

# **PUBLIC DISCLOSURE**

**June 24, 1996**

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**First State Bank of St. Robert  
RSSD #277558  
P. O. Box P  
Waynesville, Missouri 65583**

**Federal Reserve Bank of St. Louis  
  
P.O. Box 442  
  
St. Louis, Missouri 63166-0442**

**NOTE: 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 Reserve concerning the safety and soundness of this financial institution.**

## GENERAL INFORMATION

*The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.*

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of **First State Bank of St. Robert** prepared by the **Federal Reserve System**, the institution's supervisory agency, as of June 24, 1996. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.*

**INSTITUTION'S CRA RATING:** This institution is rated Satisfactory.

First State Bank of St. Robert meets the standards to receive a satisfactory rating. The loan-to-deposit ratio is considered reasonable, given the institution's size, financial condition, and assessment area credit needs. A substantial majority of the bank's loans are within its assessment area, and the distribution of loans reflects a reasonable penetration among individuals of different income levels.

The following table indicates the performance level of the bank with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>First State Bank of St. Robert</u> PERFORMANCE LEVELS		
	Exceeds Standards for Satisfactory Performance	Meets Standards for Satisfactory Performance	Does not meet Standards for Satisfactory Performance
Loan to Deposit Ratio		X	
Lending in Assessment Area	X		
Lending to Borrowers of Different Incomes and to Businesses of Different Sizes		X	
Geographic Distribution of Loans	Not relevant. See comments on page 5.		
Response to Complaints	No complaints were received since the prior examination.		

## DESCRIPTION OF INSTITUTION

First State Bank of St. Robert is a \$25.6 million institution located in St. Robert, Missouri. The bank is owned by Tritten Bancshares, Inc., a one-bank holding company. It has a main office and does not have any branch locations. The bank's primary credit products include loans secured by vehicles, loans secured by one-to-four family real estate, commercial real estate loans and unsecured personal loans. Competition in the area includes six commercial banks, three mortgage banking companies, one savings and loan, and one credit union.

## DESCRIPTION OF ASSESSMENT AREA

The bank's assessment area is defined as all of Pulaski County, which includes the following five Block Numbering Areas (BNAs) which are each considered middle income geographies for purposes of CRA: 9701.00, 9702.85, 9703.85, 9704.00, 9705.00.

Income characteristics of the BNAs are determined by comparing the percentage of the individual BNA income to the statewide nonmetropolitan median family income. The

statewide nonmetropolitan median family income is \$24,325, while the median family income for the assessment area is \$23,312. Approximately 37.0 percent of the assessment area's families are considered low- and moderate-income.

The city of St. Robert, Missouri, has a population of 1,901. The city of Waynesville, Missouri, which is located in close proximity to St. Robert, has a population of 3,207. Based on the 1990 census, Pulaski county has a population of 41,307.

Fort Leonard Wood, an army base located in Pulaski county, has a significant economic impact on the area. The economy in the area is very dependent on the military, which is the major employer in the county. The Fort provides employment for approximately 9,400 army personnel and 4,400 civilians. The Fort is currently home to engineer and motor vehicle training schools. In addition, it is anticipated that by the end of 1999, chemical and military police training will be transferred to Fort Leonard Wood, which should add approximately 2,200 jobs to the area and increase the number of students by 4,200. Based on information provided by community contacts, the unemployment rate approximates 4.1 percent.

## **CONCLUSIONS WITH RESPECT TO THE PERFORMANCE CRITERIA:**

### **Loan-to-Deposit Ratio**

The bank's loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. Since the previous examination dated August 29, 1994, the bank's seven quarter (9/30/94 - 3/31/96) loan-to-deposit ratio has averaged 70.1 percent. The ratio has remained relatively stable during that time and compares favorably to the ratios of other local financial institutions, ranging from 53.7 to 84.5.

### **Lending within the Assessment Area**

A substantial majority of loans originated are within the assessment area. Based on the two primary lending products reviewed, 93 percent of the loans were located within the assessment area. The following chart identifies the loans inside/outside the assessment area by loan type.

#### **LENDING WITHIN ASSESSMENT AREA**

	Sample	Inside Assessment Area	Percent	Outside Assessment Area	Percent

	Sample	Inside Assessment Area	Percent	Outside Assessment Area	Percent
Vehicle	65	62	95%	3	5%
One to four Family Real Estate	35	31	89%	4	11%
<b>TOTAL</b>	<b>100</b>	<b>93</b>	<b>93%</b>	<b>7</b>	<b>7%</b>

**Lending to Borrowers of Different Incomes and to Businesses of Different Sizes**

Based on the information in the table below, the bank=s lending to borrowers of different income levels is reasonable. The table reflects the borrower income characteristics of the two primary loan types. In determining the appropriate borrower income category, the statewide nonmetropolitan median family income, is utilized. Income less than 50 percent is considered low-income, 50 to 79 percent is moderate-income, 80 to 119 percent is middle-income and 120 percent and greater is upper income.

The bank=s lending for vehicle loans compares favorably to the state nonmetropolitan area demographics; however, the lending for one-to-four family real estate does not. Management stated that lending for one-to-four family real estate may be reflective of lower income individuals obtaining VA and FHA financing and the bank does not offer these type of loans. In total, the overall percentages are considered satisfactory.

**DISTRIBUTION OF LENDING BY BORROWER INCOME**

	Total Number	Low-Income		Moderate-Income		Middle-Income		Upper-Income	
		Percent	Percent	Percent	Percent	Percent	Percent		
Vehicle	65	16	25%	22	34%	13	20%	14	21%
One-to-four Family Real Estate	35	1	3%	5	14%	6	17%	23	66%
Total	100	17	17%	27	27%	19	19%	37	37%
Population			20.3%		17.9%		22.2%		39.7%

**Geographic Distribution**

A geographic distribution analysis of the bank=s loans was not performed because all the BNAs in the assessment area are middle income. Analysis of the loan distribution would not provide any meaningful data.

**Review of Complaints:**

There were no complaints received since the prior examination.

**Additional Information:**

A fair lending review was performed to assess compliance with the Equal Credit Opportunity Act and the Fair Housing Act. No violations of the substantive provisions of laws and regulations were identified.