The conclusion is supported primarily by the bank's poor penetration of small business loans and home mortgage loans within this AA's LMI census tracts.

### ***Small Business Loans***

The geographic distribution of small business loans reflects poor dispersion throughout this AA. CSB's performance significantly trails the percentage of small businesses in the low-income census tracts by 10.3 percentage points in 2022. Furthermore, there were no small business loan originations in low-income census tracts in 2023. For moderate-income census tracts, CSB's 2022 performance also significantly trails the demographics by 13.3 percentage points. Similar performance is noted for 2023, in which small business loans originated in moderate-income census tracts trailed the provided demographic by 13.1 percentage points.

The most recent aggregate data available is from 2022, in which aggregate reporting institutions originated 8.9 percent of their small business loans in the low-income census tracts, and 13.7 percent in the moderate-income census tracts. Although the bank is not a CRA small business data reporter, this helps provide insight to the level of demand, availability, and competition for small business loans in these census tracts. For 2022, CSB significantly trails both aggregate and demographic data in both LMI census tracts.

The bank faces competitive challenges as CSB does not have a physical location in the Racine County AA LMI census tracts. However, not all aggregate reporters have branches within the LMI census tracts, either. There are 8 competing financial institutions that operate 9 office locations within the LMI tracts, and an additional 11 branches no more than one air mile outside of the LMI census tracts. Nonetheless, the bank maintains a well-established branch approximately one mile from one of the moderate-income tracts and there remains a significant disparity in the bank's performance compared to demographics and D&B reported data. Furthermore, CSB's performance within the LMI census tracts declined significantly since the last evaluation, at which time performance was reasonable.

The above information, efforts made by management, and economic factors do not outweigh the poor dispersion of small business loans in the LMI census tracts. The following table provides additional details.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Racine County</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low					
2022	10.8	1	0.5	100	0.3
2023	10.8	0	0.0	0	0.0
Moderate					
2022	15.8	5	2.5	1,847	5.8
2023	15.5	2	2.4	240	2.4
Middle					
2022	36.2	67	33.7	10,962	34.5
2023	36.3	18	22.0	3,447	34.3
Upper					
2022	37.0	126	63.3	18,906	59.4
2023	37.3	62	75.6	6,370	63.3
Not Available					
2022	0.1	0	0.0	0	0.0
2023	0.1	0	0.0	0	0.0
<b>Totals</b>					
<b>2022</b>	<b>100.0</b>	<b>199</b>	<b>100.0</b>	<b>31,815</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>82</b>	<b>100.0</b>	<b>10,057</b>	<b>100.0</b>
Source: 2022 & 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%					

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

The geographic distribution of home mortgage loans reflects poor dispersion throughout this AA. In 2021, CSB's lending in low-income census tracts trails aggregate performance and the percentage of owner-occupied housing units by 0.9 percentage points and 2.2 percentage points, respectively. CSB did not originate any home mortgage loans in this AA's low-income census tracts in 2022 and 2023. The low-income tracts range from four to seven air miles from CSB's nearest branch.

As there is lower demand for home mortgage loans in the low-income census tracts, CSB's performance in moderate-income census tracts carries greater weight in the analysis. In 2021 and 2022, CSB's lending within moderate-income census tracts substantially trails aggregate and the demographic data. Furthermore, CSB did not originate a single home mortgage loan in a moderate-

income census tract in 2023. Considering lending in both LMI census tracts, performance is at, or below, prior evaluation performance levels, at which time CSB demonstrated poor performance.

Examiners considered the aforementioned competitive challenges, as noted for the small business analysis. In addition, examiners conducted additional analyses by removing institutions with substantial market share from the aggregate data to see if that would make any analytical differences. In doing so, the aggregate performance declined by approximately 0.1 percentage point in any given year in each tract category. Therefore, the market leaders do not tangibly skew the aggregate performance.

Considering the bank's performance level within the LMI census tracts, demographics, aggregate performance, competition, office locations, and decline in performance since the prior evaluation, the bank's geographic distribution of home mortgage loans throughout this AA is poor. The following table provides additional details.

<b>Geographic Distribution of Home Mortgage Loans</b>						
<b>Racine County</b>						
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low						
2021	2.7	1.4	1	0.5	38	0.1
2022	4.2	4.0	0	0.0	0	0.0
2023	4.2	-	0	0.0	0	0.0
Moderate						
2021	16.1	14.0	3	1.4	486	1.1
2022	15.0	16.9	5	4.9	638	2.8
2023	15.0	-	0	0.0	0	0
Middle						
2021	57.4	59.4	122	58.4	24,550	55.3
2022	38.1	38.3	37	36.3	8,266	36.8
2023	38.1	-	16	29.1	3,631	29.3
Upper						
2021	23.6	24.9	83	39.7	19,347	43.6
2022	42.7	40.8	60	58.8	13,569	60.4
2023	42.7	-	39	70.9	8,744	70.7
Not Available						
2021	0.2	0.3	0	0.0	0	0.0
2022	0.0	0.0	0	0.0	0	0.0
2023	0.0	-	0	0.0	0	0.0
<b>Totals</b>						
<b>2021</b>	<b>100.0</b>	<b>100.0</b>	<b>209</b>	<b>100.0</b>	<b>44,421</b>	<b>100.0</b>
<b>2022</b>	<b>100.0</b>	<b>100.0</b>	<b>102</b>	<b>100.0</b>	<b>22,474</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>-</b>	<b>55</b>	<b>100.0</b>	<b>12,375</b>	<b>100.0</b>
Source: 2015 ACS; 2020 U.S. Census; Bank Data, 2021 and 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

## **Borrower Profile**

The distribution of loans to borrowers reflects reasonable penetration among individuals of different income levels, and businesses of different sizes. The reasonable performances for both the small business and home mortgage loans supports this conclusion.

### ***Small Business Loans***

The distribution of small business loans reflects reasonable penetration of loans to businesses with GARs of \$1 million or less. The bank's loans to businesses with GARs of \$1 million or less trailed the percentage of businesses by 25.2 percentage points in 2022 but improved to trail only by 14.2 percentage points in 2023. The demographic data provides insight as to the total number of businesses in the area. However, not all businesses could qualify for, or are seeking, traditional small business financing. Also, although not a direct comparator, aggregate data for 2022 shows that only 51.6 percent of aggregate reporting institutions' loans were originated to businesses with GARs of \$1 million or less. CSB's performance exceeds the aggregate performance. Given the AA demographics, credit needs and opportunities, and competition, the bank's distribution of small business loans reflects reasonable penetration among businesses of different sizes.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Racine County</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>&lt;=\$1,000,000</b>					
2022	86.5	122	61.3	17,219	54.1
2023	88.6	61	74.4	7,399	73.6
<b>&gt;\$1,000,000</b>					
2022	4.7	67	33.7	13,865	43.6
2023	3.6	19	23.2	2,358	23.4
<b>Revenue Not Available</b>					
2022	8.8	10	5.0	731	2.3
2023	7.8	2	2.4	300	3.0
<b>Totals</b>					
<b>2022</b>	<b>100.0</b>	<b>199</b>	<b>100.0</b>	<b>31,815</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>82</b>	<b>100.0</b>	<b>10,057</b>	<b>100.0</b>
<i>Source: 2022 &amp; 2023 D&amp;B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

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

The distribution of home mortgage loans to individuals of different income levels, including LMI borrowers, is reasonable. Examiners focused on the comparison to the aggregate performance as shown in the following table.

In 2021, the bank's originations to low-income borrowers is slightly below, but in line with, the aggregate performance level. CSB's performance trailed the aggregate level by only 1.9 percentage

points in 2021. The bank originated a similar level of loans to low-income borrowers in 2022. However, the 2022 performance is further below the aggregate performance level, by 4.1 percentage points. This is still considered reasonably in line with the aggregate lending performance in 2022. The bank did not make any loans to low-income borrowers in 2023. There is no available aggregate data for 2023, but this year's performance to low-income borrowers is substantially below the presented demographics.

Further analyses shows that the bank's level of lending to low-income borrowers trails the presented demographics for all years. However, the 2020 U.S. Census data shows a poverty level of 8.6 percent. Families in poverty are generally focused on meeting their basic needs and not typically able to support a traditional home mortgage loan. Therefore, the opportunity for lending to low-income families is more limited than the demographic suggests. A low-income family in the AA, with incomes as noted in the MFI table previously presented, would face challenges in qualifying for a mortgage under conventional underwriting standards, especially considering the very high, and increasing, median housing sales prices (also as detailed previously). Although the demand for affordable housing is strong, availability of affordable housing stock is limited for low-income borrowers.

The bank's performance to moderate-income borrowers shows a significant improvement throughout the review period. Weaker performance in 2021 is mitigated by improved performance in 2022 and 2023. Although both years' performance levels trail the respective aggregate levels, they are considered reasonably in line with aggregate. Additionally, the improved performance from 2021 to 2022 reflects the bank's lending levels very much in line with the presented demographics. Furthermore, aggregate data is not available for 2023, but the bank's lending to moderate-income borrowers is in line with the presented demographics for this year as well.

Considering the overall analyses, with the factors noted above, including aggregate performance levels, competition, credit demand, available housing stock and costs, CSB's distribution to borrowers of various income levels, including LMI borrowers, is reasonable. See the following table for details.

Distribution of Home Mortgage Loans by Borrower Income Level						
Racine County						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	20.0	6.7	10	4.8	1,020	2.3
2022	21.0	9.0	5	4.9	536	2.4
2023	21.0	-	0	0.0	0	0.0
Moderate						
2021	17.8	19.2	20	9.6	3,071	6.9
2022	18.3	24.2	18	17.6	2,958	13.2
2023	18.3	-	9	16.4	1,004	8.1
Middle						
2021	21.9	23.6	45	21.5	9,642	21.7
2022	20.1	22.9	17	16.7	2,568	11.4
2023	20.1	-	8	14.5	1,297	10.4
Upper						
2021	40.3	36.9	96	45.9	23,279	52.4
2022	40.5	32.2	48	47.1	12,519	55.7
2023	40.5	-	32	58.2	8,578	69.3
Not Available						
2021	0.0	13.6	38	18.2	7,408	16.7
2022	0.0	11.8	14	13.7	3,893	17.3
2023	0.0	-	6	10.9	1,502	12.1
Totals						
2021	100.0	100.0	209	100.0	44,421	100.0
2022	100.0	100.0	102	100.0	22,474	100.0
2023	100.0	-	55	100.0	12,376	100.0
Source: 2020 U.S. Census; Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

## COMMUNITY DEVELOPMENT TEST

CSB demonstrates adequate responsiveness to the community development needs of the Racine County AA through community development loans, qualified investments, and community development services.

### Community Development Loans

CSB originated 13 community development loans totaling \$9.6 million since the prior evaluation. This is a substantial decrease from the 494 community development loans totaling \$66.6 million at

the previous evaluation. The decrease is attributed to the fact that SBA PPP loans, which accounted for a substantial volume of the prior evaluation period's community development lending, are no longer available for origination. The prior evaluation's community development loans included 485 SBA PPP loans totaling \$40.3 million. Adjusting for the SBA PPP loans reflects an increase in the number of community development loans within this AA, while the dollar volume has decreased. The increased number of community development loans in this AA reflects CSB's responsiveness towards smaller but meaningful projects in this AA. An example of the bank's community development lending in this AA is a loan to a homeless shelter benefitting minors throughout Racine County.

### **Qualified Investments**

CSB maintained one prior period investment totaling \$302,110 that benefits this AA, and made 14 qualified donations totaling \$12,003. The total investment activity of \$314,113 is a decrease from the previous evaluation, which included \$873,850 of qualified investments in the AA. The decrease in qualified investments between evaluations for this AA is attributed to prior period investments maturing, with no new investments made. One notable example is a 2022 donation totaling \$2,100 to a non-profit organization that provides childcare and services for special needs children for predominantly LMI families.

### **Community Development Services**

CSB's staff provided 30 community development services in the Racine County AA during the evaluation period, which is the same as the prior evaluation. Of these services, 17 were primarily for community service purposes, 12 were primarily for economic development purposes, and one was for affordable housing purposes. One notable example is a bank employee serving on a loan committee for an organization specializing in financing for small businesses in Racine County.

## **KENOSHA COUNTY ASSESSMENT AREA – Full-Scope Review**

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN KENOSHA COUNTY ASSESSMENT AREA**

This AA includes all census tracts in Kenosha County. Sources of the data used in this section are as follows: FFIEC, 2015 ACS, 2020 U.S. Census, D&B data, U.S. Bureau of Labor Statistics, Wisconsin Realtors Association, and Wisconsin Department of Workforce Development.

### **Economic and Demographic Data**

Census tract designations have changed during the evaluation period. Under the 2015 ACS, which is used for analysis of the 2021 HMDA lending data, the census tracts in the AA reflected the following income designations:

- 6 low-income
- 14 moderate-income
- 15 middle-income

- 1 not available

Evaluation of lending data during and after 2022 uses the 2020 U.S. Census for comparisons. Based on this data, the census tracts in the AA reflect the following income designations:

- 7 low-income
- 12 moderate-income
- 21 middle-income
- 1 upper-income
- 2 not available

All LMI census tracts are located in the easternmost part of the county. The Kenosha branch is located one air mile from the cluster of LMI census tracts in the eastern portion of the AA. The Paddock Lake Office is located in the southwestern part of the county in a moderate-income census tract. The following table illustrates select demographic characteristics of the AA based on the 2020 U.S. Census.

Demographic Information of the Assessment Area						
Kenosha County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	43	16.3	27.9	48.8	2.3	4.7
Population by Geography	169,151	16.1	26.2	52.8	3.4	1.6
Housing Units by Geography	70,755	15.3	25.9	53.4	3.2	2.2
Owner-Occupied Units by Geography	42,915	9.9	25.2	59.2	4.7	1.0
Occupied Rental Units by Geography	21,680	24.7	30.0	40.7	0.5	4.0
Vacant Units by Geography	6,160	19.9	16.6	56.9	2.0	4.6
Businesses by Geography	10,211	12.0	23.9	56.9	2.7	4.5
Farms by Geography	370	8.4	13.5	73.5	4.1	0.5
Family Distribution by Income Level	42,020	29.0	22.3	22.5	26.2	0.0
Household Distribution by Income Level	64,595	32.2	19.3	19.9	28.7	0.0
Median Family Income MSA - 29404 Lake County-Kenosha County, IL-WI		\$105,876	Median Housing Value			\$192,814
			Median Gross Rent			\$964
			Families Below Poverty Level			8.1%
Source: 2020 U.S. Census and 2022 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.						

There are 70,755 housing units in the AA, with 60.7 percent owner-occupied, 30.6 percent occupied rental, and 8.7 percent vacant. Type of housing is 79.8 percent 1-4 family, 16.8 percent multifamily (five or more units), and 3.4 percent mobile homes. This data provides insight into the potential credit needs and opportunities for various types of residential lending.

Examiners rely on the FFIEC-estimated MFI levels to analyze the home mortgage loans under the Borrower Profile criterion. The following table presents the low-, moderate-, middle-, and upper-income levels for the AA.

Median Family Income Ranges				
Kenosha County				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$102,500)	<\$51,250	\$51,250 to <\$82,000	\$82,000 to <\$123,000	≥\$123,000
2022 (\$118,200)	<\$59,100	\$59,100 to <\$94,560	\$94,560 to <\$141,840	≥\$141,840
2023 (\$118,200)	<\$59,100	\$59,100 to <\$94,560	\$94,560 to <\$141,840	≥\$141,840
<i>Source: FFIEC</i>				

The Wisconsin Realtors Association provides information on the number of home sales and median sales price by county. This information provides insight into this AA's housing market availability and credit needs, as well as the potential affordability of housing to LMI borrowers. As the following table illustrates, the median home prices increased each year since the prior evaluation.

Kenosha County Housing Sales and Median Prices		
Year	Total Sales	Median Home Price YTD (\$)
2021	2,653	218,600
2022	2,132	235,000
2023	1,697	279,900
<i>Source: Wisconsin Realtors Association</i>		

Unemployment rates have decreased during the evaluation period. The unemployment rates in the AA were above the state level and below the national level. See the following table for specific unemployment rates.

Unemployment Rates (Annual)			
Kenosha County			
Area	2021	2022	2023
	%	%	%
Kenosha County	4.4	3.3	3.3
Statewide	3.8	2.9	2.9
Nationwide	5.3	3.6	3.7
<i>Source: Bureau of Labor Statistics</i>			

The largest employment sectors in the AA are services (32.6 percent), non-classifiable establishments (22.7 percent), and retail trade (12.1 percent). Top employers within the AA include

Amazon Fulfillment Center, United Hospital System Inc., Snap-On Inc., and Aurora Medical Center.

As noted by the D&B data, of the AA businesses, 61.1 percent have four or fewer employees, while 92.0 percent have fewer than 10 employees. This data further demonstrates that a large percentage of AA businesses are smaller businesses.

### **Competition**

The Kenosha County AA is moderately competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 2023, 11 FDIC-insured financial institutions operated 35 full-service branches within the Kenosha County AA. Of these institutions, CSB ranked ninth with a 2.7 percent deposit market share.

As stated previously, CSB small business performance is not directly compared to aggregate data, as the bank is not required to report data. The 2022 aggregate data available for small business lending, which provides insight into demand, shows 76 lenders reported 3,066 small business loans in Kenosha County. It should be noted that many institutions are not required to report lending data, therefore, competition for these loan types is greater than the aggregate small business data would suggest.

The Kenosha County AA is moderately competitive in the market for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. In 2022, 282 lenders reported a total of 5,065 HMDA-reportable loans in the Kenosha County AA. CSB ranked 31st reporting a market share of 0.9 percent.

### **Community Contacts**

Examiners conducted two community contact interviews to discuss economic development in the area. One contact was made with an economic development group that serves Kenosha County and one contact was made with the City of Kenosha. Both are familiar with the economics and demographics of the area.

The first contact stated that there is sufficient access to economic development, but the limited construction and rehabilitation efforts are hurting small business owners. The contact noted that the Kenosha downtown district has been seeing growth in recent years, but with the economic conditions as of late, financial institutions have become more cautious and strict with lending. The contact stated that there is much demand for small businesses. The contact also stated that affordable housing for the area is a large concern. The contact estimated that costs for new houses are around approximately \$400,000 in the county, which is not sustainable for LMI people under their current wages. Overall, the housing market has been hard for all individuals, but especially for LMI individuals, given the lack of affordable housing inventory.

The second contact stated that there is a lot of economic growth happening in the area. Large corporations like U-Haul and Amazon continue to hire many employees. The contact stated that the city hasn't been able to build enough housing to keep up with demand since the early 2000s. There

is a demand for small businesses, but it is hard to start a small business with the interest rates and the economic conditions. The contact stated that with more help from financial institutions, more people would be able to start up small businesses.

The contacts further mentioned that opportunities exist for financial institutions such as:

- Implementing home-buying assistance programs for LMI individuals;
- Providing financial literacy classes to help with home-buying; and,
- Offering more funds for start-up businesses.

### **Credit and Community Development Needs and Opportunities**

Considering information from bank management, demographic and economic data, and the community contact information, examiners determined that there are credit and community development needs for affordable housing, and for small businesses in the AA, including financing for start-up businesses. The substantial percentage of businesses with GARs of \$1 million or less, and the large number of businesses with four or fewer employees support the need for small business lending. Additionally, the median housing values in comparison to the incomes of LMI individuals, and the lack of affordable housing stock, support the need for more affordable housing.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE KENOSHA COUNTY ASSESSMENT AREA**

### **LENDING TEST**

CSB demonstrated reasonable performance under the Lending Test. Geographic Distribution and Borrower Profile performance primarily support this conclusion.

#### **Geographic Distribution**

The geographic distribution of loans reflects reasonable dispersion throughout this AA. The conclusion is supported primarily by the bank's reasonable performance of small business loans in LMI census tracts.

#### ***Small Business Loans***

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. This conclusion is supported by reasonable performance in the LMI census tracts.

The below table shows that CSB's lending in low-income census tracts trails the presented demographic by 10.0 percentage points in 2022, and by 8.9 percentage points in 2023. The most recent 2022 aggregate data shows that 9.9 percent of aggregate institutions' loans were originated in low-income census tracts within this AA. Although the bank is not a CRA small business data reporter, the aggregate data helps provide an idea of the level of demand, availability, and competition for these loans in the LMI census tracts. Still, the bank's performance is much weaker than aggregate banks.

Similarly, the bank's lending in moderate-income census tracts trails the presented demographic by 12.1 percentage points in 2022, and by 8.7 percentage points in 2023. The most recent 2022 aggregate data shows that reporting financial institutions have 9.3 percent of their originations in this AA's moderate-income census tracts. While not a direct comparator, the data provides insight into small business lending demand in the area. Aggregate banks show a similar disparity of lending to the demographic data, and CSB's lending to small businesses in the moderate-income tracts is slightly above the aggregate level.

The bank faces competitive challenges as CSB does not have an office location in any Kenosha County AA LMI census tracts. There are 9 competing financial institutions that operate 13 office locations within the LMI tracts. However, CSB maintains a branch approximately one mile from one of the moderate-income tracts. CSB did not open this branch until mid-year 2020, and lending has increased from 2022 to 2023 as it gains market share in its area.

Small business lending in moderate-income census tracts has declined since the previous evaluation. However, the Paddock Lake branch was adjacent to a moderate-income tract during the previous evaluation, which is now designated as a middle-income tract for the current evaluation. Despite lending in the same census tract, this changed income designation influenced the reduction in the bank's overall loans within moderate-income census tracts, given its close proximity to the Paddock Lake branch. Loans previously counted toward lending percentages in moderate-income census tracts, are now not counted as such.

When considering the age of the limited age of the Kenosha branch and time to gain market share, along with competition, relative distances from LMI census tracts, and recent changes to a census tract designations, examiners conclude that the geographic distribution of the bank's small business loans is reasonable.

Geographic Distribution of Small Business Loans					
Kenosha County					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2022	12.0	1	2.0	200	2.2
2023	11.8	1	2.9	8	0.1
Moderate					
2022	23.9	6	11.8	706	7.9
2023	23.4	5	14.7	1,862	28.8
Middle					
2022	56.9	44	86.3	8,043	89.9
2023	57.2	27	79.4	4,282	66.2
Upper					
2022	2.7	0	0.0	0	0.0
2023	2.9	0	0.0	0	0.0
Not Available					
2022	4.5	0	0.0	0	0.0
2023	4.6	1	2.9	315	4.9
Totals					
2022	100.0	51	100.0	8,949	100.0
2023	100.0	34	100.0	6,467	100.0
Source: 2022 & 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%					

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

The geographic distribution of home mortgage loans reflects poor dispersion throughout the AA. This conclusion is supported by poor performance in the LMI census tracts.

In 2021 and 2022, CSB's home mortgage lending within the low-income census tracts of this AA trails aggregate and demographic data. For 2023, aggregate data is not available. However, CSB's performance in low-income census tracts declined further in this year, and trails the presented demographic. For moderate-income census tracts, CSB's performance during 2021 and 2022 is significantly below the presented demographics, as well as significantly below aggregate performance levels, by 23.0 percent and 21.5 percent, respectively. For 2023, the bank's lending within moderate-income census tracts is also well below demographic data for this year. The number and related percentage of loans in moderate-income census tracts has also significantly declined since the previous evaluation, at which time CSB made 20.4 percent of loans in 2019 and 11.4 percent of loans in 2020.

Examiners considered the aforementioned competition, age of the newest branch, recent changes to census tract designations, economic factors, and other institutions operating in the area surrounding

the LMI census tracts. However, these factors do not outweigh the overall decline in performance and significant disparities relative to the percentage of owner-occupied housing units and aggregate performance levels, particularly for moderate-income areas. Refer to the below table.

Geographic Distribution of Home Mortgage Loans						
Kenosha County						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	8.0	7.0	5	5.4	808	4.1
2022	9.9	10.1	3	7.0	581	6.1
2023	9.9	-	1	4.2	125	2.9
Moderate						
2021	36.5	34.8	11	11.8	2,706	13.8
2022	25.2	26.2	2	4.7	716	7.5
2023	25.2	-	2	8.3	566	13.0
Middle						
2021	55.5	58.1	77	82.8	16,066	82.1
2022	59.2	59.1	38	88.4	8,219	86.4
2023	59.2	-	21	87.5	3,674	84.2
Upper						
2021	0.0	0.0	0	0.0	0	0.0
2022	4.7	3.9	0	0.0	0	0.0
2023	4.7	-	0	0.0	0	0.0
Not Available						
2021	0.0	0.0	0	0.0	0	0.0
2022	1.0	0.7	0	0.0	0	0.0
2023	1.0	-	0	0.0	0	0.0
Totals						
2021	100.0	100.0	93	100.0	19,580	100.0
2022	100.0	100.0	43	100.0	9,516	100.0
2023	100.0	-	24	100.0	4,365	100.0
Source: 2015 ACS; 2020 U.S. Census; Bank Data, 2021 and 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

### **Borrower Profile**

The distribution of loans to borrowers reflects reasonable penetration among individuals of different income levels, and businesses of different sizes. The reasonable penetration for small business and home mortgage home loans supports this conclusion.

### ***Small Business Loans***

The distribution of small business loans reflects reasonable penetration of loans to businesses with GARs of \$1 million or less. The analysis shows that the bank's loans to businesses with GARs of \$1 million or less trailed the percentages of businesses by 31.0 percentage points in 2022 and by 29.0 percentage points in 2023. The demographic data provides insight as to the number of businesses in the area, but not all businesses could qualify for or are seeking traditional small business financing. Furthermore, although not a direct comparator, aggregate data for 2022 shows that only 55.6 percent of loans originated by reporting financial institutions were originated to businesses with GARs of \$1 million or less. Given the AA demographics, credit needs and opportunities, and competition, the bank's distribution of small business loans reflects reasonable penetration among businesses of different sizes. Refer to the below table.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Kenosha County</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>&lt;=\$1,000,000</b>					
2022	85.9	28	54.9	3,014	33.7
2023	87.8	20	58.8	3,811	58.9
<b>&gt;\$1,000,000</b>					
2022	4.2	20	39.2	5,083	56.8
2023	3.3	12	35.3	2,569	39.7
<b>Revenue Not Available</b>					
2022	10.0	3	5.9	852	9.5
2023	8.9	2	5.9	87	1.3
<b>Totals</b>					
<b>2022</b>	<b>100.0</b>	<b>51</b>	<b>100.0</b>	<b>8,949</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>34</b>	<b>100.0</b>	<b>6,467</b>	<b>100.0</b>
<i>Source: 2022 &amp; 2023 D&amp;B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

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

The distribution of home mortgage loans to individuals of different income levels, including LMI borrowers, is reasonable. Examiners focused on the comparison to aggregate performance levels.

For 2021, CSB's performance in lending to low-income borrowers is right in line with aggregate performance levels. The number and percentage of loans to low-income borrowers dropped in 2022, and is below the aggregate level and demographics. In 2023, aggregate data is not available. However, the bank's lending to low-income borrowers increased to above 2021 levels (by percentage of loans). Even though the 2023 loans to low-income borrowers is below the presented demographic, when factoring in the poverty level of 8.1 percent (based on 2020 U.S. Census), the bank's performance at 16.7 percent is more in line with the adjusted demographic of 20.9 percent. It is expected that families in poverty are generally focused on meeting their basic needs and not typically able to support a traditional home mortgage loan.

CSB's lending to moderate-income borrowers in 2021 and 2022 are slightly above aggregate performance levels, and above the presented demographics. For 2023, aggregate data is not available, but the bank's lending performance for this year slightly below, but in line with, the presented demographics.

Overall, considering CSB's lending performances to both categories of LMI borrowers, and considering the above factors, including comparisons to aggregate performance, the bank's distribution of loans to borrowers of various income levels is reasonable. See the below table for details.

Distribution of Home Mortgage Loans by Borrower Income Level						
Kenosha County						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	29.6	15.7	14	15.1	1,883	9.6
2022	29.0	20.8	3	7.0	443	4.7
2023	29.0	-	4	16.7		
Moderate						
2021	21.6	24.7	27	29.0	4,341	22.2
2022	22.3	26.8	12	27.9	2,149	22.6
2023	22.3	--	5	20.8	735	16.8
Middle						
2021	22.3	22.7	18	19.4	3,585	18.3
2022	22.5	21.2	13	30.2	3,001	31.5
2023	22.5	--	6	25.0	1,237	28.3
Upper						
2021	47.9	51.2	34	60.7	9,257	67.9
2022	26.2	19.1	10	23.3	2,260	23.7
2023	26.2	--	7	29.2	1,453	33.3
Not Available						
2021	0.0	13.1	6	6.5	1,778	9.1
2022	0.0	12.1	5	11.6	1,664	17.5
2023	0.0	--	2	8.3	501	11.5
Totals						
2021	100.0	100.0	93	100.0	19,580	100.0
2022	100.0	100.0	43	100.0	9,516	100.0
2023	100.0	--	24	100.0	4,365	100.0
Source: 2020 U.S. Census; Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

## **COMMUNITY DEVELOPMENT TEST**

CSB demonstrates adequate responsiveness to the community development needs of the Kenosha County AA through community development loans, qualified investments, and community development services.

### **Community Development Loans**

During this evaluation period, CSB originated 15 community development loans totaling \$5.4 million in the Kenosha County AA. This level of loans has significantly decreased from the 95 community development loans totaling \$10.5 million at the previous evaluation. However, the decrease is attributed to the fact that the prior evaluation performance included the SBA PPP loans under the temporary PPP loan program, which is no longer offered. The prior evaluation community development loans included a substantial level of SBA PPP loans, totaling 94 at \$10.4 million. Excluding SBA PPP loans, the number of community development loans in the Kenosha County AA has increased. Examples of community development lending include CSB originating or renewing six loans for a total of 12 units in Kenosha County that support affordable housing for LMI families.

### **Qualified Investments**

CSB made 13 qualified donations totaling \$6,360 in the Kenosha County AA. While the total dollar amount of investments decreased by \$5,640, the total number of investments has increased since the previous evaluation, by six. One notable example of qualified investments is a total of \$3,910 in donations throughout the evaluation period to a non-profit organization that provides job training to LMI individuals and assists them in finding long-term employment.

### **Community Development Services**

CSB's bank staff provided 12 community development services in the Kenosha County AA during the evaluation period. This is comparable to the 11 community development services noted at the prior evaluation. Nine of the services performed during the current evaluation period had a primary purpose of community service, while three had a primary purpose of economic development. One notable example is a bank employee serving as a mentor and providing financial education for LMI students in 2021.

## **WALWORTH COUNTY ASSESSMENT AREA – Full-Scope Review**

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN WALWORTH COUNTY ASSESSMENT AREA**

The Walworth County AA includes all census tracts within the County. Sources of the data used in this section are as follows: FFIEC, 2015 ACS, 2020 U.S. Census, D&B data, U.S. Bureau of Labor Statistics, Wisconsin Realtors Association, and Wisconsin Department of Workforce Development.

## **Economic and Demographic Data**

Evaluation of the 2021 lending data uses the 2015 ACS for comparisons. Under the 2015 ACS, the census tracts in the AA reflected the following income designations:

- 13 middle-income
- 8 upper-income
- 1 not available

Evaluation of lending data during and after 2022 uses the 2020 U.S. Census for comparisons. The census tracts in this AA based on 2020 Census data reflect the following income designations:

- 15 middle-income
- 14 upper-income

There are no LMI census tracts in Walworth County as designated by the 2015 ACS or 2020 U.S. Census. The following table illustrates additional select demographic characteristics of the AA based on the 2020 U.S. Census.

Demographic Information of the Assessment Area						
Walworth County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	29	0.0	0.0	51.7	48.3	0.0
Population by Geography	106,478	0.0	0.0	56.1	43.9	0.0
Housing Units by Geography	52,595	0.0	0.0	48.0	52.0	0.0
Owner-Occupied Units by Geography	28,454	0.0	0.0	48.0	52.0	0.0
Occupied Rental Units by Geography	12,960	0.0	0.0	72.1	27.9	0.0
Vacant Units by Geography	11,181	0.0	0.0	20.2	79.8	0.0
Businesses by Geography	8,454	0.0	0.0	54.3	45.7	0.0
Farms by Geography	517	0.0	0.0	47.0	53.0	0.0
Family Distribution by Income Level	27,034	13.0	16.1	23.0	47.9	0.0
Household Distribution by Income Level	41,414	18.9	14.7	18.2	48.2	0.0
Median Family Income Non-MSAs – WI		\$71,740	Median Housing Value			\$227,352
			Median Gross Rent			\$927
			Families Below Poverty Level			4.4%
Source: 2020 U.S. Census and 2022 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.						

There are 52,595 housing units in the AA, with 54.1 percent owner-occupied, 24.6 percent occupied rental, and 21.3 percent vacant. Type of housing is 83.4 percent 1-4 family, 14.1 percent multifamily (five or more units), and 2.6 percent mobile homes. This data provides insight into the potential credit needs and opportunities for various types of residential lending.

Examiners rely on the FFIEC-estimated MFI levels to analyze the home mortgage loans under the Borrower Profile criterion. The following table presents the low-, moderate-, middle-, and upper-income levels for the AA.

Median Family Income Ranges				
Walworth County				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$69,600)	<\$34,800	\$34,800 to <\$55,680	\$55,680 to <\$83,520	≥\$83,520
2022 (\$81,500)	<\$40,750	\$40,750 to <\$65,200	\$65,200 to <\$97,800	≥\$97,800
2023 (\$81,500)	<\$40,750	\$40,750 to <\$65,200	\$65,200 to <\$97,800	≥\$97,800
<i>Source: FFIEC</i>				

The Wisconsin Realtors Association provides information on the number of home sales and median sales price by county. This information provides insight into the housing market availability as well as the potential affordability of housing to LMI borrowers. As the following table illustrates, the median home prices stayed constant from 2021 to 2022 and increased by 19.4 percent in 2023.

Walworth County Housing Sales and Median Prices		
Year	Total Sales	Median Home Price YTD (\$)
2021	2,085	310,000
2022	1,779	310,000
2023	1,448	370,000
<i>Source: Wisconsin Realtors Association</i>		

Unemployment rates have decreased during the evaluation period. The unemployment rates in this AA were comparable to the state level and consistently below the national levels. See the following table for specific unemployment rates.

Unemployment Rates (Annual)			
Walworth County			
Area	2021	2022	2023
	%	%	%
Walworth County	3.7	2.9	2.8
Statewide	3.8	2.9	2.9
Nationwide	5.3	3.6	3.7
<i>Source: Bureau of Labor Statistics</i>			

The largest employment sectors in the AA are services (30.0 percent), non-classifiable establishments (23.4 percent), and retail trade (12.7 percent). Top employers within the AA include

University of Wisconsin-Whitewater, Pentair Flow Technologies, and Birds Eye Foods Distribution.

According to D&B data, of the AA businesses, 61.3 percent have four or fewer employees, while 92.3 percent have fewer than 10 employees. This data further demonstrates that a large percentage of AA businesses are smaller businesses.

### **Competition**

The Walworth County AA is moderately competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 2023, 14 FDIC-insured financial institutions operated 32 full-service branches within the Walworth County AA. Of these institutions, CSB ranked 11<sup>th</sup> with a 1.9 percent deposit market share.

Aggregate data provides insight into the level of demand for, competition for, and availability of such loans. The 2022 small business aggregate data shows that 64 lenders reported 2,496 small business loans in Walworth County. It should be noted that, like CSB, many institutions are not required to report lending data, and therefore, competition for these loan types is greater than the aggregate small business data suggests.

The Walworth County AA is moderately competitive in the market for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. In 2022, 305 lenders reported a total of 3,704 HMDA-reportable loans in the Walworth County AA. CSB ranked 42<sup>nd</sup> with a market share of 1.1 percent.

### **Credit and Community Development Needs and Opportunities**

Considering information from bank management and demographic and economic data, examiners determined that there are credit and community development needs for affordable housing and small businesses in the AA, including financing for start-up businesses. The median housing values in comparison to the incomes of LMI individuals support the need for more affordable housing. Additionally, the substantial percentage of businesses with GARs of \$1 million or less, and the large number of businesses with four or fewer employees support the need for small business lending. The aggregate data noted above reflect a demand and opportunity for such loans as well.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE WALWORTH COUNTY ASSESSMENT AREA**

### **LENDING TEST**

CSB demonstrated reasonable performance under the Lending Test. Borrower Profile performance primarily supports this conclusion.

## **Geographic Distribution**

The Walworth County AA does not include any LMI geographies, and a review of the geographic distribution criterion would not result in meaningful conclusions. Therefore, this criterion was not evaluated.

## **Borrower Profile**

The distribution of loans to borrowers reflects reasonable penetration among individuals of different income levels, and businesses of different sizes. The reasonable penetration to small businesses primarily supports this conclusion.

### ***Small Business Loans***

The distribution of small business loans reflects reasonable penetration of loans to businesses with GARs of \$1 million or less. The following table shows that the bank's loans to businesses with GARs of \$1 million or less are slightly below, but in line with, the presented demographic for both years. The demographic data provides insight as to number of small businesses in the area. However, not all businesses could qualify for, or are seeking, traditional small business financing. Given the AA demographics, credit needs and opportunities, and competition, the bank's distribution of loans to small business reflects reasonable penetration among businesses of different sizes.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Walworth County</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>&lt;=\$1,000,000</b>					
2022	86.9	25	73.5	4,450	72.7
2023	88.9	21	77.8	3,119	71.1
<b>&gt;\$1,000,000</b>					
2022	4.9	7	20.6	1,583	25.9
2023	3.8	5	18.5	1,165	26.6
<b>Revenue Not Available</b>					
2022	8.2	2	5.9	84	1.4
2023	7.3	1	3.7	100	2.3
<b>Totals</b>					
<b>2022</b>	<b>100.0</b>	<b>34</b>	<b>100.0</b>	<b>6,117</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>27</b>	<b>100.0</b>	<b>4,384</b>	<b>100.0</b>
<i>Source: 2022 &amp; 2023 D&amp;B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

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

The distribution of home mortgage loans to individuals of different income levels, including LMI borrowers, is poor. Examiners focused on the comparison to the percentage of LMI families as shown in the below table.

In 2021, CSB's lending to low-income borrowers is slightly below the aggregate performance. However, the bank did not make any loans to low-income borrowers within this AA in 2022 or 2023, reflecting performance below the aggregate level in 2022 and significantly below the presented demographic in 2023.

Notably, a low-income family in the AA with an income of \$34,800 or below in 2021 and \$40,750 or below in 2022 and 2023, would face challenges in qualifying for a mortgage under conventional underwriting standards, especially considering the median housing sales price in both 2021 and 2022 of \$310,000, and \$370,000 in 2023. Also, as noted previously, the opportunity for lending to low-income families are relatively limited given limited availability of affordable housing stock. Further, the 2020 U.S. Census data shows a poverty level for this AA of 4.4 percent. Families in poverty are generally focused on meeting their basic needs and not typically able to support a traditional home mortgage loan. Therefore, the opportunity for lending to low-income families is more limited than the presented low-income demographics suggest. However, these challenges are also faced by aggregate lenders, who have made loans to low-income borrowers within this AA at levels above CSB's performances.

In 2021, the bank's performance in lending to moderate-income borrowers is below the aggregate level by 5.2 percentage points. In 2022, CSB's level of lending to moderate-income borrowers decreases and is significantly below aggregate levels by 13.4 percentage points. Aggregate data is not available for 2023, but the bank's performance is significantly below the presented demographic for this year by 12.3 percentage points.

Considering the aggregate data, demographics, credit needs and opportunities, CSB's distribution of loans to borrowers of various income levels, particularly to LMI borrowers, is poor. Refer to the following table.

Distribution of Home Mortgage Loans by Borrower Income Level						
Walworth County						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	15.8	3.3	1	1.8	135	1.0
2022	13.0	4.9	0	0.0	0	0.0
2023	13.0	--	0	0.0	0	0.0
Moderate						
2021	16.9	12.3	4	7.1	665	4.9
2022	16.1	15.8	1	2.4	148	1.3
2023	16.1	--	1	3.8	52	0.8
Middle						
2021	19.4	20.2	13	23.2	2,488	18.2
2022	23.0	21.7	13	31.0	2,672	22.7
2023	23.0	--	8	30.8	1,956	29.1
Upper						
2021	47.9	51.2	34	60.7	9,257	67.9
2022	47.9	46.9	20	47.6	7,483	63.5
2023	47.9	--	15	57.7	4,087	60.8
Not Available						
2021	0.0	13.1	4	7.1	1,088	8.0
2022	0.0	10.7	8	19.0	1,489	12.6
2023	0.0	--	2	7.7	628	9.3
Totals						
2021	100.0	100.0	56	100.0	13,633	100.0
2022	100.0	100.0	42	100.0	11,792	100.0
2023	100.0	--	26	100.0	6,722	100.0
Source: 2020 U.S. Census; Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

## COMMUNITY DEVELOPMENT TEST

CSB demonstrates adequate responsiveness to the community development needs of the Walworth County AA through community development loans, qualified investments, and community development services, considering its resources and presence in this market.

### **Community Development Loans**

CSB originated four community development loans in this AA totaling \$5.1 million. This is a significant decrease from the prior evaluation, at which time the bank originated 81 community development loans totaling \$13.3 million. Consistent with the other AAs, the decrease is attributed to the temporary SBA PPP loan program, which is no longer available. The prior evaluation community development loans total included 74 SBA PPP loans totaling \$12.3 million in this AA. Adjusting for the SBA PPP lending activity results in a decrease in number of community development loans, but an increase by dollar volume, for the current evaluation period. An example of community development lending includes a loan to an assisted living facility in which occupancy targets LMI residents, thereby supporting affordable housing.

### **Qualified Investments**

CSB made 11 qualified donations totaling \$10,528 in the Walworth County AA. This total of qualified investments in Walworth County is lower than the 17 investments totaling \$383,000 at the prior evaluation. This reduction is primarily attributed to prior period investments maturing, with no new investments made. One notable example is CSB's donation of \$1,500 in 2021 to a food bank.

### **Community Development Services**

CSB's bank staff provided six community development services in the Walworth County AA during the evaluation period, which is similar to the eight community development services noted at the prior evaluation. Three services performed during the current evaluation period had a primary purpose of affordable housing, two with the primary purpose of economic development, and one with the primary purpose of community services. One notable example is a bank employee serving on the Board of an affordable housing organization, dedicating 907 hours between 2021 and 2022 to the organization.

## **APPENDICES**

### **INTERMEDIATE 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 geographic distribution of the bank's loans;
- 4) 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; 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).

#### **Community Development Test**

The Community Development Test considers the following criteria:

- The number and amount of community development loans;
- The number and amount of qualified investments;
- The extent to which the bank provides community development services; and
- The bank's responsiveness through such activities to community development lending, investment, and service needs.

## 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.

**American Community Survey (ACS):** A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

**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.

**Community Development:** For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

**Community Development Corporation (CDC):** A CDC allows banks and holding companies to make equity type of investments in community development projects. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

**Community Development Financial Institutions (CDFIs):** CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

**Community Development Loan:** A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose institution:
  - (i) Has not been reported or collected by the institution or an affiliate for consideration in the institution's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
  - (ii) Benefits the institution's assessment area(s) or a broader statewide or regional area including the institution's assessment area(s).

**Community Development Service:** A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the institution's retail banking services under § 345.24(d).

**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.

**Distressed Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

**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.

**Low Income Housing Tax Credit:** The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

**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.

**Qualified Investment:** A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**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 Investment Company (SBIC):** SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

**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.

**Underserved Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

**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.



Public Comments:

Written comments received relating to our performance in meeting  
community credit needs:

Q1 2024 - none

2023 – none

2022 – none

2021 - none



## Banking Hours & Locations

### Burlington

308 Bridge St., Burlington, WI 53105  
Phone: (262) 767-9000 | [ATM Location](#)

#### Lobby Hours

Monday - Friday 9:00am – 5:00pm  
Saturday Drive-Thru Only

#### Drive-Thru

Monday - Friday 9:00am – 5:00pm  
Saturday 9:00am – 12:00pm

### Paddock Lake

25360 75th St., Salem, WI 53168  
Phone: (262) 843-9400 | [ATM Location](#)

#### Lobby Hours

Monday - Friday 9:00am – 5:00pm  
Saturday Drive-Thru Only

#### Drive-Thru Hours

Monday - Friday 9:00am – 5:00pm  
Saturday 9:00am – 12:00pm

### Kenosha

8304 75th St., Kenosha, WI 53142  
Phone: (262) 864-2350 | [SMART ATM Location](#)

#### Lobby Hours

Monday - Friday 9:00am – 5:00pm  
Saturday Closed

#### Drive-Thru

Monday - Friday 9:00am – 5:00pm  
Saturday Closed

### Union Grove

1500 Main St., Union Grove, WI 53182  
Phone: (262) 878-3763 | [SMART ATM Location](#)

#### Lobby Hours

Monday - Friday 9:00am – 5:00pm  
Saturday Drive-Thru Only

#### Drive-Thru Hours

Monday - Friday 9:00am – 5:00pm  
Saturday 9:00am – 12:00pm

### Lake Geneva

200 Interchange North, Lake Geneva, WI 53147  
Phone: (262) 812-8038 | [ATM Location](#)

#### Lobby Hours

Monday - Friday 9:00am – 5:00pm  
Saturday Drive-Thru Only

#### Drive-Thru

Monday - Friday 9:00am – 5:00pm  
Saturday Closed

### Waterford

500 East Main Street, Suite 100, Waterford, WI 53185  
Phone: (262) 514-2200 | [SMART ATM Location](#)

#### Lobby Hours

Monday - Friday 9:00am – 5:00pm  
Saturday Drive-Thru Only

#### Drive-Thru Hours

Monday - Friday 9:00am – 5:00pm  
Saturday 9:00am – 12:00pm

### Mt. Pleasant

8930 Washington Ave., Mt. Pleasant, WI 53406  
Phone: (262) 886-2200 | [SMART ATM Location](#)

#### Lobby Hours

Monday - Friday 9:00am – 5:00pm  
Saturday Drive-Thru Only

#### Drive-Thru

Monday - Friday 9:00am – 5:00pm  
Saturday 9:00am – 12:00pm

### ATM Only Locations

Rochester ([SMART ATM](#)) 201 West Main St., Rochester  
Union Grove (Piggly Wiggly) 4400 67<sup>th</sup> Drive, Union Grove

#### Additional Contact Information

Dial Direct – Telephone Banking: (888) 958-1988

Visit us online: [CSB.bank](#)



**Community State Bank Branch Locations**

<b>Location</b>	<b>Census Tract</b>	<b>Income Level</b>
Main Office 1500 Main Street Union Grove, WI 53182	18.01	Middle
Mt Pleasant Branch 8930 Washington Avenue Racine, WI 53406	17.03	Upper
Paddock Lake Branch 25360 75 <sup>th</sup> St Salem, WI 53168	29.05	Middle
Waterford Branch 500 E Main St Waterford, WI 53185	27.01	Upper
Burlington Branch 308 Bridge Street Burlington, WI 53105	24.02	Middle
Lake Geneva 200 Interchange North Lake Geneva, WI 53147	15.02	Middle
Kenosha Branch 8304 75 <sup>th</sup> Street Kenosha, WI 53142	26.01	Middle

## **Branch Openings/Closings**

There were no branch openings or closing in 2021 and 2022.

Waterford branch located at 810 Fox Lane, Waterford, WI 53185 was closed on 10/31/2023.

Waterford branch located at 500 E Main St, Waterford, WI 53185 was opened on  
11/01/2023.

No other branch openings/closings occurred in 2023.

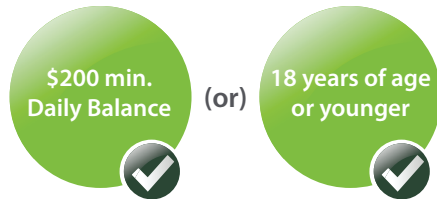


## CSB SIMPLE SAVING OPTIONS

# SIMPLE Savings

Whether you are saving for a new bike, for college or your vacation cottage on the lake, CSB has a savings option that's right for you.

**No Monthly Fee<sup>1</sup> with one (1) of the following...**



### Benefits

- Earn interest on your deposits<sup>2</sup>
- Free CSB Simple Banking App w/Mobile Deposit
- Free Online Banking
- Free Dial Direct - 24 Hr. Bank by Phone access
- Free eStatement

ACCOUNT DETAILS	
Minimum Balance to Open	No minimum balance to open
Requirements	<ul style="list-style-type: none"><li>• Minimum daily balance of \$200.00 (or)</li><li>• Individuals age 18 or younger</li></ul>
Account Rule(s)	<ul style="list-style-type: none"><li>• 4 debits allowed per month</li></ul>
Account Fees (with qualifying requirements)	<ul style="list-style-type: none"><li>• \$1.00 for each debit in excess of 4 per month</li></ul>
Account Fees (without qualifying requirements)	<ul style="list-style-type: none"><li>• \$3.00 per month maintenance fee</li><li>• \$1.00 for each debit in excess of 4 per month</li><li>• No interest earned (per day)</li></ul>
eStatement	FREE <sup>3</sup>
<p><sup>1</sup>You must meet one of the two requirements listed above to qualify for no Monthly Maintenance Fee. If you do not meet one of the two requirements above a \$3.00 Monthly Maintenance Fee will be charged to your account. <sup>2</sup>If the minimum daily balance is not met, the account earns no interest. <sup>3</sup>If you do not wish to receive your statement electronically, you will be charged a monthly \$5.00 Paper Statement Fee.</p>	

# SIMPLE Money Market

**No Monthly Fee<sup>1</sup> with the following...**



### Benefits

- Earn interest on your deposits<sup>2</sup>
- Free CSB Simple Banking App w/Mobile Deposit
- Free Online Banking
- Free Dial Direct - 24 Hr. Bank by Phone access
- Free eStatement

ACCOUNT DETAILS	
Minimum Balance to Open	\$2500.00
Interest Tiers	\$0.00 - \$2500.00
(current rates available upon request)	\$2500.00 - \$10,000.00
(current rates available upon request)	\$10,000.01 - \$25,000.00
(current rates available upon request)	\$25,000.01 - \$50,000.00
(current rates available upon request)	\$50,000.01 - \$100,000.00
(current rates available upon request)	\$100,000.01 and above
Account Fees (with qualifying requirements)	<ul style="list-style-type: none"><li>• Unlimited withdrawals through over-the-counter service</li></ul>
Account Fees (without qualifying requirements)	<ul style="list-style-type: none"><li>• \$15.00 per month maintenance fee</li><li>• No interest earned (per day)</li></ul>
eStatement	FREE <sup>3</sup>
<p><sup>1</sup>You must maintain a minimum daily balance of \$2500 to qualify for no Monthly Maintenance Fee. <sup>2</sup>If the minimum daily balance is not met, the account earns no interest. <sup>3</sup>If you do not wish to receive your statement electronically, you will be charged a monthly \$5.00 Paper Statement Fee.</p>	



NOTICE: Additional disclosures regarding funds availability, account balance requirements and current annual percentage yield for the accounts we offer are available by contacting a Universal Banker at any Community State Bank location. 8.11.2020



# Find a Checking Account that's **SIMPLE** to Use.

?

Do you keep a balance of  
or more and would  
like to earn interest on your  
deposits



## **SIMPLE** Checking with Interest

Earn a competitive rate of interest while enjoying the  
simple checking account with simple to use features.

No minimum to open.

Pays a competitive rate for balances of or more.

Only 7. per month if daily balance falls below .

FREE eStatements with check images.

OR ✓

?

Do you need a flexible account  
with no minimum balances and  
no monthly maintenance fees



## **SIMPLE** Checking

Simple to open simple to use.

No minimum balance.

No monthly maintenance fee.

No minimum to open

FREE eStatements with check images.

OR ✓

?

Are any of the account  
owners age years  
or better



## **SIMPLE** Harvest Club Checking

Simple Checking with lots of extras

Harvest Club membership includes discounts on travel  
a newsletter and exclusive member only events

FREE basic checks box per order per year.

FREE eStatements with check images.

Your new Checking Account includes these convenient products services

- FREE Online Banking
- FREE CSB Simple Banking Mobile App
- FREE Online Live Chat
- FREE Instant Issued Debit Card
- FREE Mobile Debit Card Management
- FREE 24/7 Bank by Phone
- FREE Transactions at CSB ATMs
- FREE Mobile Deposit
- Unlimited Bill Pay
- FREE 24/7 Banking at CSB Smart ATMs
- FREE Mobile Alerts
- Unlimited Check Writing

**But wait there's more.**



### Turn In Your Old Checks

Give us your unused checks from your old financial  
institution and we'll buy them back for .



### FREE Give A Gift

Choose your FREE gift or donate  
your FREE gift to a person in need .

**Ask about our Overdraft Protection.**



NOTICE For a detailed list of account features and service fees including funds availability account balance requirements and current annual percentage yield (APY) please contact a Universal Banker at any Community State Bank location. If you do not wish to receive your statement electronically you will be charged a monthly . Paper Statement Fee. Check Buy Back will be deposited into customer account and limited to one per household. Free gift limited to one per household.





## ADDITIONAL ACCOUNT & SERVICE FEES

### COIN & CURRENCY FEES

Coin Counting Fee (Customer)	FREE
Coin Counting Fee (Non-customer)	10% of coin value
Coin Roll Fee	\$.10 per roll
Cash Strap Fee	\$1.00 per strap

### DEPOSIT ACCOUNT SERVICE FEES

Early Account Closing Fee (within 90 days of opening)	\$20.00
Checking or Savings Account Re-opening Fee (within 30 days of closing)	\$5.00
Dormant Account Fee	\$5.00

### FOREIGN FEES

Foreign Currency Order Fee	\$20.00
Foreign Currency Collection Fee	\$20.00 + postage
Foreign Check Collection Fee	\$20.00 per item

### MISCELLANEOUS FEES

Telephone Transfer Fee	\$8.00
Tax Levy Processing Fee	\$50.00
Garnishment Processing Fee	\$50.00
BillPay Check Copy Fee	\$5.00 per check
Cashier's Check Copy Fee	\$5.00 per check
Duplicate Motor Vehicle Lien Release Fee	\$5.00
Domestic Fax	\$1.00 per page
International Fax	\$2.00 per page
Photocopies	\$0.25 per page
Image Statement Fee	\$5.00 per month
Check Cashing Fee (Non-Customer)	\$5 min - \$20 max
Online Banking Password Reset	\$5.00

### NIGHT DEPOSIT

Key Replacement Fee	\$10.00
Locked Bag	\$30.00
Zipper Bag	\$7.00

### PAYMENT PRODUCT FEES

Cashier's Check	\$5.00 per check
Counter Check	\$.50 per check

### RESEARCH & RECONCILIATION FEES

Research Fee (without statement copies)	\$30.00 per hour
Reconciliation / Checkbook Balancing	\$30.00 per hour
Statement Copy	\$5.00 per statement

### RETURNED ITEMS | OVERDRAFTS | STOP PAYMENT FEES

Returned Item Fee, Insufficient Funds*	\$38.00 per item
Continuous Negative Balance Fee (after 5 business days)	\$10.00 per day
Overdraft Protection Transfer Fee**	\$10.00
Overdraft Paid Fee	\$38.00 per item
Stop Payment Fee (Check or ACH)	\$30.00 per item
Returned Deposit Item Fee	\$15.00 per item

### CSB DEBIT CARD | ATM CARD FEES

Card Replacement Fee	\$5.00 per item
Rush Card Replacement Fee w/PIN	Call for quote
Transactions on Non-Network ATMs	FREE

### WIRE TRANSFER FEES

Incoming Domestic Wire Transfer Fee	\$20.00
Outgoing Domestic Wire Transfer Fee	\$25.00
Incoming International Wire Transfer Fee	\$40.00
Outgoing International Wire Transfer Fee	\$50.00

\*Return Item Fee, Insufficient Funds: If an item drafted by you (such as a check) or a transaction you set up (such as a preauthorized transfer) is presented for payment in an amount that is more than the amount of money in your account and we decide not to pay the item or transaction, you agree that we can charge you a Return Item Fee for returning the payment. Be aware that such an item or payment may be presented multiple times and that we do not monitor or control the number of times a transaction is presented for payment. You agree that we may charge you a Return Item Fee each time a payment is presented if the amount of money in your account is not sufficient to cover the payment, regardless of the number of times the payment is presented.

\*\* Overdraft Protection Transfer Fee: If the debited account does not have sufficient balance(s) to cover the overdraft, an additional Overdraft Paid Fee may be assessed.

NOTICE: Additional disclosures regarding funds availability, account balance requirements and current annual percentage yield for the accounts we offer are available by contacting a Universal Banker at any Community State Bank location. Effective 04.31.2024.



# FACTS

## WHAT DOES COMMUNITY STATE BANK OF UNION GROVE DO WITH YOUR PERSONAL INFORMATION?

### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Account balances and payment history
- Credit history and credit score

When you are *no longer* our customer, we continue to share your information as described in this notice.

### How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Community State Bank of Union Grove chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Community State Bank share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	No	We don't share.
<b>For joint marketing with other financial companies</b>	No	We don't share.
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	No	We don't share.
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	No	We don't share.
<b>For our affiliates to market to you</b>	No	We don't share.
<b>For nonaffiliates to market to you</b>	No	We don't share.

### Questions?

Call (262) 878-3763 or go to: [www.CSB.bank](http://www.CSB.bank)

## Who we are

### Who is providing this notice?

Community State Bank of Union Grove  
1500 Main Street, Union Grove, WI 53182

## What we do

### How does Community State Bank protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

### How does Community State Bank collect my personal information?

We collect your personal information, for example, when you

- Open an account or deposit money
- Pay your bills or apply for a loan
- Use your credit or debit card

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

### Why can't I limit all sharing?

Federal law gives you the right to limit only

- Sharing for affiliates' everyday business purposes—information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

## Definitions

### Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Community State Bank of Union Grove does not share with affiliates.*

### Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *Community State Bank of Union Grove does not share with non-affiliates so they can market to you.*

### Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Community State Bank of Union Grove doesn't jointly market.*

## Other important information



## POSITIVE PAY



### Help Protect Your Business From Fraud with **Positive Pay**

Positive Pay is a service from Community State Bank that helps protect your business from fraud, letting you easily detect counterfeit and fraudulent checks.

#### How does Positive Pay work?

With this service, you submit an electronic file detailing the checks your business issues. When each check is presented for payment, the Positive Pay system electronically compares it to the information in your file. Any discrepancies are flagged and reported through a special email alert and reviewable through CSB Business Online Banking.

This double verification method helps protect customers against some of the most common check fraud schemes. This process helps to ensure the customer's records match the actual checks before issuing final payment, giving businesses a chance to intercept a fraudulently written check before it impacts their account.

#### Security and Fraud Protection

The entire Community State Bank branch network is part of Positive Pay's protection. Any checks presented to the teller in a branch are compared to your company's issued check file.

#### Benefits

- Minimize the potential of fraudulent check activity
- Scans for paid checks that do not have a matching issue
- Scans for fields that do not match the issue file
- Scans for duplicate checks
- Customers will receive an e-mail alert of unauthorized transactions
- Customer can return unauthorized transaction
- Suspect items are available by 7:00 a.m. CST.
- Images of suspect items are available via CSB Business Online Banking.
- Issued check information is updated to branch network on a real-time basis.

#### Branch Network Protection

The entire Community State Bank branch network is part of Positive Pay's protection. Any checks presented at a CSB branch are compared to your company's issued check file.



**Positive Pay Users upload check issue files through CSB Business Online Banking.**



**CSB compares issued check information to presented items.**



**In the event an exception is presented, the Positive Pay customer is notified via email.**



**Users can approve or deny payments by logging into CSB Business Online Banking.**

#### A Team to Help Your Business Grow

The Community State Bank Cash Management Team has solutions to help you run your business more efficiently, more profitably and with more management control. When it comes to informative reporting, collections of receivables, disbursements, and the incorporation of banking technology, CSB's Cash Management Team can help you get ahead of the competition and concentrate on what you do best; running and growing your business. ([cm@csb.bank](mailto:cm@csb.bank))



**CSB.bank**



\*NOTICE: For a complete list of product details and fees, please contact the CSB Cash Management Team (262) 878-3763. rev. 11/18/2020

# MUNICIPAL DEPOSIT ACCOUNTS

CUSTOMIZED BANKING SERVICE



## SERVING THE COMMUNITIES WE LIVE IN...

As a community leader we understand how important the relationships we build with our customers are. We understand that our success is dependent on the success of our communities. Our personal, customized approach to financial solutions has made an impact in every community we serve.

We currently cater to 30 local municipalities and we understand each one is unique. Every CSB customer has different needs; and every customer has different goals. Our job is to make sure we understand those objectives, and present our customers with the most appropriate options to help them succeed.

### eBUSINESS BANKING

eBusiness Banking from Community State Bank allows businesses to access their accounts online. Whether you need to quickly transfer funds, access account information, initiate a wire transfer, issue a stop payment, or streamline your payroll process, eBusiness Banking is the answer. Our goal is to make your banking simple and efficient.

### BILLPAY+BUSINESS

Billpay+Business eliminates the hassle and frustration of writing checks and allows you to pay your bills with just a click of a button. BillPay+Business gives you the freedom to customize when and how you pay your bills. It saves you money, and most importantly, time.

### ADDITIONAL BENEFITS

Community State Bank currently waives all Wire Transfer and Stop Payment fees for our municipal partners. We understand that your focus and ours are the same, serving our community.



## CHOOSING A LOCAL COMMUNITY BANK

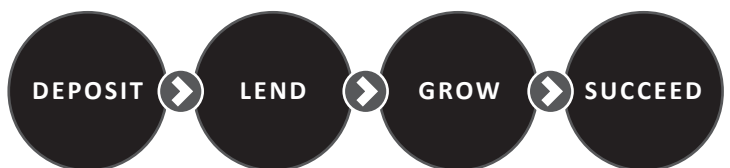
Deposits made at Community State Bank are used for local business and farm loans, maintaining lines of credit, financing home construction and funding many other activities that create jobs and contribute to the prosperity of the surrounding community.

### MUNICIPAL CHECKING

<b>Minimum Balance to Open</b>	\$100.00
<b>Requirements</b>	<ul style="list-style-type: none"><li>NONE</li></ul>
<b>Benefits</b>	<ul style="list-style-type: none"><li>eBusiness Banking available</li><li>BillPay+Business available</li><li>Cash Management Options available</li><li>Visa Business Check Card available</li><li>Free 24/7 access to over 600 ATMs (ATM Access Network)</li><li>Free Dial Direct - 24 hr. Bank by Phone access</li></ul>

### MUNICIPAL MONEY MARKET ACCOUNT

<b>Minimum Balance to Open</b>	\$5,000.00
<b>Requirements</b>	<ul style="list-style-type: none"><li>Minimum daily balance of \$5,000.00 (or)</li><li>Minimum average monthly balance of \$7,500.00</li></ul>
<b>Account Details</b>	<ul style="list-style-type: none"><li>6 pre-authorized transfers allowed per month (<i>Federal Regulations limit this account to 6 pre-authorized, phone or internet transfers per month.</i>)</li><li>Minimum withdrawal amount of \$100.00</li><li>Interest rates are based on the following balances:<ol style="list-style-type: none"><li>Balances less than \$24,999 = .10% APY</li><li>\$25,000 - \$49,999.99 = .15% APY</li><li>\$50,000 &amp; Above = .25% APY</li></ol></li></ul>
<b>Account Fees</b> (with qualifying requirements)	<ul style="list-style-type: none"><li>\$5.00 for each pre-authorized transfer in excess of 6 per month</li><li>Unlimited withdrawals through over-the-counter service</li></ul>
<b>Account Fees</b> (without qualifying requirements)	<ul style="list-style-type: none"><li>\$15.00 per month maintenance fee</li><li>\$5.00 for each pre-authorized transfer in excess of 6 per month</li><li>No interest earned (per day)</li></ul>



NOTICE: Additional disclosures regarding funds availability, account balance requirements and current annual percentage yield for the accounts we offer are available by contacting a Customer Service Representative at any Community State Bank location.06.02.15

# MUNICIPAL ACCOUNT & SERVICE FEES

## ONLINE SERVICE FEES

Online Banking / Account Access	FREE
Online Banking Password Reset	FREE
Electronic E-Statements	FREE

## BILLPAY+BUSINESS FEES

Application Setup Fee	\$15.95 (one-time fee)
Transaction Fee (up to 10 transactions per month)	NO CHARGE
Transaction Fee (in excess of 10 per month)	\$0.75 per transaction
Inactivity Fee (60 consecutive days)	\$5.95 per month

## WIRE TRANSFER FEES

Incoming Domestic Wire Transfer Fee	\$20.00
Outgoing Domestic Wire Transfer Fee	\$25.00

\*\*\*At this time, Community State Bank does not charge municipalities this fee.

## ACCOUNT MAINTENANCE

General Bank Maintenance Fees	NONE
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## ACH

Monthly Maintenance Fee	NONE
ACH Credits Received	NONE
ACH Debits Received	NONE
ACH Transmission	\$5.00
ACH Origination	NONE
ACH Filter Maintenance	N/A

## NIGHT DEPOSIT

Night Deposit Available?	YES
--------------------------	-----

## SAFETY DEPOSIT BOX

Variety of Sizes Available	Cost Varies
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## SWEEP ACCOUNT

Is a Sweep Account available?	YES
Monthly Zero Balance Sweep Fee	\$25.00

\*\*\*Zero Balance Sweep is available, not a "Repurchase Sweep".

## CASH DEPOSIT PROCESSING

Cash Deposits Made at the Bank	NONE
Coin Deposits Made at the Bank	NONE
Returned Deposited Item Fee	\$10.00 per item
Deposit (check) Re-Deposit Fee	NONE
Deposit Tickets/ Forms	NONE
Cash and Coin Wrappers	NONE
Endorsement Stamps	\$20.00

## POSITIVE PAY

Positive Pay Monthly Maintenance Fee	\$25.00
Positive Pay Per Item Fee	NONE
Positive Pay Exceptions	NONE

## STOP PAYMENT FEE

Check Stop Payment Fee	\$30.00
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\*\*\*At this time, Community State Bank does not charge municipalities this fee.

## DIRECT DEPOSIT (PAYROLL)

Prenotes Required? (Yes/ No)	YES
Notification of Prenotes that Fail? (Yes/ No)	YES
Number of Days Payroll File is Due Prior to Effective Date	2
Fees Associated with Direct Deposit	NONE

\*\*\*As reported above, each ACH file is \$5 (no per item fee).

## DEPOSIT SERVICES

Remote Capture Set up Fee	NONE
Remote Capture Monthly Fee	\$60.00
Remote Capture Maintenance Fee	NONE
Remote Capture Per Item Deposited	NONE



NOTICE: Additional disclosures regarding funds availability, account balance requirements and current annual percentage yield for the accounts we offer are available by contacting a Customer Service Representative at any Community State Bank location. 07.07.15

## BUSINESS MANAGER

### ACCOUNTS RECEIVABLE FINANCING & MANAGEMENT



#### BUSINESS MANAGER

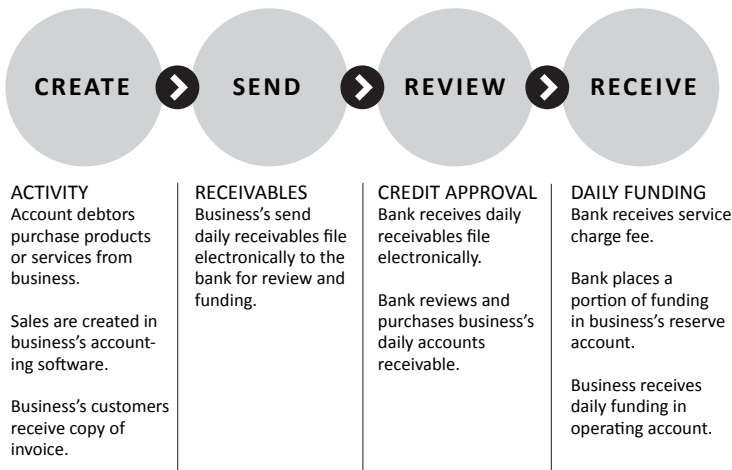
Business Manager is a complete, web-based system that allows you to get cash for your receivables on a daily basis by selling them to Community State Bank. The bank sends monthly statements on your behalf, and we provide you with detailed management reports outlining critical information about your business and receivables.

Business Manager effectively puts your business on an all-cash basis, enabling you to take advantage of suppliers' early payment discounts, increase sales, redirect staff time, and even offer convenient payment terms to your customers. You save time and money traditionally spent on receivables management, and you get to focus on building your business.

#### HOW DOES IT WORK?

As your business sells products or services to customers, you submit those invoices to the bank. Community State Bank purchases the invoices within 24 hours, your business then has these funds to use to make payroll, buy equipment, and facilitate future growth.

#### BUSINESS MANAGER FUNDING PROCESS



#### BENEFITS

##### IMPROVE CASH FLOW

You receive cash for all existing and ongoing receivables. The Business Manager program essentially puts you on an all-cash basis with your customers enabling you to:

- Pursue new business opportunities
- Take advantage of early payment discounts from suppliers
- Make payroll
- Remit payables in a timely manner
- Take advantage of quantity buying discounts

##### IMPROVE MANAGEMENT

Business Manager gives you detailed reports that can dramatically improve the management and tracking of account receivables.

##### SAVE TIME & MONEY

You can stop spending time managing debt and start concentrating on increasing sales and growing your business. Since Business Manager is completely web-based, you avoid having to make an extra trip to the bank.

##### IMPROVE COLLECTIONS

You can choose to use Community State Bank's presence on statements, which often improves collections or we can remain invisible to your customers.

#### IS IT RIGHT FOR YOU?

The only way to find out if Business Manager is right for your business is to sit down and discuss it with one of our lenders and our Business Manager specialist. To learn more about the Business Manager program please contact us at 262.878.3763 or contact a Commercial Lender at one of our branch locations.



NOTICE: Additional disclosures regarding funds availability, account balance requirements and current annual percentage yield for the accounts we offer are available by contacting a Customer Service Representative at any Community State Bank location. 06.27.17

# A **Business** Checking Account to fit Your Needs.



## Does your business have unique needs?

(Examples: Self Owned ATM, Check Cashing, High Cash & Coin Volume)



### Cash Management

Custom solutions for your unique business.

Our community banking experts will design a customized solution that fits you and your business banking needs.

OR ▼



## Do you keep a balance of \$25,000 or more, and would like to earn interest on your deposits?



### Business Checking with Interest

Save time and earn money with this simple-to use, interest bearing business checking account.

- 5000 transactions (debits/credits) per month - FREE!
- No minimum to open.
- Pays competitive rate for balances of \$25,000 or more.
- Only \$15 per month if daily balance falls below \$25,000.

OR ▼



## Do you need a flexible account with no minimum balances and no monthly maintenance fees?



### Business Checking

A simple and easy-to-use account that's perfect for almost any sized business or non-profit organization.

- 5,000 transaction (debits/credits) per month - FREE!
- No minimum to open.
- No minimum balance required.
- No monthly maintenance fee.

## Your new Checking Account includes these convenient products & services:

- FREE Business Online Banking
- FREE Instant Issued Debit Card(s)
- FREE Transactions at CSB ATMs
- FREE 24/7 Banking at CSB Smart ATMs
- FREE CSB Simple Banking for Business App
- FREE Mobile Deposit
- FREE eStatements with Check Images
- FREE Expert Cash Management Review
- FREE Online Live Chat
- Unlimited Bill Pay
- FREE Starter Checks

## But wait... there's more.



### Turn-In Your Old Checks!

Give us your unused checks from your old financial institution and we'll buy them back for \$10\*.



### FREE Give A Gift

Choose your FREE gift or donate your FREE gift to a person in need\*.

## Ask about our Overdraft Protection.



NOTICE: For a detailed list of account features and service fees including: funds availability, account balance requirements, and current annual percentage yield (APY), please contact a Universal Banker at any Community State Bank location. If you do not wish to receive your statement electronically, you will be charged a monthly \$5.00 Paper Statement Fee. \*Check Buy Back will be deposited into customer account and limited to one per business. Free Gift limited to one per business.



## BUSINESS ACCOUNT & SERVICE FEES

### ONLINE SERVICES

Online Banking - Per Account	NO CHARGE
Online Banking - Per User	NO CHARGE
Electronic E-Statements	NO CHARGE
Online Wire Transfer Access	NO CHARGE
Bill Pay Fee	NO CHARGE
Replacement Token	\$35.00

Business Online Users Must Login at Least Every 180 Days

### POSITIVE PAY

Positive Pay Base Fee	\$25.00 per month
Positive Pay Exceptions	\$10.00 per item
ACH Positive Pay Base Fee	\$25.00 per month
ACH Positive Pay Exceptions	\$10.00 per item
Positive Pay & ACH Positive Pay Bundled	\$35.00 per month

### REMOTE DEPOSIT CAPTURE (RDC)

RDC Base Fee	\$60.00 per month
Per Deposit	NO CHARGE
Per Item	NO CHARGE
Scanner	Varies

### MOBILE BANKING

Mobile Banking Base Fee	NO CHARGE
Mobile Deposit Base Fee	NO CHARGE
Mobile Deposit Item Fee	NO CHARGE
Mobile Banking Limit Exception Fee	\$10.00 per month

Standard Mobile Deposit Limits are \$2,500.00 per item or \$5,000.00 daily

### WIRE TRANSFER FEES

Domestic - Incoming Wire Transfer Fee	\$20.00
Domestic - Outgoing Wire Transfer Fee	\$25.00
International - Incoming Wire Transfer Fee	\$40.00
International - Outgoing Wire Transfer Fee	\$50.00

### SWEEP ACCOUNT

Line of Credit Sweep	\$200.00
Zero Balance Sweep Fee	\$25.00
Overdraft Protection	\$25.00
Investment Sweep (Monthly Charge)	\$100.00

### MISCELLANEOUS

Paper Statements	\$5.00
Stop Payment	\$30.00
Returned Deposited Item Fee	\$15.00 per item
Returned Item Fee, Insufficient Funds	\$38.00 per item
Overdraft Paid Fee	\$38.00 per item
Foreign Check Collection Fee	\$20.00 per item
Foreign Currency Order or Exchange	\$20.00
Hemp Customer	\$150.00 annually

### ACH ORIGATION

ACH Origination Base Fee	NO CHARGE
Per ACH File	\$5.00
Per Item (over 50)	\$0.10
Return Item	\$10.00 per item
Reversal	\$5.00 per item
Same Day ACH File	\$25.00
1st NOC (Notice of Change)	NO CHARGE
2nd NOC (Notice of Change)	\$10.00
3rd NOC (Notice of Change)	\$20.00

### ACCOUNT ANALYSIS

#### DEBITS

Per 1,000 of Cash Deposited	\$1.00 per \$1,000.00
Per Check Deposited	\$0.05
Per Check Cleared	\$0.15
ATM Owner Fee	\$60.00 per month
Check Casher - Annual Review	\$50.00 per month
Check Casher - Semi-Annual Review	\$100.00 per month
Check Casher - Quarterly Review	\$120.00 per month
Money Service Business	\$50.00
Coin Roll	\$.15 per roll

#### CREDITS

Monthly Loan Interest Received	\$0.15
Per \$1,000.00 in Persoanl Loans	\$1.00
ECR - Available Balance Business Checking	0.15%
ECR - Available Balance Personal Checking	0.15%



NOTICE: Additional disclosures regarding funds availability, account balance requirements and current annual percentage yield for the accounts we offer are available by contacting a Customer Service Representative at any Community State Bank location. 06.13.2022



## ACH POSITIVE PAY



### Help Protect Your Business From Fraud with **ACH Positive Pay**

Reduce the risk of fraudulent ACH transaction activity by using CSB's ACH Positive Pay service. With ACH Positive Pay, you can review incoming debits and return them before they are deducted from your account.

#### How does ACH Positive Pay work?

Your business sets up a list of approved vendors that are paid automatically, along with expiration dates and filters that cap the amount of money that can be paid to any one vendor. Any electronic transaction that occurs outside of these boundaries generates an alert so you can decide whether it is legitimate and then approve or deny the transaction.

#### Security and Fraud Control

With instant online access to ACH Positive Pay, you can quickly set up debit filters for each of your vendors for acceptable ACH payment amounts drafting against your CSB business account. Incoming payment drafts (debits) within the acceptable amount ranges are paid and can be tracked on current day detail reporting. Authorized users can review payments which exceed the acceptable amount ranges and make payment decisions, and also set up alerts for ACH Positive Pay exceptions.

#### Internal Control Support

Separate the roles of debit filter administration and maintenance from pay or return payment decisions through ACH Positive Pay. The partitioning of roles supports your internal control policy for separation of duties.

#### Flexible Notifications

Exception notifications may be sent to multiple email addresses.



**ACH Positive Pay Users set specific limits and guidelines for their ACH payments.**



**All ACH files are checked and verified against the custom limits and guidelines the business has approved.**



**ACH Positive Pay users are alerted via email if a payment falls outside of the pre-approved guidelines.**



**Users can approve or deny payments by logging into CSB Business Online Banking.**

#### A Team to Help Your Business Grow

The Community State Bank Cash Management Team has solutions to help you run your business more efficiently, more profitably and with more management control. When it comes to informative reporting, collections of receivables, disbursements, and the incorporation of banking technology, CSB's Cash Management Team can help you get ahead of the competition and concentrate on what you do best; running and growing your business.



\*NOTICE: For a complete list of product details and fees, please contact the CSB Cash Management Team (262) 878-3763. 11/18/2020

## PERSONAL CHECKING OPTIONS

(NON-INTEREST BEARING)

ADVANTAGE CHECKING	
Minimum Balance to Open	\$100.00
Requirements	<ul style="list-style-type: none"> <li>• Maintain a minimum daily balance of \$500.00 (or)</li> <li>• Maintain a monthly average balance of \$750.00 (or)</li> <li>• Maintain a balance of \$1,000.00 in a Community State Bank savings account (or)</li> <li>• Maintain a balance \$5,000.00 with a regular Certificate of Deposit.</li> <li>• No minimum balance requirement for seniors age 60 or better.</li> </ul>
Benefits	<ul style="list-style-type: none"> <li>• Free Online Banking</li> <li>• Free BillPay+Plus (first 10 transactions per month)</li> <li>• Free Dial Direct - 24hr. Bank by Phone access</li> <li>• Free 24/7 access to over 600 ATMs (ATM Access)</li> <li>• Visa Check Card available</li> <li>• Free eStatement with Check Images</li> <li>• Overdraft protection options available</li> </ul>
Account Fees (with qualifying requirements)	None
Account Fees (without qualifying requirements)	<ul style="list-style-type: none"> <li>• \$7.50 per month maintenance fee (plus)</li> <li>• \$0.25 per debit</li> </ul>

ADVANTAGE PLUS CHECKING	
Minimum Balance to Open	\$100.00
Requirements	<ul style="list-style-type: none"> <li>• Maintain a minimum daily balance of \$1,500.00 (or)</li> <li>• Maintain a minimum monthly average balance of \$3,000.00</li> </ul>
Benefits	<ul style="list-style-type: none"> <li>• Unlimited debits to the account</li> <li>• First order of personalized checks at no charge</li> <li>• Community State Bank Visa or MasterCard with no annual fee (subject to credit approval)</li> <li>• Free Online Banking</li> <li>• Free BillPay+Plus (first 10 transactions per month)</li> <li>• Free Dial Direct - 24hr. Bank by Phone access</li> <li>• Free Visa Check Card</li> <li>• Free 24/7 access to over 600 ATMs (ATM Access Network)</li> <li>• Free overdraft protection</li> <li>• Six photocopies per month</li> </ul>
Account Fees (with qualifying requirements)	None
Account Fees (without qualifying requirements)	\$10.00 per month



NOTICE: Additional disclosures regarding funds availability, account balance requirements and current annual percentage yield for the accounts we offer are available by contacting a Customer Service Representative at any Community State Bank location. 05.02.12

# CESA

## COVERDELL EDUCATION SAVINGS ACCOUNT

### THE SMART WAY TO SAVE FOR EDUCATION

As the cost of education continues to rise, so does the need for a better way to save. The Coverdell Education Savings Account was created to make saving for tomorrow more profitable. In addition to giving young people a better chance at building their futures, it provides them with tax breaks along the way.

### BENEFITS

One of the biggest benefits of the Coverdell Education Savings Account (CESA) is that the young person doesn't have to pay federal income taxes on any earnings withdrawn if the money is used for qualified education expenses. (Consult your tax or legal professional for further information regarding state and local taxes.)

### CONTRIBUTIONS

#### Eligibility and Contribution Limits

The annual CESA contribution limit is \$2,000 per beneficiary. The contribution deadline is the individual's tax-filing deadline, excluding extensions. If all contributions for a child for a tax year exceed the limit, the beneficiary has until May 31 of the year following the contribution year to remove the excess contribution. In most cases, contributions are not allowed on behalf of a child who has reached age 18.

#### Contributor Restrictions

A contributor does not need to be an individual, which means that corporations may contribute to the CESA of its employees' children. Contributions by nonindividuals, such as corporations, are not restricted by income.

However, a married couple filing a joint tax return may contribute to CESAs only if their modified adjusted gross income (MAGI) does not exceed \$220,000. The maximum contribution is limited if the couple's MAGI falls into a phaseout range of \$190,000 to \$220,000. All other individual filers may contribute to CESAs if their MAGI does not exceed \$110,000. Contributions are limited if their MAGI falls between \$95,000 to \$110,000.

### EDUCATION EXPENSES

CESAs may be used to pay qualified elementary and secondary education expenses—including kindergarten through grade 12 administered by a public, private, or religious school as defined by state law—as well as qualified postsecondary education expenses. (Stop in to find out more about which expenses qualify.)

### BENEFICIARIES WITH SPECIAL NEEDS

The definition of qualified education expenses includes expenses for special needs services. Additionally, special needs beneficiaries can continue to receive contributions after reaching age 18.

### NO RESTRICTIONS ON FINANCIAL AID

The rules allow beneficiaries to take distributions from the CESA and a qualified state tuition program in the same year. Beneficiaries may also take distributions in the same year they claim a HOPE scholarship and lifetime learning credit (if they are not used for the same expenses).

#### CESA CERTIFICATE OF DEPOSIT\*

Minimum Balance to Open	\$500.00
Term	1 - 5 Years
Interest Tiers	<ul style="list-style-type: none"><li>• \$500.00 - \$49,999.99</li><li>• \$50,000.00 - \$99,999.99</li><li>• \$100,000.00 and greater</li></ul>

#### ACCOUNT FEES

Annual Fee	\$0.00
Early Withdrawal Fee	\$25.00 (withdrawal before the age of 18 years)
Transfer Fee	\$25.00

*\*Ask your Community State Bank Customer Service Representative for complete account details and current interest rates.*

#### CESA SAVINGS ACCOUNT\*

Minimum Balance to Open	\$25.00
ACCOUNT FEES	
Annual Fee	\$0.00
Early Withdrawal Fee	\$25.00 (withdrawal before the age of 18 years)
Transfer Fee	\$25.00

*\*Ask your Community State Bank Customer Service Representative for complete account details and current interest rates.*



NOTICE: This literature is intended to provide general information concerning Coverdell Education Savings Accounts that Community State Bank offers. It is not intended to provide legal advice or to be a detailed explanation of the rules or how such rules may apply to your individual circumstances. For specific information, you are encouraged to consult your tax or legal professional. The Internal Revenue Service (IRS) may also provide additional helpful information ([www.irs.gov](http://www.irs.gov)). 05.02.12

# INDIVIDUAL RETIREMENT ACCOUNT

TRADITIONAL & ROTH IRAS

## WHAT IS AN IRA?

An IRA is a personal retirement plan that lets you set aside money and invest it for the future. Depending on the type of IRA you select, you may be able to take advantage of immediate tax benefits or tax-free withdrawals in retirement.

## TRADITIONAL IRA vs. ROTH IRA

### How are they alike?

Both accounts can be a smart way to save for retirement, because any earnings on your investments grow tax-advantaged. You will be penalized if you withdraw funds from either account before the age of 59½, unless you use the funds for higher education expenses, medical expenses, or certain home purchases.

### How are they different?

When choosing an IRA, consider whether it makes more financial sense for you to take advantage of immediate tax benefits or enjoy tax-free withdrawals in retirement. With a Traditional IRA, you may receive immediate tax benefits, but you'll have to pay ordinary income tax on your contributions and earnings when you take money out in retirement. With a Roth IRA, there are no immediate tax benefits, but contributions and earnings grow tax-free and can be taken out tax-free after you turn 59½.

### TRADITIONAL IRA SAVINGS ACCOUNT\*

Minimum Balance to Open	\$25.00
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#### ACCOUNT FEES

Annual Fee	\$0.00
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Early Withdrawal Fee	\$25.00 (withdrawal before the age of 59.5 years)
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Transfer Fee	\$25.00
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*\*Ask your Community State Bank Customer Service Representative for complete account details and current interest rates.*

### ROTH IRA SAVINGS ACCOUNT\*

Minimum Balance to Open	\$25.00
-------------------------	---------

#### ACCOUNT FEES

Annual Fee	\$0.00
------------	--------

Early Withdrawal Fee	\$25.00 (withdrawal before the age of 59.5 years)
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Transfer Fee	\$25.00
--------------	---------

*\*Ask your Community State Bank Customer Service Representative for complete account details and current interest rates.*

### TRADITIONAL IRA CERTIFICATE OF DEPOSIT\*

Minimum Balance to Open	\$500.00
-------------------------	----------

Term	1 - 5 Years
------	-------------

Interest Tiers	<ul style="list-style-type: none"><li>• \$500.00 - \$49,999.99</li><li>• \$50,000.00 - \$99,999.99</li><li>• \$100,000.00 and greater</li></ul>
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#### ACCOUNT FEES

Annual Fee	\$0.00
------------	--------

Early Withdrawal Fee	3-month <b>or</b> 6-month Forfeiture of Interest if withdrawal before the age of 59.5. (Fee based on length of CD term.)
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Transfer Fee	\$25.00
--------------	---------

*\*Ask your Community State Bank Customer Service Representative for complete account details and current interest rates.*

### ROTH IRA CERTIFICATE OF DEPOSIT\*

Minimum Balance to Open	\$500.00
-------------------------	----------

Term	1 - 5 Years
------	-------------

Interest Tiers	<ul style="list-style-type: none"><li>• \$500.00 - \$49,999.99</li><li>• \$50,000.00 - \$99,999.99</li><li>• \$100,000.00 and greater</li></ul>
----------------	---

#### ACCOUNT FEES

Annual Fee	\$0.00
------------	--------

Early Withdrawal Fee	3-month <b>or</b> 6-month Forfeiture of Interest if withdrawal before the age of 59.5. (Fee based on length of CD term.)
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Transfer Fee	\$25.00
--------------	---------

*\*Ask your Community State Bank Customer Service Representative for complete account details and current interest rates.*

NOTICE: This literature is intended to provide general information concerning Individual Retirement Accounts (IRAs) that Community State Bank offers. It is not intended to provide legal advice or to be a detailed explanation of the rules or how such rules may apply to your individual circumstances. For specific information, you are encouraged to consult your tax or legal professional. The Internal Revenue Service (IRS) may also provide additional helpful information ([www.irs.gov](http://www.irs.gov)). 05.02.12



# HEALTH SAVINGS ACCOUNT (HSA)

## WHAT IS A HEALTH SAVINGS ACCOUNT (HSA)?

A health savings account (HSA) combines high deductible health insurance with a tax-favored savings account. Money in the savings account can help pay the deductible. Once the deductible is met, the insurance starts paying. Money left in the savings account earns interest and is yours to keep.

HEALTH SAVINGS ACCOUNT	
Minimum Balance to Open	\$25.00
Benefits	<ul style="list-style-type: none"> <li>• <b>Free Master Card HSA Debit Card</b></li> <li>• <b>Free 25 Duplicate Checks</b></li> <li>• <b>Unlimited in Branch Withdrawals</b></li> <li>• <b>NO Minimum Balance requirement</b></li> <li>• <b>NO Monthly Service Fee</b></li> </ul>
Advantages	
<b>High Deductible Health Plan:</b> <ul style="list-style-type: none"> <li>• Costs less than more "traditional" co-pay plans.</li> <li>• Provides quality health insurance.</li> <li>• One calendar-year deductible per family.</li> </ul>	
<b>HSA Savings:</b> <ul style="list-style-type: none"> <li>• Used to meet your deductible.</li> <li>• Rolls over year after year -- no "use it or lose it".</li> <li>• Portable, goes with you wherever you go.</li> </ul>	
<b>HSA Savings can also be use for:</b> <ul style="list-style-type: none"> <li>• Health insurance premiums when you're between jobs.</li> <li>• Qualified long-term care premiums.</li> <li>• Medicare premiums and out-of-pocket expenses.</li> <li>• Living expenses after age 65 (pay ordinary income taxes*).</li> </ul>	
Account Fees	
Account Closing Fee	\$25.00
Account Transfer Fee	\$25.00

## HOW DOES AN HSA WORK?

An HSA works in conjunction with high deductible health insurance. Your HSA dollars can be used to help pay the health insurance deductible and qualified medical expenses, including those not covered by the health insurance, like dental and vision care.

### High Deductible Health Insurance (HDHI)

To get the benefits of an HSA, the law requires that the savings account be combined with high deductible health insurance. High deductible health insurance costs less than traditional \$250 or \$500 deductible coverage because the insurance company doesn't have to process and pay claims for routine, low-dollar medical care.

## FINANCIAL ADVANTAGES

- **Tax-deductible\***  
Contributions to the HSA are 100% deductible (up to the legal limit) similar to an IRA.
- **Tax-free\***  
Withdrawals to pay qualified medical expenses, including dental and vision, are never taxed.
- **Tax-deferred\***  
Interest earnings accumulate tax-deferred, and if used to pay qualified medical expenses, are tax-free.
- **HSA money is yours to keep**  
Unlike a flexible spending account (FSA), unused money in your HSA isn't forfeited at the end of the year; it continues to grow tax-deferred.

Additional Information	<i>Effective January 1, 2011, HSA account owners are no longer subject to Wisconsin income taxes on contributions, provided they do not exceed statutory limitations. In addition, earnings on HSAs are income tax-free as long as they are used for qualified medical expenses.</i>
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## MEDICAL EXPENSES

The following list provides examples of eligible medical expenses. This list is not all-inclusive. Remember, the IRS may modify its list of eligible expenses from time to time.

### Eligible Medical Expenses

<ul style="list-style-type: none"> <li>• Acupuncture</li> <li>• Alcoholism treatment</li> <li>• Ambulance</li> <li>• Artificial limb</li> <li>• Artificial teeth</li> <li>• Breast reconstruction surgery (mastectomy-related)</li> <li>• Chiropractor</li> <li>• Contact lenses and solutions</li> <li>• Cosmetic surgery (if due to trauma or disease)</li> <li>• Dental treatment (X-rays, fillings, braces, extractions, etc.)</li> <li>• Diagnostic devices (such as blood sugar test kits for diabetics)</li> </ul>	<ul style="list-style-type: none"> <li>• Doctor's office (including physicians, surgeons, specialists or other medical practitioners) visits and procedures</li> <li>• Drug addiction treatment</li> <li>• Drugs, prescription</li> <li>• Eyeglasses and exams (for medical reasons)</li> <li>• Eye surgery (such as laser eye surgery or radial keratotomy)</li> <li>• Fertility enhancements</li> <li>• Hearing aids (and batteries for use)</li> <li>• Hospital services</li> <li>• Laboratory fees</li> <li>• Long-term care (for medical expenses and premiums)</li> </ul>	<ul style="list-style-type: none"> <li>• Nursing home</li> <li>• Nursing services</li> <li>• Operations/surgery (excluding unnecessary cosmetic surgery)</li> <li>• Osteopath Physical Therapy</li> <li>• Psychiatric care</li> <li>• Psychologist</li> <li>• Special education (for learning disabilities)</li> <li>• Speech Therapy</li> <li>• Stop-smoking programs (including nicotine gum or patches)</li> <li>• Vasectomy</li> <li>• Weight-loss program (to treat a specific disease diagnosed by a physician)</li> <li>• Wheelchair</li> </ul>
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\*NOTICE: This literature is intended to provide general information concerning Health Savings Accounts. It is not intended to provide legal advice or to be a detailed explanation of the rules or how such rules may apply to your individual circumstances. For specific information, you are encouraged to consult your tax or legal professional. The Internal Revenue Service (IRS) may also provide additional helpful information ([www.irs.gov](http://www.irs.gov)). 07.19.19

# Harvest Club

AN EXCLUSIVE CLUB FOR THOSE 55 OR BETTER!

## For the Time of Your Life!

The Harvest Club is a unique opportunity for individuals who love to travel, meet new people, and have a great time.

Harvest Club has over 1000 members... and just keeps growing. Throughout the year, members will enjoy many local events such as potluck dinners, seminars and line dancing. They will also have the opportunity to take one-day trips to Broadway shows, mystery trips and special Members Only events. For the more adventurous type, multi-day trips are also scheduled to places like Mackinac Island.

The club also offers a large number of financial conveniences including discounted services and free checks. So what are you waiting for? Join us today!

## How to Join...

Membership is available to anyone 55 or older, maintaining \$2500 in any Community State Bank account. If you are not able to maintain either of these account levels, and you wish to become a member, there would be a \$15 monthly service charge.

Contact Community State Bank to get started.

## Club Benefits

- Quarterly newsletters
- Local social events
- Escorted trips
- Free Specialty Mint checks  
(Limit 1 box per order; \$4 discount per order on all other checks)
- No fee on ~~money orders~~, cashier's checks, or MasterCard® Travel Card
- Free photocopies (up to 10 per month)
- 10% discount on safe deposit boxes
- No charge for notary service
- Direct deposit
- Special laminated ID card
- Free Online Banking
- Free CSB SIMPLE Banking App
- Mobile Deposit



(262) 878-3763 | [CommunityStateBank.net](http://CommunityStateBank.net)

### JOIN US FOR OUR NEXT ADVENTURE!

If you would like more information, or would like to sign up for a Harvest Club trip or event, please contact Community State Bank Harvest Club Director Jenny Braun at (262) 878-3763, or email her with your questions and comments at: [jbraun@communitystatebank.net](mailto:jbraun@communitystatebank.net).

*csb.bank*



## KIDS KLUB SAVINGS ACCOUNT

EXCLUSIVE ACCOUNTS FOR KIDS 12 AND UNDER!

# Community State Bank's KIDS KLUB

The Kids Klub is an exclusive savings account for kids age 12 and under. The Kids Klub is designed to teach kids how to develop healthy saving habits and help them plan for the future.

Anyone age 12 and under can be a part of the Kids Klub. It's a great way to learn about financial responsibility and have fun at the same time. Whether it's a bike, a toy, or the latest download, our Kids Klub teaches kids about the value of money.

Kids Klub members get special invitations to exclusive Kids Klub events throughout the year, like bowling, ice skating, special movie events, and rollerskating. Members also receive special birthday cards every year. New members will join the over 1500 kids already enjoying the benefits of this special club.

It's never too early to sign your child up for the best savings plan available.

### KIDS KLUB STATEMENT SAVINGS ACCOUNT

Minimum Balance to Open	\$25.00
Requirements	<ul style="list-style-type: none"><li>Maximum age to qualify (12)</li></ul>
Benefits	<ul style="list-style-type: none"><li>No Maintenance Fee</li><li>Annual Birthday Card from the Kids Klub</li><li>Exclusive Kids Klub Events &amp; Contests</li><li>Exciting Kids Klub Newsletters</li></ul>
Account Fees	
Dormant Account Fee	\$1.50 per month (after 12 months of inactivity)



LEARNING TO  
SAVE IS EASY...  
AND FUN!



NOTICE: Additional disclosures regarding funds availability, account balance requirements and current annual percentage yield for the accounts we offer are available by contacting a Customer Service Representative at any Community State Bank location. 03.08.13

## MASTERCARD® GIFT CARD

THE PERFECT GIFT FOR ANY OCCASION

### GIFT CARD



Choosing the perfect gift has never been easier. For holidays, birthdays, graduations, anniversaries, or any other celebration, most people prefer a prepaid gift card to a more traditional gift of equal value. When you give a MasterCard Prepaid Gift Card, your gift is perfect every time.

MasterCard Prepaid Gift Cards are the ideal gift—to give and receive.

The Mastercard Gift Card is a one-time prepaid card that can be used at millions of locations where Mastercard debit cards are accepted, including retail stores and online merchants. Because it is a prepaid card, spending is limited to the amount of money placed on the card by the purchaser.

The Mastercard Gift Card offers all the protection and security features you've come to expect from Mastercard - the Mastercard Gift Card can be replaced if lost or stolen.\*

### GIFT CARDS ARE ALWAYS A GREAT CHOICE

#### No more guesswork

Purchase a MasterCard Prepaid Gift Card and your gift will be perfect every time.

#### Shop safely online

Gift Cards can be used online, wherever debit MasterCard is accepted. Gift Cards are pre-paid and are not linked to your bank accounts.

**GIVE THE GIFT  
OF CHOICE.**

### GIFT CARD FEES & PRICING

Purchase Price	\$3.00
<b>LOAD / RELOAD DENOMINATIONS</b>	
Minimum Card Load	\$10.00
Maximum Card Load	\$1,000.00
<b>GIFT CARD FEES</b>	
Inactivity Fee	\$2.95 per month (after 12 consecutive months of inactivity)
Lost or Stolen Card Replacement Fee	\$5.00 (via US Mail)
*Additional Information	For a complete list of Gift Card terms & conditions please contact a Community State Bank Customer Service Representative. VALID ONLY IN U.S.



NOTICE: MasterCard® Gift Cards are insured by the Federal Deposit Insurance Corporation (FDIC) through MetaBank. MasterCard® Gift Cards are issued by MetaBank, 5501 S. Broadband Lane, Sioux Falls, SD 57108, pursuant to a license from MasterCard International. 05.02.12

# MASTERCARD® TRAVEL CARD

HELLO FREEDOM!



## MASTERCARD TRAVEL CARD

More convenient than traveler's checks and more secure than cash, the reloadable Travel Card is essential gear for your next vacation.

The Travel Card is recognized worldwide and accepted both at the point of sale and at ATMs. The available companion card makes it even more appealing. Emergency card replacement is one of many benefits that make it a smart choice. The Travel Card is a great way to meet your financial needs even when you're away from home.

## WHY YOU'LL LOVE THIS CARD

- Shop where debit cards are accepted
- Accepted internationally
- Easy to load
- More control – Spend only what you load
- Card is easily replaced if lost or stolen
- Direct deposit
- Get cash at ATMs
- Text alerts

## WHY CHOOSE A TRAVEL CARD?

### The Perfect Travelers Check Replacement

Similar to Travelers Checks, the Travel Card comes with added security and features, such as Consumer Purchase Protection, Zero Liability as well as a worldwide global assistance program.

### Secure

The Travel Card is PIN and signature protected and is one of the most secure ways of carrying money abroad. The Travel Card is not linked to your credit or debit cards and helps protect against identity theft. If your card is lost or stolen you can have immediate access to your money by carrying a second card while you travel.

### Convenient

The card can be purchased at any Community State Bank location. Customers can obtain balance inquiries, and their PIN all online. The card is easily reloaded via the telephone; you don't even have to leave your home or hotel. The card easily fits into a wallet or travel purse and does not require ID to access cash at an ATM.

## TRAVEL CARD FEES & PRICING

Purchase Price	\$7.50
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## LOAD / RELOAD DENOMINATIONS

Minimum Card Load	\$20.00
Minimum Card Re-load	\$5.00
Maximum Card Load	\$3,000.00
Maximum Card Re-load	\$3,000.00

## CARD FEES & LIMITS

Reload Fee <sup>1</sup>	\$4.50 (in person at branch) up to \$30 (via <a href="http://www.myprepaidbalance.com">www.myprepaidbalance.com</a> )
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<sup>1</sup> Fees will be collected at the time of reload. A Reload Fee will not be charged if your MasterCard Travel Card is reloaded online via Community State Bank's Online Bill Pay Service, "Bill Pay+Plus" or Direct Deposit.

Reload Limit	3 per day
Additional Card Fee	\$2.95 each
Monthly Maintenance Fee	\$0.00
ATM Withdrawal Fee	\$1.50 each (United States) \$3.00 each (International)
ATM Balance Inquiry	\$.50 each (United States) \$.50 each (International)
PIN Option at Point-of-Sale	\$.50 each (Free after July 11, 2012)
Cash Advance Fee	\$5.00 each
Foreign Exchange Markup	3% of transaction amount

## EMERGENCY SERVICES FEES

Card Cancellation & Refund	\$10.00
Lost or Stolen Card Replacement Fee	\$5.00 (via US Mail)



To set up and manage your MasterCard Travel Card, go to:

**[www.myprepaidbalance.com](http://www.myprepaidbalance.com)**



NOTICE: MasterCard® Travel Cards are insured by the Federal Deposit Insurance Corporation (FDIC) through MetaBank. MasterCard® Travel Cards are issued by MetaBank, 5501 S. Broadband Lane, Sioux Falls, SD 57108, pursuant to a license from MasterCard International. 06.25.12

# FOR MORE INFORMATION FROM THE FDIC

**Call toll-free**  
1-877-ASK-FDIC (1-877-275-3342)

**Hearing impaired line**  
1-800-925-4618

**Calculate insurance coverage using EDIE**  
The Electronic Deposit Insurance Estimator  
known as EDIE – is an online tool that's simple and easy to  
use. To calculate your deposit insurance coverage, use EDIE at:  
<https://edie.fdic.gov>.

**Read more about FDIC insurance online**  
at: [www.fdic.gov/deposit/deposits](http://www.fdic.gov/deposit/deposits)

**Send questions by e-mail**  
Use the FDIC's online Customer Assistance  
Form at: <https://ask.fdic.gov/fdicinformationandsupportcenter/s/>

**Mail questions**  
Federal Deposit Insurance Corporation  
Attn: Deposit Insurance Section  
550 17th Street, NW  
Washington, DC 20429

# DEPOSIT INSURANCE AT A GLANCE

Federal Deposit Insurance Corporation



# FDIC DEPOSIT INSURANCE

Since 1933, the FDIC seal has symbolized the safety and security of our nation’s financial institutions. FDIC deposit insurance enables consumers to confidently place their money at thousands of FDIC-insured banks across the country, and is backed by the full faith and credit of the United States government.

FDIC deposit insurance coverage depends on two things: (1) whether your chosen financial product is a deposit product; and (2) whether your bank is FDIC-insured.

## THE FDIC COVERS

- Checking accounts
- Negotiable Order of Withdrawal (NOW) accounts
- Savings accounts
- Money Market Deposit Accounts (MMDAs)
- Time deposits such as certificates of deposit (CDs)
- Cashier’s checks, money orders, and other official items issued by a bank

## THE FDIC DOES NOT COVER

- Stock investments
- Bond investments
- Mutual funds
- Life insurance policies
- Annuities
- Municipal securities
- Safe deposit boxes or their contents
- U.S. Treasury bills, bonds or notes

Depositors do not need to apply for FDIC insurance. Coverage is automatic whenever a deposit account is opened at an FDIC-insured bank or financial institution. If you are interested in FDIC deposit insurance coverage, simply make sure you are placing your funds in a deposit product at the bank.

# COVERAGE LIMITS

The standard insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category.

The FDIC provides separate coverage for deposits held in different account ownership categories. Depositors may qualify for coverage over \$250,000 if they have funds in different ownership categories and all FDIC requirements are met.

All deposits that an accountholder has in the same ownership category at the same bank are added together and insured up to the standard insurance amount.

FDIC DEPOSIT INSURANCE COVERAGE LIMITS BY ACCOUNT OWNERSHIP CATEGORY	
SINGLE ACCOUNTS OWNED BY ONE PERSON	\$ 250,000 PER OWNER
JOINT ACCOUNTS OWNED BY TWO OR MORE PERSONS	\$ 250,000 PER CO-OWNER
CERTAIN RETIREMENT ACCOUNTS INCLUDES IRAS	\$ 250,000 PER OWNER
REVOCABLE TRUST ACCOUNTS	\$ 250,000 PER OWNER PER UNIQUE BENEFICIARY
CORPORATION, PARTNERSHIP AND UNINCORPORATED ASSOCIATION ACCOUNTS	\$ 250,000 PER CORPORATION, PARTNERSHIP OR UNINCORPORATED ASSOCIATION
IRREVOCABLE TRUST ACCOUNTS	\$ 250,000 FOR THE NONCONTINGENT INTEREST OF EACH UNIQUE BENEFICIARY
EMPLOYEE BENEFIT PLAN ACCOUNTS	\$ 250,000 FOR THE NONCONTINGENT INTEREST OF EACH PLAN PARTICIPANT
GOVERNMENT ACCOUNTS	\$ 250,000 PER OFFICIAL CUSTODIAN (MORE COVERAGE AVAILABLE SUBJECT TO SPECIFIC CONDITIONS)

# WHEN A BANK FAILS

A bank failure is the closing of a bank by a federal or state banking regulatory agency, generally resulting from a bank’s inability to meet its obligations to depositors and others. In the unlikely event of a bank failure, the FDIC acts quickly to ensure depositors get prompt access to their insured deposits.

FDIC deposit insurance covers the balance of each depositor’s account, dollar-for-dollar, up to the insurance limit, including principal and any accrued interest through the date of the insured bank’s closing.

The FDIC acts in two capacities following a bank failure:

1. As the “Insurer” of the bank’s deposits, the FDIC pays deposit insurance to the depositors up to the insurance limit.
2. As the “Receiver” of the failed bank, the FDIC assumes the task of collecting and selling the assets of the failed bank and settling its debts, including claims for deposits in excess of the insured limit.

## Kenosha County Census Tract Maps

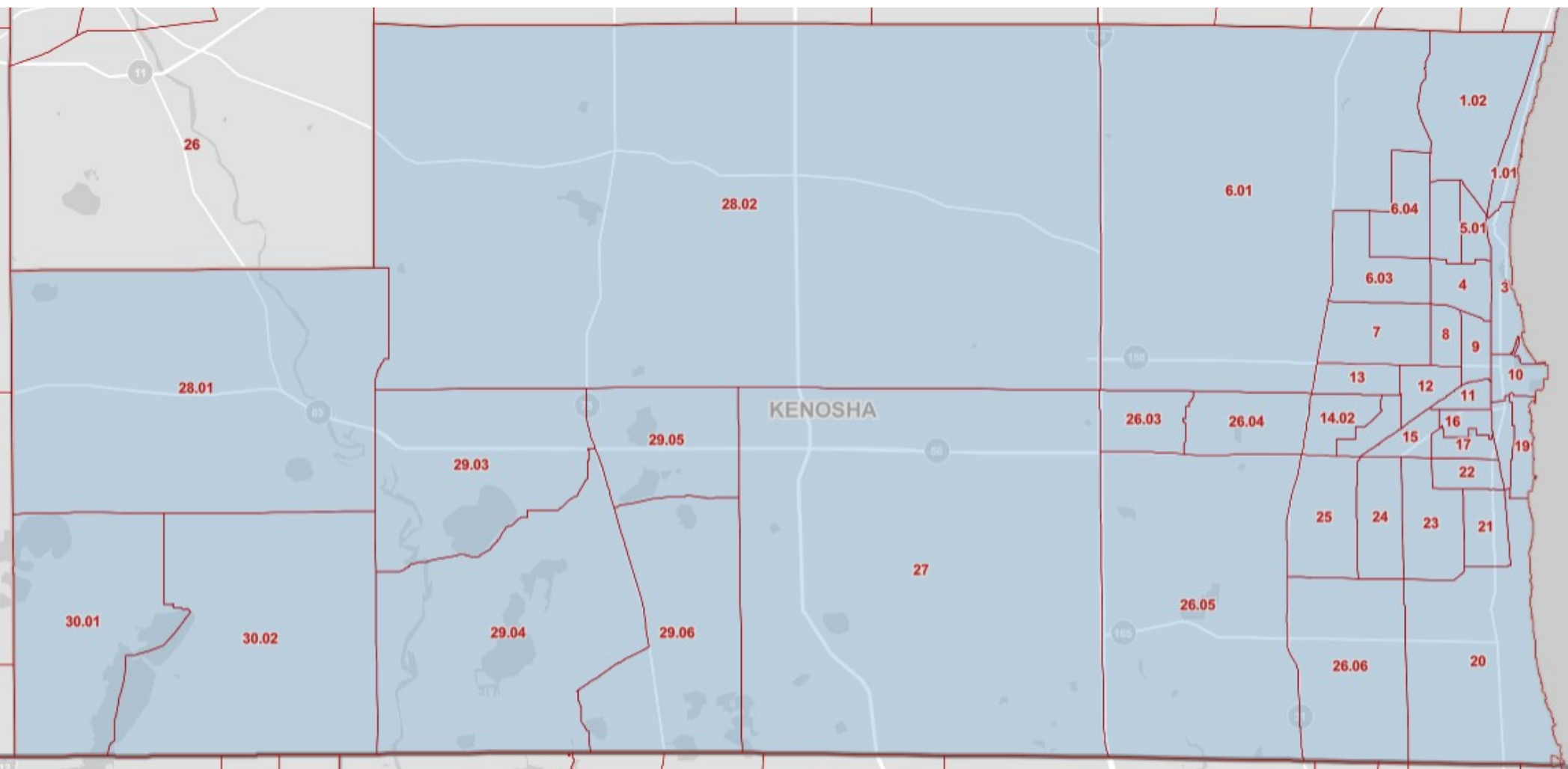


State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
55	059	0001.01	Middle	No	81.79	\$124,600	\$101,910	\$86,600	1793	29.39	527	367	651
55	059	0001.02	Moderate	No	59.58	\$124,600	\$74,237	\$63,085	3863	30.62	1183	714	828
55	059	0003.00	Low	No	47.53	\$124,600	\$59,222	\$50,325	5167	32.11	1659	618	1434
55	059	0004.00	Moderate	No	70.03	\$124,600	\$87,257	\$74,145	3603	25.42	916	1207	1614
55	059	0005.01	Moderate	No	70.26	\$124,600	\$87,544	\$74,394	2794	25.81	721	656	865
55	059	0005.02	Moderate	No	71.59	\$124,600	\$89,201	\$75,801	2713	21.53	584	496	707
55	059	0006.01	Middle	No	96.01	\$124,600	\$119,628	\$101,657	6496	25.52	1658	1620	1807
55	059	0006.03	Middle	No	82.31	\$124,600	\$102,558	\$87,148	3779	23.52	889	809	840
55	059	0006.04	Middle	No	98.07	\$124,600	\$122,195	\$103,833	3898	26.71	1041	882	886
55	059	0007.00	Moderate	No	57.07	\$124,600	\$71,109	\$60,427	5369	56.73	3046	762	1533
55	059	0008.00	Moderate	No	51.00	\$124,600	\$63,546	\$54,000	2763	61.82	1708	614	1115
55	059	0009.00	Low	No	40.92	\$124,600	\$50,986	\$43,331	4058	61.46	2494	638	1682
55	059	0010.00	Unknown	No	0.00	\$124,600	\$0	\$0	2623	37.93	995	423	597
55	059	0011.00	Low	No	30.80	\$124,600	\$38,377	\$32,617	3502	66.39	2325	270	1236
55	059	0012.00	Low	No	36.59	\$124,600	\$45,591	\$38,750	4020	46.89	1885	929	1684
55	059	0013.00	Moderate	No	52.71	\$124,600	\$65,677	\$55,813	3981	44.06	1754	885	1189
55	059	0014.01	Middle	No	94.45	\$124,600	\$117,685	\$100,000	2612	22.32	583	901	1106
55	059	0014.02	Moderate	No	62.79	\$124,600	\$78,236	\$66,488	4570	26.61	1216	1175	1306
55	059	0015.00	Moderate	No	61.94	\$124,600	\$77,177	\$65,580	3709	34.83	1292	896	1350
55	059	0016.00	Low	No	45.23	\$124,600	\$56,357	\$47,889	3350	62.81	2104	541	1204
55	059	0017.00	Moderate	No	61.98	\$124,600	\$77,227	\$65,625	2697	41.42	1117	664	1120
55	059	0018.00	Low	No	46.42	\$124,600	\$57,839	\$49,153	2201	45.39	999	473	931
55	059	0019.00	Middle	No	100.26	\$124,600	\$124,924	\$106,154	2351	19.61	461	804	1081
55	059	0020.00	Upper	No	121.53	\$124,600	\$151,426	\$128,681	5731	19.75	1132	2013	2227
55	059	0021.00	Low	No	45.63	\$124,600	\$56,855	\$48,320	4983	38.31	1909	794	1491
55	059	0022.00	Moderate	No	71.42	\$124,600	\$88,989	\$75,625	3570	22.77	813	1159	1409

\* Will automatically be included in the 2024 Distressed or Underserved Tract List

State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
55	059	0023.00	Middle	No	80.52	\$124,600	\$100,328	\$85,257	5706	22.17	1265	1700	1920
55	059	0024.00	Moderate	No	75.09	\$124,600	\$93,562	\$79,511	4644	17.74	824	1574	1820
55	059	0025.00	Middle	No	103.64	\$124,600	\$129,135	\$109,738	3352	20.26	679	1241	1306
55	059	0026.03	Middle	No	90.84	\$124,600	\$113,187	\$96,179	4909	36.20	1777	1083	1226
55	059	0026.04	Middle	No	99.64	\$124,600	\$124,151	\$105,500	3939	31.10	1225	960	906
55	059	0026.05	Middle	No	102.39	\$124,600	\$127,578	\$108,409	5916	21.77	1288	1464	1449
55	059	0026.06	Middle	No	115.57	\$124,600	\$144,000	\$122,365	4624	17.76	821	1353	1296
55	059	0027.00	Middle	No	98.63	\$124,600	\$122,893	\$104,432	6533	12.72	831	1958	2445
55	059	0028.01	Middle	No	85.50	\$124,600	\$106,533	\$90,530	3410	8.33	284	1006	1423
55	059	0028.02	Middle	No	105.27	\$124,600	\$131,166	\$111,458	2803	7.60	213	1130	1324
55	059	0029.03	Middle	No	92.74	\$124,600	\$115,554	\$98,194	3197	10.51	336	1010	1406
55	059	0029.04	Middle	No	86.58	\$124,600	\$107,879	\$91,672	5300	11.70	620	1724	2418
55	059	0029.05	Middle	No	82.23	\$124,600	\$102,459	\$87,063	3776	11.55	436	1257	1673
55	059	0029.06	Middle	No	103.54	\$124,600	\$129,011	\$109,625	5247	12.77	670	1425	1844
55	059	0030.01	Middle	No	83.91	\$124,600	\$104,552	\$88,851	4541	8.81	400	1386	2269
55	059	0030.02	Middle	No	89.19	\$124,600	\$111,131	\$94,438	5058	10.58	535	1334	2225
55	059	9900.00	Unknown	No	0.00	\$124,600	\$0	\$0	0	0.00	0	0	0

\* Will automatically be included in the 2024 Distressed or Underserved Tract List



## Racine County Census Tract Maps

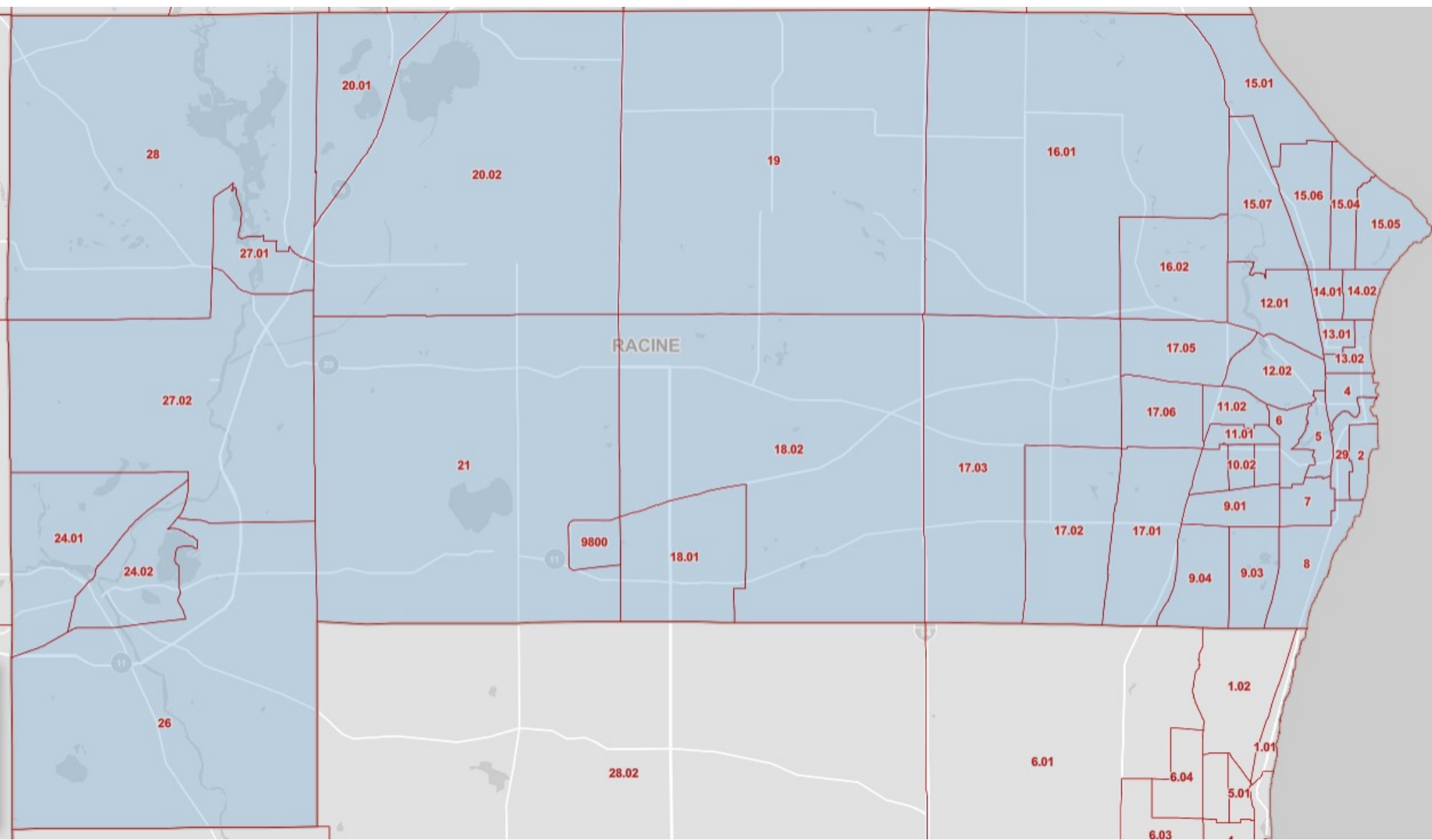


State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
55	101	0002.00	Low	No	47.47	\$92,900	\$44,100	\$36,798	4902	61.91	3035	617	1984
55	101	0004.00	Low	No	40.36	\$92,900	\$37,494	\$31,281	3804	78.84	2999	422	1427
55	101	0005.00	Low	No	40.40	\$92,900	\$37,532	\$31,316	4825	87.07	4201	670	1928
55	101	0006.00	Moderate	No	78.47	\$92,900	\$72,899	\$60,820	5640	53.99	3045	1100	1955
55	101	0007.00	Moderate	No	75.16	\$92,900	\$69,824	\$58,259	5662	50.39	2853	1145	2102
55	101	0008.00	Middle	No	86.05	\$92,900	\$79,940	\$66,694	4526	48.30	2186	1134	1610
55	101	0009.01	Middle	No	88.73	\$92,900	\$82,430	\$68,776	3714	43.30	1608	1193	1481
55	101	0009.03	Upper	No	132.25	\$92,900	\$122,860	\$102,500	4150	29.61	1229	1389	1568
55	101	0009.04	Upper	No	122.61	\$92,900	\$113,905	\$95,031	5283	34.49	1822	1233	1549
55	101	0010.01	Moderate	No	58.13	\$92,900	\$54,003	\$45,057	2736	54.50	1491	359	485
55	101	0010.02	Moderate	No	77.14	\$92,900	\$71,663	\$59,792	2687	40.60	1091	897	1117
55	101	0010.03	Moderate	No	76.28	\$92,900	\$70,864	\$59,127	3847	43.51	1674	776	1582
55	101	0011.01	Middle	No	81.25	\$92,900	\$75,481	\$62,978	3916	31.54	1235	1179	1548
55	101	0011.02	Middle	No	87.15	\$92,900	\$80,962	\$67,547	2434	31.55	768	531	620
55	101	0012.01	Middle	No	86.28	\$92,900	\$80,154	\$66,875	3689	47.66	1758	632	1155
55	101	0012.02	Middle	No	98.34	\$92,900	\$91,358	\$76,220	6758	56.10	3791	1802	2238
55	101	0013.01	Middle	No	81.18	\$92,900	\$75,416	\$62,917	3728	38.06	1419	1021	1612
55	101	0013.02	Moderate	No	64.81	\$92,900	\$60,208	\$50,230	4021	53.22	2140	680	1704
55	101	0014.01	Moderate	No	77.35	\$92,900	\$71,858	\$59,949	3606	33.22	1198	1081	1284
55	101	0014.02	Moderate	No	78.53	\$92,900	\$72,954	\$60,867	3396	31.57	1072	1077	1537
55	101	0015.01	Middle	No	104.00	\$92,900	\$96,616	\$80,604	3790	17.60	667	1134	1374
55	101	0015.04	Upper	No	123.79	\$92,900	\$115,001	\$95,947	3062	28.38	869	873	975
55	101	0015.05	Middle	No	112.66	\$92,900	\$104,661	\$87,321	4282	29.26	1253	1202	1397
55	101	0015.06	Upper	No	139.51	\$92,900	\$129,605	\$108,125	4122	17.25	711	1288	1399
55	101	0015.07	Middle	No	91.36	\$92,900	\$84,873	\$70,813	2854	21.97	627	776	818
55	101	0016.01	Middle	No	115.74	\$92,900	\$107,522	\$89,708	6193	15.53	962	2252	2545

\* Will automatically be included in the 2024 Distressed or Underserved Tract List

State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
55	101	0016.02	Upper	No	137.47	\$92,900	\$127,710	\$106,549	3129	17.07	534	1141	1225
55	101	0017.01	Moderate	No	71.11	\$92,900	\$66,061	\$55,119	3715	43.66	1622	825	892
55	101	0017.02	Middle	No	112.89	\$92,900	\$104,875	\$87,500	6998	32.98	2308	1474	1720
55	101	0017.03	Upper	No	135.19	\$92,900	\$125,592	\$104,777	4578	17.58	805	1503	1687
55	101	0017.05	Upper	No	128.08	\$92,900	\$118,986	\$99,268	5828	19.39	1130	1882	1717
55	101	0017.06	Middle	No	108.38	\$92,900	\$100,685	\$84,005	3916	22.32	874	1638	1294
55	101	0018.01	Middle	No	96.87	\$92,900	\$89,992	\$75,083	5076	12.21	620	1088	1681
55	101	0018.02	Upper	No	137.09	\$92,900	\$127,357	\$106,250	2976	9.41	280	1004	1167
55	101	0019.00	Upper	No	123.58	\$92,900	\$114,806	\$95,784	3926	11.44	449	1451	1648
55	101	0020.01	Upper	No	146.76	\$92,900	\$136,340	\$113,750	2934	8.38	246	1084	1377
55	101	0020.02	Upper	No	141.67	\$92,900	\$131,611	\$109,806	4982	7.33	365	1675	1981
55	101	0021.00	Upper	No	126.35	\$92,900	\$117,379	\$97,926	3343	7.69	257	1158	1381
55	101	0024.01	Upper	No	135.58	\$92,900	\$125,954	\$105,086	5964	14.03	837	1489	1736
55	101	0024.02	Middle	No	91.94	\$92,900	\$85,412	\$71,259	5320	16.75	891	984	1529
55	101	0026.00	Middle	No	111.50	\$92,900	\$103,584	\$86,417	5810	8.83	513	2112	2762
55	101	0027.01	Upper	No	122.37	\$92,900	\$113,682	\$94,844	3932	8.90	350	1342	1558
55	101	0027.02	Upper	No	130.19	\$92,900	\$120,947	\$100,904	6305	8.09	510	1918	2285
55	101	0028.00	Upper	No	145.85	\$92,900	\$135,495	\$113,043	6022	7.24	436	2137	2566
55	101	0029.00	Low	No	40.52	\$92,900	\$37,643	\$31,406	4407	78.08	3441	519	1385
55	101	9800.00	Unknown	No	0.00	\$92,900	\$0	\$0	939	23.64	222	9	12
55	101	9900.00	Unknown	No	0.00	\$92,900	\$0	\$0	0	0.00	0	0	0

\* Will automatically be included in the 2024 Distressed or Underserved Tract List



## Walworth County Census Tract Maps

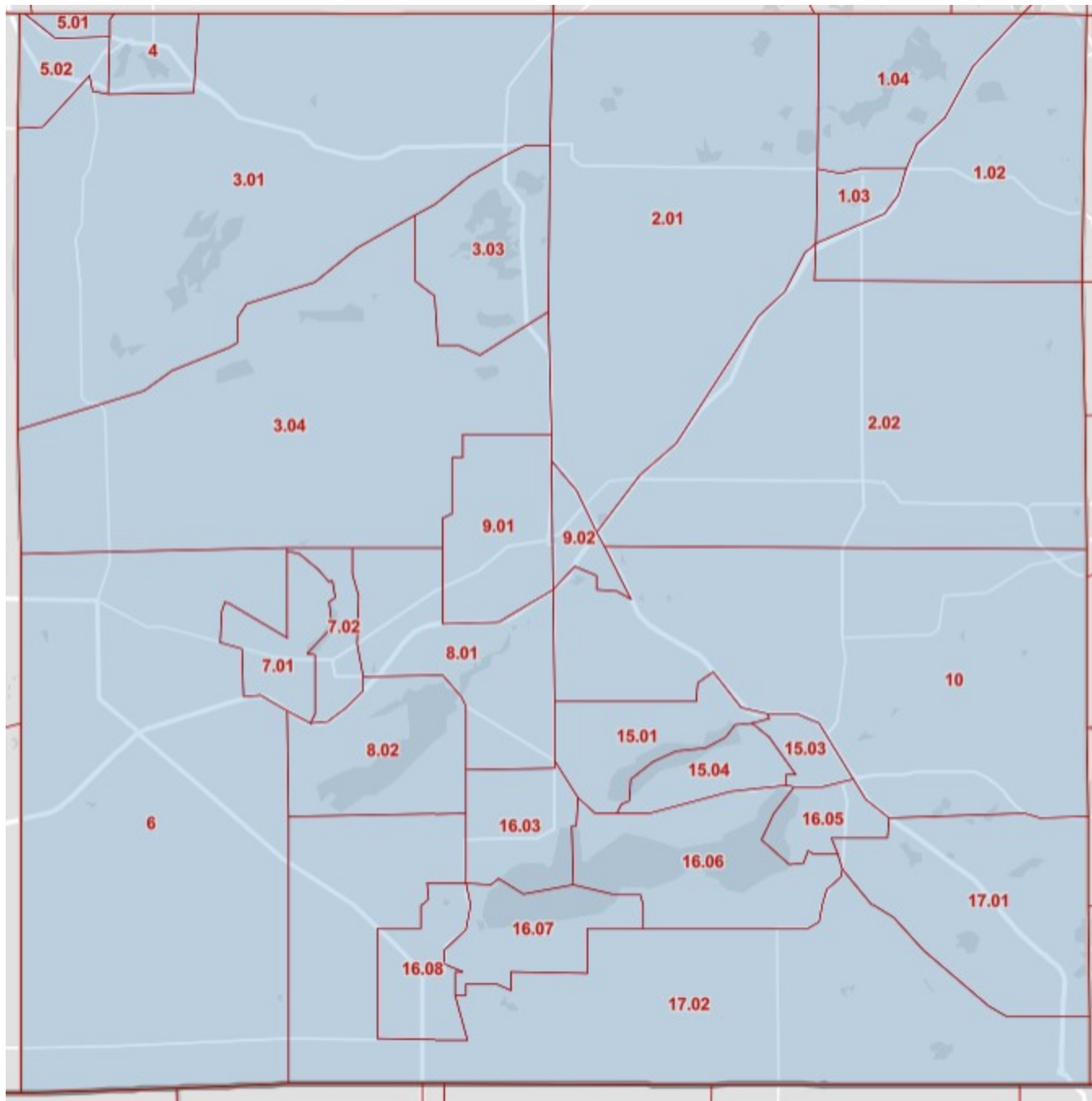


State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
55	127	0001.02	Upper	No	156.60	\$86,000	\$134,676	\$112,351	2633	8.39	221	718	950
55	127	0001.03	Middle	No	103.69	\$86,000	\$89,173	\$74,393	2758	9.64	266	712	856
55	127	0001.04	Upper	No	136.69	\$86,000	\$117,553	\$98,068	3510	5.10	179	1245	1511
55	127	0002.01	Upper	No	150.87	\$86,000	\$129,748	\$108,235	3681	6.44	237	1360	1575
55	127	0002.02	Upper	No	144.23	\$86,000	\$124,038	\$103,472	2888	6.09	176	817	1011
55	127	0003.01	Upper	No	130.00	\$86,000	\$111,800	\$93,269	3038	7.87	239	1131	1736
55	127	0003.03	Upper	No	138.87	\$86,000	\$119,428	\$99,628	3457	9.40	325	1611	2402
55	127	0003.04	Middle	No	105.47	\$86,000	\$90,704	\$75,667	2864	11.28	323	887	1165
55	127	0004.00	Middle	No	94.96	\$86,000	\$81,666	\$68,125	4007	22.86	916	716	1341
55	127	0005.01	Middle	No	101.30	\$86,000	\$87,118	\$72,674	4092	20.77	850	33	379
55	127	0005.02	Middle	No	116.27	\$86,000	\$99,992	\$83,413	3771	21.51	811	570	1081
55	127	0006.00	Middle	No	102.62	\$86,000	\$88,253	\$73,622	5496	23.78	1307	1442	1946
55	127	0007.01	Middle	No	106.28	\$86,000	\$91,401	\$76,250	4200	37.14	1560	937	1185
55	127	0007.02	Middle	No	97.38	\$86,000	\$83,747	\$69,867	4652	33.32	1550	1080	1786
55	127	0008.01	Middle	No	84.49	\$86,000	\$72,661	\$60,615	1810	21.93	397	543	707
55	127	0008.02	Upper	No	124.87	\$86,000	\$107,388	\$89,583	2707	14.48	392	979	2458
55	127	0009.01	Middle	No	107.93	\$86,000	\$92,820	\$77,433	6115	16.91	1034	1380	2001
55	127	0009.02	Middle	No	87.33	\$86,000	\$75,104	\$62,656	3587	22.64	812	946	1265
55	127	0010.00	Upper	No	139.35	\$86,000	\$119,841	\$99,972	5036	9.99	503	1522	2117
55	127	0015.01	Upper	No	126.90	\$86,000	\$109,134	\$91,042	3485	14.09	491	1042	2034
55	127	0015.03	Middle	No	83.41	\$86,000	\$71,733	\$59,844	2369	28.11	666	516	1073
55	127	0015.04	Upper	No	133.61	\$86,000	\$114,905	\$95,852	3044	18.23	555	947	1483
55	127	0016.03	Upper	No	143.45	\$86,000	\$123,367	\$102,917	2923	10.81	316	770	1397
55	127	0016.05	Upper	No	120.24	\$86,000	\$103,406	\$86,264	4180	19.98	835	941	1408
55	127	0016.06	Upper	No	139.70	\$86,000	\$120,142	\$100,224	2462	8.94	220	948	2436
55	127	0016.07	Upper	No	146.85	\$86,000	\$126,291	\$105,357	3656	14.06	514	752	2283

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State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
55	127	0016.08	Middle	No	107.36	\$86,000	\$92,330	\$77,022	2819	21.39	603	732	1110
55	127	0017.01	Middle	No	90.48	\$86,000	\$77,813	\$64,917	5918	20.43	1209	1714	2430
55	127	0017.02	Middle	No	103.89	\$86,000	\$89,345	\$74,537	5320	16.30	867	1463	2075

\* Will automatically be included in the 2024 Distressed or Underserved Tract List



# **HOME MORTGAGE DISCLOSURE ACT NOTICE**

The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, and income of applicants and borrowers; and information about loan approvals and denials. HMDA data for many other financial institutions are also available online. For more information, visit the Consumer Financial Protection Bureau's website ([www.consumerfinance.gov/hmda](http://www.consumerfinance.gov/hmda)).

Community State Bank  
1500 Main Street  
Union Grove, WI 53182

## Loan to Deposit Ratios

**2022-2024**

**2024**

Date	Gross Loans/Deposits
03/31/2024	60.91%
06/30/2024	
09/30/2024	
12/31/2024	

**2023**

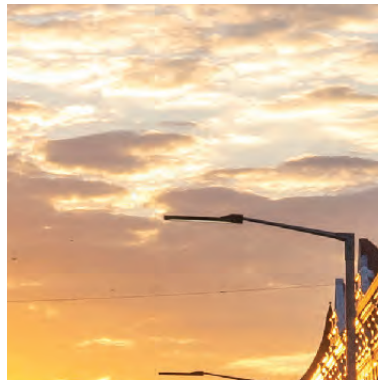
Date	Gross Loans/Deposits
03/31/2023	59.00%
06/30/2023	60.22%
09/30/2023	61.84%
12/31/2023	62.40%

**2022**

Date	Gross Loans/Deposits
03/31/2022	54.34%
06/30/2022	52.53%
09/30/2022	52.89%
12/31/2022	54.34%

# Get to Know CSB

Culture Guide & 2023 Financial Summary



© Community State Bank, 2024







# Introduction

Whether you are a long-time bank customer, a new customer, thinking about making a change, or just curious about community banking; we'd love to share some information about what community banking means to us. The information provided inside this guide will help highlight our culture, our community focus, and our purpose at Community State Bank.

## What's Inside?

- 1 Letter from the President**
- 2 Providing Opportunity**
- 3 Respect & Trust**
- 4 Who We Are**
- 5 Building Partnerships**
- 6 Communities We Serve**
- 7 Customer Experience**
- 9 Building Community**
- 11 Building Our Team**
- 13 Historical Timeline**
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- 23 2023 Financial Summary**
- 25 Innovation & Achievement**

# A Letter from the President



**Scott Huedepohl**  
President & CEO  
CSB Board of Directors

Interest rates continued to climb in 2023. However, they were nothing like the record-setting increases that happened in 2022. It was a welcome pause for the banking industry. Very rapid rate fluctuations, whether up or down, cause challenges for banks.

After record earnings in 2021 and 2022, returns normalized this past year. The biggest challenges were in our net interest margin (we had to raise deposit rates immediately while loan rates took longer to catch up), and with interest rates much higher than in recent years, the CSB Mortgage Center slowed significantly. Obviously, when you have an interest rate of 3% and the new rates are 7%, you are unlikely to refinance your current mortgage loan.

Looking forward to 2024 and beyond, we are optimistic about Community State Bank and the anticipated performance. Though rates are still hard to predict, staying close to where we are now will help the bank's earnings.

## Meet the CSB Board of Directors

In this year's issue, I want to highlight our Board of Directors. I choose to do so because we are unique in today's banking world. We want our local markets served by leaders within those communities. I can tell you that these leaders bring a ton to the table.

First and foremost, they help us understand our customers better, as most have lived here for decades. The character of our customers and partners is still

number one to us, and it's the same when electing new directors. We now have some who have been with us a short period of time and some who are part of families now in their 3rd generation.

## CSB Financial Goals

Our financial goals are simple: to provide a fair return to our owners while charging and paying fair prices to our customers, all while delivering those services by professional experts. We will not always be paying the highest price on deposits in the world or charging the lowest price on loans and services, but our goal is to continue to be part of these outstanding communities that we are honored to serve for many years to come.

Thank you for your commitment to Community State Bank and for your loyalty. I'm always eager to hear your thoughts and ideas.

Respectfully,

A handwritten signature in black ink that reads "Scott Huedepohl". The signature is fluid and cursive, with a large, stylized "S" and "H".

**Scott Huedepohl**

President | CEO

scotth@csb.bank | (262) 878-3767

# Providing Opportunity Since 1898

Since the bank first opened its doors over 125 years ago (1898) Providing Opportunity has been at the heart of everything we do as an organization; it's our reason for existence.

We believe that being a successful organization goes far beyond earning money, generating deposits, or providing an exceptional banking experience. It means helping our customers, our communities, and our employees build their future and reach their goals.

If you're interested in learning more about Providing Opportunity, or seeing its real-world application, please check out some of the unique and inspirational stories posted at: [csb.bank/providing-opportunity](https://csb.bank/providing-opportunity).

## John O'Leary: "The Power of One"

Community State Bank, along with the Go Frank Go Foundation and Union Grove High School, were honored to welcome nationally acclaimed speaker John O'Leary to Union Grove, WI in February 2024.

On Go Frank Go Day, Mr. O'Leary spoke at three events, delivering an inspiring message to over 1,800 middle and high school students, as well as to over 600 community leaders and guests at a free evening event that was open to the public.



Pictured from left to right: Jason Callewaert, Go Frank Go Foundation (GFGF) Board President; Don Schaaf, GFGF Board Member; Jeff Braun, GFGF Board Member; Thomas Johnson, Union Grove High School Superintendent; Ellen Peterson, GFGF Board Member; John O'Leary; Scott Huedepohl, Community State Bank (CSB) President; Cary Madrigal, GFGF Board Member; Chris Bower, GFGF Board Member; Dave Moyer, CSB Sr. Vice President & Union Grove Market President.

## Respect & Trust

Our banking partnerships are built on two very important foundations, respect and trust. We understand that without these two fundamental ingredients, a successful banking partnership is impossible. We also understand that both elements are hard to earn and easy to lose. Our commitment to our customers is to make sure we're earning their respect and trust every day.



# Who we are...



## We make decisions locally.

Our bankers work and live where our customers work and live, giving us the opportunity to make good decisions based on an understanding of the local and regional economies and business climate.

Because of our proximity to our customers, our bankers identify opportunities and recognize the challenges their clients face.



## We focus on building our communities.

CSB invests time, talent, and resources into the communities we serve. We have a commitment to our communities to make them better places to live, work, and do business.

Each year, CSB makes significant financial investments in our local communities, and supports and encourages employees to volunteer for projects they are passionate about.



## We are locally owned.

CSB is independently owned and operated, and has been serving the communities of Southeast Wisconsin since 1898.

The single largest shareholder of the bank are the employees. Employees become owners through the bank's long-standing ESOP or Employee Stock Ownership Program.

# Building Partnerships

Community State Bank believes strongly in the importance of developing partnerships by connecting people and businesses in the communities we serve. Over the years, CSB has worked to build connections throughout Southeast Wisconsin; specifically focusing on Racine, Kenosha, and Walworth counties.

These connections span from for-profit businesses, real estate development, non-profit organizations, and governmental agencies.

Our partnership based banking model has been successful because it focuses on availability, flexibility, fair pricing, and low fees.

For CSB, helping an individual, an organization, or a business is not one-dimensional. It's not just about doing business. It is about "Providing Opportunity" and helping local business owners and our communities succeed.



# Proudly Serving Southeast Wisconsin



## Kenosha County

**Paddock Lake**  
25360 75th Street  
Salem, WI 53168

**Kenosha**  
8304 75th Street  
Suite 100  
Kenosha, WI 53142



## Racine County

**Burlington**  
308 Bridge Street  
Burlington, WI 53105

**Mt. Pleasant**  
8930 Washington Avenue  
Racine, WI 53406

**Union Grove**  
1500 Main Street  
Union Grove, WI 53182

**Waterford**  
500 East Main Street  
Suite 100  
Waterford, WI 53185



## Walworth County

**Lake Geneva**  
200 Interchange North  
Lake Geneva, WI 53147

# Customer Experience



**Katie Stolp**  
Vice President  
Chief Operations Officer

At Community State Bank we're always researching ways to improve our customers' overall experience. Whether it's through opening a new checking account online, downloading the CSB Simple Banking App, or visiting one of our offices, we want your experience to be simple, efficient, and personal.

As a community bank it's important to us that our customers receive great local service, while still receiving the best products and services to create a better banking experience.

## Meet "Cruiser"

Community State Bank (CSB) was pleased to introduce in 2023, "Cruiser", a 1959 Shasta Camper that has been converted into a community staple.

Community State Bank worked closely with Evolve Concepts to fully renovate and brand the camper. Evolve Concepts is an experiential marketing company located in Sturtevant, Wisconsin that specializes in building interactive and innovative marketing projects that are featured at nationwide events.





## Thank You!

For the bank's 125th anniversary in 2023, CSB's main focus was thanking our customers, our communities, and the CSB team. Cruiser fit the bill for this quite nicely. With the addition of two commercial freezers and a generator, Cruiser transformed into an ice cream celebration on wheels.

Piloted by Senior Vice President, Neil Buchanan and CSB Crew Captain, Nate Buchanan, CSB set out with Cruiser to say "Thank You" to our customers and our communities by delivering literally truck loads of ice cream treats to local businesses. By the end of 2023 the CSB team visited over 300 local businesses, festivals, and community events; and handed out over 15,000 ice cream treats! Who doesn't love ice cream for a celebration?

CSB would like to say a special "Thank You" to Evolve Concepts and Ray Alderman & Sons Inc. for helping make Cruiser and the ice cream treat delivery possible.



# Building Community



**Robert Pieroni**  
Chief Lending Officer  
Sr. Vice President  
Market President  
(Kenosha County)

Our name says it all. At Community State Bank we focus on making our communities better places to live, work and do business. We do this by encouraging our employees to donate their time and talents at community events, serving on local boards, and giving back to local non-profit organizations.

Did you know that our offices are staffed to serve your unique community? Each of our Community State Bank locations have a Market President and Retail Manager who know and understand their community.

At the beginning of each year, our team collaborates to brainstorm and research the best ways to support the market area. Our CSB Crew then works together to volunteer at community events and support local non-profit organizations all over Southeast Wisconsin. CSB is always searching for ways that we can give back, because we love our communities... just like you.

Pictured above right: CSB staff present a #Gift2Giving donation to 1Hope Kenosha. (From left to right) Eloissa Heigl, CSB; Robert Pieroni, CSB; Nicole Kurhajec, CSB; Laura Burnett-Shoemaker, CSB; Karisa Wenberg, 1Hope; Terri Thillens, 1Hope; Kelsey Littel, 1Hope.



## Employee Donation Program #Gift2Giving

CSB recently completed our 5th year of #Gift2Giving. Each CSB employee was presented with \$150 to donate back into the communities of Racine, Kenosha, and Walworth counties. We're very proud to announce that 100% of our employees participated in the 2023 #Gift2Giving campaign.

Through bank contributions, and additional individual gifts, the #Gift2Giving campaign has provided over \$74,000 in support to local non-profit organizations in Southeast Wisconsin.

You can learn all about the #GIFT2GIVING campaign, and read some of our employees' personal donation stories by visiting the link below.

Learn more about #GIFT2GIVING at [csb.bank/gift2giving](https://csb.bank/gift2giving).



## Financial Literacy: MyLIFE & MyLIFE Essentials

MyLIFE (My Local Interactive Financial Education) was developed by CSB as a comprehensive interactive financial literacy program for high school students designed to demonstrate the importance of sound money management skills.

Since the program was launched in 2013, over 8000 students and 6 local schools: Lake Geneva Badger High School, Shoreland Lutheran High

School, Shepherds College, Union Grove High School, Waterford Union High School and Westosha Central High School, have been able to experience the program.

The initiative has been so successful that a condensed in-class experience called “MyLIFE Essentials” has been developed for local middle school students.



## A Unique Partnership: Shepherds Community Café

Shepherds Community Café, located in the bank’s Union Grove office location, is a partnership between Community State Bank and Shepherds College. The venture was launched to create a quality café experience that fosters community, inclusion, and collaboration while training individuals with intellectual disabilities.

The café also features two community rooms. Each room is equipped with WiFi and

presentation screens that connect directly to your laptop. The “Social Room” seats up to 10 guests and the “Club Room” can seat up to 6 guests.

Learn more about Shepherds Community Café, and reserve meeting rooms at [mysccafe.com](https://mysccafe.com).



## Community Leadership: 100 Women Who Care

Community State Bank organized and hosted the 4th 100 Women Who Care - Western Racine County event on, February 9th, 2024 at 1841 Farms and Vineyard in Burlington, Wisconsin.

100 Women Who Care is a nationwide initiative that provides women with the opportunity to support non-profit organizations in their community. Since 2022 the group has raised over \$20,000 to support the community.

Community State Bank also supports additional 100 Women Who Care organizations in Southeast Wisconsin, including: 100+ Women Who Care, Kenosha; and 100+ Women Who Care, Walworth County.

CSB team members are encouraged to participate, organize, and lead initiatives that help develop strong relationships and resource networks for local non-profit organizations.

# Building Our Team



**Rich Behls**  
Chief Credit Officer  
Sr. Vice President

From banker to community leader, the employees of Community State Bank wear many hats. At CSB we recognize the importance of making sure our employees are being cared for professionally and personally.

CSB is pleased to offer a competitive, well-rounded, comprehensive benefits package which includes membership in our Employee Stock Ownership Plan (more on that in a second), a wellness program, community networking opportunities, career pathing, and so much more.

We also encourage our employees to think and act like owners, because they are! The largest shareholders of Community State Bank are the employees. Part of an employee's compensation includes bank-funded contributions to the CSB Employee Stock Ownership Program (ESOP). When the bank succeeds, everyone succeeds.

Every year CSB contributes 10% of its net profits to the ESOP. In 2023 if you were a fully vested employee, that figure represented a contribution of over 7% of your gross wages earned.





# CSB Mortgage Center

Community State Bank has earned the reputation as one of the most flexible and customer-friendly mortgage lenders in Southeast Wisconsin. Our mortgage lending team is on hand to help you when you need them — even on the weekends.

Whether you are purchasing your first home, refinancing your existing home, or searching for your forever home, the local team of experts at the CSB Mortgage Center can help. We have lending solutions designed for every stage of home ownership.



**Michael Fohey**  
Vice President  
CSB Mortgage Center  
Manager  
Direct: (262) 864-2348  
NMLS# 718442  
mfohey@csb.bank



**Monica Johnson**  
Mortgage Center  
Operations Manager  
Tel: (262) 878-3763  
NMLS# 1494228  
mjohnson@csb.bank



**Kayla Mathews**  
Mortgage Loan  
Originator  
Direct: (262) 864-2349  
NMLS# 1749436  
kmathews@csb.bank

# Timeline: The CSB Story

On September 15, 1903 seven stockholders met to reestablish the bank, to be incorporated as the State Bank of Union Grove. The bank opened its doors on September 24, 1903 at 1023 Main Street. Four days later the state commissioner of banking made it official when he signed and issued the bank's charter on September 28, 1903.

**1903**

On Sunday, September 14, 1969 State Bank of Union Grove moved to their brand new building located on the corner of 12th and Main Street.

**1969**

In April of 1983 State Bank of Union Grove opened its third office location, this time in the town of Rochester, WI. Because of the expansion, the bank was officially renamed Community State Bank (CSB).

**1983**

In 1998 CSB continues to expand its branch network, opening a new facility in Waterford, WI.

1999 ushers in CSB's first virtual branch when the bank launches its first website: [communitystatebank.net](http://communitystatebank.net).

**1998 | 1999**

**1898**

John Blakey, a Union Grove grain mill operator, organized a group of mostly local investors to start a private bank in Union Grove. The Bank of Union Grove commenced business in a small one-room brick building located at 1055 Main Street on July 18, 1898.

**1933**

In October of 1933 the State Bank of Union Grove successfully applied for FDIC membership.

**1972**

In 1972 the State Bank of Union Grove opened its first branch office in Kansasville, Town of Dover, WI.

**1995 | 1996**

In 1995 bank assets exceed \$100 million for the first time. In October 1996 CSB hosts a grand opening of their new facility located at 1500 Main Street, Union Grove, WI.

CSB opens new branch office in Burlington, WI.

**2004**

CSB exceeds \$300 million in total assets for the first time.

**2012**

In 2018 CSB's main office location in Union Grove undergoes an extensive remodel. The renovation included the addition of Shepherds Community Café and two community rooms.

CSB also establishes a permanent office in Lake Geneva, WI.

**2018**

CSB Celebrates 125th Anniversary. Since 1898 CSB has been serving the communities of Southeastern Wisconsin

CSB opens its newest location in Waterford, Wisconsin in the fall of 2023. The new office anchors the corner of East Main St. and North Milwaukee Ave. near Waterford's historic downtown.

**2023**

**2001**

CSB opens first banking branch outside of Racine County in Paddock Lake, WI.

CSB exceeds \$200 million in total assets for the first time.

**2009**

To better serve the communities of Racine, Mt. Pleasant and Sturtevant, CSB builds a stand-alone facility in Mt. Pleasant, WI.

**2020 | 2021**

In June 2020, despite the challenges of the COVID-19 pandemic, CSB opens its second branch in Kenosha County, this time in the city of Kenosha, WI.

CSB also launches a new website that focuses on a better user experience, simple financial tools, and a more secure domain: CSB.bank.

In 2021 CSB surpasses \$600 million in total assets.

**2024**

Community State Bank plans to launch "Virtual Branch" in 2024. Helping to expand and enhance the bank's customer service operations.

# Meet the Board

## Gary Schildt

Chairman, CSB Board of Directors

Chairman, HyPro Inc., Waterford, WI

Gary Schildt is the Chairman of HyPro, Inc., a respected family-owned company headquartered in Waterford, Wisconsin. He has been with the company since its inception in 1969. HyPro Incorporated stands as a value leader in machining, manufacturing, and assembly of components and complex assemblies.

In addition to Gary's leadership at HyPro, he has been a valued member of the Community State Bank Board since 2012, assuming the role of Board Chairman in January 2024. In this capacity, Gary plays a pivotal role in guiding both the bank and holding company boards, ensuring their continued success.

"I am deeply honored to have served on the Community State Bank Board of Directors for the past 12 years. I am thrilled to have the opportunity to now serve as Chairman and contribute to steering CSB towards continued success. Community State Bank's Board is unique in that all of our Directors have very strong ties to the communities that we serve. We genuinely care about the success of Southeast Wisconsin and I believe that is a crucial element for a thriving community bank."





## Meet the Board

### **Chris Antonneau**

**CSB Board of Directors  
Partner & Business Development  
Executive at Vizance Inc.,  
Racine, WI**

Having started his career with a multi-generational insurance business, Chris Antonneau brings over three decades of insurance industry expertise to the Community State Bank Board. Currently serving as a Partner and Business Development Executive at Vizance, Inc., a Wisconsin based insurance agency, Chris focuses on key client development, business acquisition opportunities, and strategic recruiting.

Appointed to the CSB Board in August 2016, Chris offers valuable insights into risk management, enhancing CSB's ability to advise business clients and communities effectively.

"As a member of the Board I enjoy collaborating with the other talented members. Each of us brings something unique to the table," Antonneau remarked. "Together, we ensure that Community State Bank remains forward-thinking and responsive, aiming to best support our local business community."

Outside of his professional endeavors, Chris actively engages in the community by previously serving on a variety of local boards such as the Foundation Board of the University of Wisconsin Parkside and Racine County United Way.

"I've lived in Racine my whole life. I've raised a family here, been actively involved in my kids' schools and sports, and volunteered with numerous non-profit organizations in the community," said Antonneau. "I have deep roots in this community, and I feel privileged to serve on a board dedicated to giving back to the place my family and I call home."



## Meet the Board

### **Micheal Bannon**

**CSB Board of Directors  
President, DeMark, Kolbe &  
Brodeck S.C. (Retired)  
Racine, WI**

Micheal Bannon is a seasoned legal professional with 35 years of experience practicing employer-side employment law, real estate law, and general corporate law. He served as President at DeMark, Kolbe & Brodek S.C. before retiring in 2023.

In August 2016, Micheal was appointed to the Community State Bank Board, where he has since played an integral role in shaping the bank's direction and policies. As a long-time resident of Racine, Micheal understands the unique needs and challenges of the community.

Expressing his commitment to community-based banking, Michael stated, "Community-based banks are the lifeline of small and medium-sized businesses. I'm honored to bring my experience and knowledge of owning and working for small businesses, as well as my expertise in law to the Board."

With his wealth of experience and dedication, Micheal is a valuable asset to the Community State Bank Board, ensuring its continued success in serving the community.



# Meet the Board

## Jeff Ehrhart

CSB Board of Directors

Owner / Operator, Ehrhart Farms Inc.  
Union Grove, WI

Jeff Ehrhart is deeply rooted in the agricultural heritage of his family. Born into the second generation of Ehrhart Farms Inc., Jeff's agricultural lineage traces back through his grandparents who were also farmers. Raised on the farm by his parents, Ken and Darlene Ehrhart, Jeff's childhood was immersed in farm life.

In 1996, the Ehrhart family established Ehrhart Farms Inc. Today, Jeff, alongside his wife Kathy, proudly oversees the operations of Ehrhart Farms, with the hope that their sons, Justin and Kevin, will carry on the legacy for generations to come.

The Ehrhart's farming activities span across Racine, Kenosha, and Walworth counties, where they primarily engage in grain farming while also offering custom spraying and combining services. For Jeff, agriculture is not just a livelihood but a source of immense satisfaction.

"Agriculture has presented us with many opportunities. We enjoy working with our family and friends," said Ehrhart. "Planting a crop and watching it grow through harvest is very fulfilling and living in an agricultural community is second to none."

Beyond farming, Jeff is honored to serve as a Board Member at Community State Bank. Since joining the board in 2016, Jeff has come to believe more strongly than ever in the vital role of community banking for the ag community.

# Local Ag Banking

**We live it. We love it.**

As experienced farmers and financial experts, the CSB Ag Team is ready to help your operation succeed and grow. Our team knows first-hand the challenges your operation may face. We offer all of the tools, knowledge and products you need to succeed... all under one roof.

Our support of the local ag community extends beyond financial. CSB volunteers hundreds of hours every year at county fairs, farm breakfasts, and 4H and FFA events.



**Dave Moyer**  
Senior Vice President  
Market President (Union Grove)  
Ag Banking Director  
Direct: (262) 878-3766  
dmoyer@csb.bank



**Brian Lois**  
Ag Relationship Coordinator  
Direct: (262) 864-2355  
blois@csb.bank





Pictured top (from left to right): Megan Sharks, Hospice Alliance; Zelma Turner, Hospice Alliance, Rita Hagen, Executive Director, Hospice Alliance; Regina McGee, Hospice Alliance. Pictured bottom: a serene walking path at Hospice Alliance, Kenosha, WI.

# Meet the Board

## Rita Hagen

CSB Board of Directors

Executive Director, Hospice Alliance

Kenosha, WI

For nearly 12 years, Rita Hagen has served as the Executive Director of Hospice Alliance, a local non-profit dedicated to hospice and palliative care, serving Kenosha, Racine and Walworth Counties for over 40 years. With a distinguished 37-year career in healthcare, including 27 years in leadership roles, Rita has been a steadfast advocate for compassionate leadership.

Raised in a deeply community-oriented family, Rita continues this tradition by generously giving back to the Kenosha community. She dedicates a significant portion of her time to serving with local organizations and boards, such as the Wisconsin Hospice and Palliative Care Association (WiHPCA), Kenosha County Long Term Care Alliance, and Kenosha County Care Transitions. In 2022, she joined the Community State Bank Board of Directors.

In addition to her board commitments, Rita volunteers her time with local organizations such as The Kenosha Rotary Club, Tempo Kenosha, Readers are Leaders tutoring program, and 100+ Women Who Care – Kenosha.

“Community State Bank’s commitment to their customers and to the community has always amazed me,” said Hagen. “Their values are very similar to mine. I’m honored to be a part of that mission and to provide any insight I can from the non-profit sector, as well as from the Kenosha community.”



# Meet the Board

## Chris Miller

CSB Board of Directors

President, Miller Motor Sales, Inc.

Burlington, WI

Chris Miller, a lifelong resident of Burlington, Wisconsin, has served as President of Miller Motor Sales, Inc. in Burlington for over 37 years. He proudly carries on the Miller Motors family legacy established in 1939.

As the third-generation leader of Miller Motor Sales, Chris exemplifies a strong commitment to both his family's business and community service. Apart from his professional duties, Chris actively participates in

various community initiatives such as Rotary Club of Burlington, an active volunteer at St. Charles Parish, and serves on the Burlington Police and Fire Commission, as well as the Burlington High School Athletic Association.

Chris became a Board Member at Community State Bank in July 2020.

"Having a community bank like CSB is important to our local communities simply because they provide a level of service and expertise that could not be found with a regional or national bank," said Miller. "When I was asked to be part of the CSB Board, I was excited to accept because I already knew that CSB had the same kind of community-based philosophy that we have here at Miller Motors. They genuinely care."



Pictured left: Miller Motor Sales was located on Bridge Street in Burlington, WI from 1945 - 1959. Pictured right: The opening of Miller Motors, 2421 Milwaukee Ave., Burlington WI (pictured from left to right) Sally Miller, Neal Miller, Chris Miller, Melvin Miller, and Leonard Kitkowski, November 14th, 1981.



## Meet the Board

### **Sarah Huck**

**CSB Board of Directors  
Civil Litigation Attorney  
Milwaukee, WI**

Sarah Huck brings over 20 years of experience as a civil litigation attorney to the Community State Bank Board. Sarah represents the third generation of her family on the CSB Board, following in the footsteps of her father, Peter Huck and her grandfather, Clifford Huck. “My family has long-standing connections to the community,” said new Board Member, Sarah Huck. “I am pleased to serve as director to support CSB’s goals and its commitments to the community.”



After three decades of dedicated service, Peter Huck announced his retirement as Chairman and CSB Board Member, effective at the end of 2023. In January 2024, CSB welcomed Sarah Huck as his successor to the Board, marking the continuation of a family legacy of dedication and service to the community.

“I remember the day my dad passed on the family legacy to me to serve on the Board,” said retired Board Member, Peter Huck. “Continuing this tradition with Sarah is a generational commitment, highlighting the Huck family’s support of the values upheld by Community State Bank.”

Pictured left: Clifford Huck reads to his granddaughter Sarah Huck.



## Meet the Board

### **Russ Weyers**

**CSB Board of Directors  
President & CEO, Pioneer Products  
Racine, WI**

Russ Weyers serves as the President and CEO of Pioneer Products, a prominent manufacturing company based in Racine, Wisconsin. With a career spanning over 37 years in community banking, Weyers held various senior-level positions before transitioning to his current role in July 2019. Driven by his dedication to community service and banking, Weyers joined the Community State Bank Board of Directors in February of 2024.

“Serving on the Community State Bank Board allows me to continue my dedication to community banking,” said Weyers. “Community banking is the backbone of the economy, and Community State Bank has been a pivotal organization in Southeast Wisconsin for many years.”

Beyond his professional endeavors, Weyers actively participates in local community initiatives. He contributes his expertise to various boards, including the Racine Community Foundation, and has previously served as a Board Member for Racine County Economic Development Corporation.

# Cash Management

## An Expert Team to Help Your Business Grow

The Community State Bank Cash Management Team has solutions to help you run your business more efficiently, more profitably, and with more management control.

Our technology-based products can be tailored to your specific business and industry type while allowing you greater flexibility in managing your day to day operations.

When it comes to informative reporting, collections of receivables, disbursements, and the incorporation of banking technology, CSB's Cash Management Team can help you get ahead of the competition and concentrate on what you do best; running and growing your business.



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Vice President  
Cash Management  
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# Meet the Board

## Brian Pollard

CSB Board of Directors

Owner, Fairwyn LTD, Lake Geneva, WI

Brian Pollard, the Owner of Fairwyn LTD, embarked on his real estate journey in 1993 with a mission to enhance the Lake Geneva area through development, construction, and real estate sales. While originally from Wheaton, IL, Pollard quickly developed a deep connection to Lake Geneva through visits to his family's vacation home, eventually choosing the area to establish his business, raise his family, and continue calling it "home" today.

Appointed to the Community State Bank Board in July 2017, Brian brings over three decades of real estate experience providing valuable insights into the diverse real estate opportunities presented at CSB. Recognizing the vital role community banks play in fostering small businesses, Brian advocates for CSB's commitment to supporting local entrepreneurs.

"I truly believe that community banks like CSB are the lifeblood of small businesses," said Brian. "Starting my own business would have been incredibly challenging without the support of a community bank. CSB's willingness to back small business owners has led to their success today, something you don't often find with larger banks."

Brian's dedication to his community extends beyond business, demonstrated through his involvement in various community boards and his company's initiative to implement an extension of CSB's #Gift2Giving campaign.

"I have always believed in giving back to the community you live in, which is one of the main reasons I enjoy serving on the Community State Bank Board," Brian said. "I am proud to be associated with CSB and be a part of everything they do in Southeast Wisconsin."



# Meet the Board

## Adam Swantz

CSB Board of Directors

Deputy Director in the United States Department of Veterans Affairs Office of Field Operations  
Washington, D.C.

Adam Swantz, represents the third generation of the Swantz family. He proudly continued his family's legacy when he joined the Community State Bank Board in 2021. Adam is following the footsteps of his father, Rich Swantz and his grandfather, Harmon Swantz. Growing up in Union Grove, Adam's childhood was shaped by the values instilled in him while working at his family's hardware store.

"My experience growing up in Union Grove, particularly in the family business, has shaped everything I am both personally and professionally today," reflects Adam. "My career with the Veterans Affairs allows me to travel all over the United States, and I couldn't be more thankful to still carry the values of a small town, community-centric environment with me wherever I go."

As Deputy Director in the United States Department of Veterans Affairs Office of Field Operations, Adam provides strategic leadership to a vast network of offices and employees, ensuring the delivery of vital benefits to millions of veterans and survivors annually. "With my grandfather being a Navy Veteran, I am proud to serve the Federal Government's most noble mission," Adam adds.

Since his appointment to the board, Adam sees his position as an opportunity to give back to the community that has supported his family for many generations.



Pictured left: dressed in period costumes, three generations of the Swantz family celebrate Union Grove's sesquicentennial in 1988. (From left to right) Jo Swantz, Harmon Swantz, Amy Swantz, Virgene Swantz, Adam Swantz, Rich Swantz. Pictured right: Swantz Hardware was a fixture of downtown Union Grove, WI for over 60 years.

# 2023 Financial Review



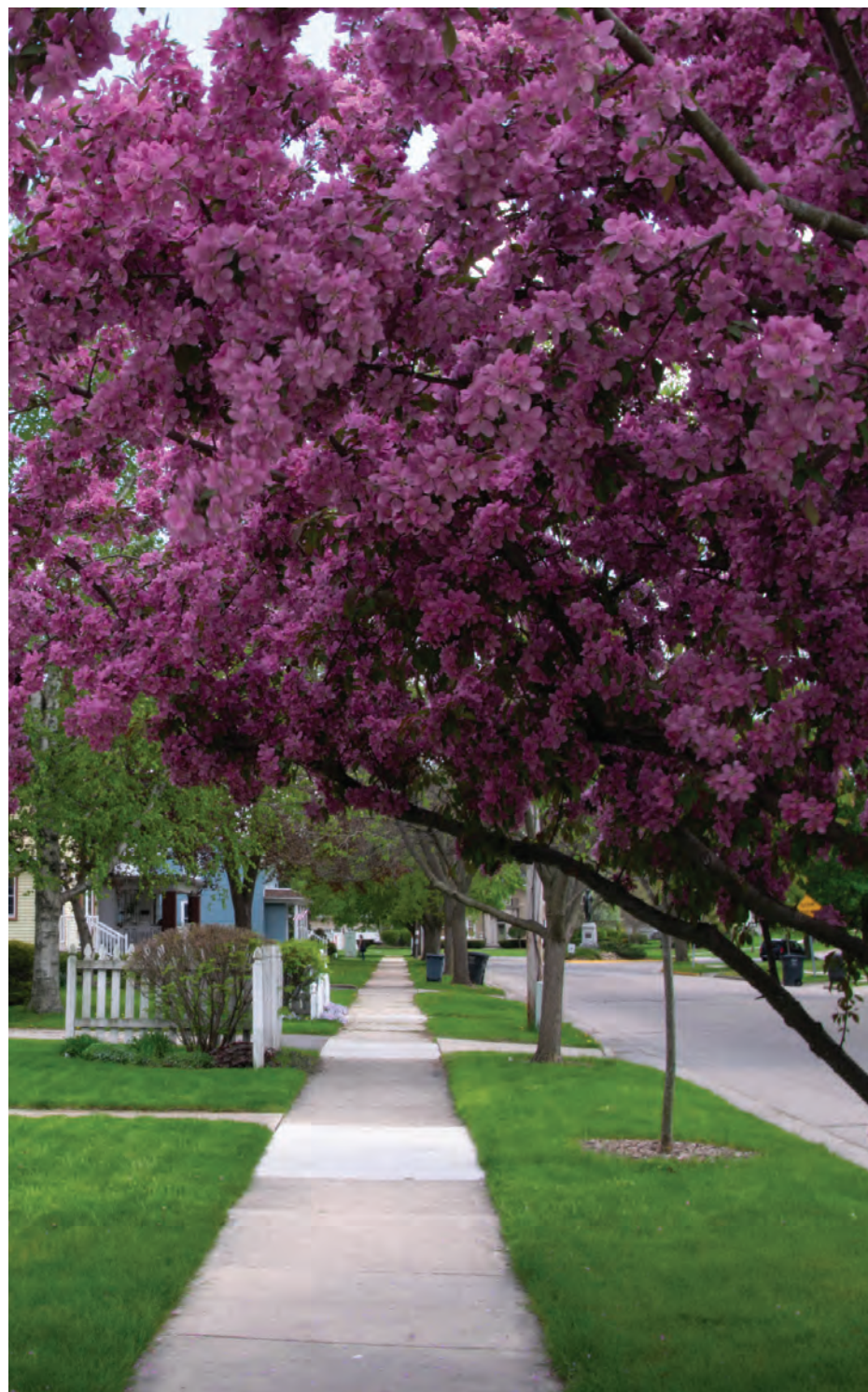
**Robert Findysz**  
Senior Vice President  
Chief Financial Officer

As of this writing, I'm approaching my first year as Chief Financial Officer of Community State Bank. Over the past months it's been a pleasure getting to know and work with the dedicated and talented staff at the bank.

As the CFO my primary responsibility is to oversee the financial health and strategy of CSB. This includes managing financial risks, optimizing our financial performance, and ensuring compliance with regulations.

Navigating regulatory compliance has always been one of the most pressing challenges for banks. However, the impact of questionable decisions made by a few banks in early 2023 that led to their closures has raised concerns within the industry and with regulators. These concerns have increased the compliance burden on all institutions, not just the bad actors.

Despite these challenges, as your community bank, our purpose remains clear: to ensure the financial stability of our bank, to continue investing in the communities we call home, pursuing opportunities for responsible growth, and demonstrate value for our shareholders.



# 2023 Financial Statement

Values are presented in thousands.

Condensed Statement of Condition	2023	2022
Cash & Due from Banks	\$ 16,398	\$ 13,497
Federal Funds Sold	7,776	29,722
Investment Securities	194,082	224,082
Loans	357,579	333,732
Less: Loan Loss Reserve Account	(5,271)	(6,406)
Net Loans	352,308	327,326
Other Assets	27,667	26,536
<b>Total Assets</b>	<b>\$ 598,221</b>	<b>\$ 621,164</b>
Deposits	572,822	602,061
Other Liabilities	6,093	6,231
<b>Total Liabilities</b>	<b>\$ 578,915</b>	<b>\$ 608,292</b>
<b>Total Stockholder's Equity</b>	<b>\$ 19,306</b>	<b>\$ 12,872</b>
<b>Total Liabilities &amp; Stock Holder's Equity</b>	<b>\$ 598,221</b>	<b>\$ 621,164</b>

Condensed Statement of Income	2023	2022
Interest on Earning Assets	\$ 24,377	\$ 20,925
Other Non-Interest Income	3,439	4,087
<b>Total Operating Income</b>	<b>\$ 27,816</b>	<b>\$ 25,012</b>
Interest Paid on Deposits & Borrowed Funds	5,161	1,117
Salaries & Employee Benefits	10,131	9,063
Provision for Loan Loss	310	0
Other Expenses	7,512	6,043
<b>Total Operating Expense</b>	<b>\$ 23,114</b>	<b>\$ 16,223</b>
Income Before Income Taxes	4,702	8,789
Less: Applicable Income Taxes	(105)	(12)
<b>Net Income</b>	<b>\$ 4,597</b>	<b>\$ 8,777</b>

For a complete 2023 Annual Disclosure Statement please contact Community State Bank. This financial information has not been reviewed or confirmed for accuracy or relevance by the Federal Deposit Insurance Corporation.

# Innovation & Achievement



**Gregory Wall**  
Chief Innovation Officer

Innovation, at its core, is problem solving. That means finding answers to existing problems, anticipating new ones, and implementing strategic solutions that will benefit our customers and our organization into the future.

At Community State Bank our entire team is dedicated to solving problems; always asking “Why?,” “How?,” and “Is there a better way?”

Often times technology can assist in problem solving; helping aid efficiency, adding convenience, and making a complicated task less difficult. But technology alone cannot solve every problem. At CSB our strategy is to pair technology and talented people to provide the best solutions.

As the marketplace changes and banking continues to evolve, we’re committed to providing our customers the flexibility and convenience that technology can offer, while continuing to pair it with a local touch that is uniquely CSB.

## 2023 Highlights

### **CSB Opens New Waterford Office**

CSB’s Waterford location officially opened its doors on November 1st, 2023. The 5000 sq. ft. commercial space is located in the heart of downtown Waterford (500 E. Main Street, Waterford, WI 53185) and features a full-service teller line, conference room, patio, several offices, and collaborative meeting spaces. It also includes a drive-thru, CSB Simple Smart ATM, night deposit, and safety deposit boxes.

### **CSB Lake Geneva Named Best Financial Institution**

CSB’s Lake Geneva team proudly earned the titles of “Best Financial Institution” and “Best Customer Service” for 2023 as part of an annual contest presented by Lee Enterprises (Racine Journal Times, Kenosha News, Lake Geneva Regional News) and determined through votes from readers, customers, and community members.

The bank also won “Hometown Favorite” awards in Racine County and Kenosha County. In Racine, we were named Favorite Financial Institution and Favorite Place to Work (both West of I-94 and with over 50 Employees). In Kenosha, we received recognition for Favorite Financial Institution, Favorite Place to Work, and Favorite Customer Service.

### **CSB Clerks Walworth Co. Fair**

Since 2007 Community State Bank has served as the official clerk for the Racine County Fair Livestock Auction and Fur and Feather Auction. In 2015 CSB stepped in as the official clerk for the Kenosha County Fair Large Animal Sale and Small Animal Sale. In 2023 the bank became the official clerk for the Walworth County Fair Livestock Auction.

The bank donates hundreds of volunteer hours preparing for and clerking the auctions each year.

# CSB Online | CSB.bank

## Why .bank?

We chose “CSB.bank” because .bank is a trusted, verified, more secure domain for financial institutions. It’s created and managed by banking and security experts and provides a solid foundation for us to securely and effectively communicate with our customers. It also ensures secure access to online banking services, which is crucial.

These types of domains are only granted to verified members of the banking industry (anyone can acquire a .com). To maintain a .bank domain, our web developer and host are also required to meet robust security practices and technologies.

## Get Social

For all of the latest news about Community State Bank and all of the interesting things happening in our communities, please follow along through our social media channels.



## Contact Information

**Community State Bank**

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**tel: (262) 878-3763**

**mail: [info@csb.bank](mailto:info@csb.bank)**

**web: [CSB.bank](https://www.csb.bank)**

Our success is defined by the **respect** and **trust** placed in us by our communities, employees, and customers.



**CSB.bank**



## 2023 Annual Disclosure Statement

Statement of Condition	2023	2022
<b>ASSETS</b>		
Cash & Due from Banks	\$ 24,164	\$ 43,614
Federal Funds Sold	\$ -	\$ -
Investment Securities Held-to-Maturity	\$ 900	\$ 900
Investment Securities Available-for-Sale	\$ 193,182	\$ 223,182
Loans held for sale	\$ -	\$ -
<b>Loans</b>		
Commercial	\$ 258,522	\$ 244,107
Consumer	\$ 1,798	\$ 1,667
Agricultural	\$ 18,571	\$ 18,030
Real Estate	\$ 70,744	\$ 61,578
Local Municipalities	\$ 7,303	\$ 7,299
Other Loans	\$ 494	\$ 876
Less: Loan Loss Reserve Account	\$ (5,271)	\$ (6,406)
<b>Total Loans</b>	\$ 352,161	\$ 327,151
Other Real Estate Owned	\$ -	\$ -
Building & Equipment	\$ 11,771	\$ 10,241
Accrued Interest Receivables	\$ 2,081	\$ 1,952
Other Assets	\$ 13,827	\$ 13,950
<b>TOTAL ASSETS</b>	\$ 598,086	\$ 620,990
<b>LIABILITIES</b>		
<b>Deposits</b>		
Demand	\$ 185,889	\$ 200,392
Now Accounts	\$ 86,580	\$ 101,938
Savings	\$ 240,982	\$ 261,020
Time	\$ 59,371	\$ 38,711
<b>Total Deposits</b>	\$ 572,822	\$ 602,061
Federal home Loan Bank Advances	\$ -	\$ -
Federal Funds Purchased &	\$ -	\$ -
Securities Sold Under Agreements to Repurchase	\$ -	\$ -
Other Borrowing	\$ -	\$ -
Accrued Expenses	\$ 4,704	\$ 4,773
Other Liabilities	\$ 1,254	\$ 1,284
<b>Stockholder's Equity</b>		
Capital Stock	\$ 249	\$ 249
Surplus	\$ 13,251	\$ 7,251
Undivided Profits	\$ 46,426	\$ 43,066
Net Unrealized Holding Gains (Losses) on Available-for-Sale Securities	\$ (40,620)	\$ (37,694)
<b>Total Stockholder's Equity</b>	\$ 19,306	\$ 12,872
<b>Total Liabilities &amp; Stock Holder's Equity</b>	\$ 598,086	\$ 620,990

<b>Income Statement</b>	<b>2023</b>	<b>2022</b>
<b>Operating Income</b>		
Interest & Fees on Loans & Leases	\$ 18,814	\$ 16,034
Interest Income on Federal Funds Sold	\$ -	\$ -
Interest Received on U.S. Securities	\$ 4,610	\$ 3,901
Interest Received on Municipal Securities	\$ 477	\$ 564
Interest Received on Other Investments	\$ 477	\$ 426
Service Charges & Fee Income	\$ 1,834	\$ 2,339
Other Income	\$ 1,534	\$ 1,700
Net Gains (Losses) on Sale of Securities	\$ (245)	\$ -
<b>Total Operating Income</b>	<b>\$ 27,501</b>	<b>\$ 24,964</b>
<b>Operating Expense</b>		
Interest Paid on Deposits	\$ 5,095	\$ 1,117
Interest Paid on Borrowed Funds	\$ 66	\$ -
Salaries & Employee Benefits	\$ 9,976	\$ 8,937
Building & Occupancy Expense	\$ 1,933	\$ 1,782
Other Expenses	\$ 5,446	\$ 4,339
Loan Loss Provision	\$ 310	\$ -
<b>Total Operating Expense</b>	<b>\$ 22,826</b>	<b>\$ 16,175</b>
Income Before Income Taxes	\$ 4,703	\$ 8,789
Less: Applicable Income Taxes	\$ 106	\$ (12)
<b>Net Income</b>	<b>\$ 4,597</b>	<b>\$ 8,777</b>

<b>Changes in Equity Capital</b>	<b>2023</b>	<b>2022</b>
<b>Capital Accounts</b>		
Total Equity capital at Beginning of the Period	\$ 12,872	\$ 43,079
Net Operating Income for the Year	\$ 4,597	\$ 8,777
Less: Cash Dividends Paid	\$ (1,237)	\$ (4,351)
Change in Net Unrealized Holding Gains (Losses) on Available-for-Sale Securities	\$ (2,926)	\$ (34,633)
<b>Total Equity Capital at Year End</b>	<b>\$ 19,306</b>	<b>\$ 12,872</b>

<b>Non-Accrual Loans</b>	<b>2023</b>	<b>2022</b>
Real Estate Loans	\$ 715	\$ 825
Installment Loans	\$ -	\$ -
Commercial & Other Loans	\$ 2,503	\$ 2,527
<b>TOTAL</b>	<b>\$ 3,218</b>	<b>\$ 3,352</b>

<b>Past Due Loans</b>	<b>2023</b>	<b>2022</b>
<i>Past Due 30 - 89 days and still accruing</i>		
Real Estate Loans	\$ 486	\$ -
Installment Loans	\$ -	\$ -
Commercial & Other Loans	\$ 223	\$ 380
Credit Cards & Related Plans		
<b>TOTAL</b>	<b>\$ 709</b>	<b>\$ 380</b>

<b>Change in Allowance for Loan &amp; Lease Losses</b>	<b>2023</b>	<b>2022</b>
Balance at beginning of period	\$ 6,406	\$ 7,278
Recoveries of loans previously charged-off	\$ 18	\$ 38
Less: Actual loan charge-offs	\$ (1,326)	\$ (910)
Current year provision for loan losses	\$ 310	\$ -
Adjustments	\$ (137)	
<b>TOTAL</b>	<b>\$ 5,271</b>	<b>\$ 6,406</b>