



*NorState*  
Federal Credit Union

*Your Lifelong Financial Partner*

[www.norstatefcu.org](http://www.norstatefcu.org) / 800-804-7555



2021  
Annual Report



## A Message from the Chairman...

Dear Fellow NorState Members:

2021 was another year of challenges and changes, but in 2021 our employees proved once again that our focus and due care, adaptability and agility to market and social changes, and integrity with the member at mind, make us the best of the best.

When we expected the pandemic to end – and it just continued, bearing down on everyone's mental and physical health, NorState employees treated members with open arms and kindness, made them feel welcome and took every opportunity to make these hard times easier. They should be applauded for that.

A hearty thank you to our valued and steadfast members – without you, NorState would not be what it is today. Amid the uncertainty of the world, NorState had a very successful year, which will position us well moving forward. We thank you for that.

We are also reinvesting in the Credit Union to ensure the viability of the future. Our upgrades in technology – both member facing and legacy systems, will position us well to compete in our field of membership, and continue to provide you the best of what can be had to make your financial experience top notch. Investing in our online and mobile banking experience is important in maintaining your trust and credibility as your financial partner. We want to see you attain your financial goals and will do what we can to make that easy and seamless.

You can count on our employees and all volunteer board of directors to place the best interest of our members at the heart of every decision we make. We thank you and wish you a happy, healthy and successful 2022.

Respectfully,

*Leigh Smith*

Leigh Smith, Chairman

NorState Board of Directors

# A Message from the CEO...



Dear Members,

The credit union movement's focus is PEOPLE. "People Helping People", the motto of the movement, is what has helped so many of our members throughout the years. That motto stands as strong today as it did so many years ago.

NorState continues to be a creative and willing partner in finding solutions for members' concerns and in helping to achieve your financial goals. The difficult times that we have all experienced over the past few years has clearly illustrated the value of having NorState as "your lifelong financial partner". It means that your credit union is there for you in good times and in bad.

I believe NorState FCU's future is bright, and that its most innovative days are ahead. I look forward to watching its continuing success.

I have been blessed to have been able to serve our membership for 34 years in many capacities. I am honored to conclude my time in the credit union industry as the CEO of our magnificent credit union in May 2023, after 35 years of serving our membership in various positions.

I will take NorState, our members, our team, our memories, and the incredible journey with me.

Thank you for affording me the privilege to serve you.  
Thank you for your support.  
Thank you for your loyalty.

Respectfully,

*Susan G Whitehead*

Susan G Whitehead, CEO, CCUE

# 2021 Annual Report

## COMPARATIVE BALANCE SHEET

As of December 31, 2021

<b>ASSETS</b>	<b>2020</b>	<b>2021</b>
Loans	\$128,057,790.53	\$122,147,116.65
Participation Loan	0.00	0.00
Student Loans	189,841.44	134,764.75
VISA Loans	5,899,418.41	5,552,189.58
Mortgage Loans	34,267,108.95	44,306,045.56
Allowance for Loan Losses	(1,244,832.77)	(667,238.47)
Net Loans Outstanding	\$167,169,326.56	\$171,472,878.07
Cash	\$2,047,081.44	\$2,324,375.47
Federal Agency Securities	-	-
TRICORP	20,043,411.00	19,170,782.39
Jumbo CD Investment	18,977,348.05	36,162,366.22
MECUL Capital Stock	200,000.00	200,000.00
Other CU Shares	2,410.10	29,381.25
Federal Home Loan Bank	577,108.06	471,602.90
Invest in Equinox Aroostook - CUSO	57,478.30	90,723.86
Allowance for Loss on Investments	0.00	0.00
Net Investments	\$39,857,755.51	\$56,124,856.62
New Building (Net)	\$598,558.26	\$519,721.65
Land & Building - Mad Branch (Net)	108,989.96	103,589.96
Land & Building - E.L. Branch (Net)	120,491.42	105,724.82
Land & Building - Ash. Branch (Net)	110,334.20	101,204.48
Land & Building - VB Branch (Net)	122,006.10	117,428.70
Land & Building - FK Branch (Net)	213,879.50	207,452.06
Land & Building - PI Branch (Net)	1,316,527.95	1,282,995.99
Storage Shed - Mad (Net)	0.00	0.00
Storage Shed - FK (Net)	680.00	440.00
Leasehold Improvements (Net)	1,393.24	1,077.88
Land Improvements (Net)	1,555.80	1,289.16
Furniture & Equipment (Net)	456,539.80	395,506.14
All Other Assets	3,809,674.12	1,769,938.44
Deposits in NCUSIF	1,687,146.08	1,853,297.33
Pension Plan Asset	4,740,636.00	5,654,621.00
Split Dollar Life Insurance CSV	1,329,937.67	1,355,791.95
Total Other Assets	14,618,350.10	13,470,079.56
Total Assets	\$223,692,513.61	\$243,392,189.72
<b>LIABILITIES</b>	<b>2020</b>	<b>2021</b>
Accounts Payable (Including CSD)	\$1,529,392.25	\$2,198,856.91
Notes Payable	7,500,000.00	5,500,000.00
All Other Liabilities	205,144.16	158,623.66
Total Liabilities	\$9,234,536.41	\$7,857,480.57
<b>OWNERS' EQUITY</b>		
Shares	\$52,495,010.97	\$67,285,558.94
Share Drafts	37,062,879.81	39,939,597.15
IRA Certificates	20,071,792.89	19,338,200.16
Share Certificates	50,255,782.73	44,807,927.02
Money Market Fund (Flex)	18,705,606.94	21,913,106.82
Non-Member Certificates	798,000.00	798,000.00
Regular Clubs	5,781,244.49	6,664,043.30
IRA Clubs	4,325,479.59	6,254,803.94
Escrow Payable	43,999.35	27,345.54

Unapplied Club	76,609.60	112,130.84
Total Deposits	\$189,616,406.37	\$207,140,713.71
Regular Reserves	\$3,718,650.07	\$3,718,650.07
Acc Gain/Loss AFS Securities	0.00	0.00
Undivided Earnings	24,621,681.13	27,877,181.48
Unrecognized Gn (Ls) in Pension Plan	(3,947,798.00)	(2,857,472.00)
Accum Unrealized Gn/Ls on AFS Invest.	449,037.63	(344,364.11)
Total Retained Earnings	24,841,570.83	28,393,995.44
Total Liabilities & Equity	\$223,692,513.61	\$243,392,189.72

## COMPARATIVE INCOME STATEMENT

As of December 31, 2021

<b>INCOME</b>	<b>2020</b>	<b>2021</b>
Interest Income:		
Interest On Loans	\$9,305,057.03	\$9,324,041.80
Income From Investments	407,958.77	390,087.25
Income from Investment in CUSO	157.57	0.00
Total Interest Income	\$9,713,173.37	\$9,714,129.05
Interest Expense:		
Dividends	\$1,803,965.56	\$1,362,020.33
Interest On Borrowed Funds	153,917.56	110,004.02
Total Interest Expense	1,957,883.12	1,472,024.35
Net Interest Income	\$7,755,290.25	\$8,242,104.70
Provision Loan Loss	\$892,111.41	\$(332,143.88)
Provision for Investment Loss	0.00	0.00
Net Int. Inc. After Provision Loss	\$6,863,178.84	\$8,574,248.58
<b>OPERATING EXPENSES:</b>		
Salaries	\$3,723,296.49	\$3,815,520.37
Employee Benefits	1,024,517.99	1,060,769.60
Education & Conference Expenses	38,181.34	59,753.90
League Dues	26,677.00	27,542.00
Office Occupancy Expenses	472,770.54	441,871.98
Office Operations Expenses	811,291.48	951,135.32
Member Educational & Promotional	193,289.80	184,584.70
Loan Servicing Expenses	759,110.27	750,033.32
Professional & Outside Expenses	775,321.40	729,357.68
Operating Fee - NCUA	53,942.87	45,149.18
Cash Over & Short	3,610.76	4,438.53
Annual & Other Meetings	31,145.62	24,389.40
Unrealized Loss On Canadian \$	3,334.09	24,916.20
Loss On Canadian Exchange	0.00	0.00
Miscellaneous Expenses	51,100.53	42,413.53
Total Operating Expense	\$7,967,590.18	\$8,161,875.71
<b>OTHER OPERATING INCOME:</b>		
Recovery of Unrealized loss on Can \$	\$19,471.59	\$371.73
Income from Canadian Exchange	(10,479.34)	36,628.47
Misc. Operating Income	2,264,986.51	2,999,214.61
Total Other Operating Income	\$2,273,978.76	\$3,036,214.81
<b>NON-OPERATING GAIN (LOSS):</b>		
Gain (Loss) on Disposition-Assets	\$111,964.21	\$148,734.57
Oreo Expense / Income	52,196.91	44,443.62
Total Non-Operating Gain (Loss)	(164,161.12)	(193,178.19)
Net Income (Loss)	\$1,005,406.30	\$3,255,409.49





#team





**norstate**



# *NorState*

## Federal Credit Union

*Your Lifelong Financial Partner*

*Serving YOU Since 1941*

[www.norstatefcu.org](http://www.norstatefcu.org)

1-800-804-7555

Serving Aroostook & Northern Penobscot Counties  
with 6 Locations and 9 ATMs in:

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ASHLAND, FORT KENT & PRESQUE ISLE