

A letter from our President/CEO

I'm pleased to report that the bank had a very successful year in 2021, despite the continued stresses brought on by the pandemic. The Skowhegan Savings team did a remarkable job of adjusting to change, moving projects forward and growing the bank even though, like many of you, we also felt some staffing pressure from the nationally experienced great resignation.

Some key highlights include:

- Processing a second round of PPP loans for our business customers and helping 99% of them obtain full forgiveness for these loans.
- Having a smooth conversion to a new core operating system, which provides us more tools and services to offer going forward.
- A successful opening of our brand-new Portland Business Center.
- Obtaining record levels of deposits, loans and capital.
- Originating a record \$163.1 million in loans, which helped our customers build their businesses and reach their personal goals.
- Being named the Best in State Bank for Maine by Forbes and 3rd nationally.

I'd also like to reinforce the strength that our mutual form of ownership provides us. In lieu of issuing dividends to stockholders, we make investments in our communities. The bank made over \$174,000 in total donations to non-profits. We also continued to strengthen the Skowhegan Savings Community Foundation by donating \$500,000 in marketable securities, raising its available funds to \$3.1 million; and it donated an additional \$87,000 in support of its mission to prepare tomorrow's workforce today.

**We truly are here to make our communities a better place to live and work.
I want to thank our whole team for living our values of integrity, teamwork,
being straightforward and feeling a privilege to serve.**

Thank you for banking with Skowhegan Savings, we appreciate you!



A handwritten signature in black ink that reads "David Cyr".



David Cyr,
President and CEO



Integrity



Forbes Names Skowhegan Savings Best Bank in Maine and Third in the Nation

Forbes, in conjunction with Statista Inc, the world-leading industry ranking and statistics provider, recently announced the top banks in each of the 50 states as ranked by consumers. Skowhegan Savings was recognized as the 2021 Best Bank in Maine and third in the country, making the bank the only Maine based bank to be in this year’s top five.

Annually, Forbes and Statista identify America’s Best-In-State Banks 2021 based on an independent survey of approximately 25,000 US consumers who were asked to rate banks at which they have or previously have had checking accounts. Of the 4,978 FDIC insured banks in the United States, only 135, or 2.75% made this year’s list. According to the survey, banks across the US averaged an overall satisfaction score of 79.1 out of 100 while Skowhegan Savings rated 93.56 putting it at the top of their list for Maine and third in the nation overall.

“I was delighted to hear that our team’s hard work and commitment to customer service had been recognized by such a distinguished company,”

- David Cyr,
President and CEO

2021 Employees of the Quarter

Each quarter, our employees are nominated by their peers to be recognized for their overall demonstration of integrity, dedication to their customers, commitment to the bank and support of their colleagues. Here are this year’s winners:

- | | |
|------------------------|---|
| Vicki Bosworth | AVP Deposit Services Manager |
| Carrie Bredeau | Regional Branch Manager, Franklin County |
| Brenda Dyer | Personal Banker IV, Madison Branch |
| Kristen Dubord | Community Banker, Franklin County |
| Lindsey Keen | Loan Processor |
| Barbara Cotta | SVP Chief Operations Officer |
| Melissa Warren | Skowhegan Branch Manager |
| Kate Linkletter | Deposit Ops Clerk II |

2021 Employee of the Year



Brenda Dyer
Personal Banker IV
Madison Branch



Privilege to Serve



Employees Give \$30,000 to Local Non Profits During “Season of Giving”

On Giving Tuesday, Skowhegan Savings announced a commitment to give away 20 \$1,000 grants to local charities as part of their “Season of Giving” program. All non-profit grant recipients were nominated by the bank’s employees with the most nominated organizations selected as the grant winner. Local non-profits were not aware that they would receive a “Season of Giving” grant until announced on the bank’s social media by each branch or department that had selected them.

This year’s Season of Giving grant winners, as selected by our employees, were: Baker Mountain Ski Tow Club, Big Brothers Big Sisters of Southern Maine, Bounce Back Maine, Dexter Sunrise Kiwanis, Dexter Sunshine Club, Family Violence Project of Maine, Fairfield Interfaith Food Pantry, Franklin County Animal Shelter, Friends of Quarry Road, Friends of the Skowhegan Free Public Library, Hospice Volunteers of Somerset County, Jackman Moose River Fire Department, Kennebec Valley Humane Society, Madison Junior High School Food Pantry, Skowhegan Food Cupboard, Smithfield Community Food Pantry, Somerset Humane Society, Sugarloaf Region Charitable Trust and Upper Kennebec Valley Ambulance Services.

In turn, the bank then decided to surprise their employees by making a \$10,000 donation, in their name, to the [Coats for Kids program](#). The Coats for Kids program, promoted by News Center Maine and organized by the Salvation Army, is in its 39th year of annually collecting and distributing coats, hats, boots, mittens and other necessities for youth in need throughout the state of Maine.



Handicap Accessible Fishing Platform

Michael Connolly, a local Boy Scout, had an idea and a mission – to build a handicap accessible fishing platform at Lake George Regional Park for the community to enjoy. The project, from start to finish and fundraising, was Michael’s goal to achieve his Eagle Scout status. The bank pledged \$2,000 to the overall project and then challenged other local businesses to do the same. The dock was completed and open to the public at a ribbon cutting ceremony in May of 2021.

Skowhegan Savings Surprises 10 Local Organizations with Jobs for New England Recovery Grants

Skowhegan Savings secured a \$50,000 grant from the Federal Home Loan Bank of Boston's (FHLBank of Boston) Jobs for New England Recovery Grant to surprise 10 local businesses and organizations with \$5,000 grants each. Created by the FHLBank of Boston, the program allows member financial institutions to apply for the grants and disperse to small businesses and nonprofits who have experienced significant challenges due to the COVID-19 pandemic.

The following businesses and organizations qualified to receive one of these grants: [Alice's Restaurant in Skowhegan](#), [Brick House Kitchen in Skowhegan](#), [Country Mutt pet grooming in Kingfield](#), [Classic Provisions in Rangeley](#), [Heritage House Restaurant - Skowhegan, Maine](#), [Hospice Volunteers of Somerset County \(HVSC\)](#), [Moodytown Gardens in Palmyra](#), [Somerset Humane Society](#) and [Stage Presence For Dancers in Winslow](#).

Throughout the pandemic, the Skowhegan Savings team has been looking for opportunities and programs to support local businesses.



“The FHLBank of Boston’s Jobs for New England Grant program gave us another avenue to help these businesses during the pandemic and we are proud that we were able to take advantage of it on their behalf,”

- Steve Thomas
SVP Senior Commercial Lender



Skowhegan Savings Employees Pay it Forward in Their Communities

In celebration of National Pay it Forward Day, our employees went out into their communities to spread a little kindness on behalf of the bank. It may have been a cup of coffee for those behind them, paying off someone's fuel bill, buying school supplies, donating to a charity or surprising local businesses and first responders with lunch. Our employees enjoy giving back to their communities and we are thankful that they chose to make someone's day just a little bit brighter.

Employee Appreciation is a Year Round Affair

Our Skowhegan Savings team is the heart of what makes the bank successful. The bank enjoys recognizing employees throughout the year with Fun Fridays, Spirit Days, celebrating the Fourth of July with gift certificates to Hannaford for BBQ supplies, Pick Your Present during the holidays where employees can select a gift and other ways to celebrate throughout the year as a team. Thank you to our employees for making Skowhegan Savings what it is today.



Engaged Employees





Straight Forward



“

“I just called to have some major stuff done to my account that I was so nervous about doing but I had a Sean answer the phone and WOW, WOW, WOW! He so loves his job and it showed. I was floored, simply floored about the time and help he gave me. I had to call and just tell someone how elated I am with Sean’s work!”

- Skowhegan Savings Customer

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Sean Little
Customer Service Representative II
Call Center

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“Jodi, thank you for helping us to achieve our goals and be both successful community members and business owners”

- Skowhegan Savings Customer

”

Jodi Michaud
Personal Banker IV
Skowhegan Branch

“

“Rangeley Branch, thank you for your due diligence in protecting our account. We are so happy that we bank with Skowhegan Savings because a bigger bank, that didn’t care so much, may have let that slip. This why we bank with you, you are they best!”

- Skowhegan Savings Customer

”

Rangeley Branch
Ashley Quimby, Branch Manager
Hudson Deraps, Personal Banker II

Skowhegan Savings Portland Business Center Now Open

In 2021, the bank hosted a ribbon cutting ceremony to celebrate the opening of their newest location at 287 Marginal Way in Portland. City officials, Portland Region Chamber members, employees and project partners joined the gathering. The new 3,040 square-foot Portland Business Center puts the bank at 12 locations in central, western and southern Maine.



“We’re very excited to continue our expansion into southern Maine with a physical location,” said Skowhegan Savings president and CEO David Cyr. “The decision to expand was spurred by our success at building relationships in this market and our desire to provide them another convenient access point. We are honored to officially join the Portland community and be in a position to better serve local businesses and the people who live and work here.”

Statement of the Standing and Condition of the Skowhegan Savings Bank

CONSOLIDATED SUMMARY BALANCE SHEETS

YEARS ENDED DECEMBER 31, 2021 AND 2020

ASSETS	2021	2020
Cash & Cash Equivalents	67,488,029	79,687,287
Investment Securities	170,170,280	130,342,990
Equity Securities	13,421,915	11,484,320
Loans	495,765,722	471,255,040
Other Assets	33,572,118	29,534,430
TOTAL ASSETS	\$780,418,064	\$722,304,067
LIABILITIES AND CAPITAL		
LIABILITIES		
Customer Deposits	662,830,526	598,749,618
Other Liabilities	6,270,148	5,583,233
FHLB Borrowings	7,603,750	17,603,750
Total Liabilities	676,704,424	621,936,601
CAPITAL		
Retained Earnings	104,963,053	98,693,610
Accumulated Other Comprehensive Income	-1,249,413	1,673,856
Total Capital	103,713,640	100,367,466
TOTAL LIABILITIES & CAPITAL	\$780,418,064	\$722,304,067

CONSOLIDATED SUMMARY STATEMENTS OF INCOME

Years Ended December 31, 2021 and 2020

INTEREST INCOME/EXPENSE	2021	2020
Interest and Dividend income	24,021,025	23,735,205
Interest Expense	1,238,474	2,176,339
Net Interest Income	22,782,551	21,558,866
Provision for Loan Losses	180,000	975,000
Net Interest Income After Provision for Loan Losses	22,602,551	20,583,866
NON-INTEREST INCOME/EXPENSE		
Non-Interest Income	2,308,313	2,365,708
Non-Interest Expense	19,139,177	18,148,951
Income Before Income Taxes and Security Gains	5,771,687	4,800,623
Net Security Gains	0	3
Net Unrealized Gains on Equity Securities	1,939,114	4,268
Income Tax Expense	1,441,358	562,625
NET INCOME	\$6,269,443	\$4,242,269

BOARD OF DIRECTORS

Richard Anzelc, Chairman	Carolann Ouellette
Joshua Broder	Claire Theriault-Perkins
David Cyr	Howard Sevey
Benjamin Marcus	John Witherspoon

OFFICERS

James Alberico	VP Risk Management Officer
Vicki Alward	SVP Chief Risk Officer
Lynn Andrews	AVP Mortgage Loan Underwriter
James Barron	VP Contoller
Vicki Bosworth	AVP Deposit Services Manager
Jonathan Burrows	Facilities Manager
John Butera	VP Commercial Loan Officer
Karen Chapman	VP Training Manager
Barbara Cotta	SVP Chief Operations Officer
David Cyr	President & CEO
Tracy Dean	VP Retail Customer Relations
Kristen Dubord	Community Banker
Jessica Everett	Community Banker
Christopher Farmer	VP Regional Community Banker
Brian Fitzpatrick	AVP Indirect Lending Manager
Donna Fortin	VP Deposit Relations
Andrew Fortin-Trimble	VP Director of Marketing
Kimberly Friend	AVP Commercial Credit Manager
Ed Goff	AVP Commercial Loan Officer
Stephen Gray	VP Commercial Loan Officer
Jennifer Grenier	AVP Loan Servicing Manager
Paul Hale	Network Administrator
Renee Hawthorne	Community Banker
Felicia Huff	AVP IT Manager
Gregory Legier	VP Commercial Loan Officer
Shelly Lowell	Community Banker
Greg O'Neil	Network Administrator
Tim Michalak	VP Commercial Loan Officer
Donna Mills-Stevens	VP Regional Community Banker
Debbie Nadeau	AVP Call Center Manager
Paula Nelson	AVP Special Assets Manager
Dawn Palmer	SVP Chief Human Resources Officer
Jennifer Piekart	AVP HR Business Partner
Angelica Quick	Community Banker
Tara Russell	VP Commercial Lender
Darlene Salisbury	AVP Audit & Compliance Manager
Richard St. Pierre	SVP Chief Financial Officer
Steven Thomas	SVP Senior Commercial Lender
Daniel Tilton	SVP Sales & Customer Relations
Nanook Tuefferd	AVP Mortgage Operatons Manager
Fawn Wentworth	Marketing Officer
Haley Wescott	Community Banker

SENIOR MANAGEMENT

David Cyr	President & CEO
Richard St. Pierre	SVP Chief Financial Officer
Dan Tilton	SVP Sales & Customer Relations
Steve Thomas	SVP Senior Commercial Lender
Vicki Alward	SVP Chief Risk Officer
Barbara Cotta	SVP Chief Operations Officer
Dawn Palmer	SVP Chief Human Resources Officer

CORPORATORS

Richard Anzelc, III	Lisa Landry
Richard Anzelc, Jr.	Samual LeGeyt
Steven Barrows	Glenn Levesque
Dauida Barter	Robert Luce
John Beaupre	Sandra MacArthur
Brian Bernatchez	Benjamin Marcus
Glenna Blazic	Ted McCarthy
Paul Blouin	Sharon Mountain
Aaron Bolster	Carolann Ouellette
Joshua Broder	Chad Partridge
Larry Caldwell	Christopher Perkins
Flint Christie	Michael Phillips, Jr.
Amedeo Christopher	Doreen Poulin
David Cyr	Les Priest
Donald Davis	Paula Quirion
Gregory Dore	William Randall*
Michael Duguay	Gail Rizzo
Paul Fortin	Jacques Santucci
Roger Gifford	Howard Sevey
Corey Hight	Lindsay Skilling
Jennifer Hight	Donald Skillings II
Samuel Hight	Karl Strand
Virginia Howard	Charles Stokes
Heather Johnson	Claire Theriault-Perkins
Kimberly Jordan	Rhonda Wiles-Rosell
Lawrence Koob	Dana Williams
Michael Lambke, MD	John Witherspoon

*Honorary Corporator

DEDICATION

This year's annual report is dedicated to the memory of Warren Shay, long time board member and corporator of the bank, and Tina Libby, Indirect Loan Processing Specialist and member of the Skowhegan Savings team for over 25 years. From all of us at Skowhegan Savings, we join in saying thank you for your contributions and dedication to the bank and our communities.



Skowhegan
SAVINGS

Skowhegan.com

800.303.9511

