

2023 | ANNUAL REPORT



**CELEBRATING 70 YEARS OF
MAKING A
DIFFERENCE**

OTIS
FEDERAL CREDIT UNION



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PRESIDENT'S REPORT

OTIS FCU began with the goal of making a difference in the lives of others.

In 1954, the average family experienced difficulties acquiring a loan. Recognizing the need for affordable financing in our community, eleven local millworkers decided to combine their resources and form OTIS Division Federal Credit Union, an independent, not-for-profit financial institution owned and operated by its own membership.



Seventy years later, OTIS FCU still serves as a beacon of hope and financial strength for many who would otherwise have been unable to get the financing they need. The loans we offer continue to be at industry-leading rates and have historically included mortgage refinances; home equity, auto, recreational, and personal loans; and credit cards. We have since expanded to include an enhanced, and flexible Line of Credit, with traditional mortgage options soon to be delivered.

In addition to offering affordable financing and low-cost services, OTIS FCU embodies the Credit Union spirit of “people helping people” through giving back to our community. Whether we are organizing fundraisers for local food pantries, donating to youth sports, or hosting financial education events for local students, OTIS Federal Credit Union is committed to making a difference in the lives of those around us. In 2023 alone, we had the privilege of volunteering, and donating over \$46,000 to local organizations, and through Ending Hunger initiatives. Dedicated volunteers from our staff and Board continue to make this possible. We are passionate about the communities we serve, and appreciate the support from all of our membership. Without you, this would not be possible.

We continue to invest in our people, our greatest asset. We have worked diligently to improve our speed of delivery and overall service, through investing in technology and training to ensure we continue to meet the needs of our members on your time, where you are.

As we move forward, we remain dedicated to delivering the financial services you need with the personalized service that our members deserve, and have come to know and expect. Our members are our owners, and we want you to succeed no matter your financial situation. **When you bank with OTIS, you can bank on OTIS.**

Yours in service,
Christopher Bouchard
President/CEO

DIRECTOR'S REPORT

On behalf of the Board of Directors and Supervisory Committee, we welcome you to the 70th Annual Meeting. Thank you for joining us in celebration of this milestone and in review of another successful year.

Between 2022 and 2023, we experienced loan growth of nearly \$11.5 million and an increase of over \$2.5 million in net income, year over year. Due to the nature of being a not-for-profit financial institution, this net income is returned to our members through expansion of services; improvements in technology and facilities; and maintaining lower borrowing rates, higher deposit rates, and fewer fees than our for-profit competitors. A significant portion was returned directly to our members' accounts on January 1, 2024, through the "OTIS Advantage," our Annual Bonus Dividend and Interest Refund. Over the last 19 years, we have had the honor of giving back over \$6.9 million to our savers and borrowers through this practice.

Since 1954, it has been our mission to make a difference in the lives of our members and those in our community. Thank you for choosing OTIS FCU, and we look forward to our continued relationship as your trusted financial partner.

Respectfully submitted,
Duane Lake
Chairman, Board of Directors

SUPERVISORY COMMITTEE REPORT

On the basis of our NCUA Examination and our CPA Opinion Audit, we are pleased to report that the financial records are properly maintained and fairly represented in all materials in respect to the financial condition of OTIS Federal Credit Union. In addition to the Examination and Opinion Audit, the Supervisory Committee members performed surprise monthly cash counts, reviewed closed accounts, and reviewed loan documents this past year. All these steps are taken to ensure that proper controls and procedures are in place.

Respectfully submitted,
Samuel Howes
Chairman, Supervisory Committee

BOARD MEMBERS & EMPLOYEES

As of April 30, 2024

BOARD OF DIRECTORS

Duane Lake, *Chairman*
Gary Desjardins, *Vice Chairman*
Donna Labbe, *Secretary*
Stephen Hamilton, *Treasurer*

Robert Farrington, *Director*
Marcus McAllister, *Director*
Stephen Maki, *Director*

SUPERVISORY COMMITTEE

Samuel Howes, *Chairman*
Marcus McAllister, *Member*
Scott Richmond, *Member*

EMPLOYEES

Christopher Bouchard, *President/CEO*
Darice Roy, *Vice President*
Natalie Allen, *Member Specialist—IRAs*
Emma Blaisdell, *Teller Supervisor*
Pamela Buote, *Accounting Manager*
Breanna Buck, *Teller*
Lindsay Castonguay, *Loan Officer*
Kimberly Couture, *Director of Marketing & Communications*
Nathan Davis, *IS/IT Specialist*
Craig DeRosby, *IS/IT Manager*
Bobbi Jo Fletcher, *Collections*
Jasmine Jackman, *Loan Officer*
Trent Keene, *Assistant Teller Supervisor*
Amber McKenna, *Teller*
Josie Metivier, *Member Specialist—Loans*
Jillian Neal, *Member Specialist—Cards*
Stephanie Nichols, *Member Specialist—IRAs*
Morgan Pooler, *Member Specialist—Loans*
Kariss Richards, *Loan Officer*
Diane Sonos, *Receptionist*
Ryan Souther, *Digital Branch/Facilities Manager*
Kristy Starnes, *Member Specialist—Cards*
Jamie Turcotte, *Loan Manager*
Jamie Walp, *Operations Manager*
Jennifer Weston, *Administrative Assistant*
Kassi Whittemore, *Payroll & Scanning Specialist*

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2023

ASSETS

Cash	\$	28,632,010
Investments		113,954,612
Loans to Members		95,377,639
Loan Loss Allowance		(302,041)
Land/Buildings - Net		1,399,666
Other Fixed Assets		291,110
Other Assets		2,767,079
TOTAL ASSETS	\$	242,120,075

LIABILITIES & EQUITY

LIABILITIES

Accounts Payable	\$	1,724,059
TOTAL LIABILITIES	\$	1,724,059

EQUITY

Share Draft Accounts	\$	24,249,732
Regular Shares		77,652,208
All Other Shares and Deposits		100,814,865
TOTAL SHARES	\$	202,716,815

Regular Reserves	\$	2,884,692
Accum. Unreal. Pro./Loss		(632,966)
Undivided Earnings		35,427,485
TOTAL CAPITAL	\$	37,679,211
TOTAL EQUITY		240,396,016
TOTAL LIABILITIES & EQUITY	\$	242,120,075

STATEMENT OF INCOME & EXPENSES

As of December 31, 2023

INTEREST INCOME

Loan Income	\$	5,221,372
Less Interest Refund		(359,301)
Investment Income		4,572,309
TOTAL INVESTMENT INCOME	\$	9,434,380

INTEREST EXPENSES

Dividends	\$	3,169,277
NET INTEREST INCOME		6,265,103
Provision-Loan Loss		(194,000)
NET AFTER LOSS PROVISION	\$	6,071,103

OPERATING EXPENSES

Employee Compensation/Benefits	\$	2,552,156
Travel/Conference		69,446
Association Dues		25,137
Office Occupation		249,234
Office Operations		438,660
Education and Promotion		121,417
Loan Service Expenses		481,328
Professional/Outside Service		1,193,778
Member Insurance and NCUA Fees		88,746
Annual Meeting Expenses		6,672
Misc. Operating Expenses		5,526
TOTAL OPERATING EXPENSES	\$	5,232,100

OTHER OPERATING INCOME

Operating Fees and Charges	\$	3,149,301
Gain/Loss-Disp. Assets		-
NET INCOME	\$	3,988,304

MAKING A DIFFERENCE: ENDING HUNGER CAMPAIGN

Each year, Credit Unions across the State of Maine hold fundraisers as part of the Campaign for Ending Hunger, a cooperative effort to end hunger in our state.

\$1,221,868.94

raised by Credit Unions statewide in 2023!

\$20,925.25

raised by OTIS Federal Credit Union in 2023!

\$1,747.51

raised at our 2023 Yard Sale for Ending Hunger!

\$1,488.50

raised at our 2023 Plant Sale for Ending Hunger!

\$791.00

raised at our 2023 Soup Day for Ending Hunger!

\$776.52

raised at our 2023 Spring Book Sale for Ending Hunger!

OTIS FCU held other fundraising activities throughout 2023, such as selling candy, craft items, movie passes, cell phone accessories, and sunflowers; hosting a Painting FUNdraiser; and displaying special graduation messages on our road sign for all to see.

***ALL funds raised by
OTIS FCU are distributed to
local food pantries.***



MAKING A DIFFERENCE: COMMUNITY EVENTS

OTIS Federal Credit Union is always looking for ways to give back to our communities. There were a number of community events that OTIS FCU was actively involved in throughout 2023, such as an Easter Egg Hunt for local children; a Resource & Training Fair; and a Career Fair for Spruce Mountain High School students.

SPECIAL OLYMPICS BENEFIT

In April 2023, OTIS employees and volunteers planned and carried out a celebration supper/fundraiser for Special Olympian Trent Paradis, a graduate of Jay High School and participant in the 2023 Special Olympics World Games.

The event was initially proposed by OTIS employee Morgan Pooler, a Jay High School classmate and friend of Trent's. When asked what made her think of doing this benefit, she said, "I think that the athletes themselves are an inspiration. When I saw someone from my high school class, in this small community, earn this opportunity, it made me want to help however I could. Seeing how many people came out on Saturday to show their support and excitement for Trent was wonderful."



TOTES FOR TEACHERS

OTIS employees also planned and organized an appreciation event at OTIS FCU for local educators, who received free back-to-school supplies donated by OTIS FCU.

Remaining supplies were donated and delivered to two area schools.

MAKING A DIFFERENCE: FINANCIAL EDUCATION

FINANCIAL FITNESS FAIRS

OTIS Federal Credit Union hosted two Financial Fitness Fairs during the month of October 2023 for the Spruce Mountain High School juniors and sophomores. These Fairs functioned as a budgeting exercise for the students, with the end goal of completing the exercise under budget. For their participation, all students were offered an OTIS gift bag, and eight students also won gift certificates. These events were staffed by OTIS FCU employees and Board Members.

After the completion of both Fairs, School Counselor Christopher Beaudoin commented, “Spruce Mountain High School is very grateful to OTIS Federal Credit Union for coming to the school to teach, in a fun way, fiscal responsibility to our students. The students were very much engaged in the activities and I believe learned a great deal of what is involved in real world personal finance. I am hoping this can be something we can do with the Credit Union and our students annually. I also would like to say that it is really incredible to have such a community minded financial institution in these three towns that really cares for the people that it serves.”

OTIS Federal Credit Union looks forward to an ongoing partnership with Spruce Mountain High School and continuing to be a financial education resource for the local community.



MAKING A DIFFERENCE: PRESERVING LOCAL HISTORY

\$5,000 DONATION TO MAINE'S PAPER & HERITAGE MUSEUM

In the summer of 2023, OTIS Federal Credit Union donated \$5,000 to Maine's Paper & Heritage Museum, located in Livermore Falls, Maine. This donation helped the Paper Museum reach its goal of raising \$25,000 to match a grant received for building repairs.

Regarding this decision, OTIS FCU President/CEO Chris Bouchard remarked, "The paper industry helped shape this community and provide for generations of families as well as businesses both near and far. Being a Credit Union founded by local millworkers, it's in our heritage. The remarkable individuals who volunteer at this museum are committed to preserving our community's unique history in the paper industry. We are honored and privileged to be able to provide support to Maine's Paper and Heritage Museum."



MAKING A DIFFERENCE: ANNUAL BONUS DIVIDEND & INTEREST REFUND

19 YEARS:

*how long we have been returning our profits
to our members through this practice!*

OVER \$6.9 MILLION

returned to members over the last 19 years!

\$566,112.94

given back on January 1, 2024 alone!

The Annual Bonus Dividend & Interest Refund (the "OTIS Advantage") is given back to our members according to their economic participation in the Credit Union.

Whether you save or borrow, the more you choose OTIS for your financial needs, the more profit we share with you!



MAKING A DIFFERENCE: DONATIONS & SPONSORSHIPS

During the course of the 2023 calendar year, OTIS FCU had the privilege of donating to and sponsoring a wide variety of worthy causes in our communities. Here are many of the organizations to which the Credit Union donated, and events which it sponsored.

- American Legion Post #10 Dirigo State Program
- Area Youth Sports - Silver Sponsor
- Area Youth Sports Softball
- Canton Baptist Church Food Pantry
- Canton Historical Society
- Care & Share Food Closet
- Clearwater Ministries Food Pantry
- Farmington Elks Lodge
- Farmington Emblem Club
- Farmington Harness Horsemen Association
- FIRST Robotics
- Foster Tech Center Forestry/Woodharvesting Loggers' Meet
- Franklin County Babe Ruth
- Franklin County Chamber of Commerce
 - Annual Meeting
 - Gerry Wiles Food Drive
 - Scholarship Golf Classic
- Franklin County Children's Task Force
- Father-Daughter Dance
- Full Plates Full Potential
- Greater Androscoggin Humane Society
- Greater Franklin Development Council
- Harris House
- HOLLANDSTRONG
 - Fishing Derby
 - SMHS Tennis Courts Rebuild Project
- Jay-Livermore Falls Lions Club
- Jay-Livermore-Livermore Falls Chamber of Commerce
 - Annual Meeting
 - Annual Scholarship Fund Golf Tournament
 - Apple Pumpkin Festival & 5K
 - Breakfast Meeting
 - Olde Fashioned Christmas
- Jay-Niles Memorial Library
- Lake Anasagunticook Association
- Leeds Community Church Food Pantry
- Lifeline for ME Recovery Center
- Livermore Area Recreation
- Maine Credit Union League
 - Ending Hunger Convention Auction & Golf Tournament
- Mission at the Eastward
- Norm Nolette Golf Tournament for Ending Hunger - Eagle Sponsor
- Olympia Snowe Women's Leadership Institute
- Operation ReBoot - Cornhole Tournament
- Phillips Area Food Pantry
- Rural Community Action Ministry
- Safe Voices
- SeniorsPlus
- Sexual Assault Prevention & Response Services (SAPARS)
- Showtime Athletics Cheer & Dance Program
- Special Olympics
- Spruce Mountain Blues Bash
- Spruce Mountain High School Boys' Soccer Boosters
- Spruce Mountain High School Envirothon Team
- Spruce Mountain High School Field Hockey Boosters
- Spruce Mountain Primary School Food Pantry
- Spruce Mountain Ski Club - Free Ski Night
- St. Rose Church
- Stratton/Eustis Food Pantry
- Town of Hartford Food Bank
- Town of Jay - Music in the Park & BBQ
- Tri-Town Ministerial Food Cupboard
- Turner Athletic Association
- Turner Food Pantry
- Turner Ridge Riders
- United Methodist Economic Ministry Food Pantry
- United Way of the Tri-Valley Area - Corporate Champion Circle
- University of Maine - ArtsFarmington
- W.G. Mallet School Food Pantry
- Western Maine Paper & Heritage Museum
- Wilson Lake Country Club
- Wilton Area Food Pantry
- Wilton Blueberry Festival
- Wilton Fish & Game Association



– **EMPLOYEE OF THE YEAR** –

Congratulations to **Darice Roy**, our Vice President, who was selected by her fellow employees as **Employee of the Year 2023!**

We are truly grateful to have such a **kind, understanding, and positive** leader here at OTIS FCU.

The following employees were also recognized in 2023 for their outstanding contributions to the Credit Union:



Bobbi Jo Fletcher



Nathan Davis



Kimberly Couture



Kariss Richards



Kristy Starnes



Jennifer Weston



Trent Keene



Lindsay Castonguay



Jasmine Jackman



– **IN MEMORIAM** –

OTIS Federal Credit Union's 70th Annual Meeting
is dedicated to, and in memory of,
Daniel Mancine.

He was known for his dedication to his family
as well as his volunteerism, having served
on OTIS FCU's Board of Directors
and the AMVETS Special Olympics
Committee for many years.



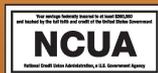
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