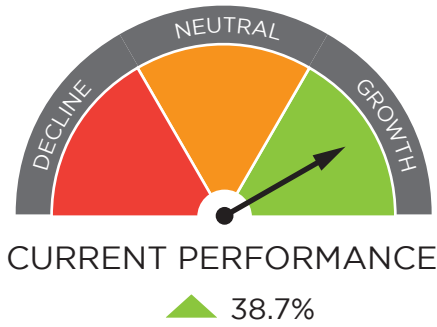


ECONOMIC SNAPSHOT™

An overview of our local economy.

PERFORMANCE THIS QUARTER

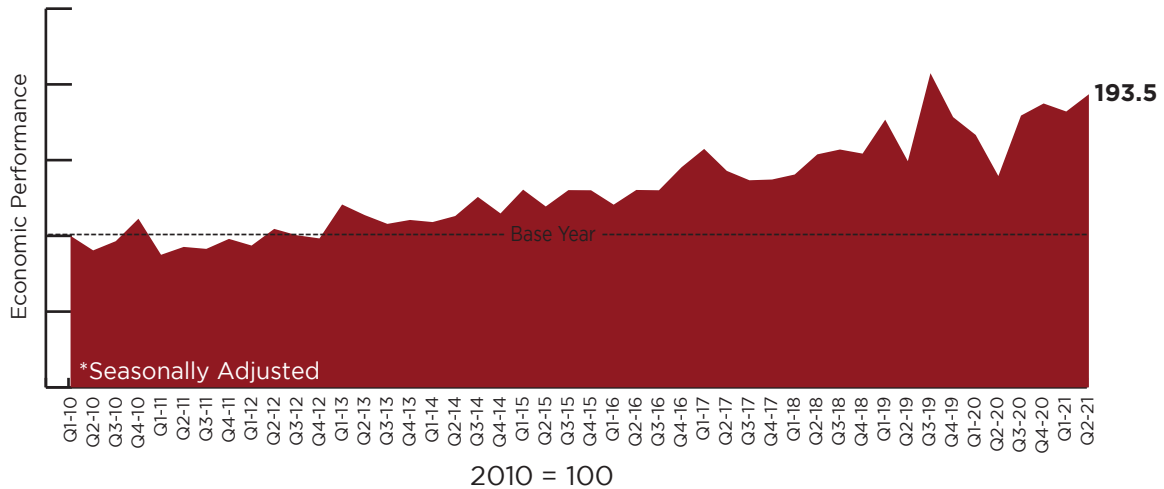


SALES TAX	BUILDING	HOUSING	TOT	EMPLOYMENT
▲ 13.4%	▼ 5.1%	▲ 4.9%	▲ 25.5%	▲ 1.7%
Performance Compared to One Year Ago				
▲ 52.7%	▲ 36.6%	▲ 11.6%	▲ 99.7%	▲ 6.2%

Detailed reports and Chico Business Confidence Survey™ at www.goldenvalley.bank



CHANGES OVER THE YEARS



CURRENT TRENDS



We focused on comparing local performance in Q2 2021 to exactly one year ago, when COVID had some of the strongest impacts on our economy. Since the low pandemic lows, there has been a powerful recovery in all five components mentioned below.

Sales tax revenue was at its highest level since 2010 with more than \$7.3M in revenue in Q2 2021. TOT revenue was over \$869k, the third highest level since Q1 2010. Total valuation of permits issued was over \$54.6 million in Q2 2021, up more than \$14.6 million or 36.6% from a year ago. There were 87,107 Butte County resident employed in Q2 2021, a total increase of 5,101 more residents currently working when compared to the pandemic low. The average home sales price was over \$491k in Q2 2021, the highest level since Q1 2010.

The August 2021 Chico Business Confidence Survey shows our local leaders are slightly less optimistic about general business conditions locally and nationally over the next year when compared to our previous survey in February. Make sure to view the latest survey results at www.GoldenValley.Bank.

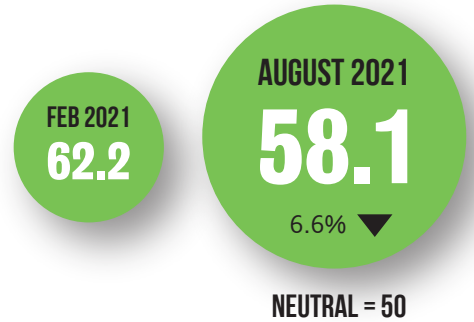
Mark Francis, President & CEO



BUSINESS CONFIDENCE SURVEY

Overall confidence among our local business leaders has remained strong when compared to the previous survey from February 2021. While confidence did decrease by 6.6%, a majority of leaders are still expecting their sales, profits, and employment to increase or remain the same over the next year. The biggest changes in confidence this survey were shown in the outlook for general business conditions here locally and in the U.S. over the next year.

In August 2021, 49% of our business leaders expected general business conditions to improve over the next 12 months, down from 68% in February. When asked about general business conditions across the United States, 37% expect conditions improve over the next year, down from 60% in February.



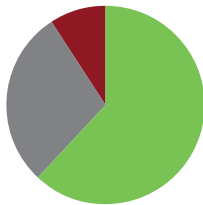
WHAT LOCAL BUSINESS LEADERS ARE SAYING

What are expectations for the next 12 months?

SALES

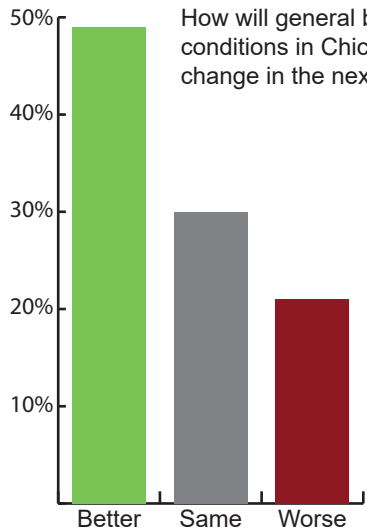
How are top line sales expected to change in the next 12 months?

- Increase: 62%
- Same: 29%
- Decrease: 9%



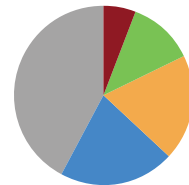
LOCAL BUSINESS CONDITIONS

How will general business conditions in Chico / Butte County change in the next 12 months?



HOT TOPIC!

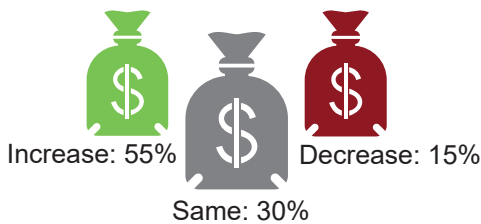
Approximately what percentage of your workforce is vaccinated?



- None: 6%
- 0-25%: 12%
- 26-50%: 19%
- 51-75%: 21%
- 76-100%: 42%

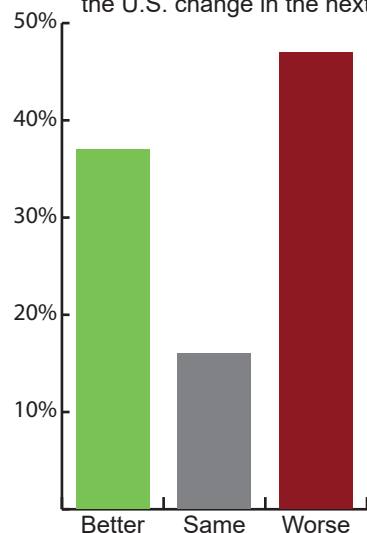
PROFITS

How is profit expected to change in the next 12 months?



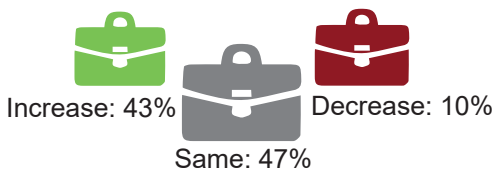
US BUSINESS CONDITIONS

How will general business conditions in the U.S. change in the next 12 months?



EMPLOYMENT

How is the level of employment expected to change in the next 12 months?



Want to participate in our next survey?
Email mfrancis@goldenvalley.bank for more information!

ECONOMIC SNAPSHOT

An overview of our local economy.



SALES TAX

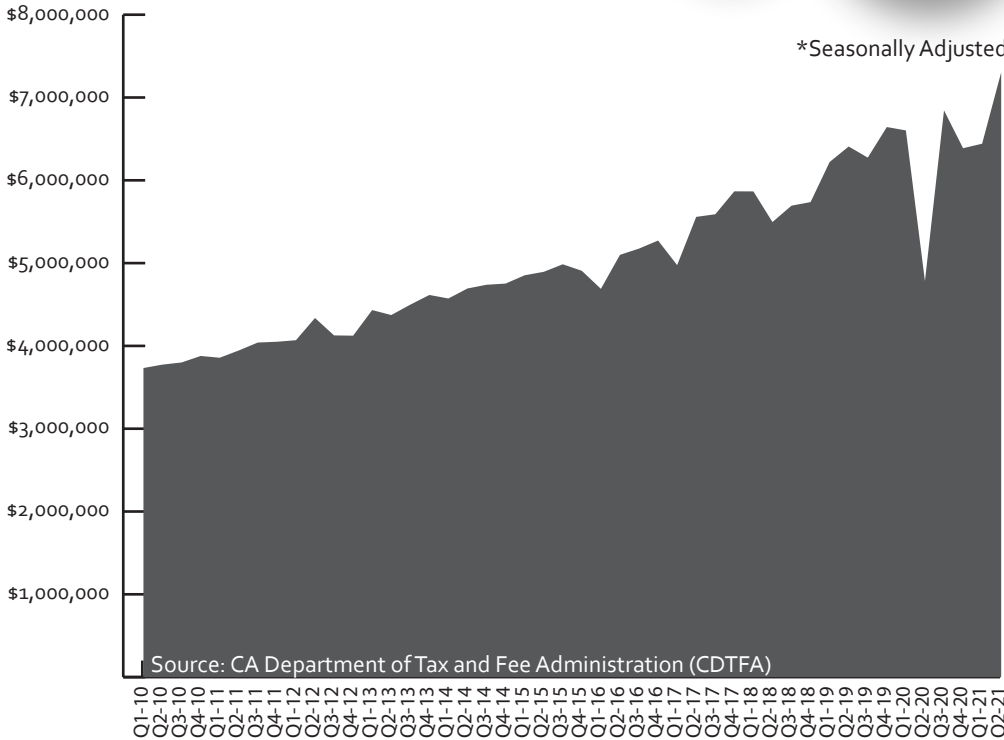
2010=100

52.7%

Q2 2020
128.1

Q2 2021
195.7

SALES TAX AT A GLANCE...



Sales Tax revenue was \$7,304,060 in Q2 2021, up 52.7% from one year ago.

Revenue was up 14% when compared to two years ago.

Compared to the base year in Q1 2010, revenue was up 95.7% or more than \$3.5 million.

Second quarter revenue has increased nine out of the past twelve years.

2ND QUARTER TREND

Sales tax revenue was at its highest level since 2010 with more than \$7.3M in revenue in Q2 2021. Revenue has shown a substantial comeback when compared to the impacts of COVID from a year ago. Over the past year, revenue increased three of the past four quarters and was up over \$2.5M or 52.7% overall.

The August 2021 Chico Business Confidence Survey shows 62% of local business leaders are expecting to see increased sales over the next 12 months. This is up from 60% in the previous survey from February 2021.

Make sure to view the the full Chico Business Confidence Survey results at www.GoldenValley.Bank

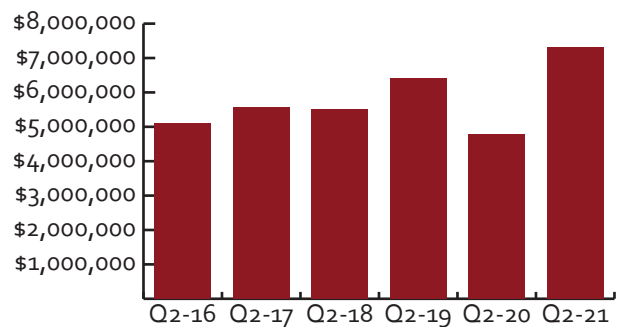
Mark Francis
President and CEO | Golden Valley Bank

More Snapshot information available at www.goldenvalley.bank



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Q2 SALES TAX PERFORMANCE



Total increase of 43.2% from Q2 2016.



ECONOMIC SNAPSHOT

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BUILDING PERMITS

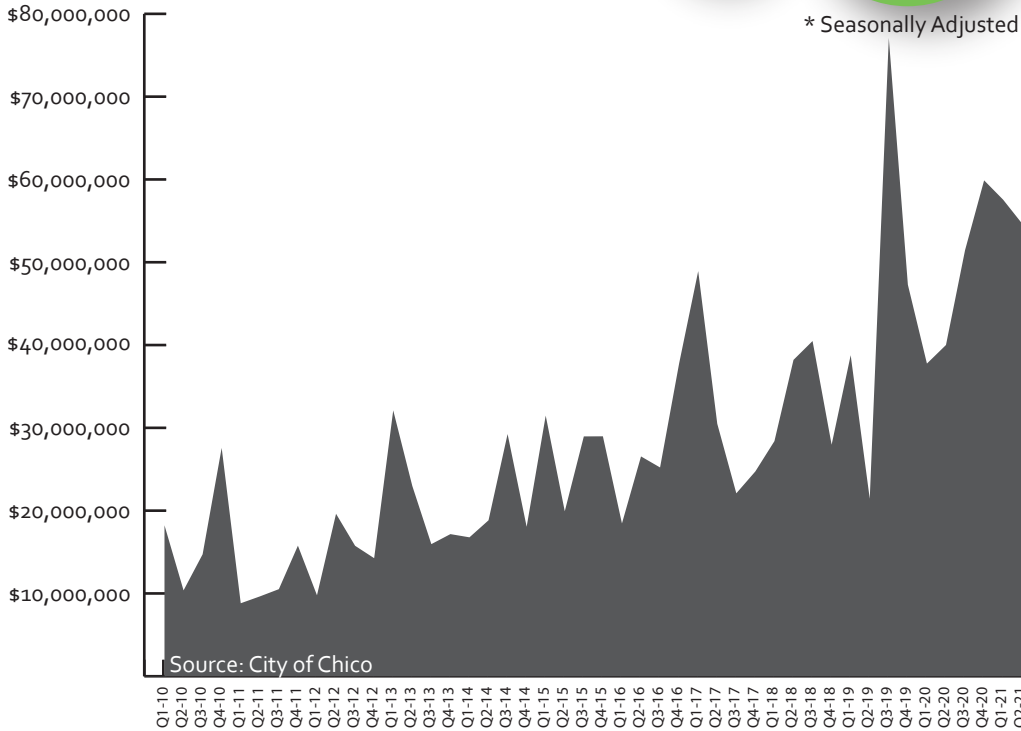
2010=100

36.6%

Q2 2020
219.4

Q2 2021
299.7

BUILDING PERMITS AT A GLANCE...



Total value of permits issued was over \$54.6 million in Q2 2021, up 36.6% from a year ago.

Current valuation was up 155.1% from two years ago.

Second quarter valuation has increased six out of the past twelve years.

Compared to Q1 2010, total valuation has increased 199.7% or more than \$36.4 million.

2ND QUARTER TREND

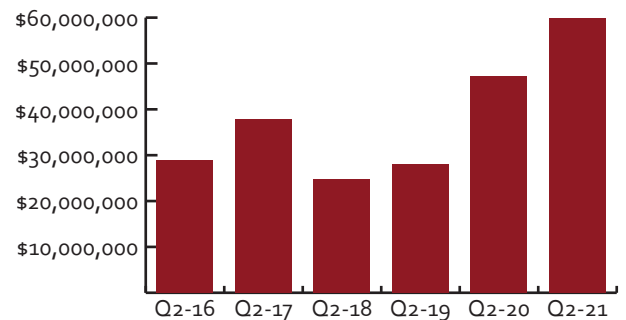
Total valuation of building permits issued was over \$54.6 million in Q2 2021, up more than \$14.6 million or 36.6% from a year ago when COVID initially impacted many sectors of the economy.

It is always important to remember that total valuation of permits and number of permits issued can vary significantly each month depending on project size, number of projects, when the permits are issued and pulled, and of course standard seasonal trends. COVID-19 likely had a strong impact during the initial shut downs in 2020, though a specific percentage decrease cannot be tied directly to COVID.

Overall, building activity has continued to remain busy with many great projects happening around Chico.

Mark Francis
 President and CEO | Golden Valley Bank
 More Snapshot information available at www.goldenvalley.bank

Q2 BUILDING PERMIT VALUATION



Total increase of 106.7% since Q2 2016.



ECONOMIC SNAPSHOT

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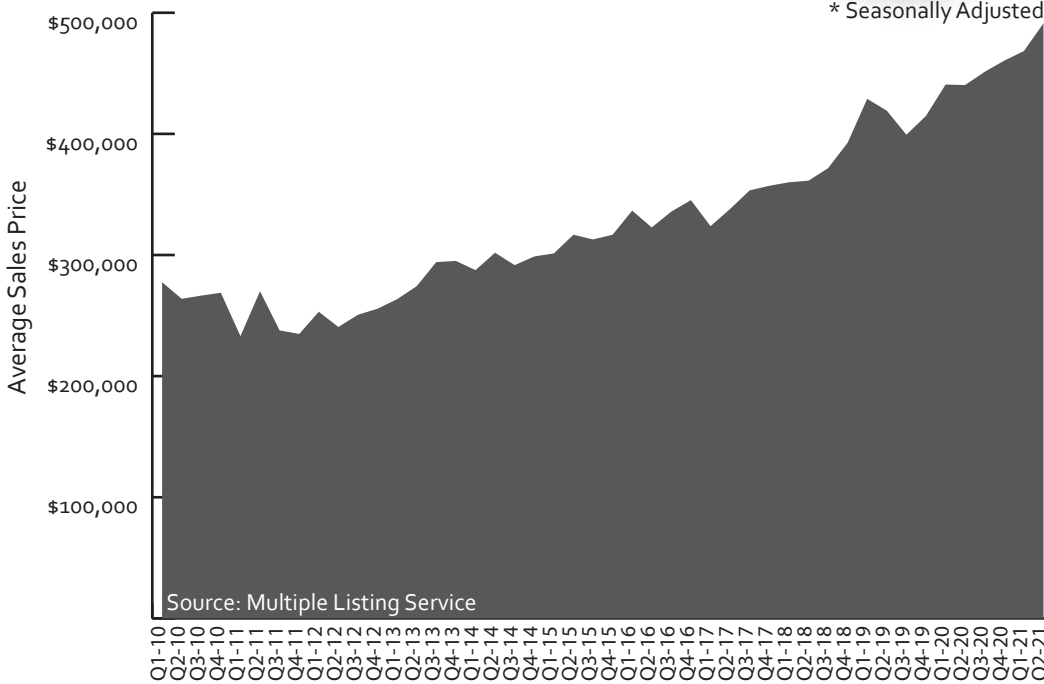


HOUSING
2010=100

▲
11.6%

Q2 2020
158.6

Q2 2021
177



HOUSING MARKET AT A GLANCE...

Average home sales price was \$491,360 in Q2 2021, up 11.6% from a year ago.

Prices were up 17.2% from two years ago.

There were 430 closed sales, up from 294 in the previous quarter and down from 431 closed sales a year ago.

Properties stayed on the market an average of 18 days, down from 29 days in the previous quarter and down from 23 days a year ago.

2ND QUARTER TREND

The average home sales price was up for the fourth consecutive quarter in Q2 2021, reaching its highest level since the base year in Q1 2010. The average home sales price was over \$491k in Q2 2021, up 4.9% from the previous quarter and up 11.6% from a year ago.

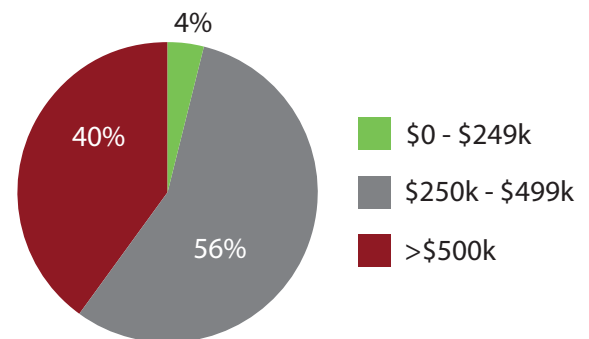
Housing is one component that has thrived even during the initial stages of the pandemic in early 2020. With rates continuing to stay low, prices have continued to climb with a strong number of closed sales and properties spending minimal time on the market overall.

Over the past two years, the average home sales price has increased six out of eight quarters.

Mark Francis
President and CEO | Golden Valley Bank

More Snapshot information available at www.goldenvalley.bank

PERCENTAGE OF SALES



ECONOMIC SNAPSHOT

An overview of our local economy.



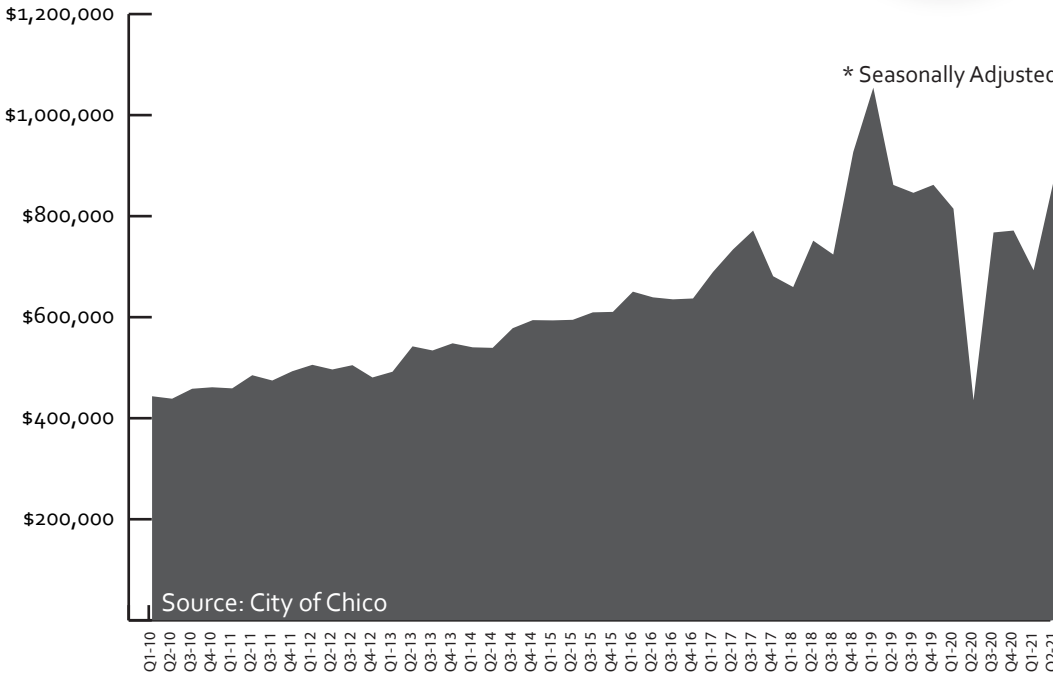
TOT
TRANSIENT OCCUPANCY TAX
2010=100

99.7%

Q2 2020
98.2

Q2 2021
196.1

TOT AT A GLANCE...



TOT revenue was \$869,707 in Q2 2021, up 99.7% from one year ago.

Revenue was up .9% when compared to two years ago.

Compared to the base year in Q1 2010, current revenue is up 96.1% or more than \$426k.

TOT revenue is the second most recovered component of the Snapshot when compared to Q1 2010.

2ND QUARTER TREND

TOT revenue was over \$869k, the third highest level since Q1 2010. When compared to a year ago during the strong COVID restrictions, TOT has made a robust recovery, up 99.7% or more than \$426k since that time.

Back in 2018 / 2019 revenue experienced a period of inflated growth, which pushed revenue to record highs. This was mostly due to the impacts of the Camp Fire which caused a strong demand for hotels among survivors and recovery workers. By mid-2019, revenue started to pull back from the inflated growth and by early 2020, COVID made a substantial initial impact. In the first two quarters of 2020, revenue decreased by 42.8%, likely all a direct impact of COVID-19.

Overall, TOT has shown a strong recovery over the last year and with a couple new hotels in town, is expected to remain strong.

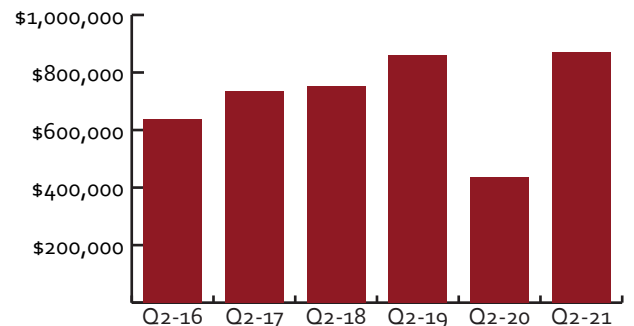
Mark Francis
President and CEO | Golden Valley Bank

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Q2 TOT PERFORMANCE



Total increase of 36.1% from Q2 2016.



ECONOMIC SNAPSHOT

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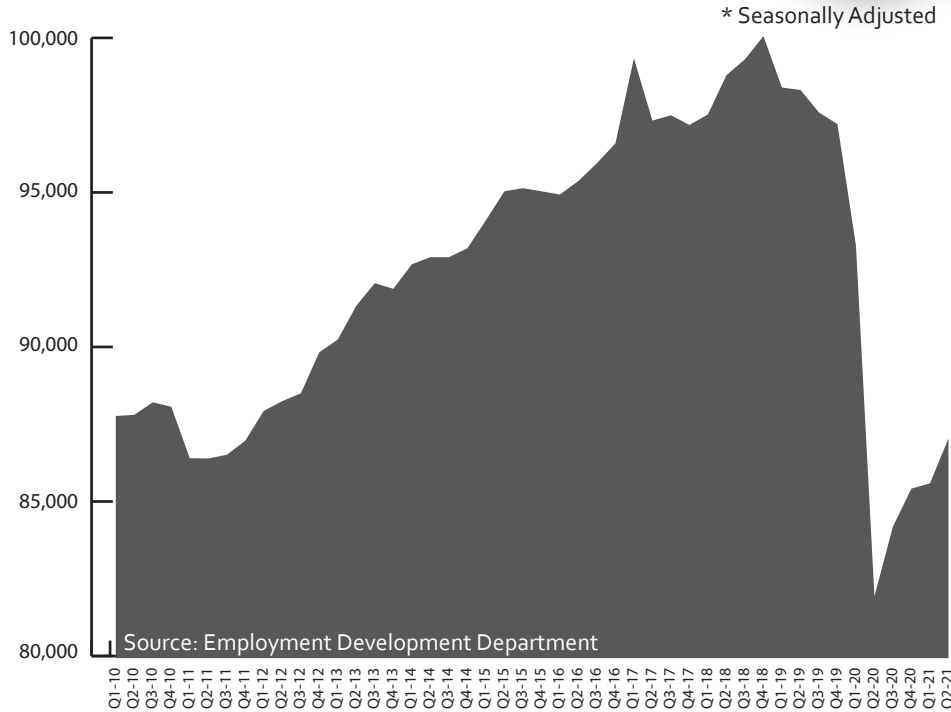
EMPLOYMENT
2010=100

6.2%

Q2 2020
93.4

Q2 2021
99.2

EMPLOYMENT AT A GLANCE...



- There were 87,107 Butte County residents employed in Q2 2021, up 6.2% from one year ago.
- Employment remains down by 11.4% when compared to two years ago.
- Compared to the base year of Q1 2010, employment was down .8%.
- Q2 employment has increased seven of the past twelve years.

2ND QUARTER TREND

There were 87,107 Butte County resident employed in Q2 2021 an increase of 6.2% from one year prior. This was a total increase of 5,101 more residents currently working when compared to the pandemic low.

COVID made a strong and fast impact on local employment, particularly at the start of 2020. Local employment went from record highs in 2019 to seeing a dramatic decrease of 15.6% or 15,271 less residents employed within the first 6 months of 2020.

Employment has started to recover, though we still have a ways to go. The good news is that 43% of local business leaders are planning to increase employment levels over the next 12 months according to the August 2021 Chico Business Confidence Survey. Make sure to view the full report at www.GoldenValley.Bank

Mark Francis
President and CEO | Golden Valley Bank

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INDUSTRY BREAKDOWN

