Special Board Meeting

Agenda

September 25, 2026 10:00 a.m.

1887 Howard Street, Anderson (Council Chambers)

1. **Call To Order**
2. **Flag Salute**
3. **Public Participation**

   Time set aside for members of the public that wish to address the Board regarding matters of the District within the jurisdiction of the Board. Individuals are requested to limit comments to a maximum of three minutes.
4. **Business Items**
   a. Confirm Reappointment of Director Wallis as Division 3 Director through December 31, 2028
   b. Review Banking Services Proposal from Five Star Bank and Provide Direction to the General Manager (Lisa Stewart & Bill Speer to Present at 10:30 a.m.)

5. **CLOSED SESSION:**
   a. Public Employee Employment and/or Performance Evaluation (Government Code § 54957)

      Title: General Manager & Operations Manager Evaluation
   b. Conference with Legal Counsel – water transfer CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code section §54956.8)

      Confer with District negotiators (Daniel Ruiz and Counsel Jackson Minasian)

      Negotiating Parties: Anderson-Cottonwood Irrigation District, City of Redding, Bella Vista Water District, City of Shasta Lake, Shasta Community Service District.

      Under Negotiation: Terms and Condition of a potential Drought Protection Program Agreement Water Transfers.

6. **Adjourn**

September 25, 2026 Agenda Item No. 4a

Agenda Title: Confirm Reappointment of Director Wallis as Division 3 Director through December 31, 2028
Discussion: The Shasta County Clerk of the Board has notified the District that the Division 3 director position was inadvertently omitted from the November 2026 election process due to an administrative oversight by Shasta County Elections, which was outside the District's control. Director Garret Wallis was appointed in July 2025 to fill a midterm vacancy through December 7, 2026, and the seat should have been included on the ballot for election to the next full term. To maintain the established election cycle and ensure continued representation for Division 3, the Shasta County Clerk of the Board has advised the District that the Shasta County Board of Supervisors may reappoint Mr. Wallis to a short-term vacancy appointment beginning December 7, 2026, and continuing through December 1, 2028, provided he remains eligible to serve. The Shasta County Clerk of the Board has requested documentation confirming Mr. Wallis's willingness to continue serving and the District Board's support for his reappointment (draft minutes, resolution, or other official documentation). As part of the appointment process, Shasta County Elections will verify Mr. Wallis's eligibility to serve, including voter registration requirements. Following Board action and verification of eligibility, the Shasta County Clerk of the Board will place the appointment before the Shasta County Board of Supervisors for formal action prior to the expiration of Mr. Wallis's current term on December 7, 2026. Upon appointment by the Board of Supervisors, Mr. Wallis will complete the required oath of office and continue serving through December 1, 2028, which will maintain Division 3 on the same election cycle as the District's other divisions.
Fiscal Impact: None
Recommendation: Board confirm reappointment of Director Wallis as Division 3 Director through December 31, 2028
Attachments: Staff report only

Banking Services Proposal Prepared for

ANDERSON COTTONWOOD IRRIGATION DISTRICT

fivestarbank.com
NASDAQ: FSBC

FIVE STAR BANK

Executive Summary

FIVE
STAR
BANK

Executive Summary

Five Star Bank is proposing a comprehensive, relationship-based partnership with ACID that includes:

- Consolidating and simplifying a banking structure currently spread across multiple financial institutions into one integrated banking relationship
- Establishing Five Star Bank as *ACID's primary banking partner*
- Enhancing the earnings potential on unrestricted operating funds while maintaining liquidity and providing expanded FDIC insurance through Five Star Bank's ICS solution
- Streamlining treasury management, cash management and reporting through a single banking platform
- Providing a high-touch, relationship driven banking experience with direct access to senior bankers and decision-makers
- Building a broader, long term strategic partnership aligned with ACID's mission and continued impact in the community

Current Banking Structure:

- Multiple accounts, platforms and service providers
- Unrestricted operating funds not fully optimized within a consolidated structure

Five Star Bank Difference:

- Dedicated senior banker and experienced treasury management team serving as ***single points of contact***
- Direct access to local credit and executive decision makers
- High-touch, responsive service model built around the needs of non-profit organizations
- Integrated ***banking, treasury management and lending*** relationship under one institution
- ICS solutions designed to provide competitive yield, daily liquidity and expanded FDIC insurance eligibility
- Proven non-profit banking expertise and a commitment to supporting organizations that strengthen our communities

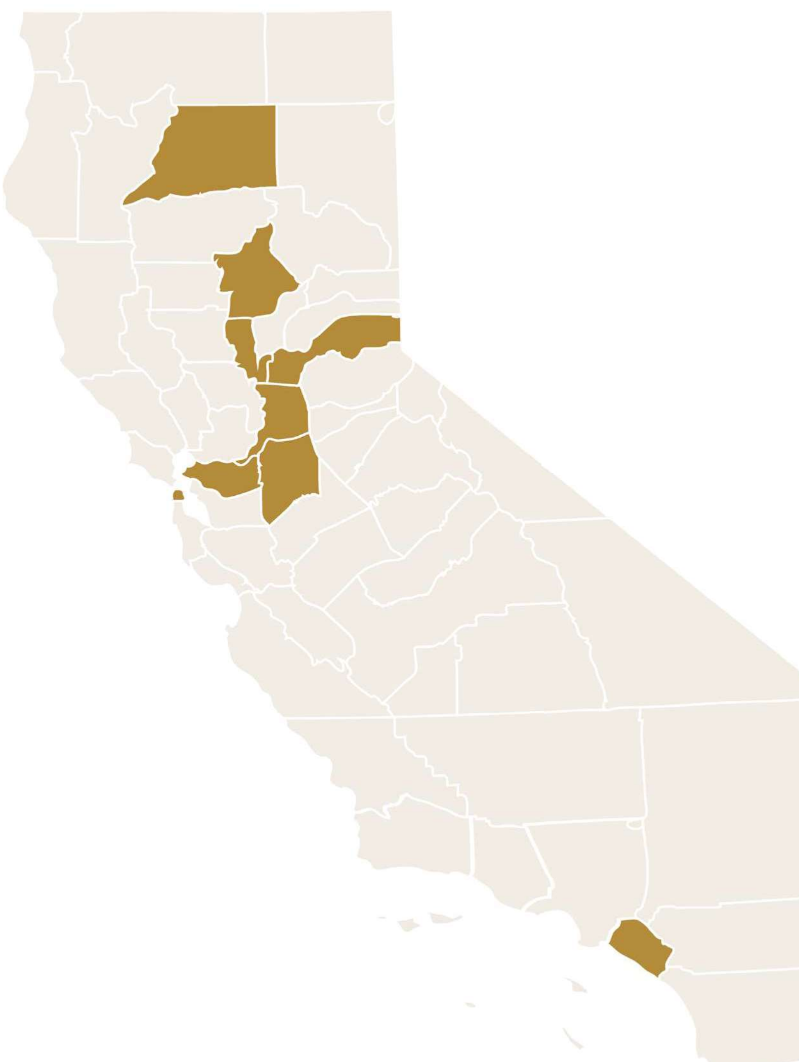
Organizational Overview

FIVE STAR BANK

Bank Summary

Organizational Overview & Regions Served

Five Star Bank is a $5.4 Billion community business bank serving customers nationwide, with branch locations in the Capital Region, San Francisco Bay Area, North State, Central Valley, and Southern California. Five Star Bank has a high-tech and high-touch approach to business banking where customers have direct access to their banker at all times.



Highlighted areas indicate counties in which Five Star Bank has a physical location.

BRANCH LOCATIONS

SAN FRANCISCO
345 California Street, Suite 2875
San Francisco, CA 94104
415.278.7400

WALNUT CREEK
1333 North California Street, Suite 510
Walnut Creek, CA 94596
925.465.6436

CHICO
1370 E. Lassen Avenue, Suite 100
Chico, CA 95973
530.924.5121

DOWNTOWN SACRAMENTO
(Administrative Office)
555 Capitol Mall, Suite 985
Sacramento, CA 95814
916.306.1655

ELK GROVE
9250 Laguna Springs Drive, Suite 102
Elk Grove, CA 95758
916.714.2444

LODI
3021 Reynolds Ranch Parkway, Suite 240
Lodi, CA 95240
209.331.5058

NATOMAS
2400 Del Paso Road, Suite 100
Sacramento, CA 95834
916.640.1500

NEWPORT BEACH
(Administrative Office)
4100 Newport Place, Suite 660
Newport Beach, CA 92660

RANCHO CORDOVA
3100 Zinfandel Drive, Suite 100
Rancho Cordova, CA 95670
916.851.5440

REDDING
356 Hartnell Avenue, Suite B
Redding, CA 96002
530.223.6652

ROSEVILLE
2240 Douglas Boulevard, Suite 100
Roseville, CA 95661
916.626.5000

YUBA CITY
855 Harter Parkway, Suite 350B
Yuba City, CA 95993
530.431.0950

Bank Overview

A History of Organic Growth

Five Star Bank was founded in 1999 by a group of Sacramento's entrepreneurs who wanted to create the kind of personalized banking services they desired themselves – services provided by industry experts who were committed to partnerships grounded in shared vision and goals. Today, Five Star Bank is a community business bank guided by purpose-driven banking, community stewardship, regional and industry expertise, and a commitment to economic development. In May 2021, we completed our initial public offering. For over 25 years, Five Star Bank has strategically pursued organic growth through the thoughtful expansion of our presence in Northern California and key markets beyond. This sustained development has been achieved by investing in our team, enhancing internal processes, fostering community partnerships, and strengthening our brand. In 2023, this strategic expansion included entry into the San Francisco Bay Area market.

Today, we provide a broad range of banking products and services to a variety of small and medium sized clients statewide. Our principal geographic market is the Capital Region, San Francisco Bay Area, North State, Central Valley, and Southern California. Five Star Bancorp is a bank holding company headquartered in Roseville, California. Five Star Bancorp operates through its wholly owned banking subsidiary, Five Star Bank. Five Star Bank is proud to employ 251 people as of 8/1/2026.

Five Star Bank employs a high-tech/high-touch approach to business banking, providing clients with consistent, direct access to their dedicated banker at all times. You deserve a banking partner you can call directly, who knows your name, and who is an advocate for you and those you serve. Our relationship-based banking model ensures direct access to trusted and knowledgeable bankers, prioritizing dedicated, personalized service over impersonal general 1-800 service lines. As a community business bank, we believe in action over words and recognize that it is the effort of our entire team that allows us to donate, volunteer, engage, and lead. On a continual basis, we work through enhancements to our community outreach efforts. We always will. We are focused on the health and success of our employees, shareholders, customers, and community partners so that we may continue to fulfill our purpose as stewards of the communities we serve.

THE NON-PROFIT'S BANK

Business Vertical Overview

Five Star Bank recognizes cost-effective banking services are critical to managing cash flow and maximizing return. We also know our clients depend on our speed to serve them. Our commitment to our non-profit clients goes beyond simply providing banking services. As a long-time supporter of many local non-profit organizations, we understand the unique financial challenges of the modern charitable institutions. This commitment is authentic and meaningful and has resulted in Five Star Bank earning a high level of trust among our clients. Further, the depth and scope of our expertise in specific verticals ensure our clients are provided a greater level of service than our competitors can provide.

WHO WE SERVE

Non-Profit

Business Lending

Venture Fund Capital Call Lines

Manufacturing & Distribution

Small Business Administration (SBA)

Healthcare

Practice & Professional Services

Manufactured Housing, RV & Self Storage

Commercial Real Estate & Construction

Food, Agribusiness & Diversified Industries

Faith Based Community

Government

Title & Escrow

Five Star Service

The Strength of the Five Star Team

The strength and dedication of our team has earned Five Star Bancorp substantial recognition over the years, with executives honored among Sacramento Business Journal's Most Admired CEOs, C-Suite Awards, Women Who Mean Business, Power 100 List, as well as San Francisco Business Times' Newsmaker 100 List and 40 Under 40. Company executives have also been recognized by National Association of Women Business Owners (NAWBO), Independent Community Bankers of America, and the Sacramento Metropolitan Chamber of Commerce. These accolades demonstrate the depth of talent and leadership within the organization.

In 2025, Five Star Bank was proud to be recognized among Piper Sandler's 2025 Sm-All Stars and Sacramento Business Journal's Fastest Growing Companies. Five Star Bank was also among S&P Global Market Intelligence's Top 3 Best-Performing Community Banks in the nation with assets between $3 - $10 billion.

In 2024, Bank Director Magazine highlighted Five Star Bank as a Top 25 U.S. Bank (ranked #18), and a Best U.S. Bank with assets less than $5 billion (ranked #5). Five Star Bank was also pleased to receive Greater Sacramento Economic Council's 2024 Sustainability Award, recognizing a company that has supported growth in the Greater Sacramento region. These achievements continue to reflect the commitment, engagement, and excellence of our highly motivated team.

CORE VALUES

We foster a sense of urgency toward thoughtful action.

We hire, retain, and develop client-centric talent.

We create a culture of belonging and engagement through a diverse and inclusive workforce.

We engage with our community for mutual success through representation, innovation, and investment.

We fulfill commitments as promised, on time and with the highest standards.

We serve clients and colleagues with professionalism and respect.

AWARDS & RECOGNITION

TOP 3

S&P Global Market Intelligence
Top 3 Best-Performing Community Banks
2025

Piper Sandler's Sm-All Stars
2025

TOP 10%

Raymond James Community Bankers Cup Winner
2025
Ranked in top 10% of Community Banks in the Nation

Bauer Financial	**5 Stars (out of 5)**
Findley Report	**Super Premier Performing Bank**
IDC	**Superior Rating**
KBRA Rating	**BBB + (stable)**
Sacramento Business Journal	**2023 Best Places to Work & 2025 Fastest Growing Businesses**
San Francisco Business Times	**2026 Best Places to Work Ranked #1**

Community Impact & Workforce Development

Environmental, Social & Governance (ESG)

Five Star Bancorp's speed to serve and certainty of execution have earned the trust of our employees, clients, and community partners. We continue to gain further trust as thought leaders focused on Environmental, Social & Governance (ESG) initiatives. The Bank has taken a proactive approach to ESG and believes our ability to manage these initiatives demonstrates strength in leadership and governance essential to sustainable growth. We are executing ESG strategies we believe will drive positive change while focusing on the impact of our business on the communities we serve. We remain committed to the economic development and sustainability of the regions we serve.

Community Reinvestment Act (CRA)

In 2026, Five Star Bancorp remained deeply engaged in the communities we serve through our work with local Chambers of Commerce, non-profit organizations, and economic development partners. We continued to support educational programs, affordable housing efforts, and non-profit clients as part of our robust Community Reinvestment Act ("CRA") program. Five Star Bank maintained strong relationships with a wide range of community organizations through charitable giving and active board service. Members of our executive team serve on numerous non-profit boards, including Sacramento Regional Conservation Corps, Sacramento Food Bank & Family Services, United Way, American River Parkway Foundation, the Sacramento Hispanic Chamber of Commerce, and the Capital Black Chamber of Commerce. In addition, we continue our commitment to educational initiatives, serving as mentors, funders, and advocates for Cristo Rey High School Sacramento and Capital College & Career Academy. Five Star Bank remains dedicated to supporting students and families in low-to-moderate income communities, standing on a strong foundation built on a shared commitment to those who need us most.

San Francisco: Marvel in the Mission affordable housing complex May 2026 groundbreaking ceremony.

Workforce Demographics & Volunteer Impact

2025 Workforce Demographics:

- 59.7% of total workforce were women
- 47.1% of total workforce were from diverse races and ethnic backgrounds

2025 Senior Vice Presidents & Above:

- 33.3% of the Executive team were women
- 22.2% of the Executive team were from diverse races and ethnic backgrounds
- 43.5% of Senior Vice Presidents and above were women
- 32.5% of Senior Vice Presidents and above were from diverse races and ethnic backgrounds

Volunteer Impact:

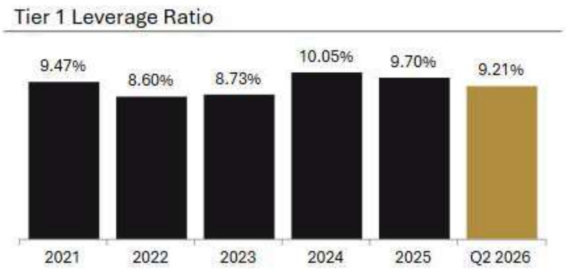
Five Star Bancorp is extensively engaged with a wide range of non-profits and economic development corporations through direct charitable giving and active board engagement.

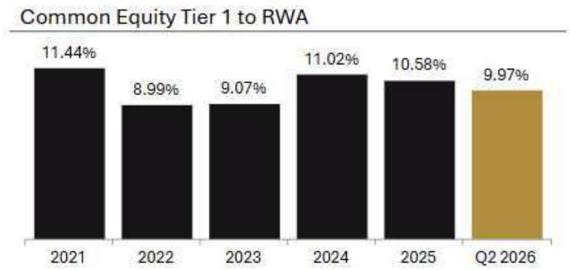
- In 2025, employees contributed a total of 2,172 volunteer hours across 110 organizations performing 992 activities
- Averaged 9 volunteer hours per full-time employee

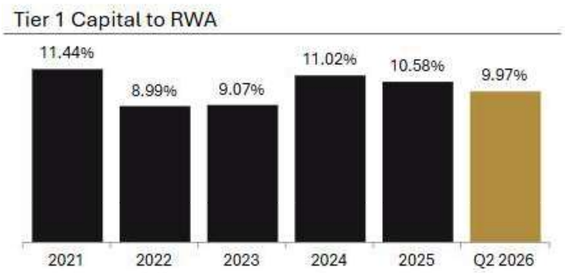
Financial Stability and Tenure

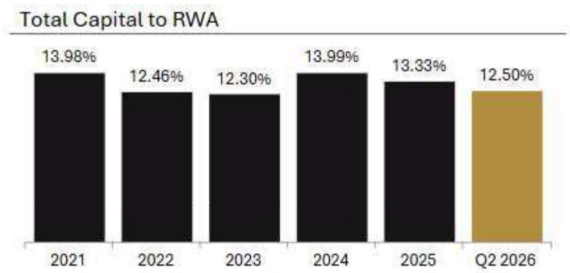
Capital Adequacy

We are well-capitalized under the regulatory framework for prompt corrective action. We have an effective shelf registration statement on file with the SEC registering up to $300.0 million of securities for future issuance. In July 2026, we completed a public follow-on offering that utilized $137.9 million of the securities registered under the shelf registration statement.







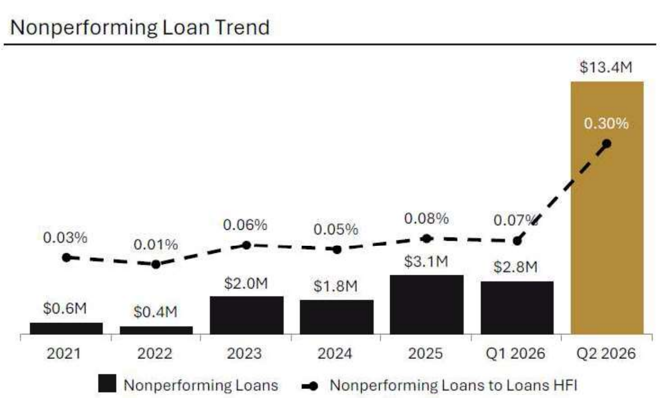


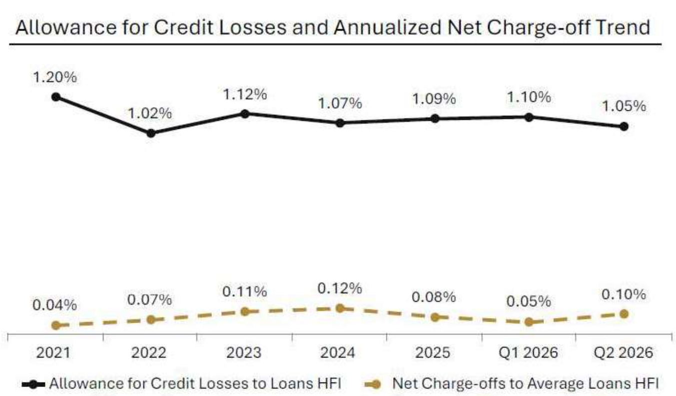
Asset Quality

We maintain a high level of asset quality and have a robust monitoring program in place. There was approximately $20.3 million of loans classified as substandard at 6/30/26, or 0.45% of loans held for investment. The total allowance for credit losses was $47.3 million at 6/30/26, or 1.05% of loans held for investment.

Our primary objective is to maintain a high level of asset quality in our loan portfolio. Therefore, we:

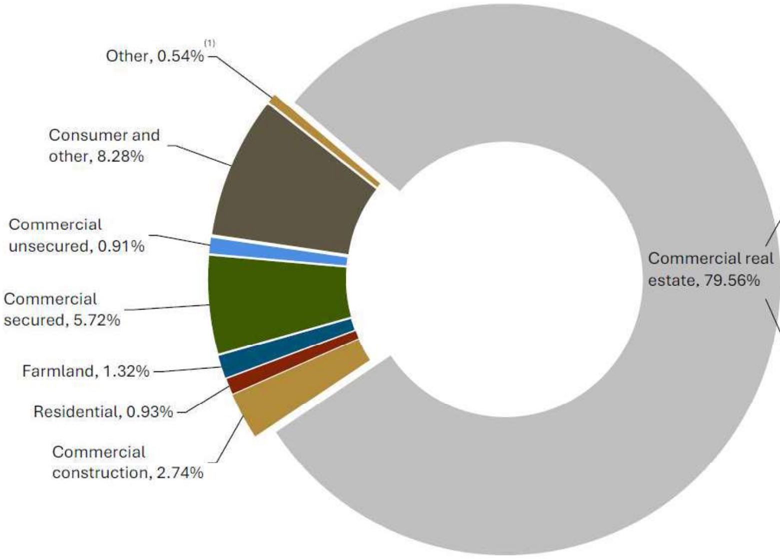
- Place emphasis on our commercial portfolio, where we reevaluate risk assessments as a result of reviewing commercial property operating statements and borrower financials
- Monitor payment performance, delinquencies, tax compliance, and property insurance compliance of our borrowers
- Design our practices to facilitate the early detection and remediation of problems within our loan portfolio
- Employ the use of an outside, independent consulting firm to evaluate our underwriting and risk assessment process





Our Commercial Real Estate ("CRE") portfolio is highly diversified as presented below in the loan portfolio composition slide.

Our Office CRE portfolio was approximately $286 million as of 6/30/26, representing 8% of the total CRE portfolio and 6% of total loans held for investment.



Types of collateral securing commercial real estate ("CRE") loans	Loan Balance ($000s)	# of Loans	% of CRE
Manufactured home community	$ 1,081,062	495	30.05 %
RV Park	443,429	138	12.33 %
Retail	327,576	98	9.11 %
Multifamily	309,720	132	8.61 %
Office	285,786	113	7.94 %
Industrial	246,142	153	6.84 %
Mini storage	206,823	54	5.75 %
Faith-based	196,160	112	5.45 %
All other types [2]	500,475	205	13.92 %
Total	$ 3,597,173	1,500	100.00 %

Liquidity Position

Our cash and cash equivalents to deposit ratio at 6/30/26 was 14.27%. We also have approximately $2.3 billion of cash and available borrowing capacity through the Federal Home Loan Bank of San Francisco, Federal Reserve and correspondent banks. We have a robust liquidity management program which includes the following:

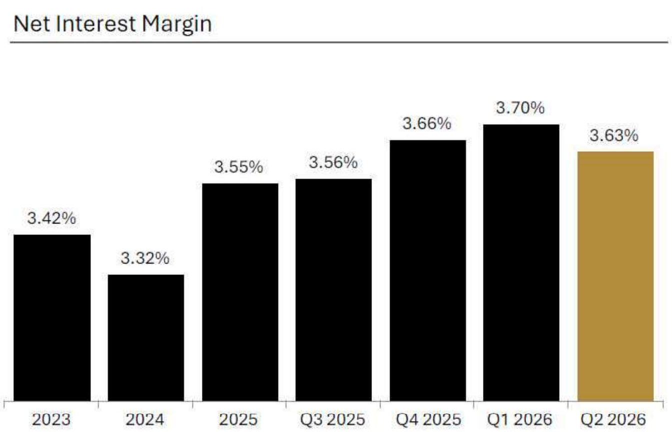
- Daily Cash Balance Monitoring
- Weekly Cash Flow Forecast
- Monthly Sources and Uses Reporting and Monitoring
- Quarterly Contingency Funding Stress Test
- Quarterly Uninsured and Uncollateralized Deposit Monitoring

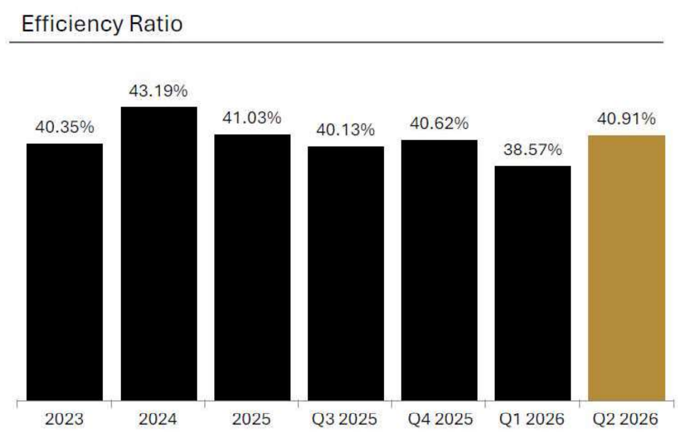
	June 30, 2026			
(in thousands)	Line of Credit	Letters of Credit Issued	Borrowings	Available
Federal Home Loan Bank of San Francisco ("FHLB") advances	$ 1,629,065	$ 1,297,500	$ —	$ 331,565
Federal Reserve Discount Window	1,074,577	—	—	1,074,577
Correspondent bank lines of credit	185,000	—	—	185,000
Cash and cash equivalents	—	—	—	685,074
Total	$ 2,888,642	$ 1,297,500	$ —	$ 2,276,216

Profitability

We are a highly profitable and efficient bank with a 1.49% ROAA, 16.67% ROAE, and 40.91% efficiency ratio for the three months ended 6/30/26.

(dollars in thousands, except per share data)		For the three months ended		
		6/30/2026	3/31/2026	6/30/2025
Profitability	Net income	$ 19,399	$ 18,621	$ 14,508
	Return on average assets ("ROAA")	1.49 %	1.55 %	1.37 %
	Return on average equity ("ROAE")	16.67 %	16.73 %	14.17 %
	Earnings per share (basic and diluted)	$ 0.91	$ 0.87	$ 0.68
	Tangible book value per share[1]	$ 22.14	$ 21.45	$ 19.51
Net Interest Margin	Net interest margin	3.63 %	3.70 %	3.53 %
	Average loan yield	6.08 %	6.07 %	6.09 %
	Average cost of interest-bearing deposits	2.89 %	2.88 %	3.31 %
	Average cost of total deposits	2.16 %	2.13 %	2.46 %
	Total cost of funds[2]	2.23 %	2.20 %	2.53 %
		6/30/2026	12/31/2025	
Deposits and Securities	Non-interest-bearing deposits	$ 1,174,406	$ 1,084,537	
	Interest-bearing deposits	3,624,977	3,116,547	
	Total deposits	4,799,383	4,201,084	
	Total securities	92,719	96,889	
	Total securities to interest-earning assets	1.77 %	2.09 %	
Loans and Asset Quality	Total loans held for investment	$ 4,519,681	$ 4,074,929	
	Nonperforming loans to loans held for investment	0.30 %	0.08 %	
	Allowance for credit losses to loans held for investment	1.05 %	1.09 %	





Debt to Equity Ratio

We had approximately $74.1 million of subordinated notes outstanding at the holding company level as of 6/30/26, representing approximately 15.64% of total equity. The subordinated notes have a maturity date of September 1, 2032, carry a 6.00% interest rate until September 1, 2027, which will then float to a rate equal to the three-month Term SOFR plus 329.0 basis points.

Banking Services

FIVE STAR BANK

Overview of Banking Capabilities and Cash Management Services

At Five Star Bank, we are committed to delivering thoughtful, relationship-driven banking solutions that support our clients' missions and long-term success. We take pride in serving businesses like yours by providing tailored financial services designed to meet your unique operational and strategic needs.

Automated Clearing House (ACH)

Five Star Bank offers clients the ability to initiate Credit and Debit ACH transactions via our online banking platform via manual entry or file upload (CSV and/or NACHA formats). Clients have until 1:00 PM PST to initiate (approve) any same day ACH transactions (credit or debit) and until 5:00 PM PST for next business day availability. Dual control can be set up to ensure risk management controls are in place (e.g., a user can draft an ACH, but it will take an additional user to review and approve the ACH for processing). ACH templates can be created and stored within the platform for any transactions the client may need to send later. Through the OLB platform we can initiate ACH prenotes. The prenotes can be entered manually or via a file upload.

Wire Transfer Services

Five Star Bank's Online Banking (OLB) platform provides complete visibility and control over your wire transfers. From initiation to completion, you can monitor every transaction in real-time. To streamline your operations, our platform supports recurring templates and future-dated scheduling for consistent, efficient payments.

<u>Security & Risk Management</u>

Protecting your assets is our priority. We enable robust security features, including:

- Dual Control: Require one user to initiate and a separate user to approve wires before release to minimize risk.
- Multi-Factor Authentication (MFA): Beyond the required login MFA, you can enable a secondary Secure Access Code for wire approvals. This ensures every transfer is protected by a one-time passcode via text or automated callback
- Enhanced Verification: For added protection, our team performs manual verification callbacks for high-risk transactions, contacting your authorized signers or wire approver to ensure every payment is legitimate.

Bill Payment Services

You can schedule electronic bill payments (recurring or non-recurring) via online banking. Scheduling of mailed checks can also be handled.

Online Transfers

Allows the client to transfer funds internally from one account to another seamlessly and instantly, 24 hours a day, 7 days a week. Online transfers occur immediately.

Mobile Check Deposits

Through our online banking mobile app, a check deposit can be made with images taken right from your device. There are no limits to the number of deposits that can be made or the dollar amount allowed for deposit. We will notify you of any extended holds on the funds of your deposit.

Remote Deposit Capture & Lockbox

Five Star Bank can provide you a complimentary Remote Deposit Check scanner to allow check deposits to be made directly from the office. Deposits made before 5:00 PM PST are available next business day. Should you prefer to outsource check receivables, Five Star Bank can provide Lockbox services either in house, or with our partners at CheckAlt.

Fraud Prevention Tools

Five Star Bank will provide you with numerous tools to protect against and combat fraud, including Positive Pay for both check and ACH transactions.

Check Positive Pay with Payee Name Validation, will automatically match outgoing checks based on check number, date, and amount, against an authorized list to identify discrepancies and ensure only authorized checks are paid. In the event of an unauthorized item, a digital image will be sent to you for approval or investigation.

ACH Positive Pay will allow you to review upcoming debits and return them before they are deducted from your account. Notifications will be sent via email and/or text message of any items that do not meet your payment criteria. You will also be given the opportunity to add permitted vendors to a pre-approved list for ease of future payments.

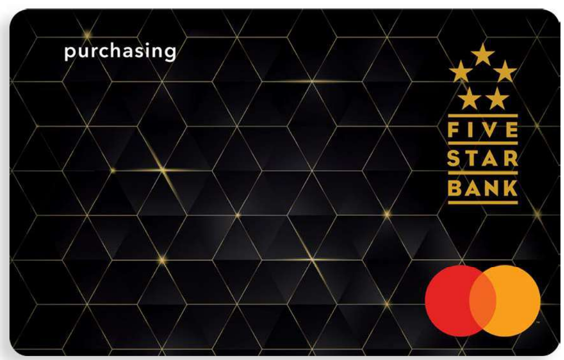
Merchant Services

Five Star Bank provides an in-house merchant card services platform, customized to your business, to ensure the lowest possible processing cost as a valued bank client. We offer a number of virtual and physical solutions for your convenience and can accommodate to many payment environments and compatibility requirements. Additional information can be found in the fee section below.

Courier Services

Five Star Bank offers customized courier solutions designed to support clients with complex cash handling and deposit needs, ensuring secure, efficient, and reliable transportation.

Credit Facilities



Five Star Bank provides access to our in-house, Corporate Purchasing Card program. Our program utilizes card in hand, virtual and ghost card features. Benefits of our program include:

- Ability to issue as many employee cards as needed
- Program Administrator (PA) function to open and close accounts, manage spending limits in real time
- Full access to add/remove online users and more
- Card programs will be controlled through an online portal where PA can download statements, make payments, and view transaction history
- Customizable mobile spend alerts and controls
- Paid-in-Full monthly automatic payment to avoid finance charges
- Transaction history available to download into an Excel (.csv) spreadsheet or QuickBooks (.qbo) file
- Ghost/Virtual card capability to manage vendor payments and recurring monthly charges
- ERP integration available
- Consolidated billing
- Dedicated account manager
- No annual fees
- Tiered revenue share based on annual spend

Five Star Bank understands the unique lending needs of organizations and the importance of delivering solutions that support both cash flow and long-term growth. We welcome the opportunity to partner and explore additional lending solutions as your needs evolve.

16

SWEEP ACCOUNT OPTIONS

IntraFi | ICS
Five Star Bank is a member of IntraFi to offer FDIC-insured Cash Sweep accounts, which provides FDIC insurance per company limit of up to $200MM, if desired. With IntraFi Cash Services (ICS), you can enjoy the safety and simplicity that come with access to multi-million dollar FDIC insurance through a single bank relationship.

IntraFi | ICS

- ***Peace of Mind* |** Rest assured knowing that funds are eligible for FDIC insurance protection in amounts well into the millions, all backed by the full faith and credit of the federal government. And since deposit accounts are not subject to floating net asset values, you can feel secure knowing that market volatility will not negatively affect principal.
- ***Interest* |** Put cash balances to work in money market deposit accounts.
- ***Liquidity* |** Enjoy access to funds placed through ICS into money market deposit accounts.
- ***Time Savings* |** Work directly with just us—a bank you know and trust—to access multi-million dollar FDIC insurance and forego the need to track collateral on an ongoing basis, or to manually consolidate statements and disbursements from multiple banks.
- ***Community Support* |** Feel good knowing that the full amount of funds placed through ICS can stay local to support lending opportunities that build a stronger community.
- ***How Does ICS Work?*** IntraFi, like other institutions that offer ICS, are members of the IntraFi network. When we place your deposit through ICS, that deposit is divided into amounts under the standard FDIC insurance maximum of $250,000. The amounts are then placed into deposit accounts at multiple FDIC insured banks. As a result, you can access FDIC coverage from many institutions while working directly just with us. Receive one statement from our bank and access key details about your accounts online, 24/7. And, as always, know that your confidential information is protected.

Zero Balance Accounts
Keep your money working for your business with Zero Balance Accounts designed to eliminate manual transfers of funds between accounts. This is the ideal solution if your business maintains multiple accounts. You can concentrate your account balances into one operating account and disburse funds using your subsidiary accounts – which always maintains a zero balance, automatically. Simplify funds transfer activity, reduce idle cash and prevent overdrafts.

- Eliminate manual transfers and the need to track individual disbursements
- Eliminate overdraft risk
- Reduce idle balances and maximize investment potential
- Save administrative time and operating expenses

Lines of Credit Sweeps
Stop manually moving money while having liquidity, maximizing earnings and minimizing interest expense. Using excess funds, you can automatically pay-down loan balances and reduce monthly interest. If your account balance falls below your target level, we automatically transfer funds from your line of credit back into your account.

- Maximize earnings
- Pay-off debt
- Create operational efficiency

SAMPLE ONLINE REPORTING FEATURES

Five Star Bank's online reporting services are robust and fully customizable. Our team can provide a demonstration in-person, or via ZOOM, to best illustrate our custom reporting capabilities.

Balance & Activity

Summary

Account Number	Account Name	Opening Ledger	CR Count	CR Amount	DB Count	DB Amount	Closing Ledger
*******	Testing DDA	$883,410.60	3	$661,006.00	10	$820,706.00	$723,710.60
*******	Testing DDA	$1,116,589.40	5	$925,706.00	9	$766,006.00	$1,276,289.40
Report Totals		$2,000,000.00	8	$1,586,712.00	19	$1,586,712.00	$2,000,000.00

Report Detail

Account Number: *******			Account Name: Testing DDA			
Date	BAI Type	CR Amount	DB Amount	Serial Num	Ref Num	Description
09/24/2025	Credit	$260,500.00			225424213	Checking Regular Deposit
09/24/2025	Check Paid		$200.00	92425	225424212	Check
09/25/2025	Check Paid		$15,000.00	924251	225424211	Check
09/25/2025	Check Paid		$300,000.00	924252	225424210	Check
11/12/2025	Check Paid		$5,000.00	1360	230787441	Check
11/12/2025	Check Paid		$100,000.00	1400	230787440	Check
12/10/2025	Credit	$200,501.00			232326270	Checking Regular Deposit
12/10/2025	Check Paid		$1.00	1431	232326269	Check
12/10/2025	Check Paid		$500.00	1433	232326268	Check
12/10/2025	Check Paid		$200,000.00	1432	232326267	Check
12/11/2025	Credit	$200,005.00			232326266	Checking Regular Deposit
12/11/2025	Check Paid		$5.00	1434	232326265	Check
12/11/2025	Check Paid		$200,000.00	1435	232326264	Check
Account Subtotal		$661,006.00	$820,706.00			

Account Number: *******			Account Name: Testing DDA			
Date	BAI Type	CR Amount	DB Amount	Serial Num	Ref Num	Description
09/24/2025	Credit	$315,200.00			225424219	Checking Regular Deposit
09/24/2025	Check Paid		$500.00	92425	225424218	Check
09/25/2025	Check Paid		$10,000.00	924251	225424217	Check

All Checks

	Account ID	Check Number	Amount	Original Issued Amount	Issued Payee	Issued Date	Paid Date	Current Status	Stale Dated As Of
1	Ops1000	234	$234,234.00	$234,234.00	Ella Brown	10/14/2025		Issued	04/13/2026
2	Ops1000	1000	$1,000.00	$1,000.00	FedEx	11/03/2025		Issued	05/03/2026
3	Ops1000	5000	$300.00	$300.00	Ethan Moore	10/20/2025		Stop Payment	
4	Ops1000	17001	$170.10	$170.10	Daniel Davis	10/10/2025		Issued	04/09/2026
5	Ops1000	17789	$1,151.47	$1,151.47	Berkshire Hathaway	11/01/2025		Issued	05/01/2026
6	Ops1000	17802	$2,756.59	$2,756.59	Johnson & Johnson	10/24/2025		Issued	04/23/2026
7	Ops1000	17804	$2,467.16	$2,467.16	Southwest Airlines	10/26/2025	10/27/2025	Paid	
8	Ops1000	17812	$1,381.61	$1,381.61	Gabriella Williams	10/24/2025		Issued	04/23/2026
9	Ops1000	17815	$1,398.02	$1,398.02	Microsoft	10/16/2025	10/19/2025	Paid	
10	Ops1000	17821	$1,608.13	$1,608.13	FedEx	10/05/2025	10/06/2025	Paid	
			$246,467.08						

Client: Demonstration Company
Issued Date: from 10/01/2025 to 11/30/2025

Daily Checks Issued

	Issued Date	Account ID	Check Count	Amount Total
1	10/03/2025	Ops1000	3	$7,288.67
2	10/04/2025	Ops1000	4	$6,282.12
3	10/05/2025	Ops1000	4	$7,686.27
4	10/08/2025	Ops1000	1	$1,292.41
5	10/10/2025	Ops1000	3	$6,609.22
6	10/11/2025	Ops1000	1	$2,546.13
7	10/12/2025	Ops1000	1	$1,303.10
8	10/13/2025	Ops1000	1	$1,297.20
9	10/14/2025	Ops1000	3	$238,251.20
10	10/15/2025	Ops1000	3	$5,334.41
			24	$277,890.73

Client: Demonstration Company
Date: from 10/01/2025 to 11/03/2025

Exception Items

	Account ID	Trace Number	Check Number	Amount	Original Issued Amount	Issued Payee	Paid Date	Input Date	Exception	Transaction Description	Decision	Reason	Decisioned By
1	Ops1000	111222333445		$125.75			11/03/2025	11/02/2025 (M)	Unauthorized ACH transaction	CCD / 121231234 / DR - Utilities Payment			
2	Ops1000	111222333445		$500.00			11/03/2025	11/02/2025 (M)	Unauthorized ACH transaction	PPD / 121231234 / DR - United Health Care			
3	Ops1000	784564		$1,635.35			11/03/2025	03/11/2022	Blocked transaction	WEB / 345678912 / DR - ebay Bob			
4	Ops1000	12001686		$1,846.24			11/03/2025	01/10/2022	Unauthorized ACH transaction	TEL / 345678912 / DR - TELE Purchase			
5	Ops1000	111222333445		$2,500.00			11/03/2025	11/02/2025 (M)	Unauthorized ACH transaction	PPD / 121231234 / DR - American Express (AMEX) payment			
6	Ops1000	111222333445		$5,000.00			11/03/2025	11/02/2025 (M)	Blocked transaction	TEL / 121231234 / CR -			
7	Ops1000		17788	$2,079.06	$2,079.06		11/03/2025	06/08/2025	Voided item				
8	Ops1000		17849	$10,000.00	$10,000.00		11/03/2025	08/19/2025	Amount mismatch				
9	Ops1000	6001320	17929	$2,619.74	$2,619.74		11/03/2025	01/10/2022 (M)	Payee name mismatch				
10	Ops1000	6000823	17939	$2,786.90	$2,786.90		11/03/2025	01/10/2022 (M)	CHECK NUMBER IS ZERO.				
				$29,093.04									

Client: Demonstration Company
Paid Date: from 10/01/2025 to 11/30/2025

ACH Transaction Search

	Account ID	Company ID	SEC Code	Debit/Credit	Amount	Transaction Description	Paid Date	Status
1	Ops1000	121231234	CCD	DR	$125.75	Utilities Payment	11/03/2025	Exception
2	Ops1000	121231234	PPD	DR	$500.00	United Health Care	11/03/2025	Exception
3	Ops1000	345678912	WEB	DR	$1,635.35	ebay Bob	11/03/2025	Exception
4	Ops1000	123456789	PPD	CR	$1,741.31	Electric Company Payment	10/30/2025	Paid
5	Ops1000	345678912	TEL	DR	$1,846.24	TELE Purchase	11/03/2025	Exception
6	Ops1000	234567891	PPD	DR	$2,288.08	Gas Payment	10/20/2025	Paid
7	Ops1000	121231234	PPD	DR	$2,500.00	American Express (AMEX) payment	11/03/2025	Exception
8	Ops1000	121231234	TEL	CR	$5,000.00		11/03/2025	Exception
					$15,636.73			

Client: Demonstration Company
Paid Date: from 10/01/2025 to 11/30/2025
Paid Date: from 10/01/2025 to 11/30/2025

18

FIVE STAR BANK

Pro Forma Analysis Statement
Detail

Anderson-Cottonwood Irrigation District — Statement Period: July-26

Average Daily Ledger Balance	$	250,000.00
Less Average Daily Float	$	-
Average Daily Collected Balance	$	250,000.00
Less Required Reserves	$	-
Net Investible Balance	**$**	**250,000.00**

Five Star Bank

EARNINGS CREDIT:

	Days	*Earnings Credit Rate*	*Amount*
Current Period Earnings Credit	30	1.50%	**$ 308.22**

SERVICE CHARGE DETAIL:

	Activity	*Unit Price*	*Activity Charge*	*Balance Required*
Account Maintenance Monthly Fee	1	$ 15.00	$ 15.00	$ 12,166.67
Bank Administration Fee		$ 0.0010		$ -
Branch Deposit		$ 1.25	$ -	$ -
RDC Deposit	6	$ 1.00	$ 6.00	$ 4,866.67
Mobile Deposit		$ -	$ -	$ -
On-Us Checks Deposited		$ 0.15	$ -	$ -
Transit Checks Deposited		$ 0.15	$ -	$ -
Cash Deposited		$ 0.0012	$ -	$ -
Cash Paid-Out		$ -	$ -	$ -
Checks Paid	71	$ 0.18	$ 12.78	$ 10,366.00
ACH Debits	7	$ 0.15	$ 1.05	$ 851.67
ACH Credits	37	$ 0.15	$ 5.55	$ 4,501.67
Stop Payment		$ 20.00	$ -	$ -
Incoming Wire		$ 10.00	$ -	$ -
Outgoing Wire		$ 15.00	$ -	$ -
Outgoing International Wire		$ 20.00	$ -	$ -
Returned Deposited Items		$ 10.00	$ -	$ -
Bill Pay Monthly Fee	1	$ 5.00	$ 5.00	$ 4,055.56
Cash Management Monthly Fee (1)	1	$ 25.00	$ 25.00	$ 20,277.78
RDC Monthly Fee (2)	1	$ 25.00	$ 25.00	$ 20,277.78
ACH Batch Originated		$ 2.50	$ -	$ -
ACH Filter Monthly Fee		$ 10.00	$ -	$ -
Positive Pay Monthly Fee (3)	1	$ 15.00	$ 15.00	$ 12,166.67
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
		Total Activity Charges	$ 110.38	$ 89,530.44

(Fees Debited) or Net Positive Position ***$ 197.84***

(1) Cash Management includes Online Banking, Online Wire Transfer and ACH Origination Services

(2) RDC includes complimentary check scanner

(3) Positive Pay includes Payee Validation, ACH Positive Pay & Account Reconciliation Services

RECOMMENDED ACCOUNT STRUCTURE FOR ACID

FIVE STAR BANK

Reduce manual transfers while maximizing yield.

LEGEND:
- INTEREST BEARING
- ANALYZED CHECKING

ACID
New ICS Sweep Account
Interest Rate Tied to LAIF Rate
= 3.92 (June 2026)

Insured Cash Sweep Money Market Account
- Interest Bearing – Rate Tied to LAIF Rate
- Funds are fully FDIC insured.
- Fully liquid; no transaction limitations.
- Automated transfers, allowing maximum yield earned.

ACID
Replaces Tri Counties
account X0973
$250K PEG Balance
ECR = 1.50%

Analyzed Checking Account
- $250K peg balance set to offset all analysis fees.
- Excess funds to roll up to ICS account to earn interest.
- ACH Debits, ACH Credits, RDC Deposits, and Checks Paid

FUTURE SOLUTIONS TO EXPLORE

ACCOUNTS PAYABLE:
- Corporate Card Program with Tiered Rebate Grid
- Five Star Bank BillPay
- Online ACH/Wires with dual control

ACCOUNTS RECEIVABLE:
- Mobile Check Deposits
- Remote Deposit Capture with Deposit Only User Access and Complimentary High Speed Check Scanner
- Local Five Star Bank Branch

FRAUD PROTECTION:.
- Positive Pay Fraud Protection (Check and ACH)

INVESTMENTS:
- Insured Cash Sweep Money Market Account

IMPLEMENTATION TIMELINE

FIVE STAR BANK

DEFINE PROJECT REQUIREMENTS

Confirm treasury services and timeline requirements.

DOCUMENT COLLECTION

Documentation is prefilled, reviewed, and sent out for electronic signature.

ACCOUNT OPENING & TREASURY SERVICES ADDED

Account opening and applicable treasury services added.

TRAINING & GO LIVE

Dedicated training with our Online Banking experts for you and your team.

CONTINUED SUPPORT

Continued support and partnership.

Thank You

Thank you for the opportunity to share Five Star Bank's story and our vision; it would be our privilege to serve you.

fivestarbank.com

NASDAQ: FSBC