

## 68<sup>th</sup> Annual Meeting President's Address

### 2023: Mission Driven, Core Value Focused

Welcome and thank you for joining us as we celebrate the **68th Annual Meeting** of the members of Midcoast Federal Credit Union. In 2022, we adopted the mission of *Cultivating a Thriving Community, Together*. A lofty pursuit for any organization, albeit a modest, member-owned financial cooperative, however we strongly believe we have an opportunity to be a positive and active force in the lives of our members, our employees, and the communities we serve. I am pleased to report that we made great strides in 2023, in fulfilling that mission with purposeful focus on our core values, by concentrating our resources to maximize their impact, and by partnering with like-minded organizations to best serve our community.

With a *Members First* mindset, we enhanced our value to our members by offering above-market dividends on deposits, especially with our Peak Money Market and Certificate Specials throughout the year. We continued our focus on service excellence and were named the Best Credit Union of the Midcoast by the readers of *Times Record* and enjoy some of the highest Google ratings among our local competition. We remained *Locally Present* throughout the year, collectively giving over 2,300 hours of volunteer time and addressing social concerns such as food insecurity, systemic poverty, and at-risk teens. We continued to be *Education Driven* in the development of our employees and expanded our team of Certified Financial Counselors to not only be effective advocates of the products and services we offer, but also to safeguard our members as financial fraud continues to escalate. In support of our *Future Forward* value, we greatly expanded our use of member-facing technology with the adoption of a new mobile and online banking platform, expanded chat-based communication options, deployed a new website, and improved account integration of our credit card program.

Throughout the year, we multiplied our community impact by deepening our relationships with other local organizations such as the United Way of Midcoast Maine, Freeport Community Services, Bath Area Food Bank, AIO Food Pantry, Midcoast Youth Center, and the Bolduc Correctional Facility. We sincerely thank these partners for their collaborative efforts to lift up our communities.

The challenges and rewards of stewarding the Credit Union are many and I look back on another successful year with pride. It is an honor to provide value-driven financial services to our members, to protect them from financial harm, and support our neighbors in need. We thank you for your continued membership and the trust you place in Midcoast to be your financial partner on life's journey.

Respectfully,

Joseph R. Gervais  
President/CEO

## 2023 Annual Report

### OUR MISSION

**Cultivating a thriving community, together.**

### OUR CORE VALUES

#### Members First

Serving our members with transparency and integrity to empower their financial success

#### Locally Present

Actively serving the best interests of our diverse community

#### Education Driven

Committed to lifelong learning, growth, and development

#### Future Forward

Delivering the tools and technology to excel in tomorrow's world



**Cultivating a thriving community, together.**

# 68<sup>th</sup> Annual Meeting

March 19, 2024 · 6:00 pm  
186 Lower Main Street, Freeport, ME 04032  
Virtual Attendance via Teams

## Program

Welcome  
Pledge  
Roll Call of Officers  
Reading of the Previous Annual Meeting Minutes  
Chair Report  
Supervisory Chair Report  
Treasurer's Report  
President/CEO Report  
Election of Officers  
Meeting Adjournment  
Drawing of Door Prizes

## Board of Directors

Richard Hart..... Chair  
Scott Bubar..... Vice Chair  
Wesley Richardson..... Secretary  
William Hinko..... Treasurer  
Lori Hopson..... Director  
Jason Gould..... Director  
Jamie Dorr..... Director

## Supervisory Committee

Lori Hopson..... Chair  
Katie Wimbish..... Committee Member  
Rebecca Shields..... Committee Member  
Lucian Laurie..... Committee Member  
Charles Flynn..... Committee Member

## Management Team

Joseph Gervais..... President/CEO  
Christina Carter..... Executive Vice President/CLO  
Kristen Poremby..... Chief Operations Officer  
Lori Marquis..... Chief Marketing/Information Officer  
Neeley Stanton..... Chief Experience Officer

# Statements of Financial Condition\*

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 1,838,132	\$ 2,041,755
Investments	33,072,959	41,339,142
Loans Receivable, Net of Allowance for Loan Losses	202,871,800	194,622,600
Property and Equipment	7,938,215	8,313,239
NCUSIF Deposit	2,176,395	2,159,816
Other Assets	8,783,861	6,266,063
<b>Total Assets</b>	<b><u>\$ 256,681,363</u></b>	<b><u>\$ 254,742,615</u></b>
<b>Liabilities and Members' Equity</b>		
Accounts Payable and Other Liabilities	\$ 1,779,167	\$ 1,292,243
Borrowings	7,100,000	2,000,000
Member Share Accounts	224,371,654	229,279,751
<b>Total Liabilities</b>	<b><u>233,250,821</u></b>	<b><u>232,571,994</u></b>
Unrealized Gain (Loss) on Investments	(3,670,588)	(4,542,399)
Undivided Earnings	27,101,129	26,713,020
<b>Total Members' Equity</b>	<b><u>23,430,542</u></b>	<b><u>22,170,621</u></b>
<b>Total Liabilities and Members' Equity</b>	<b><u>\$ 256,681,363</u></b>	<b><u>\$ 254,742,615</u></b>

# Statements of Income\*

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>Interest Income</b>		
Interest on Loans	\$ 9,277,155	\$ 7,802,757
Interest on Investments	968,235	797,109
<b>Total Interest Income</b>	<b><u>10,245,390</u></b>	<b><u>8,599,866</u></b>
<b>Interest Expense</b>		
	<u>2,242,413</u>	<u>568,952</u>
<b>Net Interest Income</b>	8,002,977	8,030,914
Provision for Loan Losses	—	286,000
<b>Net Interest Income After Provision</b>	<b><u>8,002,977</u></b>	<b><u>7,744,914</u></b>
<b>Non-Interest Income</b>		
	<u>3,210,627</u>	<u>3,342,132</u>
<b>Non-Interest Expense</b>		
Employee Compensation and Benefits	5,540,423	5,012,624
Office Operations	1,596,271	1,518,764
Professional Services	1,222,523	855,950
Office Occupancy	768,715	668,232
Loan Servicing Expenses	665,995	756,267
Advertising and Promotion	118,797	183,151
Other Expense	162,614	452,318
<b>Total Non-Interest Expense</b>	<b><u>10,075,338</u></b>	<b><u>9,447,306</u></b>
<b>Net Income</b>	<b><u>\$ 1,138,265</u></b>	<b><u>\$ 1,639,740</u></b>

\*Unaudited