

PUBLIC DISCLOSURE

September 3, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank of Columbia
Certificate Number: 8775

144 Public Square
Columbia, Kentucky 42728

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 (AA), including low- and moderate-income (LMI) neighborhoods, in a manner consistent with its resources and capabilities. The following statements summarize the institution's overall lending performance.

- The loan-to-deposit (LTD) ratio is reasonable given the institutions size, financial condition, and AA credit needs.
- A majority of loans are in the institution’s AA.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA.
- The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among businesses and farms 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 rating.

DESCRIPTION OF INSTITUTION

Bank of Columbia (BOC) is a community bank headquartered in Columbia, Kentucky, and is wholly owned by Columbia Bancshares, Inc., a one-bank holding company also located in Columbia, Kentucky. The bank does not have any subsidiaries or affiliates engaged in lending activities. Examiners assigned a “Satisfactory” rating at the bank’s previous FDIC Performance Evaluation dated October 29, 2018, based on Small Institution CRA Examination Procedures.

Including its main office, BOC operates two full-service branches and one limited-service/drive thru facility, each within Adair County, Kentucky. The bank has not been involved in any merger or acquisition activity and has not opened or closed any branches since the previous evaluation.

The bank offers traditional loan products including commercial, agricultural, home mortgage, and consumer loans, primarily focusing on commercial and agricultural lending. Deposit products include checking and savings accounts, club accounts, certificates of deposits, individual retirement accounts, and health savings accounts. BOC offers alternative banking services including telephone banking, internet banking, mobile banking, mobile deposit, online consumer loan applications, Apple Pay, Google Pay, Samsung Pay, and Automated Teller Machines.

As reported in the June 30, 2024, consolidated Reports of Condition and Income (Call Report), the institution’s assets totaled \$202.7 million, loans totaled \$168.5 million, deposits totaled \$185.4 million, and securities totaled \$26.6 million.

Loan Portfolio Distribution as of 06/30/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	5,737	3.4
Secured by Farmland	33,383	19.8
Secured by 1-4 Family Residential Properties	46,387	27.5
Secured by Multifamily (5 or more) Residential Properties	439	0.3
Secured by Nonfarm Nonresidential Properties	45,348	26.9
Total Real Estate Loans	131,294	77.9
Commercial and Industrial Loans	19,378	11.5
Agricultural Production and Other Loans to Farmers	10,842	6.4
Consumer Loans	7,000	4.2
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	168,514	100.0
<i>Source: Call Report</i>		

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

DESCRIPTION OF ASSESSMENT AREA

BOC's AA has not changed since the previous CRA evaluation. The CRA requires each financial institution to define one or more AAs within which examiner will evaluate its lending performance. BOC continues to delineate its one AA as the entirety of Adair County, Kentucky. The AA does not arbitrarily exclude LMI census tracts, does not reflect illegal discrimination, and otherwise meeting the requirements of the AA. Sources for information contained in this section include bank data and 2020 U.S. Census Data.

Economic and Demographic Data

Based on 2020 U.S. Census Data, the AA consists of one moderate-income and six middle-income census tracts. The release of the 2020 U.S. Census Data changed one of the tracts income designations from moderate- to middle-income, which is a change since the previous evaluation. The following table presents demographic information for the AA.

Demographic Information of the AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	7	0.0	14.3	85.7	0.0	0.0
Population by Geography	18,903	0.0	15.9	84.1	0.0	0.0
Housing Units by Geography	8,626	0.0	16.9	83.1	0.0	0.0
Owner-Occupied Units by Geography	5,404	0.0	18.3	81.7	0.0	0.0
Occupied Rental Units by Geography	1,587	0.0	9.5	90.5	0.0	0.0
Vacant Units by Geography	1,635	0.0	19.6	80.4	0.0	0.0
Businesses by Geography	1,612	0.0	10.4	89.6	0.0	0.0
Farms by Geography	175	0.0	16.0	84.0	0.0	0.0
Family Distribution by Income Level	4,693	22.7	17.4	20.5	39.5	0.0
Household Distribution by Income Level	6,991	26.3	14.6	17.3	41.8	0.0
Median Family Income Non-MSAs - KY		\$54,327	Median Housing Value			\$111,534
			Median Gross Rent			\$632
			Families Below Poverty Level			13.8%

Source: 2020 U.S. Census and 2023 D&B Data. Due to rounding, totals may not equal 100.0%. () The NA category consists of geographies that have not been assigned an income classification.*

According to 2023 D&B Data, there are 1,612 small businesses in the AA, which is a 60.9 percent increase from the previous evaluation. The increase in small businesses indicates that there are potential lending opportunities within the AA.

According to 2020 U.S. Census Data, the AA contains 8,626 housing units, of which 62.6 percent are owner-occupied, 18.4 percent are rental units, and 19.0 percent are vacant, indicating potential demand for home mortgage loans. The Geographic Distribution criterion compares the institution's home mortgage lending to the distribution of owner-occupied housing units by tract income category.

Examiners used the 2023 FFIEC updated-Median Family Income (MFI) level to analyze home mortgage loans under the Borrower Profile criterion. The following table illustrates the income categories used within the evaluation.

MFI Ranges				
MFI	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2023 (\$64,900)	<\$32,450	\$32,450 to <\$51,920	\$51,920 to <\$77,880	≥\$77,880

Source: FFIEC

Competition

BOC operates in a moderately competitive market. According to FDIC Deposit Market Share data as of June 30, 2023, five institutions operate 11 full-service branches in the AA. Of these banks, BOC ranked first with 38.7 percent of the market share. BOC had a majority of the deposits inside the AA; however, the second and third institutions have 28.3 percent and 26.4 percent, respectively.

BOC is not required to collect or reports its small business data, and elected not to do so; therefore, the analysis of small business loans does not include comparisons against aggregate data. However, aggregate data is useful to gauge the level of demand and competition for small business loans. The most recent year for which aggregate data is available (2022), shows that 30 lenders reported 269 small business loans in the AA, indicating a high demand for this product.

Similarly, BOC is not required to collect or report small farm or home mortgage data, and elected not to do so; therefore, the analysis of these products does not include comparisons against aggregate data. However, the aggregate data is useful to gauge the level of demand and competition in the AA. The most recent year which aggregate data is available (2022), shows that eight lenders reported 25 small farm loans, and 70 lenders reported 172 home mortgage loans, in the AA indicating a moderate level of demand for these products.

Community Contact

As part of the evaluation process, examiners contact third parties active the AA to assist in identifying credit needs. This information helps with determining if financial institutions are responsive to those needs. It also helps identify what credit opportunities are available.

The community contact stated the area is saturated with small businesses and small farms; however, the contact also mentioned banks in the area are responsive to those credit needs. Additionally, the housing market in this county is very competitive, which is increasing the price of homes in the area. Due to the increase in home prices, the contact stated down payment assistance programs would be beneficial for Adair County.

Credit Needs

Considering information from the community contact, bank management, demographic, and economic data, examiners determined that affordable housing, specifically down payment assistance programs, are the primary credit needs for the AA.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated October 29, 2018, to the current evaluation dated September 3, 2024. Examiners used Small Institution CRA Examination Procedures to evaluate BOC's CRA performance.

Activities Reviewed

Examiners considered the bank's business strategy, and the number and dollar volume of loans originated or renewed during the evaluation period, major product lines, and the AA's credit needs. Based on this information, examiners determined the major products are small business, small farm,

and home mortgage loans. Examiners weighted small business lending more heavily in deriving overall performance conclusions. This is based on lending volume during the review period as well as the most recent Call Report dated June 30, 2024, which indicates commercial lending is 38.4 percent of the loan portfolio composition compared to agricultural and home mortgage lending at 26.2 percent and 27.8 percent, respectively.

Since BOC is not required to collect or report loan data, examiners used bank records to review a sample of small business and small farm and reviewed all home mortgage loans originated or renewed from January 1, 2023, through December 31, 2023. BOC originated or renewed 301 small business loans totaling \$18.4 million and 64 loans totaling \$3.2 million were sampled. Additionally, 181 small farm loans were originated totaling \$9.8 million and 55 small farm loans totaling \$2.2 million were sampled. All 55 home mortgage loans totaling \$6.7 million were reviewed.

D&B for 2023 and 2020 U.S. Census Data were the sources of comparable data used in the Lending Test.

Examiners analyzed and presented both number and dollar volume of small business, small farm, and home mortgage loans. In evaluating the Geographic Distribution and Borrower Profile criteria, examiners only evaluated loans extended within the AA.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

BOC demonstrates reasonable performance under the Lending Test. The consistent performance in LTD ratio, AA concentration, Geographic Distribution, and Borrower Profile support this conclusion.

Loan-to-Deposit Ratio

The LTD ratio is reasonable given the institution's size, financial condition, and AA credit needs. The LTD ratio, calculated from the Call Report data, averaged 87.5 percent over the previous 23 quarters, from December 31, 2018, to June 30, 2024. The ratio fluctuated during the evaluation period and ranged from a high of 103.5 percent in December 2019 to a low of 68.6 percent in December 2021. The influx in the LTD ratio is due to the bank receiving a large deposit (\$65-70 million) during the fourth quarter of 2019. Despite the fluctuation, and as illustrated in the table below, BOC's LTD ratio compares favorably to other similarly situated institutions. The asset size, geographic location, and lending focus were the factors taken into consideration when selecting similarly situated institutions.

LTD Ratio Comparison		
Bank	Total Assets as of 06/30/2024 (\$000s)	Average Net LTD Ratio (%)
BOC	202,652	87.5
Similarly Situated Institution #1	195,397	79.6
Similarly Situated Institution #2	224,993	56.6
Similarly Situated Institution #3	278,625	68.7
Similarly Situated Institution #4	249,502	95.3
<i>Source: Reports of Condition and Income 12/31/2018 – 06/30/2024</i>		

Assessment Area Concentration

As shown in the following table, BOC originated or renewed a majority of its sampled small business and small farm loans by number and dollar amount inside the AA. Additionally, BOC originated or renewed a majority of its home mortgage loans by number and dollar amount inside the AA.

Lending Inside and Outside of the AA										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	52	81.2	12	18.8	64	2,282	70.3	966	29.7	3,248
Small Farm	40	72.7	15	27.3	55	1,332	59.8	896	40.2	2,228
Home Mortgage	33	60.0	22	40.0	55	3,696	55.5	2,965	44.5	6,661
<i>Source: Bank Data. Due to rounding, totals may not equal 100.0%.</i>										

Geographic Distribution

Overall, the geographic distribution of loans reflects reasonable dispersion throughout the AA. As mentioned previously, the AA contains no low-income and only one moderate-income census tract. Additionally, as previously stated, more weight was placed on small business based on the lending volume.

Small Business

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. As shown in the following table, bank performance exceeds demographic data in moderate-income census tracts by 26.1 percent.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate	10.4	19	36.5	577	25.3
Middle	89.6	33	63.5	1,705	74.7
Totals	100.0	52	100.0	2,282	100.0
<i>Source: 2023 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Small Farm

The geographic distribution of small farm loans reflects reasonable dispersion throughout the AA. As shown in the following table, bank performance exceeds demographic data in moderate-income census tracts by 4.0 percent.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Moderate	16.0	8	20.0	144	10.8
Middle	84.0	32	80.0	1,188	89.2
Totals	100.0	40	100.0	1,332	100.0

Source: 2023 D&B Data; -Bank Data. Due to rounding, totals may not equal 100.0%

Home Mortgage

The geographic distribution of home mortgage loans reflects poor dispersion throughout the AA. As shown in the following table, bank performance trails the moderate-income demographic data by 9.2 percent. This census tract is adjacent to Russell County, Kentucky. Residents in this area are conveniently located to the interstate that leads directly into Russell County where financial services and job opportunities are available.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Moderate	18.3	3	9.1	202	5.5
Middle	81.7	30	90.9	3,493	94.5
Total	100.0	33	100.0	3,696	100.0

Source: 2020 U.S. Census, Bank Data. Due to rounding, totals may not equal 100.0%

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels. Examiners focused on the number of small businesses and small farms with Gross Annual Revenues (GARs) of \$1 million or less and home mortgage loans to LMI borrowers.

Small Business

The distribution of small business loans to businesses of different sizes is reasonable. BOC's lending performance to businesses with GARs of \$1 million or less exceeds demographic data by 10.3 percent. The conclusions further support that there is demand and opportunity to lend to small businesses with the AA.

Distribution of Small Business Loans by GAR Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	87.8	51	98.1	2,242	98.2
>\$1,000,000	3.2	1	1.9	40	1.8
Revenue Not Available	9.0	0	0.0	0	0.0
Total	100.0	52	100.0	2,282	100.0

Source: 2023 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%

Small Farm

The distribution of small farm loans to farms of different sizes is reasonable. BOCs made all sampled loans to farms with GARs of \$1 million or less.

Distribution of Small Farm Loans by GAR Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	100.0	40	100.0	1,332	100.0
Total	100.0	40	100.0	1,332	100.0

Source: 2023 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%

Home Mortgage

The distribution of home mortgage loans reflects reasonable penetration among borrowers of different income levels. As shown in the following table, the bank's lending performance trails demographic data for low-income families. However, demographic data includes 13.8 percent of families living below the poverty level. Many individuals with incomes below the poverty level are unable to afford the expenses of homeownership and a mortgage. Additionally, BOC's lending performance to moderate-income borrowers exceeds demographic data by 9.9 percent. Overall, BOC's performance is reasonable.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	22.7*	4	12.1	366	9.9
Moderate	17.4	9	27.3	425	11.5
Middle	20.5	4	12.1	390	10.5
Upper	39.5	16	48.5	2,516	68.1
Total	100.0	33	100.0	3,696	100.0

Source: 2020 U.S. Census; Bank Data. Due to rounding, totals may not equal 100.0%. *includes 13.8% of families below the poverty level.

Response to Complaints

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

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The 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).

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.

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

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

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

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

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

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

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

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

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

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

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

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

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

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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

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

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

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

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

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

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

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

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