

PUBLIC DISCLOSURE

August 11, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Scribner Bank
Certificate Number: 14026

400 Main Street
Scribner, Nebraska 68057

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

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

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 following points summarize the bank's performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- The majority of small farm and small business loans were located within the assessment area.
- The assessment area does not contain any low- or moderate-income census tracts; therefore, this criterion was not evaluated.
- The distribution of borrowers reflects reasonable penetration among farms and businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DESCRIPTION OF INSTITUTION

Scribner Bank is wholly owned by Scribner Banshares, Inc., Scribner, Nebraska. The bank operates from its sole location in Scribner, Nebraska. The institution received a Satisfactory rating at the previous FDIC Performance Evaluation dated August 12, 2019, using Small Institution Examination Procedures.

The bank offers traditional credit products with a primary focus on agricultural lending. Other loan products include commercial and consumer loans. Deposit products include checking, savings, money market accounts, certificates of deposit, and individual retirement accounts. Alternate retail banking services include online banking, mobile banking, and one ATM.

Assets totaled approximately \$79 million as of the March 31, 2025 Reports of Condition and Income (Call Report), this included total loans of \$53 million and total deposits of \$67 million. As shown in the following table, agricultural and farmland lending represents the largest portions of the loan portfolio. This lending concentration is consistent with the loan portfolio distribution at the previous CRA evaluation.

Loan Portfolio Distribution as of 03/31/2025		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	1,333	2.5
Secured by Farmland	11,387	21.5
Secured by 1-4 Family Residential Properties	482	0.9
Secured by Multifamily (5 or more) Residential Properties	0	0.0
Secured by Nonfarm Nonresidential Properties	4,221	8.0
Total Real Estate Loans	17,423	32.9
Commercial and Industrial Loans	5,903	11.2
Agricultural Production and Other Loans to Farmers	26,747	50.6
Consumer Loans	2,123	4.0
Obligations of State and Political Subdivisions in the U.S.	525	1.0
Other Loans	152	0.3
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(0)	(0.0)
Total Loans	52,873	100.0
<i>Source: Reports of Condition and Income Due to rounding, total may not equal 100.0%</i>		

Examiners did not identify any financial, legal, or other impediments that would affect the institution's ability to meet the assessment area credit needs.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Scribner Bank has designated one assessment area that includes census tracts 9636 and 9637 in northern Dodge County, Nebraska. Dodge County is in the nonmetropolitan portion of eastern Nebraska, just outside the northwestern suburbs for the Omaha, Nebraska-Iowa Metropolitan Statistical Area. The census tracts remain designated as middle-income according to the 2020 U.S. Census.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A* % of #
Geographies (Census Tracts)	2	0.0	0.0	100.0	0.0	0.0
Population by Geography	7,337	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	3,686	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	2,375	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	754	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	557	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	727	0.0	0.0	100.0	0.0	0.0
Farms by Geography	245	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	2,109	16.3	15.1	25.8	42.9	0.1
Household Distribution by Income Level	3,129	15.3	14.1	21.6	49.0	0.0
Nebraska Nonmetropolitan – Median Family Income	\$70,804	Median Housing Value				\$118,549
		Median Gross Rent				\$744
		Families Below Poverty Level				6.4%
<i>Source: 2020 Census And 2024 D&B Data</i> <i>(*) The N/A category consists of geographies that have Not been assigned an income classification.</i> <i>Due to rounding, totals may not equal 100%.</i>						

Scribner Bank’s assessment area is rural, and the economy is highly dependent on agriculture. According to the 2022 U.S. Census of Agriculture, 694 farm operations generated \$460 million in commodity sales in Dodge County. According to 2024 D&B Data, the largest employers include agriculture, forestry, fishing and hunting at 25.2 percent; non-classifiable establishments at 14.9 percent; and other services at 9.5 percent. In addition, 94.9 percent of businesses operate from a single location and 75.2 percent operate with four or fewer employees. The City of Fremont, in the southeastern portion of the county and just outside the assessment area boundaries, is the economic and population hub for the county.

The population has decreased by 352 residents (4.5 percent) since the prior evaluation. However, the number of farms and number of businesses has increased by 33 and 190 since the previous evaluation, respectively.

Dodge County’s unemployment rate as of May 2025 was 3.0 percent. Comparatively, the state of Nebraska’s unemployment rate was 3.0 percent, while the national unemployment rate was 4.0 percent. The 2024 unemployment rates for Dodge County, Nebraska, and nationwide were 2.8 percent and 4.0 percent, respectively.

Competition

The assessment area is moderately competitive for financial services. According to 2024 FDIC Deposit Market Share data, 12 financial institutions operate 21 offices in Dodge County. Scribner Bank ranked 8th amongst these financial institutions, with 4.0 percent of the deposit market share.

Community Contacts

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying area credit needs. This information helps determine whether local financial institutions are responsive to those needs. It also shows what credit opportunities are available.

Examiners interviewed an individual from a local economic development organization. The contact stated that the economic conditions in the area have been improving since 2020, and the agriculture industry has been a major source of employment in the area. Further, financial institutions are adequately addressing the credit needs of the county and competition remains healthy. In addition, the contact stated the primary credit needs of the area are agricultural and commercial loans.

Credit Needs

Considering information from the community contact, bank management, demographic information, and economic data, examiners determined that agricultural and commercial loans are the primary credit needs of the assessment area.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated August 12, 2019, to the current evaluation dated August 11, 2025. Examiners used the Interagency Small Institution Examination Procedures to evaluate Scribner Bank’s CRA performance, which includes the Lending Test. Refer to the Appendices for a description of the criteria evaluated under the Lending Test.

Activities Reviewed

Scribner Bank’s primary credit products are agricultural and commercial lending. Therefore, examiners reviewed small farm and small business loans to evaluate the bank’s CRA performance. These products were selected based on the volume of loans originated during the review period and loan portfolio composition. Examiners did not review home mortgage loans as the bank does not offer home mortgage loans, which only account for approximately one percent of the loan portfolio as of March 31, 2025.

Examiners reviewed all small farm and small business loans originated in 2024 to evaluate the Assessment Area Concentration criterion. For Borrower Profile, examiners reviewed a sample of 47 small farm loans, and the universe of 30 small business loans made inside the bank’s assessment area. The institution’s small farm and small business lending in 2024 was considered representative of its performance during the entire review period. D&B data for 2024 provided the standard of comparison for the institution’s small farm and small business lending performance.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Small Farm	131	24,071	47	7,939
Small Business	42	5,929	30	3,545
<i>Source: Bank Data</i>				

Examiners reviewed both the number and dollar volume of loans and presented both figures

throughout the performance evaluation. Examiners emphasized performance by the number of loans for the Borrower Profile analysis as it is a better indicator of borrowers served. Furthermore, examiners placed greater weight on small farm lending performance rather than small business lending performance, as agricultural loans are the institution’s primary lending focus.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Scribner Bank demonstrated satisfactory performance under the Lending Test. The collective performance under the criteria evaluated supports this conclusion.

Loan-to-Deposit Ratio

Scribner Bank’s loan-to-deposit ratio is reasonable given the institution’s size, financial condition, and the assessment area credit needs. The net loan-to-deposit ratio, calculated from Call Report data, averaged 61.1 percent over the past 23 quarters from September 30, 2019, to March 31, 2025. The ratio ranged from a low of 37.8 percent as of March 31, 2022, to a high of 83.6 percent as of September 30, 2019. The average net loan-to-deposit ratio has decreased from the previous evaluation where it was 74.1 percent.

Examiners compared the bank’s average net loan-to-deposit ratio to three similarly situated institutions to evaluate the bank’s performance. The similarly institutions were selected based upon geographic location, asset size, and lending focus. As shown in the following table, Scribner Bank’s average net loan-to-deposit ratio exceeds all three similarly situated institutions.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 03/31/2025 \$(000s)	Average Net Loan-to-Deposit Ratio (%)
Scribner Bank, Scribner, Nebraska	79,347	61.1
Clarkson Bank, Clarkson, Nebraska	74,549	54.1
Community State Bank, Colon, Nebraska	42,442	51.4
Platte Valley Bank, North Bend, Nebraska	101,147	52.1

Source: Reports of Condition and Income 09/30/2019 – 03/31/2025

Assessment Area Concentration

A majority of small farm and small business loans reviewed, by number and dollar volume, were located inside the assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	\$(000s)	%	\$(000s)	%	\$(000s)
Small Farm	112	85.5	19	14.5	131	20,644	85.7	3,431	14.3	24,075
Small Business	30	71.4	12	28.6	42	3,545	59.8	2,385	40.2	5,930
Total	142	82.1	31	17.9	173	24,189	80.6	5,816	19.4	30,005

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

Geographic Distribution

The assessment area does not contain any low- or moderate-income census tracts, 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 borrowers reflects reasonable penetration among farms and businesses of different sizes. Reasonable small farm and small business lending performance support this conclusion. Examiners focused on the percentage of loans to farms and businesses with gross annual revenues of \$1 million or less.

Small Farm Loans

The distribution of borrowers reflects reasonable penetration among farms of different sizes. As shown in the following table, the bank’s lending performance lags comparable demographic data by approximately 26 percent. Moreover, the bank’s lending to farms with gross annual revenues of \$1 million or less has also decreased from 82.5 percent since the previous evaluation. However, lending opportunities to smaller farm operations are more limited than reflected through the demographic in the table, as many farmers do not have credit needs. According to 2022 Census of Agriculture data, 50.6 percent of farms in Dodge County do not report an interest expense, indicating that they do not borrow funds for their operations. In addition, 46.1 percent of agricultural producers report a primary occupation other than farming. This data supports that some farm operations have limited or no credit needs. Considering this information, the bank’s performance is reasonable.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
≤ \$1,000,000	98.4	34	72.3	5,686	71.6
> \$1,000,000	0.4	13	27.7	2,253	28.4
Revenue Not Available	1.2	0	0.0	0	0.0
Total	100.0	47	100.0	7,939	100.0

*Source: 2024 D&B Data; Bank Data
Due to rounding, totals may not equal 100.0%.*

Small Business Loans

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. Scribner Bank’s small business lending performance is comparable with demographic data.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤ \$1,000,000	88.7	24	80.0	1,515	42.7
> \$1,000,000	2.8	6	20.0	2,030	57.3
Revenue Not Available	8.5	0	0.0	0	0.0
Total	100.0	30	100.0	3,545	100.0
<i>Source: 2024 D&B Data; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%.</i>					

Response to Complaints

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

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

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

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