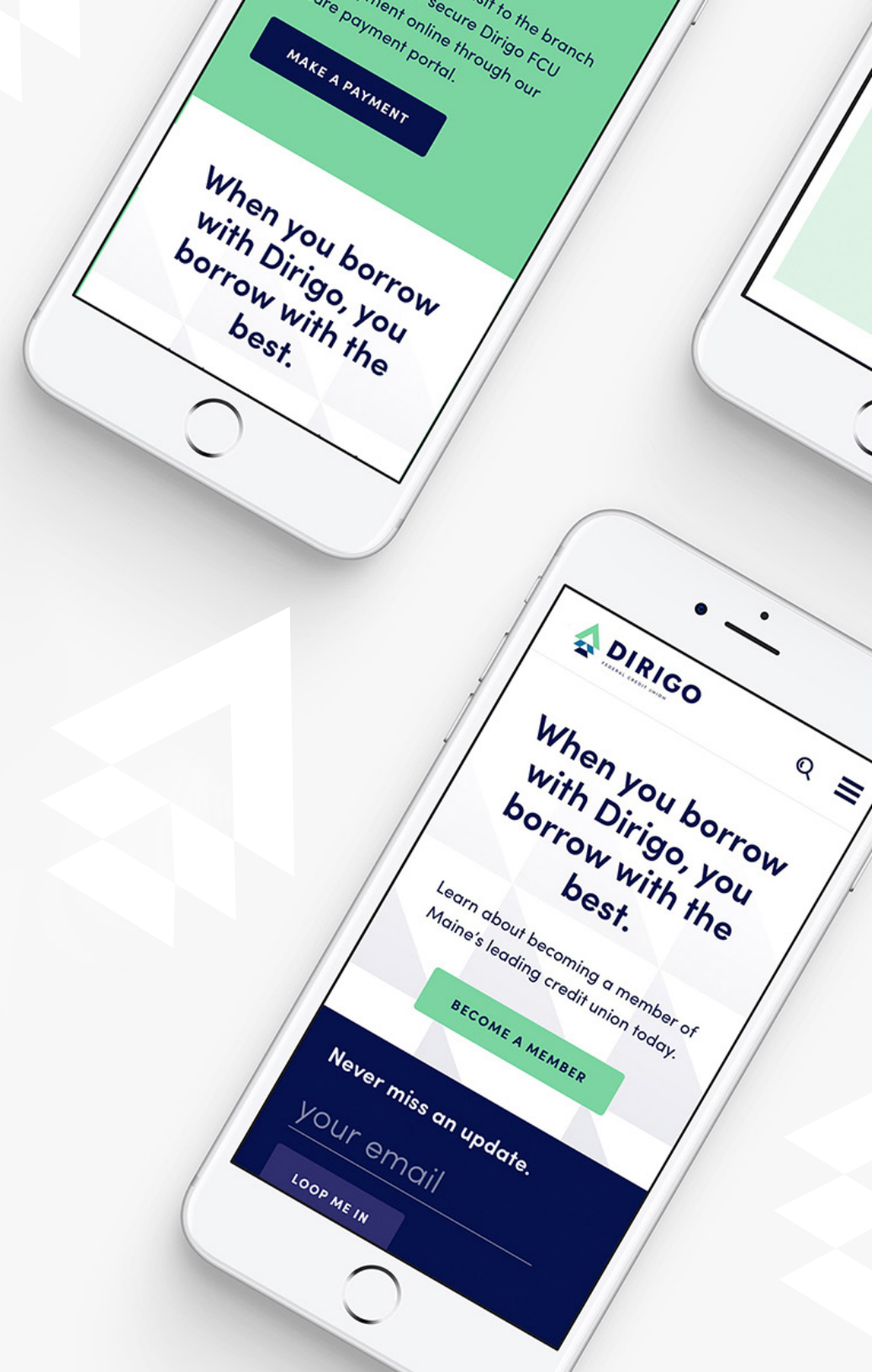




2021 ANNUAL REPORT



LEADING THE WAY

Senior Team

Mark Samson, President/CEO

Kevin Joler, Executive Vice President/CFO

Chris Bouchard, Chief Operations Officer

Board of Directors

Steve Mennealy, Chairperson

John Hawley, Vice Chairperson

John Tuttle, Secretary

Michael Burke, Director

Richard Beaulieu, Director

Basil Chadbourne, Director

Theresa Thomas, Director

Supervisory Committee

Arthur Gregory, Chairperson

Nikki Withrow, Member

Basil Chadbourne III, Member

MESSAGE FROM THE PRESIDENT



Dear Members,

I am grateful to our members, staff, and volunteers for contributing to a positive year in 2021 at Dirigo Federal Credit Union. And I am pleased that we were able to give \$100,000 in donations and sponsorships to organizations across our communities. While the pandemic still impacted us in 2021, everything we do starts with providing innovative banking essentials and services to our members. The reliability and quality of service we provide to our members define who we are as a credit union, and we now proudly serve over 24,000 members.

2021 was a transformative year, and we had significant loan growth across all categories. Our members were active borrowers and locked in favorable borrowing rates which helped them save money and get what they needed. We are most gratified to have

originated 391 new mortgages totaling over \$41 million to help borrowers purchase, improve, and refinance their home. We reached a milestone of \$350 million in assets and \$3 million in profit last year. Furthermore, the NCUA approved our Field of Membership expansion in October 2021. We are now authorized to serve Androscoggin, Oxford, Cumberland, Franklin, Kennebec, Knox, Lincoln, Sagadahoc, Somerset, and York Counties. Last year's results are an excellent example of how your credit union and its members succeed together.

Thank you again for choosing Dirigo Federal Credit Union to be your trusted financial provider. If you have not shared your experience at Dirigo with your friends and family, I encourage you to do so. We are proud to be your credit union and look forward to 2022 with renewed optimism and purpose.

Best,

Mark Samson
President/Chief Executive Officer

Now serving even more
Maine counties.



Androscoggin • Oxford • Cumberland • Franklin
Kennebec • Knox • Lincoln • Sagadahoc • Somerset • York

Federally insured by NCUA.

5 Internal Promotions **4** Jobs Created

CELEBRATING DIRIGO GROWTH IN 2021

Field of Membership Expansion

In our commitment to provide personalized, full-service banking to the communities of Maine, Dirigo Federal Credit Union is happy to announce that our community charter will expand to Androscoggin, Oxford, Cumberland, Franklin, Kennebec, Knox, Lincoln, Sagadahoc, Somerset, and York counties.

While we continue planning for additional branches in our service areas, we have ensured access for all members in every location. Our online and mobile banking solutions make it easy for Dirigo members to apply for a loan, manage their accounts, deposit a check, transfer funds, set up eAlerts, pay a loan, and schedule bill payments—all right from home or on the go. Along with these services, our dedicated team is available by phone to help with your financial needs, and our current locations in Lewiston, Auburn, Mechanic Falls, and South Paris are open to all members.

The entire team at Dirigo looks forward to expanding our Leading the Way philosophy to our members by delivering quality, people-focused banking solutions and financial expertise across Maine.

EVP/CFO REPORT



As we reflect on 2021, we are proud to report that Dirigo Federal Credit Union had a successful year despite the challenges and uncertainty caused by the ongoing COVID-19 Pandemic. We continued to improve our financial condition and increased the number of members served. To that end, we express sincere gratitude for your continued trust and loyalty. Through your membership with Dirigo Federal Credit Union, you're making a difference in your community.

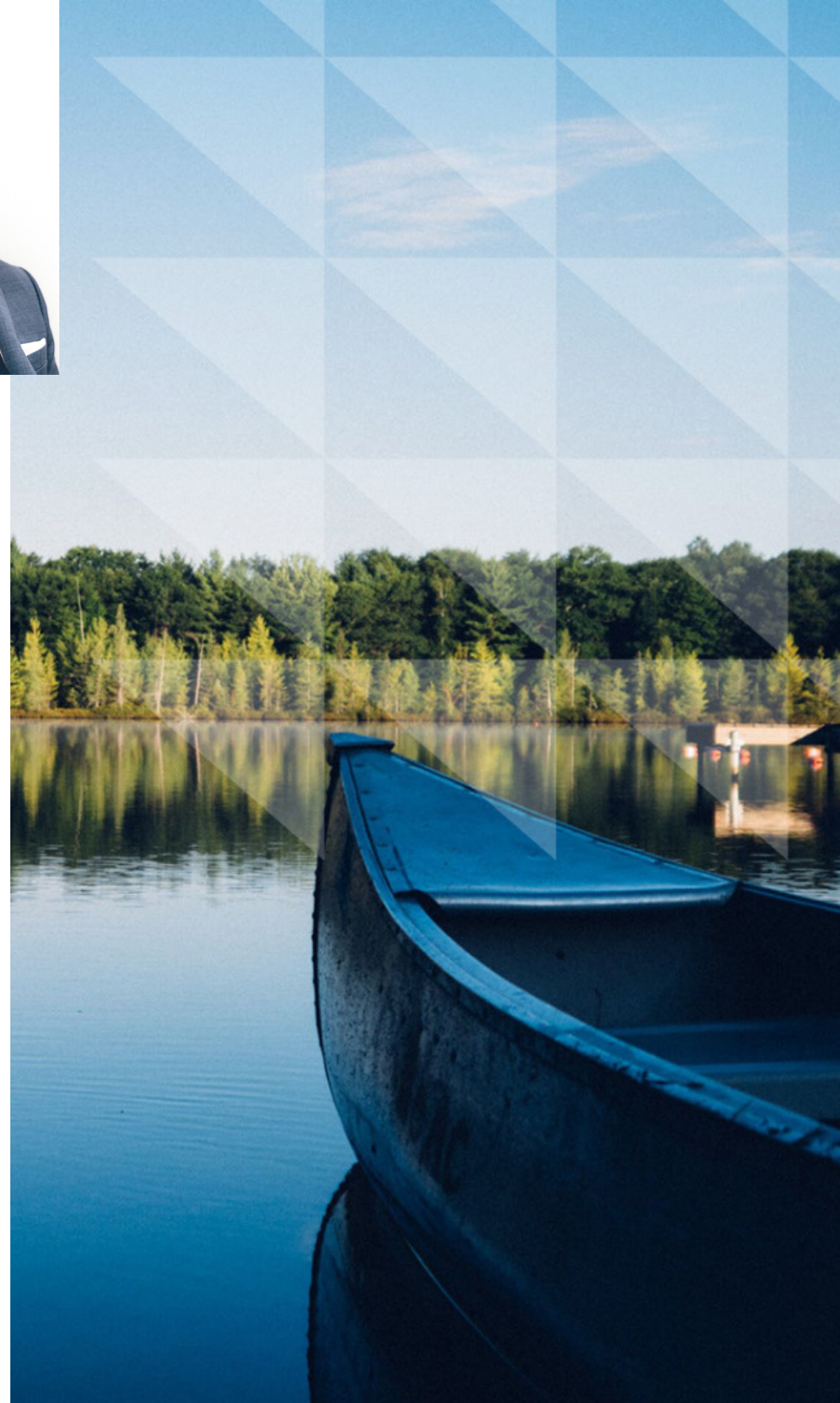
It was an unprecedented year of deposit growth and loan production, which is reflected in the financial reports. Member deposits grew over 15% across most categories including money markets, checking and savings. Similarly, loan growth was strong across all categories with consumer (autos, recreation, etc.) outpacing real estate for the first time in several years. In addition, commercial lending was officially added as a product offering in 2021, and we're pleased to report that \$3.2 million in business loans were funded.

Our strong financial condition is only made possible by you, our members. As employees, we are both fortunate and committed to serving you for many years to come.

Yours in service,

Kevin C. Joler

Executive Vice President/Chief Financial Officer





STATEMENT OF FINANCIAL CONDITION

As of December 31,

| Assets | 2021 | 2020 |
|--|-----------------------|-----------------------|
| Consumer Loans | \$ 156,268,561 | \$146,742,925 |
| Real Estate Loans | 109,365,989 | 79,042,883 |
| Less: Allowance for Loan Losses | (1,983,294) | (1,808,789) |
| NET LOANS | \$ 263,651,256 | \$ 223,977,019 |
| Cash and Cash Equivalents | 57,892,941 | 43,006,108 |
| Investments | 9,171,010 | 24,369,000 |
| Property and Equipment, net | 8,462,485 | 8,266,616 |
| Other Assets | 15,374,137 | 11,202,024 |
| TOTAL ASSETS | \$ 354,551,829 | \$ 310,820,767 |
| Liabilities and Members' Equity | | |
| Shares | 123,530,750 | 102,226,365 |
| Share Certificates | 43,571,928 | 49,946,736 |
| Share Drafts | 59,102,497 | 48,590,970 |
| Money Market Accounts | 55,439,549 | 41,826,659 |
| Members' Equity | 34,370,311 | 31,264,754 |
| IRA Certificates | 15,900,625 | 16,557,006 |
| IRA Shares | 8,440,517 | 7,271,522 |
| Club Accounts | 7,576,284 | 6,104,229 |
| Accounts Payable and Other Liabilities | 3,940,650 | 3,926,502 |
| Notes Payable | 2,678,718 | 3,106,024 |
| TOTAL LIABILITIES AND MEMBERS' EQUITY | \$ 354,551,829 | \$ 310,820,767 |

STATEMENT OF INCOME & EXPENSES

For the Years Ended December 31,

| Income | 2021 | 2020 |
|-------------------------------|----------------------|----------------------|
| Interest on Real Estate Loans | \$ 5,889,167 | \$ 5,699,603 |
| Interest on Consumer Loans | 4,170,241 | 3,460,216 |
| Investment Income | 205,356 | 789,851 |
| Other Operating Income | 4,330,068 | 3,443,869 |
| TOTAL INCOME | \$ 14,594,832 | \$ 13,393,539 |

Expenses

| | | |
|---|---------------------|---------------------|
| People Costs (Wages and Benefits) | 4,606,026 | 4,346,277 |
| ATM and Visa Debit Programs | 1,297,131 | 1,078,498 |
| Office Operations | 1,082,821 | 982,643 |
| Office Occupancy including Depreciation | 868,313 | 871,624 |
| Loan Servicing | 608,537 | 774,149 |
| Data Processing | 474,569 | 523,422 |
| Professional Services | 389,746 | 340,660 |
| Educational and Promotional | 246,509 | 231,455 |
| Federal Operating Fee | 61,356 | 71,005 |
| Member Insurance | 66,698 | 37,792 |
| Association Dues | 32,802 | 31,543 |
| Travel and Conference | 35,128 | 24,697 |
| TOTAL OPERATING EXPENSES | \$ 9,769,636 | \$ 9,313,765 |
| Dividends | 1,377,316 | 1,900,894 |
| Provision for Loan Losses | 387,697 | 797,121 |
| Interest Expenses | 59,863 | 100,785 |
| (Gain) Loss from Sale of Assets | - | (46,989) |
| NET INCOME | \$ 3,000,320 | \$ 1,327,963 |





INTRODUCING COMMERCIAL LOANS

At Dirigo Federal Credit Union, we strive to bring you customized financial products and services to meet your business needs. We embrace opportunity, and with our suite of commercial loans, we can help local businesses reach new heights. To improve your member experience, we now offer Vehicle & Equipment Loans, Real Estate Loans, and Commercial Lines of Credit.

INVESTING IN OUR COMMUNITIES

For 66 years, making a real difference in the lives of our members has been one of our guiding values. And we will remain dedicated to that legacy for the future generations of Maine, providing opportunity and advancement through The Dirigo Difference.



The Dirigo Difference // Your partners in making a positive impact

Each year, Dirigo Federal Credit Union donates over \$100,000 to Maine organizations, nonprofits, and events near and dear to the communities that we serve. With a focus on Education, Health and Human Services, Community and Economic Development, we hope to collaborate with organizations looking to make a positive impact.

Recent Donations and Scholarships

\$24,500

ENDING HUNGER

\$10,000

SCHOLARSHIPS

\$5,000

SOCIAL
RESPONSIBILITY
PROJECT

\$3,000

ADOPT-
A-FAMILY

\$1,100

SPECIAL
OLYMPICS

\$1,100

UNITED WAY



DIRIGO

FEDERAL CREDIT UNION

Branch Locations: Lewiston · Auburn · Mechanic Falls · South Paris

1.800.281.5435 · 207.784.5435

DIRIGOFCU.COM

