



TRI-COUNTIES BANK

2171 PILLSBURY ROAD CHICO, CALIFORNIA 95926

1975 ANNUAL REPORT

DEAR SHAREHOLDER:

We are pleased to make our Statement of Financial Condition as of December 31, 1975 and the related statement of changes in Stockholders Equity and Statement of Income.

Our bank opened in a mobile banking facility March 11, 1975. During the next 9½ months the following results were achieved:

Number of checking depositors	3229
Number of saving depositors	1280
Number of installment loan customers	624

In August, 1975 we moved into our permanent quarters, and I believe we have the finest independent banking building and location possible. If you have not already visited our new banking office, we would welcome you.

Thank you for your support in 1975. If you are not presently banking with us, please consider us during 1976.

Sincerely,

**ROBERT H. STEVESON
PRESIDENT AND CHIEF EXECUTIVE OFFICER**



TRI-COUNTIES BANK

**YOUR LOCALLY OWNED INDEPENDENT BANK
ALL DEPOSITS INSURED TO \$40,000 BY THE
FEDERAL DEPOSIT INSURANCE CORPORATION**

STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 1975

ASSETS

Cash and due from banks	314,022
U. S. Treasury Securities	1,856,975
Loans	4,685,774
Bank premises	189,742
Other assets	103,048
TOTAL ASSETS	7,149,561

LIABILITY RESERVE AND SHAREHOLDERS EQUITY

Demand deposits	2,644,276
Savings deposits	2,568,689
Time deposits of political subdivisions	500,000
Other liabilities	589,473
TOTAL LIABILITIES	6,302,438
RESERVE FOR LOAN LOSSES	18,000
SHAREHOLDERS EQUITY	
Common stock	500,000
Surplus	329,123
TOTAL SHAREHOLDERS EQUITY	829,123
TOTAL LIABILITIES, RESERVE AND SHAREHOLDERS EQUITY	7,149,561

CHANGES IN SHAREHOLDERS EQUITY DURING 1975

ORIGINAL OFFERING OF CAPITAL STOCK

Common Stock	3/11/75	500,000
Surplus	3/11/75	300,000
Reserve for contingency	3/11/75	200,000
Organizational expenses		(81,768)
Operating loss for 1975		(89,108)
Transfer from reserve for contingency to surplus		118,230
Common stock	12/31/75	500,000
Surplus	12/31/75	329,123

STATEMENT OF INCOME, 1975 (9 MONTHS)
for period ending 12/31/75

OPERATING INCOME

Interest and fees on loans	134,063
Interest on Securities	150,256
Service charges on deposit accounts	12,324
Other income	2,808
TOTAL OPERATING INCOME	299,451

OPERATING EXPENSES

Salaries	137,002
Interest on deposits	82,292
Occupancy expense	31,057
Provision for loan losses	18,000
Other operating expenses	120,208
TOTAL OPERATING EXPENSE	388,559
NET INCOME (LOSS)	(89,108)



NOTES TO FINANCIAL STATEMENT

- Investments — U. S. Treasury Securities are stated at cost and adjusted for amortization of premium and accretion of discounts.
- Banking property and equipment—Assets are recorded at cost and depreciation is calculated on straight line method for reporting tax purposes over their estimated lives. Repairs and maintenance costs are charged to operations as incurred.
- Reserve for possible loan losses — The bank follows a policy providing additions to the reserve for possible loan losses in accordance with maximum amounts allowed under the applicable Federal Income Tax Law.



TRI-COUNTIES BANK

2171 PILLSBURY ROAD
CHICO, CALIFORNIA 95926

DIRECTORS:

EVERETT BEICH
DONALD CASEY
DEWAYNE CAVINESS
GERALD COMPTON
VERNON FISH
GEORGE HACKE
J. HEROD HALL
SANKEY M. HALL, JR.

FRED HIGNELL III
WENDELL LUNDBERG
WAYNE MEEKS
DONALD MURPHY
ROBERT STERN
ROBERT STEVESON

Alex Vershegin, Jr.

OFFICERS AND EMPLOYEES:

ROBERT STEVESON, PRESIDENT & CHIEF
EXECUTIVE OFFICER

ARTHUR HAYES, VICE PRESIDENT

JOAN JONES, OPERATIONS SUPERVISOR

JANE ALLDREDGE

KELLI ALLISON

RONALD BEE

DONNA BROWN

SUSAN COFFMAN

ELISA CONTRERAS

CHERRLYN ELLER

BLANCH ENGLAND^E

SUSAN FISHER

LORI HALL

JAN HANNIS

DON HAZEN

LANI HEINRICH

RUTH HODSDON

RUTH IRVINE

SUSAN MARKS

ROBIN MORGAN

MARY WEIR



TRI-COUNTIES BANK

MEMBER FDIC

PHONE 345-5151