

downeast

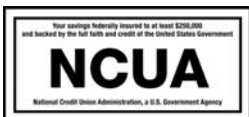
CREDIT UNION

Opportunity starts here



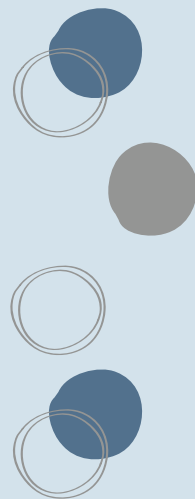
2022

ANNUAL REPORT



Federally Insured by NCUA

LETTER TO OUR MEMBERS



To the Member-Owners of Downeast Credit Union:

We finished the 2022 fiscal year with a profit of \$3.3 million. Our overall assets rose from \$252 million to \$264 million. The credit union ended the year with \$27.7 million in net worth.

We have two subsidiaries, formally known as CUSOs (Credit Union Service Organizations). Profits from our two CUSOs are used to fund credit union infrastructure investments. The additional profits also allow us to lend more money to our communities.

Our first is Downeast Insurance, which manages over 4,600 policies and provides insurance products to other Maine-based credit unions. When consumers and members agreed to a free quote, we were able to save them an average of \$850 while providing extra coverage. Downeast Insurance contributed \$789 thousand to our bottom line. This amounted to slightly more than 23 percent of our overall profit.

Our second CUSO, Culane, oversees the dealership auto financing for one-fourth of the credit unions in Maine. Culane underwrote and funded 5,924 vehicles for a total of \$188 million. Our profit from this subsidiary was \$463 thousand, or nearly 14 percent of our total profit.

Your credit union, which provides 8 full-service branches throughout the Downeast, Central, and Midcoast regions of Maine, earned \$2.1 million. These funds amounted to 63 percent of the organizations' overall profit. Your credit union provided \$118 million in loans to its local communities in 2022. Our members earned more than \$1 million in dividends from savings.

We opened our new branch office in the city of Brewer. In the town of Baring, we opened a new Operations Center. Our credit union received the Dora Maxwell Distinction for Community Service award from the Maine Credit Union League. Our Team and membership collected 2,746 pounds of food for 13 local food pantries in the communities we serve, a major accomplishment.

Your credit union has been selected as one of the "Best Places to Work in Maine" for the sixth consecutive year. We are proud of this accomplishment because it demonstrates that we are providing a robust working environment that cherishes our most precious asset, our Team Members, and will, as a result, provide outstanding service to you, our member. Last year, Downeast Credit Union's employee attrition rate was 5.4 percent, compared to a peer average of 16.2 percent.

In closing, your volunteer Board of Directors, elected by you, will continue to ensure you are being well-served and valued.

Respectively,

Mason R. Pottle
Chairman of the Board

Joseph A. Moses, MBA | CCUE | CUERME
President/CEO

FINANCIAL STATEMENTS

Statement of Financial Condition - Unaudited

ASSETS	2022	2021
Loans to Members, Net	\$ 221,174,800	\$ 175,470,472
Cash	8,682,982	49,285,436
Investments	14,802,795	7,686,376
Premises and Equipment	8,221,218	8,175,327
Other Assets	11,143,333	11,467,990
TOTAL ASSETS	\$ 264,025,129	\$ 252,085,602
LIABILITIES & EQUITY		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 3,468,412	\$ 1,859,848
Due to Other Financial Institutions	-	-
TOTAL LIABILITIES	3,468,412	1,859,848
EQUITY		
Member Accounts	\$ 232,821,361	226,062,563
Regular Reserves, Undivided Earnings, & Other Equity	27,735,356	24,163,191
TOTAL EQUITY	\$ 260,556,716	250,225,754
TOTAL LIABILITIES & EQUITY	\$ 264,025,129	\$ 252,085,602

Statement of Income - Unaudited

Interest on Loans	\$ 9,486,526	9,846,902
Interest on Investments	218,383	12,923
Fee Income and Other Income	6,383,265	5,878,568
TOTAL REVENUE	\$ 16,088,173	\$ 15,738,393
Salaries and Benefits	\$ 6,996,129	\$ 6,201,409
Office Operations	2,297,602	1,932,508
Office Occupancy	795,487	642,617
Educations and Promotions	243,677	151,662
Travel & Conferences	54,405	11,185
Professional and Outside Services	316,916	352,648
Loan Servicing	1,239,029	1,078,681
Provision for Loan Losses	(666,944)	277,500
Other Operating Expenses	194,910	165,234
TOTAL EXPENSES	\$ 11,471,211	\$ 10,813,444
Net Income before Interest & Dividends	\$ 4,616,962	\$ 4,924,948
Total Interest & Dividend Expense	1,044,797	865,766
Less: Income Attributable to Noncontrolling Interests	198,577	84,590
NET INCOME/(LOSS)	\$ 3,373,588	\$ 3,974,592

COMMUNITY

In 2022, Downeast Credit Union supported over 60 organizations and causes in the communities we serve including: All Saints Parish, Alzheimer's Association, Anah Shriner's, Belfast Food Pantry, Belfast Soup Kitchen, Bowdoinham Food Pantry, Brewer Area Food Pantry, Belfast Harborfest, Belfast Rotary, Bowdoinham Community School, Brunswick Regional Chamber, Calais American Legion, Calais Blue Devils Baseball Boosters, Calais Fire Department Association, Calais Little League, Calais Middle School, Calais Middle/High School, Calais Skatepark Committee & Brendan Leddy Memorial Fund, Central High School 2023 Project Graduation, Charlotte Elementary School, Cub Scout Pack 125, Denny's River Volunteer Ambulance Service, Downeast Youth Soccer Association, Friends of Sarah's House, Friends Helping Bowdoin Food Pantry, Good Shepherd Food Bank, Habitat for Humanity Waldo County, Irene Chadbourne Food Pantry, Machias Food Pantry, Mt. View Elementary, No Greater Love Food Pantry, Machias Valley Christian School, Machias Wild Blueberry Festival, MacKenzie's Miles for Miracles (Children's Miracle Network), Maine Credit Unions' Campaign for Ending Hunger, Maine Mason's Lewy's Island Lodge - Bikes for Books, Marcia Buker Elementary Parent Teacher Group, Marcia Buker Elementary School, Mt. View Senior Class Project Graduation, Penquis CAP, Pine Tree Camps, Richmond Middle/High School, Richmond Police Department, Richmond Recreation Department, Richmond Rec. Ice Fishing Derby, Richmond Food Pantry, Schoodic Shriners, Spectrum Generations, St. Croix Bowling Club, The Wesley Foundation, Topsfield Corner Church, Topsham Parks & Rec. Youth Soccer, Travis Mills Foundation, UMaine Machias Alumni Association, Unity Business Exchange, Unity Public Library, Unity Food Pantry, Washington County Fair, Woodland Jr/Sr High School, Woodland Parks & Rec. Department, Woodland Food Pantry, and the WQDY Turkey A Thon.

