

Accounts Payable (Including CSD)	\$ 597,576.64	\$ 730,076.08
Notes Payable	8,750,000.00	9,250,000.00
All Other Liabilities	1,086,741.10	238,145.11
Total Liabilities	\$ 10,434,317.74	\$ 10,218,221.19

OWNERS' EQUITY

Shares	\$ 37,915,111.88	\$ 39,704,263.43
Share Drafts	22,614,795.98	24,216,440.62
IRA Certificates	20,231,169.06	19,443,201.30
Share Certificates	45,377,916.31	45,928,818.43
Money Market Fund (Flexes)	16,169,022.74	15,943,733.08
Non-Member Certificates	2,541,000.00	1,047,000.00
Regular Clubs	4,149,578.92	4,239,193.89
IRA Clubs	4,005,201.96	4,365,393.68
Escrow Payable	77,403.04	50,805.36
Unapplied Club	46,254.15	54,531.34
Total Deposits	\$ 153,127,454.04	\$ 154,993,381.13
Regular Reserves	\$ 3,718,650.07	\$ 3,718,650.07
Acc Gain/Loss AFS Securities	0.00	0.00
Undivided Earnings	20,224,710.89	22,322,515.09
Unrecognized Gn (Ls) in Pension Plan	-2,556,925.00	-3,312,955.00
Accum Unrealized Gn/Ls on AFS Invest.	-103,946.11	-272,239.29
Total Retained Earnings	21,282,489.85	22,455,970.87
Total Liabilities & Equity	\$ 184,844,261.63	\$ 187,667,573.19

BOARD OF DIRECTORS

Clifton Cyr, Chairman
 Bertrand Cyr, Vice Chairman
 Raymond Marquis, Treasurer
 Muriel Dechaine, Secretary
 David Mitchell, Director
 Leigh Smith, Director
 Jeff Davenport, Director

SUPERVISORY COMMITTEE

Maurice Pelletier, Committee Chairman
 Mary Ann Chasse, Member
 Sharon Chasse, Member
 Bertrand Cyr, Member

NATIONAL CREDIT UNION ADMINISTRATION

Your share (savings) accounts are insured up to \$250,000 and backed by the National Credit Union Administration, a U.S. Government Agency. We are an Equal Opportunity Lender and an Equal Housing Lender. We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act.

NorState
 Federal Credit Union

Your Lifelong Financial Partner

NORSTATE FEDERAL CREDIT UNION

78 Fox Street, Madawaska, Maine 04756
 156 Main Street, Van Buren, Maine 04785
 3333 Aroostook Rd., Eagle Lake, Maine 04739
 23 Station Street, Ashland, Maine 04732
 164 Market Street, Fort Kent, Maine 04743
 738 Main Street, Presque Isle, Maine 04769

(800) 804-7555 • www.norstatefcu.org



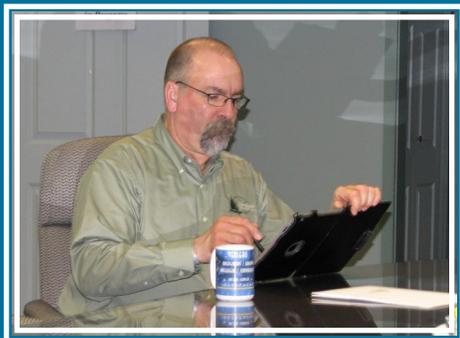
2018 ANNUAL REPORT



NorState
 Federal Credit Union

Your Lifelong Financial Partner

**A MESSAGE from the
Chairman of the Board of Directors**



Dear Members,

What an exciting 2018! As always, we thank you for being a member. We have been working diligently to improve your financial experience in many ways. Technology is moving forward faster than ever. We are making sure that we keep up with the latest financial technologies that will provide you with efficient and secure access to your accounts. You will be noticing new and exciting products and services in 2019.

The credit union's accomplishments are only made possible by the support of you, our members and our dedicated staff who continually adapt, learn and provide exceptional service to you. NorState is recognized as a strong community supporter, and we will continue to develop and strengthen that bond in the years ahead. We are ready to serve your needs and exceed your expectations in 2019!

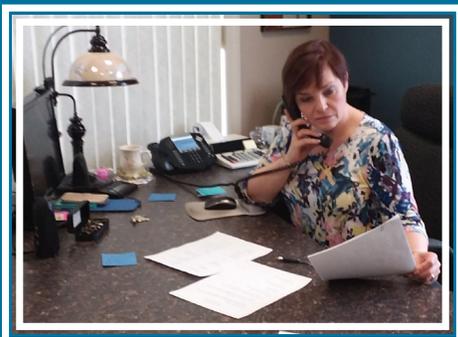
I wish you all the best,

Clifton P. Cyr, Chairman of the Board

**A MESSAGE from the
Chief Executive Officer (CEO)**

Thank You !

Welcome and thank YOU all for making 2018 a fantastic year for our credit union! We have rolled out several new products and services and updated others to better serve you.



As we all know, the world is changing exponentially each year, especially in technology and also in financial regulations. Even so, our promise to you, is to keep moving ahead to maintain state of the art services and remain true to our Vision which is: "NorState FCU is the most valued, respected and progressive provider of financial services to all residents of Aroostook County and Northern Penobscot County".

With the 1st quarter of 2019 already behind us, I believe that this will be a very exciting year for all of us. We are thrilled to introduce a new loyalty program, LuvMyCU Perks, and encourage you to take advantage of its many benefits available to you.

As always, your feedback is important to us. We encourage you to communicate with us and keep us informed of what your needs may be, so we can be of quality service to you, our members.

We value your membership and loyalty to the organization and extend our promise to you that we will continue to make you proud to be a member.

I hope that 2019 brings you all health, prosperity and a sense of excitement.

On behalf of the entire staff and your elected volunteers I wish to:

Thank you for the privilege to serve you.

Thank you for your continued support.

Thank you for your loyalty.

Respectfully,

Susan G. Whitehead, CEO, CCUE

COMPARATIVE BALANCE SHEET

As of December 31, 2018

	2017	2018
ASSETS		
Loans	\$ 124,783,165.32	\$ 123,744,158.17
Participation Loan	0.00	0.00
Student Loans	346,860.00	297,521.52
VISA Loans	7,189,352.53	6,832,620.95
Mortgage Loans	21,049,531.07	26,014,032.12
Allowance for Loan Losses	(1,302,005.68)	(1,314,592.68)
Net Loans Outstanding	\$ 152,066,903.24	\$ 155,573,740.08
Cash	\$ 2,009,241.01	\$ 2,238,555.23
Federal Agency Securities	\$ -	\$ -
TRICORP	807,345.59	855,469.53
Jumbo CD Investment	15,202,874.43	15,494,655.43
MECUL Capital Stock	200,000.00	200,000.00
Other CU Shares	75,142.90	24,760.19
Federal Home Loan Bank	688,246.60	669,910.14
Invest in Equinox Aroostook - CUSO	90,010.00	90,010.00
Loan to Equinox Aroostook - CUSO	79,535.07	69,032.30
Synergent Debentures	25,000.00	15,000.00
Allowance for Loss on Investments	0.00	0.00
Net Investments	\$ 17,168,154.59	\$ 17,418,837.59
New Building (Net)	\$ 827,983.14	\$ 755,233.86
Land & Building - Mad Branch (Net)	125,189.96	119,789.96
Land & Building - E.L. Branch (Net)	137,860.26	128,593.64
Land & Building - Ash. Branch (Net)	137,356.66	131,161.50
Land & Building - VB Branch (Net)	164,791.22	150,024.62
Land & Building - FK Branch (Net)	236,046.50	227,782.10
Land & Building - PI Branch (Net)	1,412,975.39	1,379,539.91
Storage Shed - Mad (Net)	0.00	0.00
Storage Shed - FK (Net)	1,400.00	1,160.00
Leasehold Improvements (Net)	4,427.75	2,859.11
Land Improvements (Net)	3,122.92	2,396.32
Furniture & Equipment (Net)	326,257.34	289,203.63
All Other Assets	2,849,839.51	2,636,302.49
Deposits in NCUSIF	1,475,122.44	1,497,483.56
Pension Plan Asset	4,656,958.00	3,845,550.00
Split Dollar Life Insurance CSV	1,240,631.70	1,269,359.59
Total Other Assets	13,599,962.79	12,436,440.29
Total Assets	\$ 184,844,261.63	\$ 187,667,573.19