



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

October 21, 1997

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**The Citizens National Bank of Wisner
Charter Number 6866
921 Avenue E
Wisner, Nebraska 68791**

**Office of the Comptroller of the Currency
11606 Nicholas Street, Suite 201
Omaha, Nebraska 68154**

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 financial supervisory agency 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 **The Citizens National Bank of Wisner** prepared by **The Office of the Comptroller of the Currency**, the institution's supervisory agency, as of October 21, 1997. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 C.F.R. Part 25.*

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

The bank's lending level is more than reasonable, given the institution's size, financial condition, and assessment area credit needs. A majority of the bank's loans are within its assessment area. Lending levels to businesses and farms of different sizes and borrowers of different income levels is reasonable.

DESCRIPTION OF INSTITUTION

The Citizens National Bank of Wisner (CNB) is a \$27 million bank located in northwest Cuming County in northeastern Nebraska. The bank has one main location in Wisner, Nebraska and no branches. CNB is owned by Citizens National Corporation, a four-bank holding company. There are no legal or financial impediments limiting the bank's ability to help meet community credit needs.

As of June 30, 1997, CNB's loan portfolio comprises 80% of total assets. The bank's primary credit products are agricultural production and farm real estate loans. Other credit products include commercial, commercial real estate, residential real estate and consumer loans. The table below breaks down the loan portfolio by outstanding dollar and number of loans.

	% of outstanding loan dollars	% of outstanding number of loans
Ag Production/Real Estate (RE)	72%	51%
Commercial/Commercial RE	16%	13%
Residential RE	6%	11%
Consumer	6%	25%

CNB was rated "Satisfactory Record of Meeting Community Credit Needs" at the last CRA examination, December 22, 1994.

DESCRIPTION OF THE BANK'S ASSESSMENT AREA

CNB's assessment area consists of Block Numbering Areas (BNAs) 9826 and 9827 in Cuming County and BNA 9786 in Wayne County. The assessment area meets the requirements of CRA. Individuals can refer to the bank's CRA Public File for a map outlining the bank's assessment area.

The population of the assessment area is 9,676. The median family income is \$24,880 or 67% of the 1996 Nebraska statewide metropolitan median family income of \$37,100. All three BNAs are middle income. Family incomes in the area are: 20% low income; 18% moderate income; 26% middle income; and 36% upper income. The area economy is stable with the main sources of employment provided by farming, and cattle and hog feeding.

The primary credit needs of the area include agriculture, residential real estate, small business and consumer loans. We determined this by contacting a local business owner.

The primary competition within the assessment area includes four state banks and three other national banks.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

CNB's loan-to-deposit ratio is more than reasonable, given the institution's size, financial condition, and assessment area credit needs. CNB's ratio averaged 79% over the past eight quarters and was 91% at June 30, 1997. The eight quarter average of the other seven assessment area banks ranges from 49% to 80%, with an average of 65%.

Lending in Assessment Area

CNB originates a majority of its loans within the assessment area (AA). The table below shows the findings of our sample:

ASSESSMENT AREA CONCENTRATION

(A sample of 65 out of 692 loans originated since December 1994)

	# of Loans	% of total #	\$ of Loans	% of total \$
Inside AA	48	74%	\$2,660,491	66%
Outside AA	17	26%	\$1,367,900	34%
Totals	65	100%	\$4,028,391	100%

Lending to Individuals of Different Income Levels and Farms/Businesses of Different Sizes

CNB does not collect income information on all loans to individuals. Based upon the income information available, CNB has a satisfactory record of lending to borrowers of different income levels. Lending levels, given the demographics of the assessment area, reflect reasonable penetration among individuals of different income levels. The table below demonstrates the breakdown of loans to individuals as compared to the demographics of the AA.

LOANS TO INDIVIDUALS OF DIFFERENT INCOME LEVELS

(A sample of 15 out of 200 consumer and real estate loans originated since December 1994)

Income Level	# of loans	% of total #	\$ of loans	% of total \$	AA
Low	3	20%	\$34,700	9%	20%
Moderate	4	27%	\$89,600	24%	18%
Middle	5	33%	\$38,975	10%	26%
Upper	3	20%	\$214,000	57%	36%
Totals	15	100%	\$377,275	100%	100%

Lending to Individuals of Different Income Levels and Farms/Businesses of Different Sizes (continued).

CNB does not collect income information on all loans to farms/businesses. Based upon the income information available, the bank does a satisfactory job of lending to farms and businesses of different sizes. The table below demonstrates the bank's performance in making farm/business loans to operations of all sizes.

LOANS TO FARMS AND BUSINESSES OF DIFFERENT SIZES

(A sample of 30 out of 492 agricultural and commercial loans originated since December 1994.)

Gross Revenue of Farm / Business	# of Loans	% of total #	\$ of loans	% of total \$
\$0 - \$100,000	9	30%	\$182,886	10%
\$100,001 - \$250,000	9	30%	\$607,000	33%
\$250,001 - \$500,000	6	20%	\$456,400	25%
over \$500,000	6	20%	\$600,000	32%
Totals	30	100%	\$1,846,286	100%

Geographic Distribution of Loans

All BNAs in the assessment area are middle income. Therefore, specific analysis of geographic distribution is not meaningful.

Response to Complaints

The bank received no written complaints related to CRA performance.

Examiners found no violations of the substantive provisions of the anti-discrimination laws and regulations. CNB has appropriate policies, procedures and training programs in place to prevent discriminatory or other illegal credit practices.