**MESSAGE FROM THE PRESIDENT**

**Dear Members,**

I would like to thank you, our members, staff, and volunteers for contributing to a positive year at Dirigo Federal Credit Union. While the Pandemic still impacted us during the year, we learned to use new digital products and began to live and work in a way that allowed us to get on with our lives. Our sympathies to all those who have struggled or suffered loss during this challenging time. We will look forward to 2022 with a renewed sense of optimism and purpose.

Financially, your credit union remains strong with a capital ratio of 9.69% and assets of $354 million which is an increase of 14% for the year. Your credit union posted profit of $3 million, an increase of 125% compared to 2021. As we grow larger we will need continued profitability to maintain our capital and allow us to invest in our members and the credit union. The strong performance is attributed to strong loan growth, regulatory rebates, a reduced need to set aside funds for potential loan losses, the continued loyalty of our members, and the hard work of our terrific Staff.

2021 was a transformative year, 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. Consumer and Commercial Loan growth were also strong rising 38% and 91% respectively. Deposit growth was strong at 15%, members took advantage of higher rates in our Money Market Accounts and continued to utilize Dirigo’s other deposit accounts to save money. 2021 results were outstanding and are a good example of how your credit union, and its’ members are succeeding together.

Mobile Deposit and Mobile Banking have proven to be convenient and popular products that allows members to do much of their banking from home or anywhere. Dirigo continues to invest in technological enhancements that have created efficiencies in all areas of the credit union allowing for improved member and employee experience in daily operations. On a staffing level, we continue to add new employees to our team and are proud to report that many of our existing staff have been able to fill new and vacant positions at the credit union. Part of our job as a good employer is to help develop our staff so they can do more to help our members and get them ready for a new opportunity at the credit union.

Dirigo successfully completed our NCUA exam, and we continue to strive to improve our regulatory and financial performance every year. Based on our strong record of member service and success, the NCUA approved our Field of Membership expansion in 2021. We are now authorized to serve Androscoggin, Oxford, Cumberland, Franklin, Kennebec, Knox, Lincoln, Sagadahoc, Somerset, and York Counties. This expansion is very important to the future of Dirigo, we remain committed to our traditional service area, and now we can now offer our value-based products and services to over a million residents of the State of Maine. A bigger credit union family will make us a stronger financial partner and allow us to deliver more to our current and future members.

I would like to highlight some of the credit unions charitable activities in 2021. We are here to support the communities we serve, primarily we do that through offering the best financial services available, but we also participate in, and donate to local non-profits. This year, our employees served on many Boards and Committees to represent Dirigo, they also serve many non-profits personally and are committed to their communities and causes. Dirigo donated $23,864 to the credit union state-wide Ending Hunger Campaign, we donated to many other causes ranging from Little League to Project Graduation and many others. We sponsored Cuts for Kids in September providing 100 free haircuts to kids going back to school. We are proud of our history of participation in charitable work and of financially supporting as many worthy causes as we are able.

 In 2022 we will be introducing a new unified Digital and Mobile Banking platform to enhance how members interact with Dirigo. We will be offering a new Construction Loan program to help our members deal with the lack of available affordable housing. Green Energy Loans are also coming to help members fight the escalating cost of energy and to help our environment. If you are improving the energy efficiency of your home, installing a generator or even solar panels, Dirigo will be ready to serve you. We are introducing contactless debit cards to allow you to choose how you want to interact on debit card purchases. We will be opening additional space for operations staff due to our growth and desire to maintain a high level of service to our members. We will also be planning some long overdue improvements to our S Paris branch to make visiting there a more pleasant experience for staff and members alike. These are just some of the plans for your credit union in 2022, we hope you will be pleased with the results.

Thank you again for choosing Dirigo Federal Credit Union to be your trusted financial provider. Please tell your friends and family about your experience at Dirigo and encourage them to join. We look forward to welcoming more members to the Dirigo family in 2022.

Best, Mark Samson