

PLUMAS EUREKA COMMUNITY SERVICES DISTRICT
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**PECSD BUDGET, FINANCE,
AND INVESTMENT
COMMITTEE MEETING
February 10, 2026
9:00 am**

Zoom Meeting ID: 871 3784 8441

Investment Committee Members
Vice-Chairperson John Rowden
Director Todd Solomon
General Manager Jamar Tate
Administrative Manager Gina-Marie Morris
Operator Anthony Campbell

* Members of the public may address the Committee on items of business immediately before or during the Committee's consideration of the item after being recognized by the Committee Chair. Limit on time for public comment is 3 minutes per speaker.

Discussion and Information Items

1. **Investment in Five Star** – Administrative Manager Gina-Marie Morris
 - Committee to discuss a recommendation to the Board to change vehicles.
2. **Current Investments** – Administrative Manager Gina-Marie Morris
 - Committee to determine investment allocations and funding sources.
3. **Discussion of the Budget Schedule**

Public Comment & Correspondence

- Public may address items not on the agenda.
- Written comments due 24 hours prior for distribution.
- Comments limited to 3 minutes per speaker.

Adjournment

ADA Compliance: Agenda available in alternative formats upon request. Contact Administrative Manager Gina-Marie Morris at (530) 836-1953 at least 24 hours before the meeting.

Gina-Marie Morris

From: Reagan Ballo <rballo@fivestarb.com>
Sent: Tuesday, January 20, 2026 1:49 PM
To: Gina-Marie Morris; Jamar Tate
Subject: RE: Great Meeting at the CSDA Board Secretary/Clerk Conference

Hi Jamar and Gina,

Great seeing you both this morning at the Board Meeting, appreciate the opportunity to share how Five Star Bank (FSB) and I can serve as a value-add banking resource for the District. Following up on Vice Chairperson Solomon's request for a comparison between FSB and LAIF I've put together the following demonstrating the additional interest income that can be made in an FSB Public Money Market Account as compared to LAIF. (Snippet Below)

As you can see the additional interest income derived from FSB serving as a pure LAIF alternative is nominal from an interest income perspective. Though there is the value of the ease of moving these funds should the District need to do so. Where I believe the value lies in terms of generating additional interest income would be in FSB serving as a fourth option as part of the District's overall investment strategy. Currently our Public Money Market Account is yielding 4.025% as of today.

For reference, CLASS has a 7-day yield of 3.7663 as of 1/16/2026 and CAMP has a 7-day yield of 3.84% as of 1/16/2026. Compared to CLASS our account is yielding 0.2587% higher and compared to CAMP our account is yielding 0.185% higher. Thus, a transfer of funds from one or both investment pools to FSB would bring about significantly more interest income for the District as compared to moving funds from LAIF given the current rate environment. As an example, the difference in interest income between \$1MM in CLASS and \$1MM in FSB for one year assuming a constant rate delta of 0.2587% between our two rates results in approximately \$4,800 in additional interest income in FSB as compared to CLASS.

CLASS: $\$1,000,000 \times 3.7663\% = \$37,663$

FSB: $\$1,000,000 \times 4.025\% = \$42,500$

Approximate additional interest income in FSB = \$4,837

Let me know when it works to jump on another call to discuss this in further detail and talk about our next steps in moving forward with establishing a partnership together. Have a fantastic Tuesday afternoon and look forward to continuing our conversation!

Best,

Reagan

| Plumas Eureka Community Services District | | |
|--|------------------|-------------------------|
| | LAIF - 4.025% | Five Star Bank - 4.025% |
| July | \$ 1,000,000.00 | \$ 1,000,000.00 |
| August | \$ 1,000,000.00 | \$ 1,003,354.17 |
| September | \$ 1,000,000.00 | \$ 1,006,719.58 |
| October | \$ 1,010,062.50 | \$ 1,010,096.29 |
| November | \$ 1,010,062.50 | \$ 1,013,484.32 |
| December | \$ 1,010,062.50 | \$ 1,016,883.72 |
| January | \$ 1,020,226.25 | \$ 1,020,294.51 |
| February | \$ 1,020,226.25 | \$ 1,023,716.75 |
| March | \$ 1,020,226.25 | \$ 1,027,150.47 |
| April | \$ 1,030,492.28 | \$ 1,030,595.70 |
| May | \$ 1,030,492.28 | \$ 1,034,052.49 |
| June | \$ 1,030,492.28 | \$ 1,037,520.88 |
| July | \$ 1,040,861.61 | \$ 1,041,000.89 |
| Interest Earned | \$ 40,861.61 | \$ 41,000.89 |
| Difference between FSB and LAIF | \$ 139.28 | |
| *Assuming a constant LAIF Rate and Five Star Bank Rate | | |
| Factors Driving the Difference: | | |
| | LAIF | FSB |
| Rate | 4.0250% | 4.0250% |
| Compounding Interest | Quarterly | Monthly |
| Enhanced Liquidity: | | |
| Wire Cut Off Time | 10:00 AM | 2:30 PM |

Reagan Ballo, CTP
SVP/Managing Director of Government Banking
Five Star Bank

t: 916-660-5752 | **m:** 1-805-305-1882
ext: 5752

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Contract for Deposit of Monies

THIS CONTRACT, relating to the deposit of monies, as of January 20, 2026, between Jamar Tate, (hereafter designated "Treasurer" acting in his or her official capacity as General Manager (Treasurer, Finance Director, etc.) of Plumas Eureka Community Services District (hereinafter designated "Depositor"), and Five Star Bank (hereinafter designated "Depository"), having a shareholder's equity of Three Hundred and Ninety Six Million, Six Hundred Twenty Four Thousand Dollars (\$396,624,000) as of December 31, 2024.

WITNESSETH

WHEREAS, the Treasurer proposes to deposit in the Depository from time to time, commencing on January 20, 2026, monies in his/her custody in an aggregate amount on deposit at any one time not to exceed the total shareholder's equity of the Depository, and said monies will be deposited subject to Title 5, Division 2, Part 1, Chapter 4, Article 2 (commencing with Section 53630) of the Government Code of the State of California; and

WHEREAS, said provisions of the Government Code requires the Treasurer to enter into a contract with the Depository, setting forth the conditions upon which said monies are deposited; and

WHEREAS, in the judgment of the Treasurer, this contract is to the public advantage;

NOW, THEREFORE, it is agreed between the parties hereto as follows:

1. This contract cancels and supersedes any previous contracts between the Treasurer and the Depository relating to the method of handling and collateralization of deposits of monies.
2. This contract, but not the deposits then held hereunder, shall be subject to termination by the Treasurer or the Depository at any time upon 30 days written notice. Deposits may be withdrawn in accordance with the agreement of the parties and applicable federal and state statutes, rules and regulations. This contract is subject to modification or termination upon enactment of any statute, rule or regulation, state or federal, which, in the opinion of the Administrator of the Local Agency Security, is inconsistent herewith, including any changes relative to the payment of interest upon monies so deposited by the Treasurer. Upon notification from the Administrator, the Treasurer may withdraw deposits in the event the Depository fails to pay assessments, fines, or penalties assessed by the Administrator.
3. Interest shall accrue on any monies so deposited as permitted by any act of the Congress of the United States or by any rule or regulation of any department or agency of the Federal Government adopted pursuant thereto. If interest may be legally paid, all monies deposited in accordance with this contract shall bear interest at a rate agreed upon by the Treasurer and the Depository.
4. The Depository shall issue to the Treasurer at the time of each inactive deposit, a receipt on a form agreed to by the Depository and the Treasurer, stating the interest to be paid, if any, the duration of the deposit, the frequency of the interest payments, and the terms of withdrawal. Each such deposit receipt is by reference made a part of this contract.
5. As security for said deposit, the Depository shall at all times maintain with the Agent of Depository named herein, commencing forthwith, eligible securities having a market value in excess of the actual total amount of local agency monies on deposit with the depository as per Government Code 53652. If the eligible security is determined by the Administrator of the Local Agency Security of the State of California in accordance with Government Code Section 53661 to be not qualified to secure public deposits, additional security shall be substituted immediately by the depository, as necessary, to comply with the requirements of this Paragraph.



FIVE STAR BANK

6. Eligible securities are those listed in Government Code Section 53651, which may include the use of letters of credit issued by the Federal Home Loan Bank of San Francisco pursuant to Government Code 53651(p).
7. The Agent of Depository, authorized by the Treasurer and the Depository to hold the eligible securities posted as collateral under this contract is U.S. Bank (See Section 8 below). Said Agent of Depository has filed with the Administrator of Local Agency Security of the State of California an agreement to comply in all respects with the provisions of Title 5, Division 2, Part 1, Chapter 4, Article 2 (commencing with Section 53630) of the Government Code.
8. Authority for placement of securities for safekeeping in accordance with Government Code Section 53659 is hereby granted to the Agent of Depository, including placement with any Federal Reserve Banks or branch thereof, pursuant to Government Code Section 53657, or the Federal Home Loan Bank of San Francisco.
9. If the Depository fails to pay all or part of any deposits of the Treasurer which are subject to this contract when ordered to do so in accordance with the terms of withdrawal set forth on the deposit receipt (which is by reference made a part hereof), the Treasurer will immediately notify, in writing, the Administrator of the Local Agency Security. Action of the Administrator in converting the collateral required by Paragraph 5 above for the benefit of the Treasurer is governed by Government Code Section 53665.
10. The Depository may add, substitute, or withdrawal eligible securities being used as security for deposits made hereunder in accordance with Government Code Section 53654, provided the requirements of Paragraph 5 above are met.
11. The Depository shall have and hereby reserves the right to collect the interest on the securities, except in cases where the securities are liable to sale or are sold or converted in accordance with the provisions of Government Code Section 53665.
12. The Depository shall bear and pay the expense of transportation of eligible securities to and from the designated Agent of Depository.
13. This contract, the parties hereto, and all deposits governed by this contract shall be subject in all respects to Title 5, Division 2, Part 1, Chapter 4, Article 2 (commencing with Section 53630) of the Government Code, and of all other state and federal laws, statutes, rules and regulations applicable to such deposits, whether now in force or hereafter enacted or promulgated, all of which are by this reference made a part hereof.
14. The Treasurer named herein waives the right to collateral based on insurance provided by the Federal Deposit Insurance Corporation not to exceed the maximum amount insured pursuant to federal law, in accordance with Government Code Section 53653.

IN WITNESS WHEREOF, the Treasurer, in his/her official capacity has signed this contract in duplicate and the Depository has caused this contract to be executed in like number by its duly authorized officers.

PUBLIC ENTITY NAME

FIVE STAR BANK

Plumas Eureka Community Services District

NAME OF AUTHORIZED PERSON

NAME OF AUTHORIZED PERSON

Jamar Tate, General Manager

Heather Luck, EVP, Chief Financial Officer

SIGNATURE OF AUTHORIZED PERSON

SIGNATURE OF AUTHORIZED PERSON

Plumas Eureka Community Services District

Investments Overview

| Investment | Balance End of | Interest | Interest | End of | Interest | Interest | End of | Interest | Interest | End of January | Total |
|---------------|---------------------|----------|-----------------|---------------------|----------|-----------------|---------------------|----------|------------------|---------------------|---------------|
| | October 2025 | Rate | Amt | November | Rate | Interest Amt | December | Rate | Amt | | & Ave Rate |
| LAIF | 531,923.78 | | | 531,923.78 | | | 531,923.78 | 4.23% | 5,624.37 | 537,548.15 | \$5,624 4.23% |
| CAMP | 858,044.04 | 4.04% | 2,889.45 | 860,933.49 | 4.02% | 2,885.19 | 863,818.68 | 3.93% | 2,825.53 | 866,644.21 | \$8,600 4% |
| CLASS | 853,444.82 | 3.98% | 2,832.62 | 856,277.44 | 3.95% | 2,819.41 | 859,096.85 | 3.86% | 2,760.12 | 861,856.97 | \$8,412 3.93% |
| Totals | 2,043,173.89 | | 5,624.78 | 2,112,033.67 | | 6,068.98 | 2,225,516.48 | | 11,210.02 | 2,266,049.33 | |

| | |
|--------------------------|------------------|
| Total Cash in Checking | \$564,807 |
| Less \$250,000 | (250,000) |
| Balance to Invest | \$314,807 |

| | | | | | | Amounts to Invest Worksheet: | | | |
|---------------------------|----------|---------|---------|---------|--------------|------------------------------|-----------|-------------------|------------------|
| Current Balances 02/06/26 | Checking | LAIF | CAMP | CLASS | Balances | From fund | Invest in | Investment Amount | Checking Balance |
| Water Debt (WTP) | 199,985 | 188,205 | 264,728 | 292,329 | \$ 945,247 | Water Debt | | | |
| Water Reserve | 10,612 | 249,820 | 248,908 | 284,150 | \$ 793,490 | Water Reserve | | | |
| Water Operations | 71,910 | 5,915 | 37,398 | 9,235 | \$ 124,458 | Water Operations | | | |
| Total Water | 282,507 | 443,940 | 551,034 | 585,714 | \$ 1,863,194 | Total Water | | - | |
| Wastewater Debt | 15,401 | 62,545 | 132,055 | 120,655 | \$ 330,655 | Wastewater Debt | | | |
| Wastewater Reserve | 94,233 | 14,528 | 60,231 | 14,093 | \$ 183,086 | Wastewater Reserve | | | |
| Wastewater Operations | (23,888) | 3,219 | 14,802 | 4,328 | \$ (1,538) | Wastewater Operations | | | |
| Total Wastewater | 85,746 | 80,292 | 207,088 | 139,077 | \$ 512,203 | Total Wastewater | | - | |
| Total Enterprise | 368,253 | 524,232 | 758,122 | 724,791 | \$ 2,375,397 | Total Enterprise | | - | |
| Fire | 186,311 | 13,316 | 108,523 | 137,066 | \$ 445,216 | Fire | | | |
| District Maintenance | 10,243 | | | | \$ 10,243 | District Maintenance | | | |
| Total Governmental | 196,554 | 13,316 | 108,523 | 137,066 | \$ 455,459 | Total Governmental | | - | |
| Overall Total | 564,807 | 537,548 | 866,644 | 861,857 | \$ 2,830,857 | Overall Total | | | \$ |

Plumas Eureka CSD

FY 25/26 Operational Budget

Mid-Year Updates - Approved 01/20/26

| Fire Fund | |
|---------------------------|----------------|
| Revenue | |
| Customer Payments | 173,543 |
| Interest Income | 3,056 |
| County Tax Income | 17,000 |
| Grant Income | - |
| Wildfire Income | 382,584 |
| Total Cash Revenue | 576,183 |

| Expenses | |
|-----------------------------------|----------------|
| Employees/Volunteers | 354,223 |
| Insurance | 55,568 |
| Utilities | 5,200 |
| Tools, Supplies, Repairs, Maint | 36,000 |
| Training, Travel, Safety, Subscri | 12,875 |
| Professional Services | 14,660 |
| Office/other | 14,925 |
| Capital Outlay | 60,000 |
| Total Expenses | 553,451 |

Budget Balance: \$22,732

| District Maint Fund | |
|---------------------------|---------------|
| Revenue | |
| Customer Payments | - |
| Interest Income | - |
| County Tax Income | 20,000 |
| Property Rental | 2,500 |
| Other Income | - |
| Total Cash Revenue | 22,500 |

| Expenses | |
|-----------------------------------|---------------|
| Employees | 1,678 |
| Insurance | 565 |
| Utilities | - |
| Tools, Supplies, Repairs, Maint | 8,300 |
| Training, Travel, Safety, Subscri | - |
| Professional Services | 3,000 |
| Office/other | 30 |
| Capital Outlay | - |
| Total Expenses | 13,573 |

Budget Balance: \$8,927

| Water Enterprise Fund | |
|---------------------------|----------------|
| Revenue | |
| Customer Payments | 432,182 |
| Interest Income | 3,801 |
| Grant Income | - |
| Other Income | - |
| Total Cash Revenue | 435,983 |

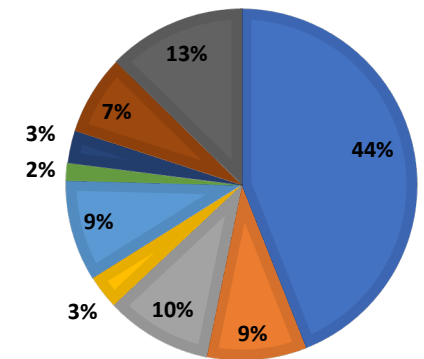
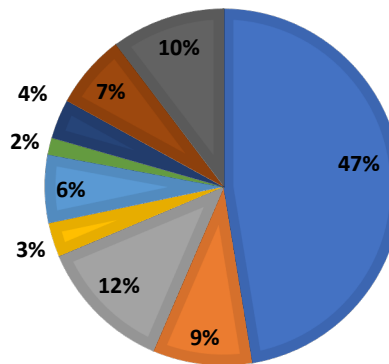
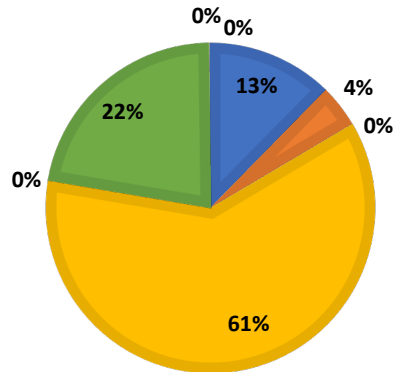
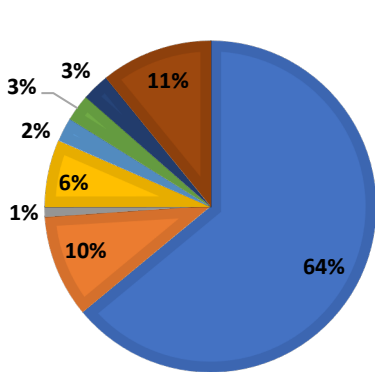
| Expenses | |
|-----------------------------------|----------------|
| Employees | 254,473 |
| Insurance | 48,441 |
| Utilities | 65,600 |
| Tools, Supplies, Repairs, Maint | 16,500 |
| Lab, Chemicals | 33,000 |
| Training, Travel, Safety, Subscri | 8,200 |
| Professional Services | 19,160 |
| Office/other | 36,290 |
| Depreciation | 55,000 |
| Total Expenses | 536,663 |

Budget Balance: (\$100,681)

| Wastewater Enterprise Fund | |
|----------------------------|----------------|
| Revenue | |
| Customer Payments | 358,908 |
| Interest Income | 401 |
| Grant Income | - |
| Other Income | - |
| Total Cash Revenue | 359,309 |

| Expenses | |
|-----------------------------------|----------------|
| Employees | 260,696 |
| Insurance | 54,500 |
| Utilities | 57,800 |
| Tools, Supplies, Repairs, Maint | 18,500 |
| Lab / Sludge | 55,000 |
| Training, Travel, Safety, Subscri | 9,400 |
| Professional Services | 17,660 |
| Office/other | 43,490 |
| Depreciation | 75,000 |
| Total Expenses | 592,046 |

Budget Balance: (\$232,737)



■ Employees/Volunteers
 ■ Insurance
 ■ Utilities
 ■ Tools, Supplies, Repairs, Maint
 ■ Training, Travel, Safety, Subscriptions
 ■ Professional Services
 ■ Office/other
 ■ Capital Outlay

