

PLUMAS BANCORP  
Form DEF 14A  
March 29, 2019

Table of Contents

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**SCHEDULE 14A INFORMATION  
Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

Filed by the Registrant  
Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement  
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))  
Definitive Proxy Statement  
Definitive Additional Materials  
Soliciting Material Pursuant to Rule  
14a-12

**Plumas Bancorp**

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): \_\_\_\_\_

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(2) Form, Schedule or Registration Statement No.: \_\_\_\_\_

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(4) Date Filed: \_\_\_\_\_

Table of Contents

**Year Ended December 31, 2018**

Dear shareholder,

I am thrilled to report that Plumas Bancorp delivered another year of record earnings performance, exceeding previous records for all four quarters in 2018. This accomplishment has resulted in Plumas Bank being **selected by Raymond James as the second top performing community bank in the country!** The Raymond James 2018 Community Banker's Cup was awarded for exceptional performance and to reward our Company for building long-term shareholder value. Moreover, **S&P Global Market Intelligence named Plumas Bank one of the Best-performing Community Banks of 2018!** Our performance was driven by strong loan and deposit growth. We also maintained excellent asset quality metrics and continued our focus on improving overall efficiency.

*Enhancing Shareholder Value*

These operating results enhanced shareholder value by increasing tangible book value and providing a return on average equity significantly higher than peer institutions. Our strong earnings enabled us to pay a \$0.36 per share cash dividend which exceeded the dividend paid in the prior year by 28%.

*Investing in our Team*

All of this was accomplished while we continued to invest in our team members. We believe strongly that our ability to attract and retain the highest quality staff is an important part of our capacity for achieving success. Because of that, we increased the Company's minimum wage to \$15 per hour to help in our effort of recruiting and retaining the most talented and hardworking staff at all levels.

We are also very focused on the health and well-being of our employees so for the past three years, Plumas Bank has offered a robust corporate wellness plan that provides incentives for our team members to live more active, healthy lives. And in addition to investing in their physical wellness, Plumas Bank is investing in the financial wellness of our team by expanding our bonus plan beyond corporate officers to include all employees. What's more, we increased our 401(k) match to help our employees better prepare for their retirement.

*Taking Care of our Communities*

Finally, for our communities, we have been focused on engagement by reaching out in meaningful ways to the communities that we serve. In fact, we are proud to share that in the past year, Plumas Bank has provided over \$100 thousand in cash contributions to community fund-raising activities and our employees have spent more than 1,660 volunteer hours reaching out to over 50 organizations within our communities. In September, we were able to demonstrate our commitment to community by donating \$25,000 to aid the victims of the devastating fires in Shasta County. Additionally, our Redding team embraced our motto, 'HERE. For Good.' and volunteered over 130 hours working at various shelters, food banks, and other local fire relief organizations to help those in need. The government shutdown provided yet another opportunity for our Company to demonstrate that we are fully invested in the welfare of our local communities. During the shutdown, Plumas Bank allowed depositors, directly affected by the shutdown, to overdraw direct deposit accounts by up to 80 percent of their monthly paycheck for up to three months.

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Table of Contents

Also, during 2018, we successfully executed on our strategic priorities, most notably our technology initiatives and our expansion into Carson City, Nevada and the Sierra region. Additionally, we hired two experienced commercial/agricultural lending professionals who will be tremendous assets to our clients. One loan officer will serve the Carson City/ Sierra region area and the other will serve the Red Bluff/Tehama County area.

In closing, with our solid level of capital and our robust earnings momentum, we believe that Plumas Bancorp is well positioned to continue its strong growth and high returns in 2019. We continue to monitor the competitive landscape and make strategic investments in our business that are well aligned with the interests of our shareholders, employees, clients and communities. As we move forward, we will continue to look for novel and inspiring ways to demonstrate to all our stakeholders that Plumas Bank is HERE. For Good.

Andrew J. Ryback  
Director, President &  
Chief Executive Officer

Daniel E. West  
Director, Chairman  
of the Board

Table of Contents

Dear Shareholder:

You are cordially invited to attend the annual meeting of shareholders of Plumas Bancorp (the “Company”), which will be held at the Plumas Bank Credit Administration Building located at 32 Central Avenue, Quincy, California, on Wednesday, May 15, 2019 at 9:30 a.m. At this annual meeting, shareholders will be asked to (i) elect nine directors for the next year, (ii) approve the Company’s executive compensation on an advisory (non-binding) basis, (iii) vote on the frequency of future advisory votes on executive compensation on an advisory (non-binding basis) and (iv) ratify the appointment of Vavrinek, Trine, Day & Company, LLP as our independent auditors for the fiscal year ending December 31, 2019.

The Company is requesting your proxy to vote at the annual meeting. The Board of Directors of the Company recommends that you vote “FOR” the election of each of the nominees for director and “FOR” proposals Two and Four and vote for a frequency of every three (3) years on proposal Three. The proxy statement contains information about each of the nominees for directors, the Company’s executive compensation, and each of the other proposals for shareholder vote.

To ensure that your vote is represented at this important meeting, please sign, date and return the proxy card in the enclosed envelope as promptly as possible. As an alternative to using your paper proxy card to vote, you may also vote by telephone or over the internet by following the instructions on your proxy card.

Sincerely,

Andrew J. Ryback  
President and Chief Executive Officer

The date of this proxy statement is March 29, 2019.

Table of Contents

**TABLE OF CONTENTS**

	<u>Page</u>
<u>Notice of Annual Meeting</u>	iii
<u>General Information</u>	1
<u>Revocability of Proxies and Proxy Voting</u>	2
<u>Persons Making the Solicitation</u>	2
<u>Voting Securities</u>	3
<u>Shareholdings of Certain Beneficial Owners and Management</u>	4
<u>Section 16(a) Beneficial Ownership Compliance</u>	5
<u>Proposal No. 1—Election of Directors</u>	6
<u>Board of Directors</u>	6
<u>Director Experience and Qualifications</u>	7
<u>Board Matters</u>	9
<u>The Board of Directors and Committees</u>	9
<u>Shareholder Communication with the Board of Directors</u>	10
<u>Board Role in Risk Oversight</u>	10
<u>Leadership Structure of Board</u>	11
<u>Code of Ethics</u>	11
<u>Director Independence</u>	11
<u>Audit Committee</u>	11
<u>Audit Committee Report</u>	12
<u>Corporate Governance Committee</u>	12
<u>Proposal No. 2 - Non-Binding Advisory Vote on Executive Compensation</u>	14
<u>Proposal No. 3 - Approve a Non-Binding Advisory Vote on The Frequency of The Advisory Vote on The Compensation of Our Named Executive Officers</u>	14
<u>Executive Officers</u>	15
<u>Executive Compensation</u>	16
<u>Summary Compensation Table</u>	16
<u>Non-Equity Incentive Plan</u>	16
<u>Stock Option Awards</u>	17
<u>Post-Employment Benefits and Potential Payments Upon Termination or Change of Control</u>	18
<u>Perquisites</u>	19
<u>Outstanding Equity Awards at December 31, 2018</u>	19
<u>Compensation of Directors</u>	20
<u>Director Compensation Table</u>	20
<u>Director Retirement Agreements</u>	20
<u>Post-Retirement Consulting Agreements</u>	21
<u>Proposal No. 4 - Ratification of Appointment of Independent Auditors</u>	21
<u>Fees Paid to Independent Auditors</u>	21
<u>Shareholder Proposals</u>	22
<u>Nomination of Director Candidates</u>	22
<u>Copy of Bylaw Provisions</u>	22
<u>Certain Transactions</u>	22
<u>Other Matters</u>	22
<u>Available Information</u>	22





Table of Contents

**Notice of Annual Meeting of Shareholders  
Plumas Bancorp**

**To: The Shareholders of Plumas Bancorp**

Notice is hereby given of the Annual Meeting of Shareholders of Plumas Bancorp. The meeting will be held at the Plumas Bank Credit Administration Building located at 32 Central Avenue, Quincy, California, on Wednesday, May 15, 2019 at 9:30 a.m., for the purpose of considering and voting upon the following matters:

1. **Election of Directors.** To elect nine persons to serve as directors of Plumas Bancorp until their successors are duly elected and qualified.

Michonne R. Ascuaga	Robert J. McClintock
Steven M. Coldani	Terrance J. Reeson
William E. Elliott	Andrew J. Ryback
Gerald W. Fletcher	Daniel E. West
Richard F. Kenny	

2. **Advisory Vote on Executive Compensation.** To approve the Company's executive compensation on an advisory (non-binding) basis.

3. **Advisory Vote on Frequency of Vote on Executive Compensation.** To vote on the frequency of future advisory votes on the Company's executive compensation program on an advisory (non-binding) basis.

4. **Ratification of the Appointment of Independent Auditors.** To vote on the ratification of the appointment of Vavrinek, Trine, Day & Company, LLP as our independent auditors for the fiscal year ending December 31, 2019.

5. **Transaction of Other Business.** To transact such other business as may properly come before the meeting and any adjournment or adjournments thereof.

The Board of Directors has fixed the close of business on March 29, 2019 as the record date for determining shareholders entitled to notice of, and the right to vote at, the meeting.

This matters and other matters relating to Annual Meeting are described in the attached proxy statement.

**You are urged to vote in favor of the election of all of the nominees for directors, to vote “FOR” approval of the Company’s executive compensation on an advisory (non-binding) basis, for a future advisory votes on Company’s executive compensation to be held every THREE years, and “FOR” the ratification of the appointment of Vavrinek, Trine, Day & Company, LLP as our independent auditors for the fiscal year ending December 31, 2019, by signing and returning the enclosed proxy as promptly as possible, whether or not you plan to attend the meeting in person. As an alternative to using your paper proxy card to vote, you may also vote by telephone or over the internet by following the instructions on your proxy card. If you do attend the meeting, you may then withdraw your proxy. The proxy may be revoked at any time prior to its exercise.**

By Order of the Board of Directors,

Dated: March 29, 2019     Terrance J. Reeson, Vice Chairman and Secretary

Table of Contents

**Plumas Bancorp  
Proxy Statement**

**Annual Meeting of Shareholders  
May 15, 2019**

Plumas Bancorp (the “Company”) is providing this proxy statement to its shareholders in connection with the annual meeting of shareholders to be held at the Plumas Bank Credit Administration Building located at 32 Central Avenue, Quincy, California, on Wednesday, May 15, 2019 at 9:30 a.m. and at any and all adjournments or postponements thereof (the “Meeting”).

It is expected that the Company will mail this proxy statement and accompanying notice and form of proxy to shareholders on or about April 4, 2019.

**Shareholders may also view this proxy statement and the 2018 Annual Report to Shareholders on the internet at <http://materials.proxyvote.com/729273>.**

**General Information**

**Voting By Proxy.** Whether or not you plan to attend the Meeting, you may submit a proxy to vote the **shares registered in your name** via internet, telephone or mail as more fully described below:

By Internet: Go to <http://www.proxyvote.com> and follow the instructions. You will need information from your proxy card or electronic delivery notice to submit your proxy.

By Telephone: Call 1.800.690.6903 and follow the voice prompts. You will need information from your proxy card or electronic delivery notice to submit your proxy.

By Mail: Mark your vote, sign your name exactly as it appears on your proxy card, date your proxy card and return it in the envelope provided.

**If a bank, broker or other nominee holds your shares**, you will receive voting instructions directly from the holder of record. All shares represented by valid proxies that we receive through this solicitation, and that are not revoked,

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will be voted in accordance with your instructions on the proxy card or as instructed via internet or telephone. If you properly submit a proxy without giving specific voting instructions, your shares will be voted in accordance with the Board's recommendations "FOR":

Proposal 1: Election to the Board of all the nine director nominees named in this proxy statement;

Proposal 2: Approval of the Company's executive compensation on an advisory (non-binding) basis;

Proposal 3: Future advisory votes on the Company's executive compensation program to be held every three years;

Proposal 4: Ratification of the appointment of Vavrinek, Trine, Day & Company, LLP as our independent auditors for the fiscal year ending December 31, 2019.

If other matters properly come before the Meeting, the persons appointed to vote the proxies will vote on such matters in accordance with their best judgment. Such persons also have discretionary authority to vote to adjourn the Meeting, including for soliciting proxies to vote in accordance with the recommendations of the Board of Directors (the "Board") on any of the above items.

Table of Contents

**Revocability of Proxies and Proxy Voting**

You may revoke your proxy at any time before it is exercised by:

written notice of revocation delivered to Terrance J. Reeson, Corporate Secretary of Plumas Bancorp, at 35 S. Lindan Avenue, Quincy, California 95971;  
a properly executed proxy of a later date mailed to the Company;  
casting a new vote by telephone or internet; or  
voting in person at the Meeting if you are the record holder.

If you are a street name shareholder and you voted by proxy, you may revoke your proxy by informing the holder of record in accordance with that entity's procedures. In addition, the powers of the proxy holders will be revoked if the person executing the proxy is present at the Meeting and elects to vote in person. Subject to such revocation or suspension, the proxy holders will vote all shares represented by a properly executed proxy received in time for the Meeting in accordance with the instructions on the proxy.

**If no instruction is specified by the shareholder with regard to the matter on the proxy to be acted upon, the proxy holders will vote the shares represented by the proxy "FOR" each of the nominees for directors, "FOR" approval of the Company's executive compensation program on advisory (non-binding) basis, for future advisory votes on our executive compensation program to be held every THREE years and "FOR" the ratification of the appointment of Vavrinek, Trine, Day & Company, LLP as our independent auditors for the fiscal year ending December 31, 2019. If any other matter is presented at the meeting, the proxy holders will vote in accordance with the recommendations of management.**

**Persons Making the Solicitation**

The Board of Directors of the Company is soliciting proxies. The Company will bear the expense of preparing, assembling, printing and mailing this proxy statement and the material used in the solicitation of proxies for the Meeting. The Company contemplates that proxies will be solicited principally using the mail, but officers, directors and employees of the Company may solicit proxies personally or by telephone, without receiving special compensation for the solicitation. Although there is no formal agreement to do so, the Company will reimburse banks, brokerage houses and other custodians, nominees and fiduciaries for their reasonable expenses in forwarding these proxy materials to their principals. In addition, the Company may utilize the services of individuals or entities not regularly employed by the Company in connection with the solicitation of proxies, if management of the Company determines that this is advisable.



Table of Contents

**Voting Securities**

The Board of Directors of the Company has fixed March 29, 2019 as the record date for purposes of determining the shareholders entitled to notice of, and to vote at, the Meeting. On March 29, 2019, there were 5,150,876 shares of the Company's common stock issued and outstanding. Each holder of the Company's common stock will be entitled to one vote for each share of the Company's common stock held of record on the Company's books as of the record date. In connection with the election of directors, shares may be voted cumulatively if a shareholder present at the Meeting gives notice at the Meeting, prior to the voting for election of directors, of his or her intention to vote cumulatively. If any shareholder of the Company gives that notice, then all shareholders eligible to vote will be entitled to cumulate their shares in voting for election of directors. Cumulative voting allows a shareholder to cast a number of votes equal to the number of shares held in his or her name as of the record date, multiplied by the number of directors to be elected. These votes may be cast for any one nominee, or may be distributed among as many nominees as the shareholder sees fit. This proxy statements seeks discretionary authority to cumulate votes. If cumulative voting is declared at the Meeting, votes represented by proxies delivered pursuant to this proxy statement may be cumulated and allocated at the discretion of the proxy holders, in accordance with management's recommendation.

The nine nominees for director receiving the most votes will be elected. Therefore, shares voted "withhold" and broker non-votes will have no impact on the outcome of the election of directors.

Proposal 2, the advisory vote on the Company's executive compensation program, requires the approval of a majority of the shares represented and voting at the Meeting, with affirmative votes constituting at least a majority of the required quorum. With respect to proposal 3, the advisory proposal concerning the frequency of future advisory votes on the Company's executive compensation program, the Board will consider the alternative (one, two or three years) receiving the most vote to be the preference of the shareholders. Proposal 4 regarding the ratification of the appointment of the Company's auditors requires the approval of a majority of the shares represented and voting at the Meeting, with affirmative votes constituting at least a majority of the required quorum. Therefore, shares voted "withhold" and broker non-votes will have no impact on the outcome of Proposals 2 or 4 assuming that the affirmative votes constitute at least a majority of the required quorum and will have no impact on Proposal 3.

Table of Contents**Shareholdings of Certain Beneficial Owners and Management**

Management of the Company knows of no person who owns, beneficially or of record, either individually or together with associates, five percent or more of the outstanding shares of the Company's common stock, except as set forth in the table below. The following table sets forth, as of March 15, 2019, the number and percentage of shares of the Company's outstanding common stock beneficially owned, directly or indirectly, by (1) shareholders know by the Company to beneficially own 5% or more of the outstanding shares of the Company's common stock, (2) by each of the Company's directors and the executive officers named in the Summary Compensation Table contained in this proxy statement (an "NEO") and (3) by all of the Company's the directors and executive officers as a group. The shares "beneficially owned" are determined under the Securities and Exchange Commission ("SEC") Rules, and do not necessarily indicate ownership for any other purpose. In general, beneficial ownership includes shares over which a person has sole or shared voting or investment power and shares for such person has the right to acquire such beneficial ownership within 60 days of March 15, 2019. Unless otherwise indicated, the persons listed below have sole voting and investment powers of the shares beneficially owned or acquirable by exercise of stock options. Management is not aware of any arrangements that may result in a change of control of the Company.

Beneficial Owner	Amount and Nature of Beneficial Ownership (1)	Percent of Class (1)
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Principal Shareholders that own 5% or more:

Cortopassi Partners, L.P.	476,967 (2)	9.3
Siena Capital Partners GP, LLC.	347,747 (3)	6.8

Directors and Named Executive Officers:

Andrew J. Ryback, President, CEO and Director	68,082 (4)	1.3
Richard L. Belstock,	55,971 (5)	1.1



EVP and CFO BJ North, EVP and Chief Banking Officer (CBO) of Plumas Bank Daniel E. West, Director and Chairman of the Board Terrance J. Reeson, Director, Vice Chairman and Secretary of the Board Michonne R. Ascuaga, Director Steven M. Coldani, Director William E. Elliott, Director Gerald W. Fletcher, Director Richard F. Kenny, Director Robert J. McClintock, Director All 13 Directors and Executive Officers as a Group	23,200	(6)	*
	58,663	(7)	1.1
	89,056	(8)	1.7
	0	(9)	*
	19,644	(10)	*
	79,425	(11)	1.5
	38,483	(12)	*
	4,937	(13)	*
	102,747	(14)	2.0
	546,408		10.4

\*Less than one percent

(1) Includes 79,375 shares subject to options held by the directors and executive officers that were exercisable within 60 days of March 15, 2019. In accordance with SEC rules, these are treated as issued and outstanding for the purpose of computing the percentage of each director, named executive officer, and the directors and executive officers as a group, but not for the purpose of computing the percentage of class owned by any other person,

including principal shareholders.

Based solely on information provided by the beneficial owners in a Schedule 13G filed with the SEC on January 25, 2017 by Cortopassi Partners, L.P., Dean A. Cortopassi is President of San Tomo, Inc., the general partner of (2) Cortopassi Partners, L.P. Mr. Cortopassi disclaims beneficial ownership of the shares held by Cortopassi Partners, L.P. except to the extent of his partnership interests therein. The address of the Cortopassi Partners, L.P. is 11292 North Alpine Road, Stockton, California 95212.

Based solely on information provided by the beneficial owners in a Schedule 13G/A filed with the SEC on February 6, 2019. Siena Capital Partners GP, LLC. is the general partner of each of Siena Capital Partners I, L.P. and Siena Capital Partners Accredited, L.P. Siena Capital Partners I, L.P. may be deemed to beneficially own (3) 338,820 shares of common stock of the Company, Siena Capital Partners Accredited, L.P. may be deemed to own 8,927 shares of common stock of the Company, and Siena Capital Partners GP, LLC. may be deemed to own 347,747 shares of common stock of the Company. The address of the Siena entities is 100 North Riverside Plaza, Suite 1630 Chicago, Illinois 60606.