

2024



ANNUAL REPORT



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, 2024 and 2023, 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,



Tammy Lovejoy

Supervisory Committee Chairperson

Annual Report of the Board of Directors

Another year has come and gone, and thankfully as usual we have remained firmly on solid ground. Between uncertain economic conditions, new and changing regulations, and ever-evolving consumer sentiments, your credit union continues to be a safe option for all your banking needs.

The Board and management of Maine Highlands FCU are constantly evaluating key ratios and indicators of overall financial stability. In relation to this, here are a few financial statistics for 2024:

- Net income totaled over \$2.6 million, allowing the credit union to maintain its stable capital position.
- Total assets broke \$200 million for the first time, an increase of over 13% from year-end 2023.
- The credit union's loan portfolio grew to over \$130 million, an increase of over 4% year over year.
- More than \$2.2 million was paid to members in the form of dividends, which was more than double the dividends paid in 2023.

Following the last couple of years of rising rates, the federal funds rate dropped three times in 2024, with a total rate cut of one percent. Despite these drops, Maine Highlands has only decreased dividend rates marginally. We continue to pay dividend rates to our members at or above market levels.

The use of digital products continues to increase in all areas. For example, the number of members using digital banking has increased by thirteen percent over the last year. Members also continue to widely utilize bill pay, as well as remote deposit capture for check deposits. As we look to add new digital products, you can rest assured our physical locations and individual service will continue.

On behalf of the entire Board of Directors, I would like to express our appreciation for your membership. We are here because of each of you, and it is a pleasure to serve our communities in this way. To our dedicated volunteers who give their time to ensure the financial stability and integrity of Maine Highlands FCU, thank you. And to the employees who are committed to helping our members each day, your attention to membership does not go unnoticed. We will continue to promote the people-helping-people philosophy in all we do.

Respectfully Submitted,



Nicholas Clukey
Chairperson, Board of Directors

Annual Report of the President/CEO

Throughout 2024, Maine Highlands FCU remained committed to creating a positive impact for its members, employees, and communities. As a local financial institution, we have a unique opportunity to serve our members in ways larger institutions often cannot. You likely know some of our staff by name, and vice versa. We understand the challenges our neighbors face and share many of the same concerns because we live in those same communities.

In the midst of economic uncertainty, stubborn inflation, and the possibility of a recession, I am happy to once again report that your credit union continues to be a well-capitalized and sustainable financial institution. Our healthy financial position enables us to reinvest in the credit union, enhance our offerings, and deliver exceptional service to our members. We are constantly evaluating not only our short-term needs, but our long-term needs and goals as well. It is more crucial than ever that we stay informed on all trends and plan in a proactive manner.

One concerning trend we have seen over the last year is a rise in delinquency. There are multiple contributors to this, including the inflationary pressures that so many are feeling. Delinquency rates seem to be leveling out, but this area continues to be a focal point for us. If you happen to find yourself struggling to make your payments, reach out to us. We always welcome the opportunity to partner with you and try to find a solution before it turns into a larger issue.

Fraud and scams continue to be a concern as well. I'm sure most of us have received phishing emails or text messages. Sometimes it can be difficult to spot the fakes, so constant vigilance is important in this area. If someone calls out of the blue asking for money, for you to pay a fine or taxes, or for you to pay insurance for a prize or inheritance, do not hand over information. The fraudster's goal is to make you feel pressured and panicked. They may even tell you not to tell anyone else, including your financial institution. Do not fall victim to these schemes. Hang up, ignore the message or email, and feel free to reach out to us anytime if you are unsure. We are happy to assist with this.

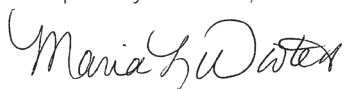
Shifting to a more positive topic, I am happy to report that Maine Highlands FCU employees logged over one thousand hours of volunteer time last year, both inside and outside of working hours. It was also another successful year for the Maine Credit Unions' Campaign to End Hunger. Our credit union raised almost \$25,000 for this cause in 2024 through a variety of fundraisers, including employee dress casual days, bake sales, member raffles, and more. The funds we raise stay local to help our friends and neighbors who face food insecurity.

As we reflect on 2024, I would like to extend a heartfelt thank you to our volunteer Board of Directors and Supervisory Committee. Their contributions are not driven by the desire for recognition, but by a genuine commitment to our organization. Their unwavering support helps ensure our sustainability for years to come.

A huge thank you also goes to our incredible staff who strive to put our members first in all they do. Every day, they contribute to the success and growth of Maine Highlands FCU through their hard work and dedication. I am proud to work alongside such a caring and hard-working team.

Last but certainly not least, thank you to each of our valued members for being an essential part of our journey. As we enter our 60th year, we are appreciative of the trust you have put in Maine Highlands FCU. It is because of you that we strive to improve and deliver the best possible service. We look forward to serving you for many years to come!

Respectfully Submitted,



Maria L. Wooten
President/CEO

Comparative Balance Sheet

As of December 31, 2024

ASSETS	2024	2023
Loans	\$ 130,483,063.54	\$ 125,302,356.40
Allowance for Loan Losses	\$ (554,090.00)	\$ (299,781.10)
Cash	\$ 45,255,452.82	\$ 26,036,520.18
Investments	\$ 15,681,660.51	\$ 16,040,568.20
Land & Buildings	\$ 5,242,810.85	\$ 5,415,051.89
Furniture & Fixtures	\$ 768,971.20	\$ 979,318.83
NCUSIF Deposit	\$ 1,565,688.41	\$ 1,504,013.90
Other Assets	\$ 2,103,373.27	\$ 1,947,166.95
Total Assets	\$ 200,546,930.60	\$ 176,925,215.25
LIABILITIES		
Accounts Payable	\$ 703,386.71	\$ 1,376,960.60
Borrowings	\$ —	\$ —
Other Liabilities	\$ 399,535.64	\$ 390,064.93
Total Liabilities	\$ 1,102,922.35	\$ 1,767,025.53
EQUITY		
Shares	\$ 64,778,380.53	\$ 66,441,119.35
Share Drafts	\$ 29,580,110.22	\$ 29,660,082.27
Certificates & Money Markets	\$ 58,027,110.63	\$ 38,452,941.35
IRAs & IRA Certificates	\$ 18,472,873.54	\$ 13,966,857.15
Clubs	\$ 6,858,979.83	\$ 7,641,103.80
Health Savings Accounts	\$ 146,419.69	\$ 162,864.64
Dormant Accounts	\$ —	\$ —
Undivided Earnings	\$ 21,551,646.49	\$ 18,950,509.18
Accum Unrealized Loss/Gain	\$ 28,487.32	\$ (117,288.02)
Total Equity	\$ 199,444,008.25	\$ 175,158,189.72
Total Liabilities & Equity	\$ 200,546,930.60	\$ 176,925,215.25

STATISTICAL INFORMATION

Number of Members	14,141	14,000
Potential Members	224,100*	222,219*
Number of Loans Made	6,275	6,332
Amount Loaned for Year	\$ 40,932,355.99	\$ 43,534,353.82

**State of Maine County Population Information*

Statement of Income and Expenses

As of December 31, 2024

INCOME	2024	2023
Interest/Loans	\$ 8,653,512.41	\$ 7,531,658.44
Investment Income	\$ 2,050,329.70	\$ 1,771,839.42
Gain (Loss) on Sale of Loans	\$ —	\$ —
Other Income	\$ 2,275,376.73	\$ 2,223,087.99
Non Operating Income	\$ —	\$ —
Total Income	\$ 12,979,218.84	\$ 11,526,585.85
EXPENSES		
Compensation	\$ 3,105,905.35	\$ 2,984,206.04
Benefits	\$ 659,069.48	\$ 690,873.84
Occupancy	\$ 480,451.99	\$ 509,244.30
Operations	\$ 2,584,001.98	\$ 2,483,758.17
Educational & Promotional	\$ 139,233.76	\$ 128,112.17
Loan Servicing	\$ 521,448.80	\$ 509,525.79
Professional Services	\$ 98,936.76	\$ 94,639.23
Provision Loan Loss	\$ 521,682.98	\$ 128,811.44
Member Insurances	\$ 8,759.81	\$ 9,019.13
Cash (Short) Over	\$ 134.30	\$ (442.66)
Event Expense	\$ 14,868.00	\$ 14,722.28
Interest on Borrowed Money	\$ 26.67	\$ 31.52
NCUSIF Impairment	\$ —	\$ —
Total Operating Expenses	\$ 8,134,519.88	\$ 7,552,501.25
(Gain) Loss on Disp. Of Assets	\$ —	\$ —
(Gain) Loss on Investment	\$ —	\$ —
DIVIDENDS		
Shares	\$ 66,014.07	\$ 63,102.48
Health Savings Accounts	\$ 161.67	\$ 137.75
Clubs	\$ 7,529.37	\$ 7,253.34
IRAs & IRA Certificates	\$ 519,073.81	\$ 224,690.26
Certificates & Money Markets	\$ 1,650,782.73	\$ 605,658.85
Total Dividends	\$ 2,243,561.65	\$ 900,842.68
NET INCOME	\$ 2,601,137.31	\$ 3,073,241.92
Change to Undivided Earnings	\$ 2,601,137.31	\$ 2,981,490.37

Ending Hunger Fundraising in 2024

Thanks to the hard work and generosity of our members and team, MHFCU was able to raise nearly \$25,000 for Ending Hunger in Maine this past year. This is the signature social responsibility campaign for Maine's credit unions, and over \$1.3 million was raised across the state in 2024.

Throughout the year, our team hosted a variety of fundraisers and events to raise money and awareness to combat hunger in our communities. These include dress casual days, bake sales, a car wash fundraiser, our annual Golf to End Hunger event, and more. Funds raised will provide support to over 20 food organizations in our service areas. Thank you to all who made this possible!



Community Events in 2024



Golf Tournament

Our 4th Annual Golf to End Hunger tournament was held at the Dexter Municipal Golf Course. Participants enjoyed a 50/50 raffle, door prizes, contests, and lunch. Over \$4,300 was raised at this event!

Dover-Foxcroft Hometown Holidays

Every year, Dover-Foxcroft holds a day filled with holiday activities! Activities range from crafting and cookie decorating to a light parade that brings Santa into town! Members of our team were happy to be part of this, bringing Monty Moose along for hot cocoa, cider, and homemade treats!





Canaan Trunk or Treat

Canaan Elementary School hosted a trunk or treat the weekend before Halloween. Our Canaan staff attended this event, showcasing a Wizard of Oz theme and handing out over 200 bags of candy!

Brownville Days

Brownville celebrated their bicentennial in 2024! Members of our team hosted a popcorn stand at the concert and fireworks the first night. Plus, they passed out candy and beach balls in the parade the next day with Monty Moose!



Piscataquis River Festival

MHFCU was a sponsor of the Piscataquis River Festival, and our team members hosted the pie eating contest!

Deck the Halls Holiday Market

MHFCU was a sponsor for Greenville's Deck the Halls Holiday Market. Our Greenville staff hosted the kids Christmas crafting table, assisting children with decorating ornaments and handing out goody bags to take home!



58th Annual Meeting Minutes

58th Annual Meeting of Maine Highlands Federal Credit Union 5:30 pm at Ridgeview School in Dexter - April 15, 2024

- President of the Board Linda Dulac established that there was a quorum present and called the meeting to order at 6:00 pm.
- Linda Dulac introduced the Head Table:
 - Gilbert Reynolds, Board member representing Dexter
 - Valarie Flanders, Board member representing Greenville
 - Jason Higgins, Board member representing Guilford / Supervisory Committee member
 - Linda Dulac (self), Board Chairperson representing Dexter
 - Tammy Lovejoy, Supervisory Committee Chairperson
 - Maria Wooten, President / CEO
 - Nick Clukey, Board member representing Brownville
 - Absent Board member: Nolan Lovell, Board member representing Guilford
- Special guest in attendance, Paul Davis, Piscataquis County Commissioner, was 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 name for nomination to the Board of Directors:
 - Valarie Flanders for a term of 3 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 / CEO – Maria Wooten – included a brief presentation congratulating Linda Dulac on 50 years of service as volunteer for MHFCU
- A motion was made by Brian Ronco and seconded by Stephanie Chabot to accept the reports as presented. No opposition.
- **OLD BUSINESS:** No old business
- **NEW BUSINESS:** No new business
- MacKenzie Harmon presented Ending Hunger checks totaling over \$24,000 to 26 local organizations.
- Silent Auction winners were announced, and Door Prizes were given to:

Head Table Centerpiece – Paul Davis	\$50.00 – Jane Neptune
\$100.00 – Sharron Goodwin	\$50.00 – Rita Page
\$100.00 – Patty Davis	\$50.00 – Bob Clark
\$50.00 – Deb Clark	\$50.00 – Mary Sands
\$50.00 – Nancy Bubar	
- No further business noted. Brian Ronco made a motion, and it was seconded by Stephanie Chabot, to adjourn for Buffet Dinner.
- **ADJOURNED:** 6:30pm

Credit Union Leadership and Staff

BOARD OF DIRECTORS

Nicholas Clukey	Chairperson/Brownville
Jason Higgins	Vice Chairperson/Guilford
Valarie Flanders	Secretary/Greenville
Gilbert Reynolds	Director/Dexter
Nolan Lovell	Director/Guilford
Chad Perkins	Director/Dover-Foxcroft
Felix Blinn Jr.	Director/Brownville

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
Wendy Baird	Vice President of Card Services
Samuel Dwyer	Regional Vice President/Branch Manager
Emilee Cohen	Marketing & Events Director

DEXTER OFFICE

LENDING

Lacey Goodwin	Card Services Specialist
Heather Bernier	Card Services Clerk
Thomas Yelverton	Card Services Clerk
Anna	Collections Officer II
Toni McKusick	Collections Clerk
Candice Qualey	Mortgage Loan Officer II
Tricia Irish	Real Estate Clerk
Karly LaCasce	Loan Officer III
George Bevis	Loan Officer
Jenilee Fowles	Loan Clerk

ACCOUNTING

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

OPERATIONS

Debbie Cross	Operation Specialist II
Nicole Pizz	Teller III
Ashley Kimball	Teller
Melissa Gallison	Teller
Gwenyth Burgess	Teller
Elaine Phaneuf	Teller
Velzora Hughes	Teller
Lisa Brown	Teller
Lyssa Rucker	Telephone Representative
Kenneth Gosselin Jr.	Information Technology Assistant
Breanna Goulette	Executive Assistant
Kent Hartley	Facilities Manager
Joseph Wiehn	Custodian

GUILFORD OFFICE

Rachel Hutchins	Operation Specialist II
Lisa Provost	Teller III
Jody Noiles	Teller
Nicole Jones	Teller
Heather Warman	Teller
Cahrey Harris	Loan Officer
Jolene Gray	Custodian

DOVER-FOXCROFT OFFICE

Rachael Maheu	Branch Manager/Loan Officer III
Tammie Allen	Loan Officer II
Danielle Mailloux	Operation Specialist
Monique Plummer	Teller III
Kimberly Bard	Teller
Breyer Manchester	Teller
Nicole Desmarais	Teller

GREENVILLE OFFICE

Tina Roberts	Operation Specialist
Mallarie McNinch	Teller III

BROWNVILLE OFFICE

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

CANAAN OFFICE

Melissa Smith	Branch Manager/Loan Officer II
Catherine Bemis	Operation Specialist II
Sierra Price	Teller

5 Ways to Spot a Scam

1. Fear

Are you being threatened with consequences?

2. Freebies

Are you being promised something of value for free?

3. Unusual Payment Methods

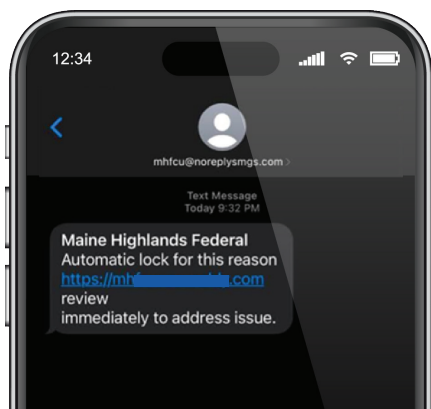
Are you being asked to make payment with gift cards, cryptocurrency, or some other unusual payment method?

4. Secrecy

Are you being asked to keep the situation a secret from family or credit union personnel?

5. Urgency

Are you being encouraged to act quickly to avoid consequences?



This is an example of a fraudulent text message received by a member.

If you receive a message like this claiming to be from Maine Highlands FCU, your response should be either to call us, or login to your account directly from our mobile app or our website.

NEVER use the links or contact options included in the message.

7 Ways to Avoid a Scam

1. Verify

Ensure you are using trusted contact information. Insist on verifying phone calls, mailings, pop-up messages, emails and text messages before taking **ANY** action.

2. Don't Answer

Avoid responding to text messages or taking calls from unfamiliar phone numbers.

3. Password Security

Use strong passwords and change them regularly.

4. Get Alerted

Set up digital banking eAlerts to monitor your account.

5. Protect Your Data

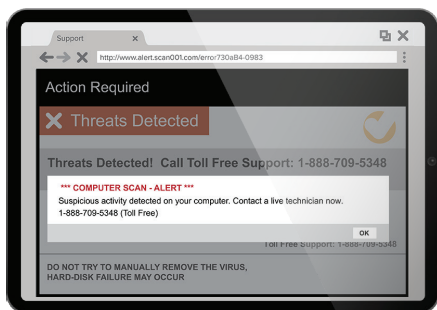
Keep sensitive documents stored securely, and when disposing of documents, be sure they are shredded.

6. Stay Updated

Keep all of your digital devices up to date.

7. Ask for help

Talk to us! We are happy to discuss concerns and precautionary measures.



On mobile devices or computers, beware of pop-up messages like this one*.

Avoid clicking or tapping the popup message or using any contact options within the message to obtain support.

*<https://consumer.ftc.gov/articles/how-spot-avoid-and-report-tech-support-scams>

Notes





Maine Highlands

FEDERAL CREDIT UNION

Personal Service. Shared Value.

73 Main Street · P.O. Box 233
Dexter, ME 04930
207.924.5544 · Fax 207.924.7527

23 Hudson Avenue · P.O. Box 697
Guilford, ME 04443
207.876.4041 · Fax 207.876.3701

955 West Main Street · P.O. Box 507
Dover-Foxcroft, ME 04426
207.564.8644 · Fax 207.564.3920

393 Pritham Avenue · P.O. Box 353
Greenville Junction, ME 04442
207.695.0316 · Fax 207.695.8939

194 Main Road · P.O. Box 716
Brownville, ME 04414
207-965-8377 · Fax 207.965.8477

216 Main Street · P.O. Box 335
Canaan, ME 04924
207.474.3544 · Fax 207.474.3545

888.806.6920

mhfcu.com