



BOARD OF DIRECTORS REPORT

MEETING DATE: NOVEMBER 18, 2025 **AGENDA ITEM #:** 10

TYPE: ACTION ITEM

PREPARED BY: SENIOR PURCHASING AGENT VALERIE WHITE
DIRECTOR OF FINANCE AND ADMINISTRATION NANCY TILLIE

REVIEWED BY: GENERAL MANAGER JERRY ESTRADA

SUBJECT: MIGRATING MTD ACCOUNTS TO FARMERS & MERCHANTS BANK FOR COMPREHENSIVE BANKING SERVICES

RECOMMENDATION:

Staff recommends that the Board authorize the General Manager to sign the necessary agreements between MTD and Farmers & Merchants Bank (F&M Bank) to provide comprehensive banking services to support the processing of daily operational financial activities.

DISCUSSION:

MTD has developed and continually monitors fiscal policies and procedures to ensure its financial integrity and effectiveness. MTD's Department of Finance & Administration safeguards MTD's assets through effective internal controls that are properly designed and rely on banking services to facilitate financial transactions in meeting business needs with timely reporting. A comprehensive bank for MTD operations would also offer solutions for credit card services, armored carrier deposits, and cash handling services for Ticket Vending Machines (TVMs). Outside of routine operations, with MTD's plans for Terminal 2 Recommissioning – Phase 2 and other upcoming capital projects toward electrification, options for various structures of lines of credit, bridge financing, and possibly equipment leasing are becoming imperative. To that end, MTD issued a Request for Proposals (RFP) with a detailed scope of services to identify one institution that would allow MTD to ensure adequate cash flow, minimize administrative time and costs, and have the best options for earnings on deposits, while maintaining financial security.

Request for Proposals:

On August 5, 2025, an RFP for Comprehensive Banking Services was publicly advertised with the VC Star, a notice was posted on MTD's "Doing Business" website, and delivered directly to the following financial institutions:

American Riviera Bank		
Banc of California	Community West Bank	Pacific Premier Bank
Bank of America	Farmers & Merchants	(Columbia Bank)
Bank of the Sierra	First Bank	US Bank
BMO US Commercial Bank	Mechanics Bank	Umpqua Bank (Columbia Bank)
Chase (JP Morgan)	Montecito Bank & Trust	Wells Fargo

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Through requests for clarification, three (3) addenda were issued. By the due date, MTD received seven proposals for evaluation of their responsiveness to MTD's requirements and responsibility, which entailed a review of the following criteria for each Offeror (through the technical proposal and interview, when available).

- Bank Stability:
history; credit rating and financial position; relevant experience; client references from public entities
- Bank Accessibility:
location(s) and hours of bank and account managers, the dedicated personnel, and the technology platforms
- Banking Solution:
approach to cash management, treasury services, security, and implementation
- Competitive Fee Schedule:
awarded contract would be an Indefinite Delivery/Indefinite Quantity (IDIQ) with a Firm, Fixed Price (FFP). If the proposed fees were not firm for up to 5 years, then a commitment that any such changes would be made only after notification and discussion with the MTD Director of Finance and Administration.

Offerors	Proposal Summary
American Riviera	Local, Santa Barbara footprint; liquidity solutions, including overnight sweep options (FDIC insured cash sweeps up to \$285 million); collateralized loans; banking benefits extended to MTD Employees
BMO	Dedicated government banking division; robust digital and automation solutions for payables and receivables
Columbia Bank	A comprehensive solution; met and exceeded all of MTD requirements; informed and intelligent analysis on various structures for lending/lines of credit; Although not established in California, will meet standard for deposits to be collateralized at 110%; stability of a large bank with a strong commitment to serving Santa Barbara
Community West Bank	MTD to be assigned to Private Banking Team to support our "niche" industry; expanding its commitment out of Central Valley to "Gold Coast"; Various Solutions for treasury management (IntraFi Network option for deposits into CDs through CDARS issued by other banks in the network – making full deposits available for lending)
Farmers & Merchants Bank (F&M Bank)	Established in 1907, a comprehensive solution; met and exceeded all of MTD banking objectives; personalized "tailored" solutions; Decision Makers at the local Santa Barbara branch; most competitive in pricing and fees, secured cash management services, deposits collateralized @ 110%, extended banking and customer service hours
J.P. Morgan	Invited MTD for future conversation.
US Bank	Highest Earned Interest Credit Rate; Government banking division; Provided resources/solutions to meet all of MTD's banking needs; government-specific interim financing for construction projects; structured MTD accounts in an optimal manner

Ultimately, through detailed evaluation, including interviews of the financial organizations, it was determined that F&M Bank was the best value for providing banking services to MTD. F&M Bank presented a clear, strong commitment to MTD and provided solutions to meet all service needs (including optional and potential future needs MTD presented).

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Additional consideration for F&M Bank:

- California established in 1907, longevity and strength of the financial intermediary reporting \$11.4 B in Total Assets; \$5 B Liquidity Position; 5-Star Superior Rating for Financial Strength and stability for 114 consecutive quarters as of June 30, 2025
- Regional Headquarters in downtown Santa Barbara (33 E. Carrillo St). Direct, in-person contact available with the loan officer, underwriter, and account manager (all account activity from opening accounts to closing loans is at this location).
- Accounts & Services included, but not limited to: Customized sweep accounts; secure and intuitive online banking; ACH origination; positive pay with payee match; wire origination; remote deposit; secure file transfer; lockbox; merchant services; corporate card (powered by Elan); cash services (powered by Sectran)
- Credit Solutions included, but not limited to: Commercial real estate; equipment financing (up to 90% of cost); tenant improvement loans; operating lines of credit; construction loans; working capital bridge loans; business revolving line of credit; letter(s) of credit.

MTD would aim to migrate accounts as soon as practicable (January 2026). Key portions of the proposal are attached.

Fiscal Impact: An Independent Cost Estimate was developed by reviewing the current banking expenses MTD incurs. This contract provides for service fees based on the volume of transactions processed. The average monthly cost with the incumbent was \$2,752, and the expected monthly cost with F&M Bank is \$1,568.

Costs incurred are offset by an earnings credit provided by the bank based upon the average monthly balance maintained by MTD. The RFP proposal submitted by F&M Bank estimated that credits on the average bank balance would likely offset all monthly banking costs. MTD's incumbent bank offered a 0.35% earned credit rating (approx, \$1,753 per month); the earned credit rating with F&M is 1% approx. (approx. \$5,137 per month).

ATTACHMENTS:

- Attachment 1 - Proposal for Banking Services from Farmers & Merchants Bank
- Attachment 2 – F&M Bank Company Profile 2025



PROPOSAL FOR BANKING SERVICES

prepared for



Farmers & Merchants Bank
33 East Carrillo St.
Santa Barbara, CA 93101

Nolan Nicholson
Regional Relationship Manager
Email: Nolan.Nicholson@FMB.com
Tel: 805-280-4717
Mobile: 805-452-5741

Organizational Overview & Qualifications

Farmers & Merchants Bank Profile



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September 4, 2025

Valerie White
Purchasing Agent
Santa Barbara Metropolitan Transit District
550 Olive Street
Santa Barbara, CA 93101

Dear Ms. White,

Thank you for allowing Farmers & Merchants Bank the opportunity to provide Santa Barbara Metropolitan Transit District ("Santa Barbara MTD") with a proposal regarding our banking services.

The objective of this proposal is to identify Farmers & Merchants Bank as a financially secure financial institution that possesses the capability and expertise to provide depository and other banking services to Santa Barbara MTD. The proposal herein detailed includes the comprehensive banking services identified in Santa Barbara MTD's RFP, all of which will ensure that your organization receives the best business solutions and costs possible.

The following individuals will have contractual responsibility with Santa Barbara MTD and will be your primary contacts during the period of proposal evaluation:

Nolan Nicholson
First Vice President
Regional Relationship Manager

Pernilla Mendez
Vice President
Operations Manager

Email: Nolan.Nicholson@FMB.com
Tel: 805-280-4717
Cell: 805-452-5741

Email: Pernilla.Mendez@FMB.com
Tel: 805-280-4710
Cell: 805-471-1756

All information submitted with this proposal is true and correct and shall remain valid for the entire duration of the review period. After reviewing the MTD Master Agreement and the Federal Transit Administration (FTA) Contract Provisions, we do not believe it applies to banking services and have, instead, provided a copy of our Contract for Deposit of Public Funds agreement (Appendix A) for your review and consideration. F&M Bank is a qualified financial institution licensed with The California Department of Financial Protection and Innovation (DFPI) to accept Local Agency Deposits. Such deposits are collateralized and governed in accordance with California Government Code Sections 53630 through 53686. The eligible securities collateralizing these deposits as required by law are being held for safekeeping by U.S. Bank.

Should you select to establish a business relationship with Farmers & Merchants Bank, we will work together to arrive at a mutually beneficial agreement for our organizations, striving to exceed the service objectives of Santa Barbara MTD. Our Bank prides itself on the ability to always go above and beyond for our clients.

For more than 118 years, F&M Bank has offered commercial and small business banking, business loan programs, home loans, and Treasury Management services to business and non-profit clients including water districts, school districts, cities, museums, and social welfare organizations. We also offer a wide variety of consumer banking products, including checking, savings and youth accounts. We are confident that not only is our service superior to any bank competitor, but we will also be highly competitive in pricing and fees for your tailored banking



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services. We have the technology, resources, and experience to service the complex needs of our clients. Our dedicated team of professionals are trained and committed to bringing you the highest level of service for all of your banking and financial needs.

Nolan Nicholson, Pernilla Mendez, and a dedicated branch support team located at the corner of Carrillo and Anacapa will be readily available to service Santa Barbara MTD's day-to-day needs, operational inquiries, technical support, and any loan requirements, should the need arise. Our Concierge Service will be happy to visit Santa Barbara MTD's offices to complete any paperwork, setup, and training required during account transition.

F&M Bank is fully committed to providing Santa Barbara MTD with the utmost care, respect, and exceptional service. We thank you for your time in reviewing this proposal.

If you have any further questions, please feel free to contact me directly.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Nolan Nicholson', written over a light blue horizontal line.

Nolan Nicholson
First Vice President, Regional Relationship Manager



STATEMENT OF QUALIFICATIONS

Introduction & Leadership

Farmers & Merchants Bank ("F&M Bank") was founded by C.J. Walker in 1907 on the values of Honesty, Integrity, the Home, the Church, and Service Above Self. C.J. solidified the family name by reassuring depositors that their money was always safe at F&M Bank. His integrity has been the bedrock under the Walker family's commitment to safeguard F&M's clients' money. Today Daniel K. Walker, fourth generation Executive Chairman of the Board, his brother Henry Walker, CEO, oversee the bank through the lens of their founding father.

F&M Bank has grown slowly and safely, earning its reputation as "California's Strongest." Clients receive personalized service from a dedicated relationship manager along with the benefits associated with a well-capitalized bank. As of June 30, 2025, F&M Bank earned Bauer Financial's highest, 5-Star Superior Rating for financial strength and stability for the 50th consecutive quarter.

With approximately 840 employees and 27 branches from San Clemente to Santa Barbara, the Bank offers commercial and small business banking, business loan programs, home loans, and a robust offering of consumer retail banking products. Farmers & Merchants Bank is a California state-chartered bank with deposits insured by the Federal Deposit Insurance Corporation (Member FDIC) and an Equal Housing Lender.

As the company has grown, so has the Bank's dedication to giving back to the community, continuing the philanthropic legacy of founder C.J. Walker. F&M Bank continuously supports numerous organizations, as well as various schools, religious organizations and charities. F&M Bank has a history of being deeply involved within the community and strives to maintain partnerships based on implicit trust and friendship. Due to our efforts to support and strengthen the local community, F&M Bank received an "Outstanding," the highest possible rating, as a result of our 2022 Federal Reserve Bank of San Francisco Community Reinvestment Act (CRA) exam.

Financial Condition

F&M Bank has \$11.40 Billion in assets at the close of the second quarter 2025. These figures reflect F&M Bank's continued dedication to sound, conservative banking policies and management. Since 1907, F&M Bank has always provided clients that extra measure of security. F&M Bank is not rated by Standard & Poor's or Mood's Investor Services, but has earned Bauer Financial's highest, 5-Star Superior Rating for financial strength and stability for 50 consecutive quarters as of June 30, 2025 (Appendix B). Please also see a Common Equity Ratio Comparison of U.S. Banks (Appendix C).

Viewing fiscal responsibility as a service to our community and depositors, F&M Bank maintains capital ratios that far exceed the minimum limit set by the FDIC. Below are the Bank's capital ratios as of June 30, 2025.

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	F&M Bank	Minimum Required
Total risk-based capital ratio	19.16%	10.00%
Tier 1 risk-based capital ratio	17.91%	8.00%
Common equity tier 1 capital ratio	17.91%	6.50%
Tier 1 leverage ratio	12.18%	5.00%

Bank Financials & Ratings

- Audited Financial Statements: <https://investors.fmb.com>
- Bauer Financial Rating as of June 30, 2025 (Appendix B)
- F&M Bank is not rated by the SEC or Moody's
- 2024 Community Impact Report <https://www.fmb.com/news-and-community>

Location

F&M Bank is a California State chartered bank with deposits insured by the Federal Deposit Insurance Corporation (FDIC). The Bank operates 27 branches across Los Angeles, Orange, and Santa Barbara counties with approximately 840 employees. The nearest full service branch, available to assist with immediate banking needs, is F&M Bank's Santa Barbara Office located at 33 E. Carrillo St., CA 93101.

Future Plans

N/A

SERVICE REQUIREMENTS

General Account

F&M Bank offers four different account types to meet the unique operating needs of Santa Barbara MTD. Nolan and Pernilla will work alongside you to deliver solutions and services designed to streamline your daily operations.

F&M Bank's fees are custom tailored to each relationship with the Bank negotiating fees that are mutually beneficial. F&M Bank's Analyzed Business Checking provides an "earnings credit" that is used to offset accumulated expenses associated with Bank services, account transactions, and currency fees. All accounts belonging to the Santa Barbara MTD, including Zero Balance Accounts, are linked to the main operating account for consolidation of fees. One of the key benefits of F&M Bank's fee structure, compared to that of other banks, is that we manage the client relationship group as one unit regardless of how many accounts are in the group. Most banks charge per account, driving up the monthly cost.

F&M offers a competitive earnings service credit or earnings credit rate (ECR) to offset accumulated expenses associated with bank services, account transactions, and currency fees. The earnings credit rate (ECR) is based on the collected balances. Each month, the earnings credit for the relationship is calculated by applying the earnings credit rate to the "Balance for Earnings Credit," which consists of the funds available to support the account activity for that



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statement period [Calculated as: average daily ledger balance (-) average daily float = average collected balance (-) required reserves = balance for earnings credit]. Monthly analysis statements are also be provided.

F&M Bank accepts compensation in a combination of fees and collected balance. Any fees in excess of the earnings credit from collected balances will be charged to the account. Our clients are able to determine which option best suits their needs, whether to maintain higher balances to offset account analysis, sweep excess balances to earn interest or a combination or both.

While we offer a wide array of products and service with a set fee schedule for all analyzed services, our commonsense approach to relationship banking is tailored to our client's needs (including pricing). As such, F&M Bank will remain flexible and work within Santa Barbara MTD's pricing requirements to ensure you receive the best value and remains comfortable with services provided at all times.

Holding (Savings) Account

F&M Bank offers three savings accounts each with a unique set of features including a Market Rate Savings Account, Market Rate Money Market, and Certificates of Deposit.

Group Account

FMB offers a variety of fiduciary accounts and Fund control accounts to help meet MTD's needs. Additionally, we can explore customized account to support MTD's fiduciary account requirements. For example, FMB is able to implement restrictions on ACH debits/credit, incoming/outgoing wires, and debit card usages, among other specific account access.

Sweep Accounts

F&M Bank offers two types of Sweep Accounts:

1. *Money Market Sweep.* Determine target minimum or maximum balances you want to maintain in your primary/operating account. Then, automatically transfer funds to an account that earns interest once your business expenses are paid to prevent idle funds, simplify account management, and improve cash flow.
2. *Repurchase Agreement.* An overnight sweep product allowing additional investment income on collected funds in the related checking account above a designated target balance and invested in the F&M Repurchase Agreement. The Repurchase agreement account is not FDIC insured but is secured by the Bank's portfolio of investments, a portion of which is set aside for use as collateral against the purchase. Per Federal regulations governing the repurchase agreements, a detailed description of the collateral security including current market value is provided any time there is a change to the agreement. All Repurchase Agreements are collateralized to 110% of the invested balance. The interest rate for the Repurchase Agreement is a tiered rate based on the daily balance.

Interest Rates

F&M offers a variety of products and services at competitive market interest rates. Interest rates are based on the product type, balance, and term. Below are today's deposit rate specials, which will be honored through 12/31/25 and subject to review annually thereafter. Further product rates can be negotiated at the time of account opening.



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Product (Monthly Compounding)	Balance Requirement	APY (Rate)
182-day CD	\$100,000+	Up to 3.00% APY (2.960%)
182-day CD	\$500,000+	Up to 3.25% APY (3.203%)
12-Month CD	\$100,000+	Up to 3.25% APY (3.203%)
Money Market Account	\$50,000+	Up to 2.00% APY (1.982%)
Product (Quarterly Compounding)	Balance Requirement	APY (Rate)
6-month IRA	\$50,000+	Up to 2.75% APY (2.722%)
Market Rate Savings Account	\$50,000+	Up to 2.00% APY (1.985%)

Demand Deposit Accounts

F&M Bank offers a variety of accounts from which Santa Barbara MTD would have immediate access to balances and transaction activities. For example, F&M Bank offers but not limited to:

- Business Analyzed Checking
- Business Checking Plus
- Business Checking Non-Analyzed
- Business Interest on Checking
- Business Market Rate Savings
- Business Market Rate Money Market
- Certificate of Deposit

Credit Facility

Over our 118 year tenure, F&M Bank has become a leader as a commercial and nonprofit lender. The Bank's lending culture provides a competitive advantage due to the level of sophistication and knowledge possessed by its well-rounded lending staff, and the ability to move swiftly on loan requests with exceptional customer service. The benefits of obtaining a commercial loan with F&M Bank include:

- Competitive Rates & Terms
- Flexible & Efficient Loan structures
- No Prepayment Penalties
- No Point Options
- Flexible amortization schedules
- Single Point of Contact

F&M Bank's approach to commercial lending prioritizes the needs of the client. First, our decentralized lending approach means your Relationship Manager, Nolan Nicholson, is empowered to create the loan structure, underwrite the transaction, present it to lending committee for approval, and service the loan until it is repaid in full. This approach is crucial as the loan officer has developed a relationship with the client and knows the client best. Second loan officers are encouraged to develop creative, customized loan structures and terms that meet the client's needs. Clients are not expected to fit into our "box." Finally, clients are able to avoid prepayment penalties which means they can pay off their loans early and allows the client to tap into equity they may have accumulated in existing properties and allows clients the opportunity to make strategic decisions.



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F&M Bank also offers a wide variety of loan types including:

- Commercial Real Estate
- Tax-Exempt Bond Financing (including private placement)
- Equipment Financing (Up to 90% of cost)
- Tenant Improvement Loans
- Capital Campaign Bridge Loans
- Operating Lines of Credit
- Construction Loans
- Working Capital Bridge Loans
- Business Revolving Line of Credit
- Business Credit Card (Commercial Rewards)
- Letter(s) of Credit

Zero Balance Accounts

Santa Barbara MTD will be able to establish a primary account that will link to a secondary account(s), and automatically transfer funds to or from the primary account each business day to maintain a zero-balance primary account. From there, money can be dispersed from the primary account to cover payments like payroll, petty cash or operating expenses.

Payroll Direct Deposit

F&M Bank has the ability to accommodate electronic payment and direct deposits services such as payroll. ACH payments can be set up individually or processed, in batch mode, through a NACHA file upload. There is a 3:00pm cutoff time for all "Standard" ACH transactions. There is a 12:00pm PT cutoff for "Same-Day" ACH transactions. "Standard" ACH transactions are settled on the following business day from the date of submission.

Notifications for return items originated by Santa Barbara MTD will be emailed daily by 6:00pm. F&M Bank requires a signed form for reversal requests and only individual transaction items can be deleted. Reversals can only be processed within five banking days of the settlement date, and there is no guarantee that funds will be retrieved. Please note ACH files cannot be deleted once they have been processed. If any entries in a batch file need to be deleted, a new file must be created prior uploading and processing. F&M Bank strongly recommends Business clients to submit a pre-note file before submitting a live ACH file to ensure the data included in the file is accurate.

F&M Bank will contact the Santa Barbara MTD via telephone any time an issue occurs with a data file transmission. If the primary contact cannot be reached by phone, F&M Bank will follow up with an email notification.

F&M bank has the ability to block ACH debits with specific SEC codes per the client's request. F&M Bank provides the Positive Pay Service in which the client controls all incoming ACH Debits including SEC Codes.

F&M Bank offers several different ways for customers to process ACH vendor payments. The Bank's Cash Manager System allows customers to send a NACHA file containing their transactions through the "Send a File" feature or via SFTP connectivity. One time pin entry is required for payments made online and dual control can also be set up through the online user permissions feature.

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ACH Transactions

ACH Origination service is available through the Bank's Treasury Management system. ACH transactions may be submitted utilizing the online banking portal's payments feature. Additionally, ACH files may be uploaded to the portal in NACHA or CSV format. ACH transactions have a 3:00pm cut-off time on any business day for an effective date as early as the next business day. Same Day ACH transactions are also available and have a cut-off time of 12:00pm.

ACH Payments may be set up to credit businesses and individuals. ACH Receipts can be set up to collect funds from any recipient's account within the United States. Payee information, for repeat transactions, can also be saved as a template on the online banking portal. As an added layer of security, MTD may customize security features including setting specific limits for approval and implementing dual control. ACH transactions require a one time "Secure Access Code" (SAC) to be provided by the user drafting the payment as well as the authorized approving party. The SAC may be delivered by email, text message or automated phone message.

All ACH Returns and Notifications of Change are transmitted via email in an encrypted attachment or clickable web-link that the client is able to log into to obtain the data.

Wire Transfers

F&M Bank offers Online Wire Transfer services through the Online Treasury Management system. The cut-off time for Domestic wire transfers is 2:00pm. International Wires have a cut-off time of 2:00pm. Wire transfer requests may be initiated, approved and monitored through this channel. Beneficiary information, for repeat wires, can also be saved as a template on the portal. As an added layer of security, MTD may customize security features including setting specific limits for approval and implementing dual control. Wire transfers also require a one time "Secure Access Code" (SAC) to be provided by the user drafting the wire as well as the authorized approving party. The SAC may be delivered by text message or automated phone message.

Real-time online wire activity is also available through the Bank's Online Banking system.

Payment Imports or Integration with Tyler Incode X

F&M Bank understands the Santa Barbara MTD banking is extremely important. That is why we are committed to helping identify and integrate with best-in-class services providers who can increase efficiency and productivity while reducing costs. F&M's Software Engineering team specializes in providing integration services to connect clients ERP systems with their banking data. We work closely with our clients and their ERP representatives to establish integrations to meet business needs, optimize processes, enhance visibility and to maximize the efficiency of their ERP system. Software Engineering has established, ready-to-implement solutions that tackle the key areas including data reconciliation, Positive Pay, ACH payments, ACH returns, and X9.37 files for check images.

Remote Deposit Capture

F&M Bank's Remote Deposit Capture Service allows checks to be scanned and deposited at Santa Barbara MTD's preferred location. Access to the Remote Deposit module is available through the Bank's online banking portal. The system generates a virtual endorsement on the back of the check bypassing the need for manual endorsement. The check scanner will be provided to Santa Barbara MTD, at no cost.

An email confirmation is sent after each deposit is processed. Deposit reports, containing check



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images, are also available for users to print & download. The cut-off time for same day credit on deposits made via Remote Deposit Capture is 6:00pm on business days.

Onsite installation and training will be performed by an F&M Bank team member at the convenience of Santa Barbara MTD.

Deposit Services

F&M Bank is open for the Santa Barbara MTD's convenience, Monday – Thursday 9:00am to 5:00pm and Fridays, 9:00am to 6:00pm. The cut off time for same-day credit for deposits made at the local branch is closing time 5:00pm, Monday – Thursday and 6pm on Fridays.

Santa Barbara MTD's will receive same-day credit for Wires, ACH transactions, and government checks as they are received.

The Bank generally makes funds available to its customers on the first day following the business day of the deposit. The types of deposits that are granted next-day availability are itemized below. The Bank may delay the availability of all other types of deposits on a case-by-case basis, taking into consideration the deposit history and overall relationship.

The Bank's Float Schedule is provided below:

Next-Day Availability

- Cash
- Electronic Payments
- U.S. Treasury Checks
- U.S. Postal Service Money Orders
- Federal Reserve and Federal Home Loan Bank Checks
- State or Local Government Checks
- Cashier's Checks, Certified Checks and Teller Checks
- Checks Payable on Accounts at Farmers & Merchants Bank

Positive Pay

Positive Pay is a fraud detection tool that matches the account number, check number, and dollar amount of each check presented for payment against a list of checks previously authorized and issued by the client, via file uploaded through the Positive Pay module. The system will send an alert via email or text notification at 6:00am PT and 12:30pm PT, to the assigned positive pay user(s), if there are any exception items identified by the Bank on check and/or **ACH transactions. Users have the opportunity to make "pay" or "return" decisions as transactions post to the account. Cut-off time for processing exceptions is 2pm PT.**

The review process includes correcting items such as, but not limited to, encoding error amount, encoding error check number, or duplicate item. These items can be corrected within the Positive Pay module within F&M Online Banking.

F&M Bank offers the following Positive Pay services:

- **Payee Match Positive Pay:** The service verifies checks presented for payment against the previously uploaded Positive Pay file submitted by Santa Barbara MTD and also matches Payee Name. Checks that do not match are flagged as exceptions. The assigned Positive Pay user will determine if each exception item will be paid or returned

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on a daily basis.

- **ACH Positive Pay:** Enables Santa Barbara MTD to monitor and control all ACH transaction activity. This service helps to prevent unauthorized and potentially fraudulent electronic debit/credit transactions from posting to the account utilizing filters and blocks.

The Positive Pay Bundle includes both Check Positive Pay with Payee Match and ACH Positive Pay allowing for fraud prevention against unauthorized paper and electronic items. At the time of implementation, FMB will provide the Santa Barbara MTD with the Positive Pay Check Issue file guidelines and will test the file sample to ensure a seamless go live date.

Cleared check images are available online and can also be requested by contacting any branch office. Online statements, that include check images, are available for a rolling three-year period

Account Reconciliation

Electronic statements are also available, in PDF format, through the Online Banking application at no cost. Access includes ability to display and print the front and back of checks. The statement cutoff will be the last day of the month unless otherwise requested by the Santa Barbara MTD. Electronic copies of statements are available the next business day through Online Banking. F&M Bank is also able to provide hard copy statements for all accounts in lieu of e-Statements as an analyzed service.

Analyzed statements and electronic notices are also available through the Bank's Online Banking application. Various customized account reconciliation reports may be requested to accommodate the Santa Barbara MTD's needs.

F&M Bank understands that banking is extremely complex. That is why we are committed to helping Santa Barbara MTD identify and integrate with best-in-class services providers who can increase efficiency and productivity while reducing costs. F&M's Software Engineering team specializes in providing integration services to connect clients' ERP systems with their banking data. We work closely with our clients and their ERP representatives to establish integrations to meet business needs, optimize processes, enhance visibility and to maximize the efficiency of their ERP system. Software Engineering has established, ready-to-implement solutions that tackle the key areas including data reconciliation, positive pay, ACH payments, ACH returns, and X9.37 files for check images.

- **BAI2 Reporting.** BAI2 is a specialized, formatted account reconciliation file that uses a standardized set of "codes." Santa Barbara MTD can import this file or receive it via secure transmission to their accounting software to help with account reconciliation.
- **EDI Reporting.** EDI is a type of electronic exchange of data that uses a standardized format for business clients that receive ACH payments. EDI reporting allows Santa Barbara MTD to exchange sensitive data in an encrypted and easy manner. This data is attached through multiple "addenda" records that accompany a single ACH payment. These details can include (e.g. invoice number, inventory listing, and additional documentation).

Cash Overdrafts

Farmers & Merchants Bank offers an overnight sweep for automated internal transfers to cover in-clearing items based on collected funds in the related DDA above a designated target balance. The last transaction of the day will be either a credit or debit from the Child account to the Parent



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account to cover or sweep excess funds below/over the designated target balance. The transactions and balances can be easily reconciled through F&M's online banking platform. Additionally, our overnight sweep service provides a hands off unlimited money movement simplifying account management and reducing clerical cost by eliminating manual account monitoring, transferring, and funding.

After available overnight sweep or internal transfer(s) is exhausted, the disposition (pay/return) of items presented against insufficient funds is determined by a Bank Officer with the appropriate level of authority, based on the amount of the overdraft.

Cash Management

F&M Bank's Treasury Management service allows users with "administrative" rights to grant system access for "non-supervisory" users. A user's entitlements determine the accounts and features they can access while logged onto the Online Banking system. Administrative users can perform user-related administration tasks including:

- Editing a business user's details and entitlements
- Resetting a business user's password
- Viewing a business user's activity report
- Establishing Dual Control and Approval capability
- Disabling a business user
- Deleting a business user

F&M Bank's Online Banking system also provides these additional capabilities:

- Manage multiple accounts
- Obtain Account information
- View paid checks (front & back)
- View deposit slips
- View deposited items
- Internal transfer funds between accounts
- Place stop payments
- 24/7 access

A variety of report options are available through the Bank's Online Banking system. Report categories include transaction activity, specific transaction type and user defined report options. Report formats include PDF, CSV and BAI format. Reports can be generated on demand and can also be set up to run on a daily, weekly or monthly basis.

If Santa Barbara MTD should require specialty reporting with specified data and delivery methods, the F&M Bank IT team will work closely with MTD's IT staff to identify the reporting requirements and provide a solution that best meets the needs of MTD.

The F&M Treasury Management system also offers various business services including Positive Pay, Remote Deposit Capture, ACH Origination, Mobile Banking including mobile deposits, Zelle (upon request) and Wire Transfers. The Bank provides multilayered security features, which allow MTD to customize each user's level of authorization and approval for services such as internal transfers, ACH transactions and Wire Transfers.

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The Santa Barbara branch team is available to provide onsite demonstrations on any of the Bank's business products and services.

Customer Service / Primary Contact

F&M Bank's exceptional service is what differentiates us from other banks. We have real people working in our branches, we answer our phones, and we do not require clients to make an appointment. Yet, we still offer secure, best-in-class technology through our online channels.

Our superior service goes beyond meeting Santa Barbara MTD's transactional needs – our bankers focus on creating personalized solutions that prioritize your satisfaction and long-term trust. At the heart of the banking relationship is direct access to First Vice President and Regional Relationship Manager, Nolan Nicholson, who has nearly 13 years banking experience, and Pernilla with 34 years of banking experience. Nolan and Pernilla will be available and responsive with a thorough understanding of Santa Barbara MTD's banking needs.

Area	Point of Contact
General Information	Pernilla Mendez, Regional Relationship Manager
Safekeeping and Securities Clearance	Nolan Nicholson, Regional Relationship Manager
Posting & Deposit Discrepancies	Pernilla Mendez, Operations Manager
Stop Payments	Pernilla Mendez, Operations Manager
Balance Adjustments	Pernilla Mendez, Operations Manager
Collateral Adequacy	Nolan Nicholson, Regional Relationship Manager
Internal Transfers	Pernilla Mendez, Operations Manager
Wire Transfers	Pernilla Mendez, Regional Relationship Manager
Online Services	Pernilla Mendez, Operations Manager
Certificates of Deposit Rate Quotes	Nolan Nicholson, Regional Relationship Manager
Issue Resolution & Escalation Process	Nolan Nicholson, Regional Relationship Manager

The F&M Client Care Center is available by phone from 7:00am- 9:00pm Monday-Friday, 8:00am-9:00pm on Saturday and 8:00am-5:00pm on Sunday by calling (866) 437-0011. Onsite training and support is also provided through the Bank's transition team and Treasury Management Services available at (844) 782-7311.

Monthly Analysis Report

Analyzed statements and electronic notices are available through the Bank's Online Banking application or paper. Various customized account reconciliation reports may be requested to accommodate the MTD's needs.

Monthly Statements

Electronic statements are also available, in PDF format, through the Online Banking application at no cost and are retained for a period of 7 years. Access includes ability to display and print the front and back of checks. The statement cutoff will be the last day of the month unless otherwise requested by the Santa Barbara MTD's. Electronic copies of statements are available the next business day through Online Banking. F&M Bank is also able to provide hard copy statements for all accounts in lieu of e-Statements as an analyzed service.

Computerized Outputs

A variety of report options are available through the Bank's Online Banking application. Report



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categories include transaction activity, specific transaction type and user defined report options. Report formats include PDF, CSV and BAI format. Reports can be generated on demand and can also be set up to run on a daily, weekly or monthly basis.

Online Account Inquiry and Information Services

With a streamlined login, custom interface, and numerous advanced features, F&M Bank makes banking on the go as simple as possible

- Manage multiple accounts
- Obtain Account information
- View paid checks (front & back)
- View deposit slips
- View deposited items
- Internal transfer funds between accounts
- Place stop payments and Stop Payment Revocation via Online Banking
- 24/7 access

If Santa Barbara MTD should require specialty reporting with specified data and delivery methods, the F&M Bank IT team will work closely with Santa Barbara MTD's IT staff to identify the reporting requirements and provide a solution that best meets its needs.

F&M Bank also offers an expand Treasury Management suite of services, which includes the following:

- Online Sweep Facility
- Online Administrative Access
- Remote Deposit Capture
- ACH Origination
- Positive Pay Service
- Electronic Statements
- Online Activity Reporting
- Internal Funds Transfer
- Bill Pay Services
- Mobile Banking via our Mobil APP
- Mobile Deposits
- Zero Balance Sweep Accounts
- Change Order Services
- Merchant Services
- Business Visa Credit Card
- Business Debit MasterCard
- Electronic Notices
- Online Stop Payments
- Wire Transfer – Domestic
- Wire Transfer – International
- Zelle (Upon request)

The Treasury Management service also allows users with “administrative” rights to grant system access for “non-supervisory” users. A user's entitlements determine the accounts and features they can access while logged onto the Online Banking system. Administrative users can perform user-related administration tasks including:

- Editing a business user's details and entitlements
- Viewing a business user's activity report
- Establishing Dual Control and MultiApproval capability
- Create a business user
- Disabling a business user
- Deleting a business user

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Services	Yes / No
Have the ability to provide web-based banking services	Yes
Provide interest earnings accounts	Yes
Provide Positive Pay and Reverse Positive Pay	Yes
Allow multiple user with different security level access to account data	Yes
Have the ability to provide calendar month periods for all statements	Yes
Provide (Check 21) Image Desktop Services	Yes
Provide wire transfer services (repetitive and non-repetitive)	Yes
Provide direct deposit services	Yes
Provide ACH services (repetitive and non-repetitive)	Yes
Provide ACH services to process files to debit customer accounts	Yes
Provide electronic funds transfer services between MTD accounts	Yes
Provide web-based payment options, especially in regard to e-payment services	Yes
Image access for all, checks and deposits	Yes
Provide monthly analysis reports	Yes
Online stop payments	Yes
Stop Payment Revocation	Yes
Online lookup of individual transactions	Yes

Electronic Banking System Security

F&M Bank has continuously invested aggressively in robust technology platforms, hosted within state-of-the-art, secure datacenters and based on leading-edge platforms that offer a high degree of flexibility, reliability, and processing capabilities. With a particular emphasis on security, resilience, and fraud prevention, the bank has invested tens of millions of dollars in high-performance infrastructure, layered security, resiliency and fraud-mitigation technology to guard our clients' information, funds and operations against foreseeable threats. Unlike many other financial institutions, F&M still believes in owning and running our core technical capabilities so that we can retain control and protect our clients' information to our incredibly high standards. This also allows us to be responsive to our clients' needs for tailored technology solutions.

F&M Bank is regulated by the Federal Reserve Board and the Department of Financial Protection and Innovation. The Bank has an Information Security Program, Security Policy and Incident Response plan in place. The plans are updated and approved annually by the Bank's Chief Information Security Officer and approved by the Board of Directors. All communication containing NPPI data must be encrypted per the Bank's Information Security Policy.

In the event of an emergency, the Bank has a Business Continuity Plan as well as a Business Impact Analysis in place. Updates and testing of the Disaster Recovery plan and procedure are also performed annually.

Fraud Alerts

F&M Bank offers fraud and activity alerts for online banking and debit cards.

Merchant Services

At F&M Bank we offer innovative solutions that enable Santa Barbara MTD to accept Visa, MasterCard, Discover and American Express credit cards along with other forms of payment such



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as Apple Pay & Google Pay. Our Merchant Services solutions offer critical features of flexibility, centralized management, scalability, and more. While rates vary based on the type of card and the manner in which the transaction is processed, FMB is pleased to offer competitive pricing to Santa Barbara MTD.

The following are the types of services available (PCI compliant):

- Point-of-sale
- Internet & E-Commerce
- Mail & Phone Order
- Pay anywhere solutions-such as virtual terminal and wireless apps for smartphones

Point-of Sale Countertop Solutions include:

- PAX
- Ingenico
- SoftPoint hardware to support Swipe, EMV (chip reader), TAP-to Pay, Wireless Bluetooth

FMB offers Online Payments & Integrated Solutions to streamline payments online which are capable of but not limited to storing customer records, recurring payments, invoicing, inventory management and much more. We currently support the Payment Gateways below and we are in the process of consistently expanding on our integrated offerings:

- Freedom Pay
- Authorize.net
- Windcare
- USAePay
- NMI Gateway
- SlimCD
- NCR Silver
- SwipeSimple
- ME Virtual Terminal
- MerchantE Hosted Payments
- MerchantE Invoice

Dynamic value-add offerings:

- ACH Processing
- Surcharging
- Clym (website accessibility for people with disabilities)
- Merchant Lockbox processing*

Credit Cards

Business Credit Cards are an ideal solution for managing business purchases. Credit limits for each cardholder is dependent on the umbrella credit limit approved by Santa Barbara MTD. Individual cardholder limits will be assigned based on each card holder's needs and designated by the Administrator. Our Credit Card solutions simplify administrative tasks and enhance the cash management cycle.

F&M Bank recommends exploring the Elan Commercial Rewards or Elan One Card, which are full-service, allowing clients a full range of administration functionality, transaction management, mobile receipt capture, custom reporting and virtual card capabilities. The Elan One Card combines purchasing and corporate card programs into a single streamlined payment solution, integrating transactions with one process, one staff, one card issuer and one invoice. The Santa



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Barbara MTD will have the ability to issue as many cards as needed as long as they fall under the same credit limit.

Safekeeping Services

When clients purchase securities through F&M's Investments Department, they receive several documents relating to the trade activity including a trade confirmation for any purchase made, which is mailed out at the time of settlement; a confirmation for any maturities or sell transactions for their holdings; and a quarterly statement listing a summary of holdings and transactions for the account. This information is also available online through a separate application called ClientPoint.

With regard to beneficial ownership, the accounts are set up to mirror the vesting of the F&M clearing account (checking or savings), which is the default information for account setup. This information is reviewed at account opening to make sure all the information is the same between the two accounts.

Lockbox Banking

FMB will partner with MTD for Lockbox Services which is a payment processing service designed to simplify and streamline the accounts receivable process.

Lockbox is able to provide MTD with a designated PO Box for their payments to be routed. All payments received in the PO Box are picked up daily (M-F excluding holidays), processed and deposited directly to the client's F&M account.

Lockbox offers a variety of daily reporting options and can capture specified payment data from checks, check stubs, invoices and documents for reporting purposes. The system can perform manual data entry or read payment data directly from bar codes, QR codes and scan lines. All deposits including checks, payment coupons, invoices, documents and envelopes can be imaged and will be available for viewing, download and printing by approximately 3:00pm the same business day on the Lockbox portal.

The Lockbox portal is accessible 24/7 and contains deposit information, downloadable images of all checks and documents, customer payment data, daily and monthly deposit summaries, customizable processing alerts, robust search capabilities and reporting capabilities. Images of checks, documents and reports will be available in the Lockbox portal for 7 years (unless Lockbox service is terminated by the client, in which case the client will have 60 days to download and save their data and images).

With Lockbox Services, there is no longer a need for MTD to prepare deposits and make daily trips to the bank. This service is beneficial for mid-size retail businesses as well as large wholesale companies that receive a significant volume of checks and documents.

Additional services offered:

- Exception processing via the Lockbox portal. The client's ability to accept or reject checks that do not meet specific predetermined requirements.
- Credit Card processing for credit card payments received via mail
- Remote Capture for Lockbox. The ability to scan checks and documents directly from the client's location. Lockbox will use the images to perform any applicable data entry for reporting. The checks will be deposited same day. All activity will be available on the Lockbox portal.



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- Look-up table/database options for MTD to provide specific remitter information to be matched to payments and inserted into reporting and/or to direct payments to specific deposit accounts.
- Custom reports/files. The ability to create reports/files according to the MTD's specifications. Many clients utilize this option to obtain files that can be uploaded into their own posting applications. (some restrictions may apply)
- Secure file transmissions (SFTP) of daily activity including images, reports and custom files.

Electronic Lockbox is a payment processing service that collects client payments, makes daily deposits and scans all paperwork. This service saves time and expenses, creates customized batch reports, monitors client payments and offers same day credit.

Checks and Accessories

Supply	Yes / No
Locked or sealable bags for coin, cash, and check deposit	Yes
Laser checks	Yes
Checks (in individual books or binders)	Yes
Deposit slips	Yes
Endorsement stamps	Yes
Coin wrappers	Yes
Currency straps	Yes

Cash Handling Services for Ticket Vending and Change Machines (TVMs)

F&M Bank is able to collaborate with Armored Courier Sectran in support of servicing Ticket and Vending machines. Sectran is able to service them on behalf of MTD and fulfill requests at the Farmers & Merchants cash vault location. Additionally, FMB is able to fulfill dollar coin requests to help meet MTD's change order needs. Fulfillment may consist of both golden dollar and Susan B. Anthony dollar coins.

Armored Truck Cash Collection and Deposit Services

Cash Vault Services allows clients to contract with an armored courier of choice to have cash and non-cash deposits delivered to F&M's cash vault for processing. Clients may also order currency and coins orders for pick-up and delivery from F&M's cash vault.

All items received by Bank from the Courier prior to the established cut-off times (2:00pm PT) on any Business Day will be processed by Bank and credited to your Account within two (2) business days following Bank's receipt of the deposit. All deposits received after the cut-off time will be considered received the following Business Day. All pick-up times are based upon the scheduling of the Courier of your choice.

In order to accommodate the absorption and to decrease armored transport fees, the Bank recommends to its clients to utilize host bags, which are larger sized bags. Host bags will contain multiple standard "tamper proof" bags and be limited to 3 host bags per day, per location. Should Santa Barbara MTD choose not to use host bags, the Armored Transport fees will be significantly higher as the volume of bags increases.

Please see Appendix E for Armored Transport service fee estimate.



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Other Service Enhancements

Community Reinvestment. F&M Bank demonstrates a leadership role in providing community development services that address many needs of the communities served by the Bank. While maintaining its strategic focus, the Bank provides financial services that support low- and moderate-income families, individuals and small businesses. Bank employees dedicate thousands of hours of service each year to organizations throughout the various communities the Bank serves. Due to our efforts to support and strengthen the local community, F&M Bank received an “Outstanding,” the highest possible rating, as a result of our 2022 Federal Reserve Bank of San Francisco Community Reinvestment Act (CRA) exam. Please see F&M Bank’s 2024 Community Impact Report.

Records Retention. Santa Barbara MTD’s records will be retained by the Bank for a period of 7 years. Per request, records may be transmitted to the client in either paper or electronic format depending on the record being requested.

Business Resumption. Per the F&M Bank disaster recovery plan, the Bank is equipped with back-up services located off-site and out of state. In the event of an emergency, these back up services will be utilized.

Custody Services. Custody services are offered by Farmers & Merchants Trust Company, (FMTC) an affiliate of F&M Bank by common ownership. FMTC offers full custodial services including trade settlements, fund transfers and distributions, monthly reporting, and online real time access to account assets and activities. FMTC can work directly with their client’s selected broker and investment advisor for seamless processing and electronic settlement of trades including Stocks, Bonds, Mutual Funds, ETFs, etc.



Conversion Plan

F&M Bank provides a seamless account transition with virtual and onsite implementation and training of all Bank products. A dedicated FMB team member will be assigned to Santa Barbara MTD to address the organization's needs for the entire duration of the conversion. All Account Analysis fees will be waived during the first 60 days, as mentioned on the previous page.

Pernilla Mendez and the branch staff at the Santa Barbara office will be your point of contact for day-to-day customer service and problem resolution. The MTD will work directly with Nolan Nicholson, Pernilla Mendez, and Tomas Macias who will serve as the liaison for ongoing support and implementation of new services.

While F&M Bank anticipates a conversion timeline of 30 "Business" days for Santa Barbara MTD, the Bank will remain flexible and work within Santa Barbara MTD's pace and/or time requirements to ensure Santa Barbara MTD remains comfortable with the conversion process at all times. Additionally, weekly reoccurring implementation calls will be held with Santa Barbara MTD for visibility and reassurance of a seamless onboarding.

The 30 business day account transition timeline is as follows:

1st - 10th Business Day

- Subject to collection of all documentation and signatures of each of the account signers, the requested accounts will be boarded.
- All checks and deposit items will be ordered i.e. deposit slips, deposit bags, endorsement stamps etc.
- Business Application for all requested business products will be processed.
- Positive Pay file and sample check specification testing to begin.
- Remote Deposit scanners will be ordered.
- ACH NACHA file specification testing to begin, if applicable.
- First point check-In with client.

11th - 20th Business Day

- Implementation of product and services: Online Banking: ACH, Wires, Positive Pay Remote Deposit Capture.
- Requested users will be implemented to online banking and respective services.
- Hand delivery of all checks and deposit items.
- Armored Transport daily pick-ups anticipated to begin.
- Positive Pay Services activated based on go live date.
- Mid-point check-In to confirm "Go Live" date is all set.

21st – 30th Business Day

- Hand delivery of all checks and deposit items.
- Ensure all services are set up to the specifications set for by Santa Barbara MTD.
- Onsite staff training and Remote Deposit Capture installation for all business services including Remote Deposit Capture, Cash Manager Services, Wire Transfers, and ACH Services (subject to completion of NACHA file format testing, if applicable).

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Appendix B – Bauer Financial Rating as of June 30, 2025



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BauerFinancial, Inc.
Bank Highlights Report

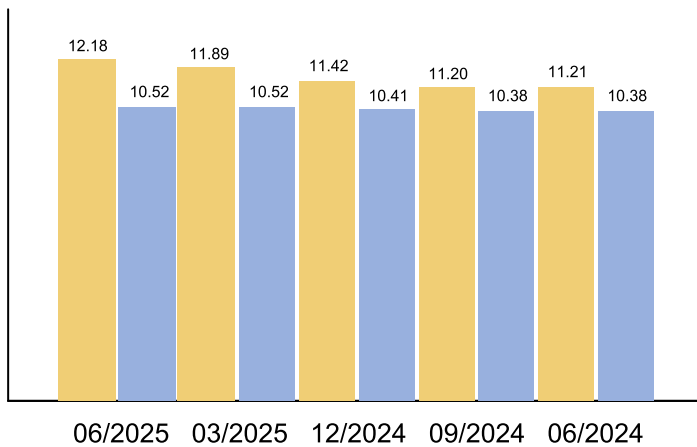
Farmers and Merchants Bank of Long Beach - Long Beach, CA (FDIC Cert.#1225)
(562) 437-0011
www.fmb.com

Farmers and Merchants Bank of Long Beach was established in 1907 and has 27 branch(es).

Data as of:	06/30/2025	03/31/2025	12/31/2024	09/30/2024	06/30/2024
Bauer's Star Rating:	5-Stars	5-Stars	5-Stars	5-Stars	5-Stars
Recommended for 114 consecutive quarters.					
Total Assets:	\$11,395.539	\$11,487.118	\$11,690.069	\$12,017.065	\$12,193.082
Current Quarter's Profit (Loss):	\$13.878	\$16.814	\$3.996	\$14.346	\$13.534
Year-to-date Profit (Loss):	\$30.692	\$16.814	\$44.878	\$40.882	\$26.536
Profit (Loss) Previous Calendar Year:	\$44.878				
Return on Assets (annualized): (Tax equivalent for Sub S corporations.)	0.54%	0.58%	0.37%	0.45%	0.44%
Return on Equity (annualized): (Tax equivalent for Sub S corporations.)	4.45%	4.90%	3.30%	4.01%	3.91%
Leverage Capital Ratio:	12.18%	11.89%	11.42%	11.20%	11.21%
Nonperforming Assets:	\$46.573	\$51.481	\$22.770	\$47.152	\$57.054

Leverage Capital Ratio

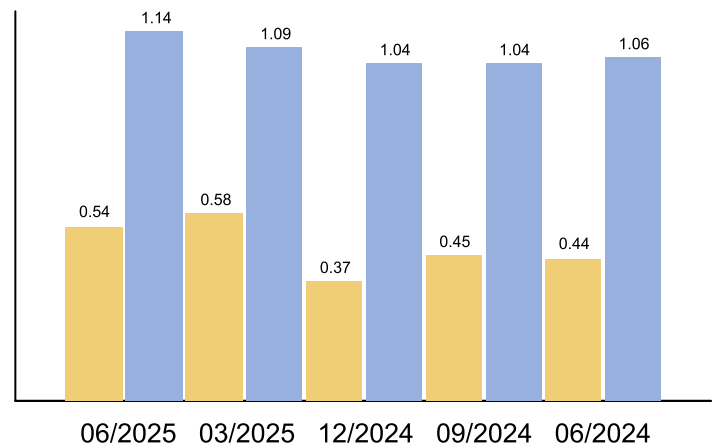
Min. for Adequately Capitalized is 4%



This Bank **Peer Group**

Return on Assets (annualized)

(Tax equivalent for Sub S corporations.)



This Bank **Peer Group**

Dollar amounts are in millions. For example, \$12,345.678 represents \$12 billion, 345 million, 678 thousand.

Bank and Credit Union data compiled from financial data for the period noted, as reported to federal regulators. The financial data obtained from these sources is consistently reliable, although; the accuracy and completeness of the data cannot be guaranteed by BauerFinancial, Inc. BauerFinancial relies upon this data in its judgment and in rendering its opinion (e.g. determination of star ratings) as well as supplying the data fields incorporated herein. BauerFinancial, Inc. is not a financial advisor; it is an independent bank research firm. BauerFinancial is a registered trademark. Any unauthorized use of its content, logos, name, and/or Star-ratings is forbidden.

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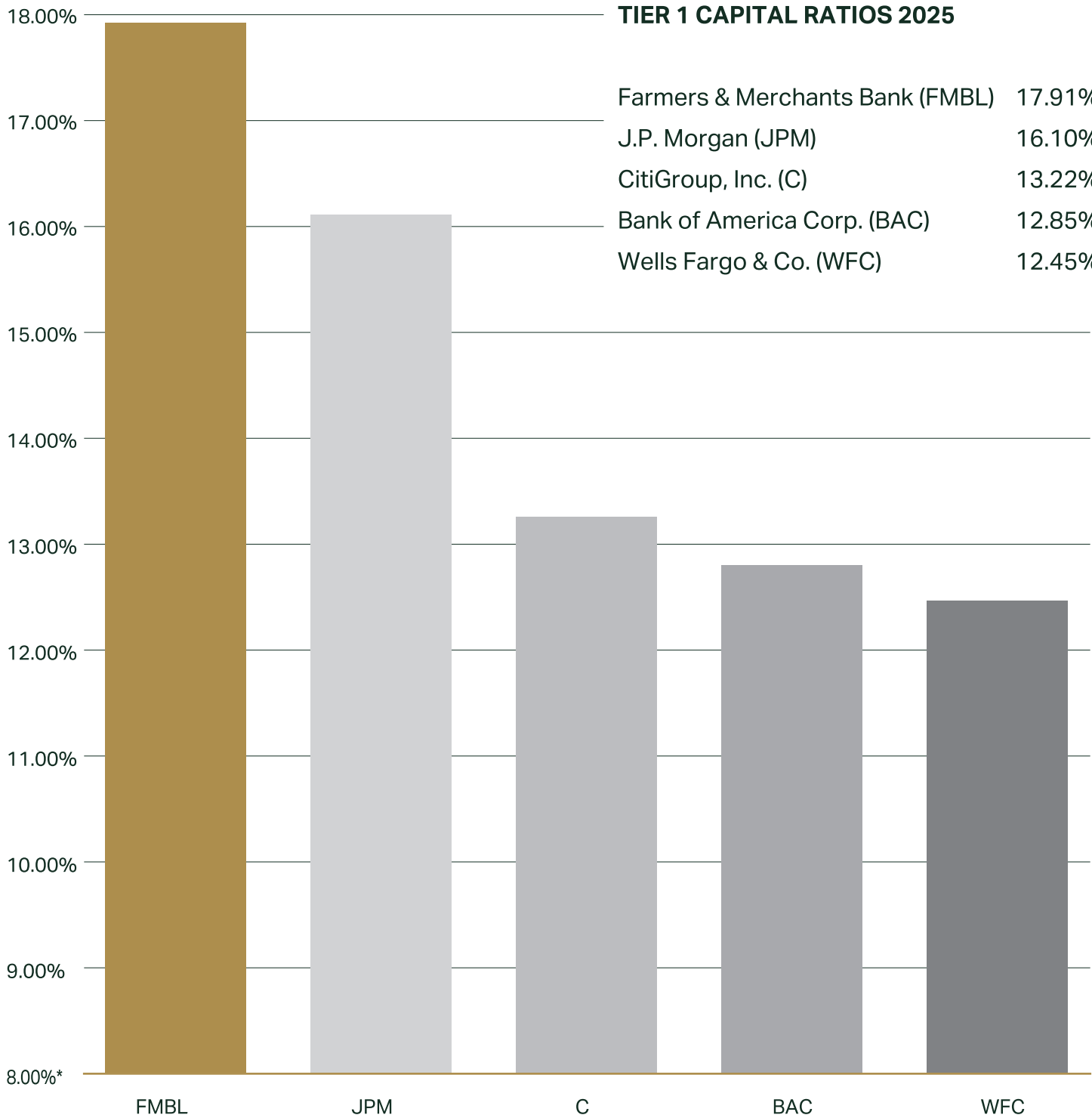
Appendix C – Capital Ratio Comparison as of June 30, 2025



CAPITAL RATIO

Comparison of U.S. Banks

As of 6/30/25



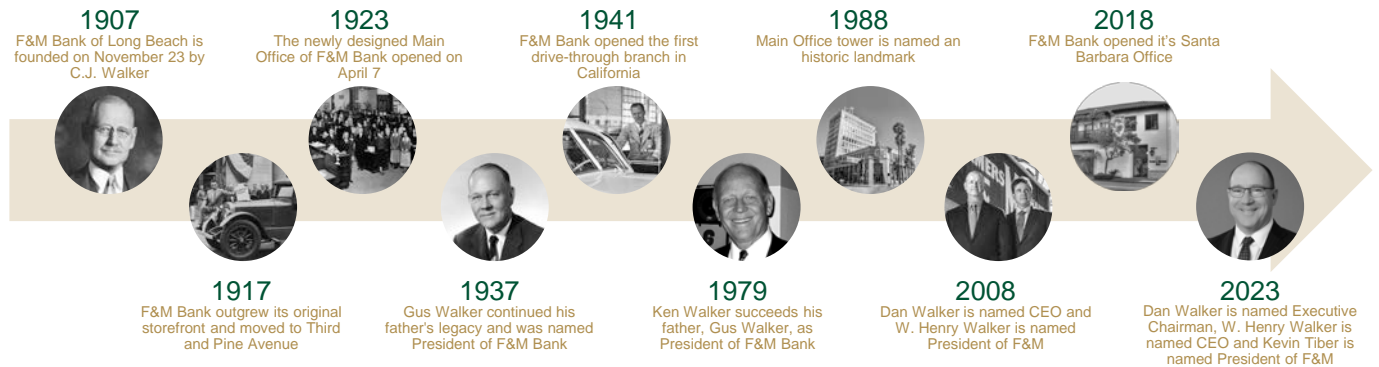
*Regulatory Minimum

Source: S&P Capital IQ



Since C.J. Walker's founding 118 years ago, Farmers & Merchants Bank of Long Beach has built its business and brand on client trust, client service, and doing the right thing:

- ✓ Custom-tailored to each relationship
- ✓ White glove service
- ✓ Experts in non-profit and municipality service
- ✓ Local decision-makers
- ✓ Integration support
- ✓ Safe & secure technology



Supporting Local Nonprofit Clients



\$11.7B

Total Assets

\$5B

Strong Liquidity Position

18.77%

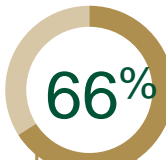
Total Risk-Based Capital

822

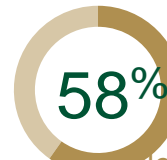
Bank Employees

39

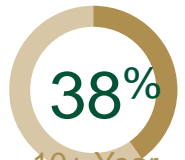
Languages Spoken



Diverse Workforce



Female Workforce



10+ Year Tenure

All data as of December 31, 2024.

Farmers & Merchants Bank's Regional Headquarters is conveniently located at the corner of Carrillo & Anacapa in historic downtown Santa Barbara, just minutes away from Santa Barbara's MTD office.





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Accounts and Services

- ✓ Customized Sweep Accounts
 - ✓ Cash Manager- Robust Online Banking
 - ✓ ACH Origination
 - ✓ Positive Pay with Payee Match
 - ✓ Wire Origination
 - ✓ Remote Deposit
 - ✓ Lockbox
 - ✓ Cash Services- Powered by Sectran
 - ✓ Merchant Services
 - ✓ Corporate Card- Powered by Elan
 - ✓ Secure File Transfer
-

Credit Solutions

- ✓ Commercial Real Estate
- ✓ Equipment Financing (Up to 90% of cost)
- ✓ Tenant Improvement Loans
- ✓ Operating Lines of Credit
- ✓ Construction Loans
- ✓ Working Capital Bridge Loans
- ✓ Business Revolving Line of Credit
- ✓ Letter(s) of Credit