



tri counties bank

Community Reinvestment Act Plan
for the 2021-2023 Exam Cycle



Performance Rating Goals

The Bank's CRA Performance Rating at the most recent CRA exam (January 2021) was **"Satisfactory"** overall with component ratings of:

"High Satisfactory" in Lending
"High Satisfactory" in Investments
"Low Satisfactory" in Service.

The Bank's 2021-2023 goal is to achieve an **"Outstanding"** Rating overall with component ratings of:

"Outstanding" in Lending
"Outstanding" in Investments
"Outstanding" in Service



Lending Goals

- The Bank's goal is to achieve an "Outstanding" component rating for Lending.
- Maintain our excellent record of assessment area penetration rate of at least 85%.
- Meet or exceed the aggregate percentage of our competitors for Mortgage Lending and Small Business/Small Farm Lending for our combined California Assessment Areas.
 - Low- and Moderate-Income Tracts
 - Loans to Low- and Moderate-Income Borrowers
 - Loans to Small Businesses and Small Farms with Revenues of \$1 Million and under
- Community Development loan originations of 5% of total assets over the exam cycle. Previous performance was 4.6%.
- Work with lenders to purchase additional loans in low- and moderate-income communities to strengthen performance.



Investment Goals

- The Bank’s goal is to achieve an “Outstanding” component rating for CRA Investments.
- Achieve new CRA Investments of 1.3% or more of total assets (over the exam cycle), with a high level of “creative and innovative” investments, including LIHTC, EQ2, and SBIC investments. Previous performance was 0.6% during the prior exam cycle.
- Maintain charitable contributions – including marketing sponsorships and donations, totaling \$3,500,000 (over the exam cycle) with at least 50% of the charitable contributions allocated to CRA qualified organizations. The bank has designated \$800,000 annually to CRA-qualified organizations that provide affordable housing, small business development or services to low/moderate income people. Previous performance was \$4,054,000 due to additional donations (exceeding \$2 million) supporting recovery from the Carr and Camp fires.



Service Goals

- The Bank's goal is to achieve an "Outstanding" component rating for Services.
- Launch the Community Connect volunteer program to ensure a minimum of 2,800 hours annually* of CRA qualified service hours and increase the number of participating employees. Previous exam period performance was 4,125 hours.
- Continue to compete annually for FHLB grant programs supporting community partners involved in affordable housing initiatives, including AHP, WISH, AHEAD, and IDEA grants.
- Continue to offer free ATM access for EBT Card holders.
- Increase consumer participation in the BankOn checking program through our Money Smart account.
- Apply for Bank Enterprise Awards through the Federal CDFI Fund in support of small business and affordable housing initiatives.
- Expand employee provided financial literacy to schools that have over 50% Free-Reduced Lunch Statistics and participate in the Volunteer Income Tax Assistance program.

*Prorated for 2020