

# Annual Report

## 2023



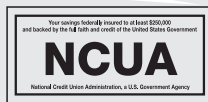
**Maine Highlands**

FEDERAL CREDIT UNION

Personal Service. Shared Value.

# Our Mission Statement

Maine Highlands Federal Credit Union  
is a proactive, member-owned  
cooperative whose purpose is to  
provide personal service and shared  
value, while maintaining its financial  
stability and integrity.



Federally Insured by NCUA

# Annual Report of the Supervisory Committee

Maine Highlands Federal Credit Union has utilized the services of the accounting firm of Albin, Randall & Bennett to perform an opinion audit. Their audit is conducted in accordance with generally accepted auditing standards; and it is their responsibility to express an opinion on the financial statements based on this audit. The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Through this intense scrutiny, it was found that the financial statements of Maine Highlands FCU “...present fairly, in all material respects, the financial position of Maine Highlands Federal Credit Union as of September 30, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.”

On an eighteen-month basis, Maine Highlands FCU is also examined by the National Credit Union Administration (NCUA). The mission of NCUA is to “ensure the safety and soundness of credit unions by providing appropriate regulation and supervision while effectively managing the agency’s resources and Share Insurance Fund.” The Board of Directors, Supervisory Committee, and management review this examination carefully and take all necessary steps to make sure that your credit union is in compliance with all state and federal regulations.

The Supervisory Committee, in conjunction with Albin, Randall & Bennett, also does a 100% verification of members’ accounts on a biennial basis; and the Supervisory Committee verifies all closed accounts on a quarterly basis.

With these checks and balances in place, the Supervisory Committee feels confident that Maine Highlands FCU is taking all the appropriate steps to improve and strengthen its operations.

Respectfully Submitted,

A handwritten signature in black ink that reads "Tammy Lovejoy". The signature is written in a cursive, flowing style.

Tammy Lovejoy

*Supervisory Committee Chairperson*

# Annual Report of the Board of Directors

As the Chair of your volunteer Board of Directors, I am proud to say that Maine Highlands Federal Credit Union remains financially safe and secure, even in today's uncertain economic conditions. Each passing year brings a new set of both challenges and victories, and 2023 was no exception.

As a member-owned cooperative, Maine Highlands FCU strives for continuous, yet sustainable growth. Here are a few facts and figures for year-end 2023:

- Net income totaled more than \$3 million, allowing the Credit Union to grow its strong capital position.
- Almost 30% of net income was returned to members in the form of dividends, while lending rates remained low in a rising rate environment.
- Outstanding loan balances grew to over \$125.3 million, an 8% increase over 2022.
- Digital Banking usage increased 19% year over year.

Fed rates continued to rise in 2023, increasing four times during the year, on top of the seven times they increased throughout 2022. Maine Highlands FCU had to be strategic in its response to these rapid changes. We strove to keep dividend rates at or above market levels. At the same time, we worked to minimize increases to loan rates as much as possible, increasing only once in 2023. Market rates on both the deposit and loan side are considered regularly by the Board of Directors in order to remain fair and competitive.

Another way Maine Highlands FCU seeks to give back is through donations, service, and sponsorships to the communities we serve. In 2023, we established a First Responder Grant program to assist specific fundraising needs among first responder organizations within our field of membership. In its first year, we awarded \$8,800 in these grants, with another \$10,000 earmarked for 2024. We are proud to support those who support our communities.

On behalf of the entire Board of Directors, I thank each and every one of you for your membership. It has been my pleasure to serve with a group of dedicated individuals who volunteer their time to ensure the financial stability and integrity of Maine Highlands FCU. And to the employees who are committed to helping our members each day – thank you! Your devoted service to our members will always be our greatest strength.

Respectfully Submitted,



Linda Dulac  
*Chairperson, Board of Directors*

# Annual Report of the President/CEO

Where does the time go?! Another year has come and gone, and I am happy to report that it has been another favorable year for Maine Highlands FCU. Despite the U.S. financial sector experiencing turmoil in early 2023 with the failures of regional banks, such as Silicon Valley Bank and Signature Bank, Maine Highlands FCU remains strong and well-positioned.

One issue that came to light after these bank failures was the number of uninsured deposits the institutions held. We do not have that problem at Maine Highlands FCU. Each members' shares are insured by the National Credit Union Administration (NCUA) for up to \$250,000. Beyond that, we carry Excess Share Insurance (ESI), which at least doubles that coverage for our members who need it. If you have any questions about this coverage, please let us know.

Positive income for the year allowed us to give back to our members with increased dividends and lower loan rates, while also growing our capital position. We ended 2023 with a net worth ratio of 10.774%, which is considered well-capitalized by the NCUA, our federal regulators.

As usual, there was no shortage of projects to be completed last year. One large undertaking was the unavoidable upgrade of three of our ATM terminals. Another was implementing instant issuance for our debit cards. While many plastics are still mailed when they reissue, we now have the ability to issue a new debit card in our main office when a member needs one right away.

The usage of digital products continues to grow. But have no fear, our physical branches are not going anywhere. We understand the value of being able to talk to someone in person; the value of an actual person answering the phone. In the age of email and text messages, there is sometimes no replacement for that face-to-face interaction. We encourage you to reach out or stop by in person anytime you have an issue or question we can assist with.

When you come into our offices, you have likely seen some new faces. Between retirements, promotions, regular turnover, and Credit Union growth, new staff members have been hired. But know that behind each of those "new" faces, there are many "experienced" faces ready to jump in and help when needed. Employees from both of these groups are ready and eager to help you with your financial needs.

Sadly, I feel compelled to address fraud once again. This is one area that only continues to escalate. The bad guys are always thinking of new ways to trick you into handing over money or precious personal or confidential information. There are many variations of these scams out there, but they often evoke fear and urgency. They want you to comply before you have the chance to talk to anyone or think through the situation. Always remember: no legitimate company or government agency is ever going to ask you to pay an alleged 'debt' with gift cards. And if it sounds too good to be true, it likely is. Please talk to us, or someone else you trust, *before* giving out any information.

On a brighter note, it was again a successful year for our fundraising efforts for the Maine Credit Unions' Campaign to End Hunger. This effort exemplifies the credit union philosophy of "people helping people." Between fundraisers and member donations, we raised \$24,541.16 for this cause in 2023. These funds stay in our local communities to help our friends and neighbors. Local food organizations work tirelessly to bridge the food gap for the most vulnerable. We appreciate their efforts in our communities and are proud to support them in their endeavors.

In closing, I would like to thank each of our employees who help keep Maine Highlands FCU running smoothly each day. It certainly takes many hands, and these individuals show up ready to jump right in, day in and day out. They are dedicated to assisting each of you in whatever way they can.

I also do not want us to ever forget about our wonderful Board of Directors and Supervisory Committee. These individuals volunteer their time to ensure the continued safety, soundness, and sustainability of Maine Highlands FCU. Their input, guidance, and support are so appreciated. Thank you to each of them for their commitment!

Finally, thank you to each of you – our members. We are grateful for the trust and support you show to Maine Highlands FCU. Thank you for your contributions to our 58 years of success (and counting)!

Respectfully Submitted,



Maria L. Wooten  
President/CEO

# Comparative Balance Sheet

As of December 31, 2023

<b>ASSETS</b>	<b>2023</b>	<b>2022</b>
Loans	\$ 125,302,356.40	\$ 116,146,729.37
Allowance for Loan Losses	\$ (299,781.10)	\$ (203,229.45)
Cash	\$ 26,036,520.18	\$ 38,317,384.12
Investments	\$ 16,040,568.20	\$ 18,656,775.10
Land and Buildings	\$ 5,415,051.89	\$ 5,587,293.53
Furniture and Fixtures	\$ 979,318.83	\$ 1,153,836.12
NCUSIF Deposit	\$ 1,504,013.90	\$ 1,579,998.02
Other Assets	\$ 1,947,166.95	\$ 1,475,380.20
<b>Total Assets</b>	<b>\$ 176,925,215.25</b>	<b>\$ 182,714,167.01</b>
<b>LIABILITIES</b>		
Accounts Payable	\$ 1,376,960.60	\$ 1,144,938.00
Borrowings	\$ —	\$ —
Other Liabilities	\$ 390,064.93	\$ 640,179.53
<b>Total Liabilities</b>	<b>\$ 1,767,025.53</b>	<b>\$ 1,785,117.53</b>
<b>EQUITY</b>		
Shares	\$ 66,441,119.35	\$ 76,407,716.80
Share Drafts	\$ 29,660,082.27	\$ 29,475,350.17
Certificates and Money Markets	\$ 38,452,941.35	\$ 37,320,226.74
IRAs	\$ 13,966,857.15	\$ 12,807,318.48
Clubs	\$ 7,641,103.80	\$ 9,173,290.40
Health Savings Accounts	\$ 162,864.64	\$ 157,102.44
Dormant Accounts	\$ —	\$ —
Undivided Earnings**	\$ 18,950,509.18	\$ 15,969,018.81
Accum. Unrealized Loss/Gain	\$ (117,288.02)	\$ (380,974.36)
<b>Total Equity</b>	<b>\$ 175,158,189.72</b>	<b>\$ 180,929,049.48</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$ 176,925,215.25</b>	<b>\$ 182,714,167.01</b>
<b>STATISTICAL INFORMATION</b>		
Number of Members	14,000	14,013
Potential Members	222,219*	220,522*
Number of Loans Made	6,332	6,453
Amount Loaned for Year	\$ 43,534,353.82	\$ 43,203,933.05

\* State of Maine County Population Information

\*\* Per NCUA guidelines, Regular Reserve account has been eliminated and balance transferred to Undivided Earnings.

# Statement of Income and Expenses

As of December 31, 2023

<b>INCOME</b>	<b>2023</b>	<b>2022</b>
Interest/Loans	\$ 7,531,658.44	\$ 6,378,126.67
Investment Income	\$ 1,771,839.42	\$ 540,669.64
Gain (Loss) on Sale of Loans	\$ —	\$ —
Other Income	\$ 2,223,087.99	\$ 2,105,688.96
Non Operating Income	\$ —	\$ —
<b>Total Income</b>	<b>\$ 11,526,585.85</b>	<b>\$ 9,024,485.27</b>
<b>EXPENSES</b>		
Compensation	\$ 2,984,206.04	\$ 2,803,125.99
Benefits	\$ 690,873.84	\$ 668,237.79
Occupancy	\$ 509,244.30	\$ 477,267.93
Operations	\$ 2,483,758.17	\$ 2,303,690.07
Educational and Promotional	\$ 128,112.17	\$ 108,053.62
Loan Servicing	\$ 509,525.79	\$ 470,552.81
Professional Services	\$ 94,639.23	\$ 95,031.50
Provision Loan Loss	\$ 128,811.44	\$ 102,025.75
Member Insurances	\$ 9,019.13	\$ 10,424.07
Cash (Short) Over	\$ (442.66)	\$ 346.17
Event Expense	\$ 14,722.28	\$ 7,956.00
Interest on Borrowed Money	\$ 31.52	\$ 12.18
NCUSIF Impairment	\$ —	\$ —
<b>Total Operating Expenses</b>	<b>\$ 7,552,501.25</b>	<b>\$ 7,046,723.88</b>
<b>(Gain) Loss on Disp. Of Assets</b>	<b>\$ —</b>	<b>\$ —</b>
<b>(Gain) Loss on Investment</b>	<b>\$ —</b>	<b>\$ —</b>
<b>DIVIDENDS</b>		
Shares	\$ 63,102.48	\$ 36,434.65
Health Savings Accounts	\$ 137.75	\$ 83.57
Clubs	\$ 7,253.34	\$ 4,824.20
IRAs	\$ 224,690.26	\$ 81,910.31
Certificates and Money Markets	\$ 605,658.85	\$ 349,007.89
<b>Total Dividends</b>	<b>\$ 900,842.68</b>	<b>\$ 472,260.62</b>
<b>NET INCOME</b>	<b>\$ 3,073,241.92</b>	<b>\$ 1,505,500.77</b>
<b>Change to Undivided Earnings</b>	<b>\$ 2,981,490.37</b>	<b>\$ 1,505,500.77</b>



# Ending Hunger Fundraising in 2023

The Credit Union held a variety of fundraisers in 2023 to raise awareness and funds to combat hunger in our community. One hundred percent of the funds raised for Maine Credit Unions' Campaign for Ending Hunger stayed local. Thank you to all who participated and donated to make this possible.

## Yard Sale

A yard sale was held to benefit Maine Credit Unions' Campaign for Ending Hunger. Thank you to the employees who made this event possible, and to our generous members who attended. Each and every one of you helped us raise over \$400!



## Car Washes

Rowell's Car Wash in Dover-Foxcroft donated 50 cents from every car wash in May. Tradewinds Car Wash in Milo did the same for the month of June. Over \$1,000 was raised between both car washes!

## Golf Tournament

A golf tournament was held at the Dexter Municipal Golf Course. Participants enjoyed a 50/50 raffle, door prizes, contests, and lunch. Over \$3,500 was raised at this event!



## Bake Sale

Each branch held a bake sale consisting of goodies our employees baked themselves, raising over \$700!



# Cooperation Works

Maine credit unions contributed over \$1.2 million to end hunger in 2023 and supported 260 organizations across Maine, including local food pantries, meal sites, and schools.

The Campaign is the signature social responsibility campaign for Maine's credit unions. 100% of all funds raised by the Campaign stay in the state.

The initiative is the largest, non-hunger organization-based, philanthropic fundraising effort to end hunger in Maine.

The Maine Credit Unions' Campaign for Ending Hunger is a 501(c)(3), which means all contributions are tax-deductible!



## Area Food Organizations Receiving Donations from our 2023 Fundraising Efforts



- Abner Wade Lodge Santa Project
- Canaan Community Food Cupboard
- Canaan Elementary School Food Cupboard
- Corinna Food Pantry
- Dexter Age Friendly's Community Café
- Dexter Community Food Closet
- Dover-Foxcroft Congregational Church Community Dinner Project
- Dover-Foxcroft Kiwanis Charities Backpack Program
- Dyer's Hope House
- Eastern Area Agency on Aging Meals on Wheels
- Harmony Cares
- Heart of Maine Resource Center
- Kiwanis Club of Dexter Family Food Program
- Kiwanis Club of Moosehead Lake Backpack Program
- Our Lady of the Snows Parish Community Dinner Project
- Our Lady of the Snows Parish Our Lady's Kitchen
- Palmyra Baptist Worship Center Soup Kitchen/Food Pantry
- Partnership Food Pantry of Greenville
- Partnership Food Pantry of Guilford
- Piscataquis Regional Food Center
- SeDoMoCha Middle School Backpack Program
- Stutzmans Farm Senior Farm Share Program
- Tri-Town Food Cupboard
- UU Sangerville Food Cupboard
- Widows & Orphans Food Cupboard
- Wyman Farms Senior Farm Share Program

# 57th Annual Meeting Minutes

**57th Annual Meeting of Maine Highlands Federal Credit Union  
5:30 pm at Ridgeview School in Dexter · April 17, 2023**

- President of the Board Linda Dulac established a quorum of more than one hundred members present and called the meeting to order.
- Linda Dulac introduced the Head Table:
  - Gilbert Reynolds, Board member representing Dexter
  - Jason Higgins, Supervisory Committee
  - Rhonda Taylor, Retiring President / CEO
  - LuAnn Tibbetts, Board member representing Dover-Foxcroft and Secretary to the Board
  - Maria Wooten, President
  - Tammy Lovejoy, Supervisory Committee Chairperson
  - Traci Grant, Board member representing Canaan
  - Nick Clukey, Board member representing Milo/Brownville
  - Absent Board member: Nolan Lovell
- Special Guest Steven Foster State Representative, County Commissioner Paul Davis, and State Senator Stacy Guerin were also introduced.
- **MINUTES OF PREVIOUS MEETING:** A motion was made by Brian Ronco and seconded by Stephanie Chabot to dispense with the reading of the minutes. No opposition.
- **ELECTIONS:** Tammy Lovejoy presented the following names for nomination to the Board of Directors of MHFCU:
  - LuAnn Tibbetts for a term of 3 years
  - Jason Higgins for a term of 3 years
  - Gilbert Reynolds for a term of 2 year
  - Linda Dulac for a term of 2 years
- No further nominations from the floor. A motion was made to cease nominations and seconded, all present in favor of this motion, and the secretary cast one vote for each director.
- **REPORTS PRESENTED AS FOLLOWS:**
  - Supervisory Committee – Tammy Lovejoy
  - Board of Directors – Linda Dulac
  - President – Maria Wooten
  - CEO - Rhonda Taylor
- A motion was made by Brian Ronco and seconded by Stephanie Chabot to accept the reports as presented.
- **OLD BUSINESS:** No old business
- **NEW BUSINESS:** No new business
- MacKenzie Harmon presented Ending Hunger checks over \$24,000 to twenty-six organizations.
- Silent Auction winners were announced, and Door Prizes were given to:
  - Head Table Centerpiece – Rocco Palumbo      \$50.00 – Carol Wallace
  - \$100.00 – Kay Perkins                              \$50.00 – Rita Page
  - \$100.00 – James Cross                             \$50.00 – Jane Marie Neptune
  - \$50.00 – Leonard Wallace                        \$50.00 – Kurt Lombard
  - \$50.00 – Jeremiah Bowman                     50/50 Winner of \$68.00 – Debbie Clark
- No further business Brian Ronco made a motion, and it was seconded by Stephanie Chabot to adjourn for Buffet Dinner consisting of Roast Beef, Fish, Rice, Veggies, Salad, Rolls and Dessert.
- **ADJOURNED:** 6:40pm

# Credit Union Leadership and Staff

## BOARD OF DIRECTORS

Linda Dulac	Chairperson/Dexter
Nolan Lovell	Vice Chairperson/Guilford
Gilbert Reynolds	Director/Dexter
Nicholas Clukey	Director/Brownville
Jason Higgins	Director/Guilford
Valarie Flanders	Director/Greenville

## SUPERVISORY COMMITTEE

Tammy Lovejoy	Chairperson
Jason Higgins	Member

## SENIOR MANAGEMENT

Maria Wooten	President/CEO
Betty-Jo Beaudoin	Chief Financial Officer
Shelley Blockler	Senior Vice President
David Bridges	Vice President of Information Technology
Tammy Creswell	Vice President of Mortgage Lending
Stephanie Chabot	Vice President of Consumer Lending
Samuel Dwyer	Regional Vice President/Branch Manager
MacKenzie Harmon	Marketing & Events Director

## DEXTER OFFICE

### LENDING

Wendy Baird	Card Services Manager
Lacey Goodwin	Card Services Specialist
Angela Bowman	Card Services Specialist
Heather Bernier	Card Services Clerk
Anna-Maria	Collections Officer II
Karen Vasily	Collections Officer
Candice Qualey	Mortgage Loan Officer
Kimberly Wyman	Real Estate Clerk
Karly LaCasce	Loan Officer III
George Bevis	Loan Specialist
John Phillips	Loan Clerk

### ACCOUNTING

Brian Ronco	Financial Officer
Jane McNaughton	Accounting Specialist II
Makayla Smith	Accounting Specialist

### OPERATIONS

Debbie Cross	Operation Specialist II
Catherine Bemis	Operation Specialist II
Kassandra Gray	Teller II
Tricia Irish	Teller
Nicole Pizz	Teller
Amanda Fogg	Teller
Meghan Baxter	Teller
Aleisha Raymond	Teller
Lysa Rucker	Telephone Representative
Kenneth Gosselin Jr.	Information Technology Assistant
Kent Hartley	Facilities Manager
Joseph Wiehn	Custodian

## GUILFORD OFFICE

Rachel Hutchins	Operation Specialist II
Lisa Provost	Teller III
Breanna Goulette	Teller II
Amy Kells	Teller
Jody Noiles	Teller
Cahrey Harris	Loan Specialist
Jolene Gray	Custodian

## DOVER-FOXCROFT OFFICE

Rachael Maheu	Loan Officer II
Tammie Allen	Loan Officer II
Danielle Mailloux	Operation Specialist
Melissa Cookson	Member Relationship Specialist
Monique Plummer	Member Relationship Specialist
Kimberly Bard	Teller
Tracy Moore	Teller
James Bell	Custodian

## GREENVILLE OFFICE

Tina Roberts	Operation Specialist
Mallarie McNinch	Member Relationship Specialist

## BROWNVILLE OFFICE

Michael Brown	Loan Officer II
Darcie Burch	Operation Specialist II/ Project Coordinator
Erica Bouley	Teller
Breyer Manchester	Teller

## CANAAN OFFICE

Melissa Smith	Branch Manager/Loan Officer II
Mary Mason	Operation Specialist
Nicole Jones	Teller

## Celebrating 50 Years of Service

Linda Dulac began volunteering for Maine Highlands FCU five decades ago in 1974. Throughout her many years of service, she has fulfilled several integral roles on the Board of Directors and Supervisory Committee: a member of both the Credit and Supervisory Committees, Board Director, Board Secretary, Board Vice Chair, as well as her current position as Board Chair. Linda has remained steadfast in her dedication to Maine Highlands FCU as the organization increased in asset size from \$850,000 to more than \$174,000,000 throughout her tenure.

Linda has been a part of three name changes, the opening of five branch offices, six charter expansions, and the introduction of three different operating systems. She also guided the employees and Board of Directors through the transition from handwritten member ledgers to new technological advancements, such as the implementation of the first computer terminals. Linda was also a recipient of the prestigious Alexander Ferguson Award for outstanding credit union volunteer in 2020; a clear display of her commitment to the organization.

“She has dealt with the good, the bad, and the ugly. She has been a mentor to employees and new Board Members, and a friend to all who have worked with her” noted Rhonda Taylor, former President/CEO, in her letter of nomination for Linda’s Alexander Ferguson Award.

Outside of her service to Maine Highlands FCU, Linda has also volunteered at Our Lady’s Kitchen, a local food organization that serves hot meals to community members to help fulfill their need for food security and social engagement. She has diligently assisted several other local organizations as well, including the Knights of Columbus, the Dexter Historical Society, and various church functions throughout her years of volunteerism.

We would like to sincerely thank Linda for her five decades of dedication to Maine Highlands FCU. She has been a vital part of the Credit Union’s success.





## Notes







## **Maine Highlands**

FEDERAL CREDIT UNION

Personal Service. Shared Value.

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