

MAINE
COMMUNITY BANK

2020 ANNUAL REPORT



A Letter from our CEO and Board Chairman

As we move forward into 2021, we want to take a moment to reflect on the accomplishments that made 2020 successful.

2020 was a year of rising to meet unprecedented challenges. While the pandemic raged around us, the Maine Community Bank team rapidly adapted policies and protocols to keep our employees and customers safe. Despite limited in-person contact, our team skillfully guided customers as they learned new ways to safely conduct their banking business.

The pandemic was not the only challenge we faced in 2020. We began the year by finalizing the brand integration of Biddeford Savings and Mechanics Savings to become divisions of Maine Community Bank. Then we consolidated our banking products and integrated our two separate core banking systems into a single platform. Despite the multitude of projects in the works, our team was still able to meet the needs of our customers. Our business team mobilized quickly to process Paycheck Protection Program loans for struggling small businesses, and our residential lending team responded to meet the purchase and refinance boom triggered by historically low interest rates.

None of this could have been possible without the right people in place and we are extremely proud of the Maine Community Bank team. Our achievements in 2020 are a direct result of each person's commitment to bring their best self to everything they do. We look at 2021 with confidence and optimism. Maine Community Bank is bigger, better, stronger, more resilient, and more resolute. The legacy of our predecessors and the challenges of 2020 are the building blocks of a strong future.



Jeanne Hult
Jeanne Hult, President and CEO

Jeffrey Worthing
Jeffrey Worthing, Board Chairman

Building on Our Legacy

150

YEARS

OUR HISTORY

1867

FOUNDING OF
BIDDEFORD SAVINGS

1875

FOUNDING OF
MECHANICS SAVINGS

1980

EXPANSION OF
BIDDEFORD SAVINGS

1999

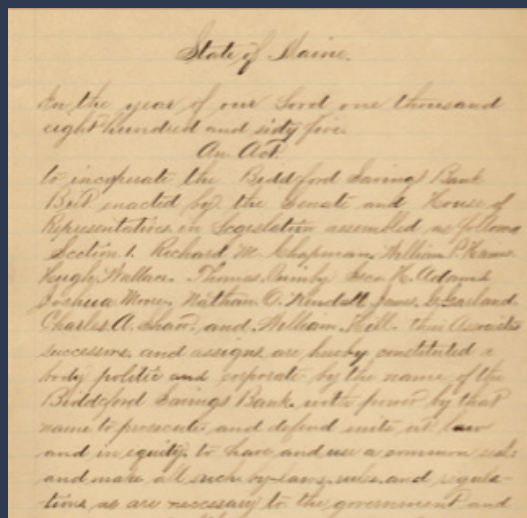
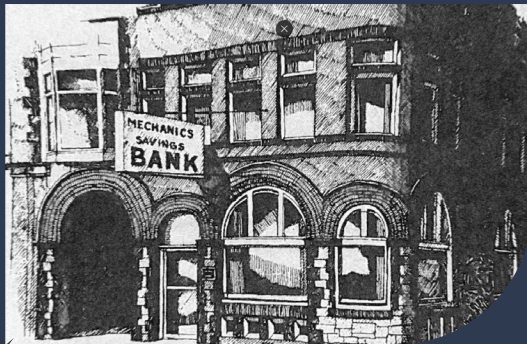
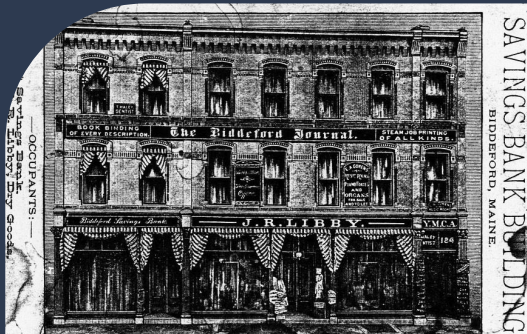
EXPANSION OF
MECHANICS SAVINGS

2016

PARTNERSHIP BETWEEN
BIDDEFORD & MECHANICS
SAVINGS

2020

MERGER INTO
MAINE COMMUNITY BANK



Historically, banks have been the core of a strong community. 150 years of banking along the shores of two iconic Maine rivers is the common thread of heritage shared by Biddeford Savings and Mechanics Savings. When you begin to explore what that really means, you begin to understand how uniquely similar these two institutions are. It also demonstrates how that shared heritage prepared us to meet the challenges of 2020.

While other banks struggled to respond to their customers' requests and pleas for help, the Maine Community Bank team simply rolled up their sleeves, poured another cup of coffee and did their job. They worked until every customer had the answers and the guidance they needed. That's been the standard operating procedure at Maine Community Bank since the very beginning. And, it means we are built to last.



Building on Experience

The strength and resiliency of an organization is best defined by its ability to respond to the unexpected. That's where experience comes into play. In 2020, we drew on the collective knowledge of the entire team and generations of bankers before us.

Knowing we were in for turbulent times, we began our pandemic planning well in advance of the Governor's shutdown. When it hit, we

were ready. At one point, many of our MCB colleagues were working from home, and still we successfully integrated our core banking systems.

While customers were unable to visit our branches, that didn't stop their need for banking services. Many were introduced to online and mobile banking systems for the very first time. Committed to our customers,



**WORKING TOGETHER,
IN THE OFFICE AND FROM
REMOTE LOCATIONS, OUR
TEAM OF EXPERIENCED
BANKERS BECAME A
FINANCIAL LIFELINE FOR
OUR CUSTOMERS.**

the MCB team proved day after day that high-touch service can be delivered in a touchless environment.

The bank became a lifeline for financial information for our commercial customers. Navigating the rules of the Paycheck Protection Program was overwhelming for many. Our business banking team was on the front lines, working around the clock for days on end to ensure that every customer got the necessary attention and guidance. Their work directly supported the preservation of 8,500 local jobs.

We are extremely proud of what the entire team was able to accomplish. Our residential lending team skillfully managed the sharp rise in home purchases and refinances stemming from historically low interest rates. They processed 724 loans, a 35% increase over 2019. We know we strengthened existing relationships and built new relationships that will endure for years to come.



“No other financial institution has been more about service. They are always not only ready but excited to help me with whatever I need. They are flexible, understanding, caring, and have been for many, many years.”

-Robin Kennedy, manager of Robin's Confections in Biddeford



Building Community

Joshua Chamberlain once spoke of Maine as the place where “...homes of wealth arise, and scorn not humbler ones, but give a helping hand to honest and homely toil. For mountain and river and sea – emblems of freedom and power – are more than emblems, for they make a people strong.”

The communities served by Biddeford Savings and Mechanics Savings are thriving examples of Chamberlain’s vision and our bank has played an integral role in the building of these strong communities. And by giving a helping hand, we honor our heritage and build toward the future.

We believe that supporting our communities adds to the common good and enriches the lives of all. In 2020 we redoubled our commitment to our communities by launching

the Biddeford Savings and Mechanics Savings Charitable Foundation. As shutdowns were extended, businesses closed their doors, and our neighbors and friends became more and more isolated, it became clear that supporting the organizations that provide food, shelter, emotional support, strong families, and engagement in the arts was more important than ever before.

With restrictions on in-person visits, our ability to deliver checks was limited. However, the grateful comments and phone calls that we received in reply to our notifications told us everything we needed to know. Our support was truly appreciated. In all, we supported 153 organizations with contributions totaling \$316,591 through our foundation and charitable contributions.

In **2020**

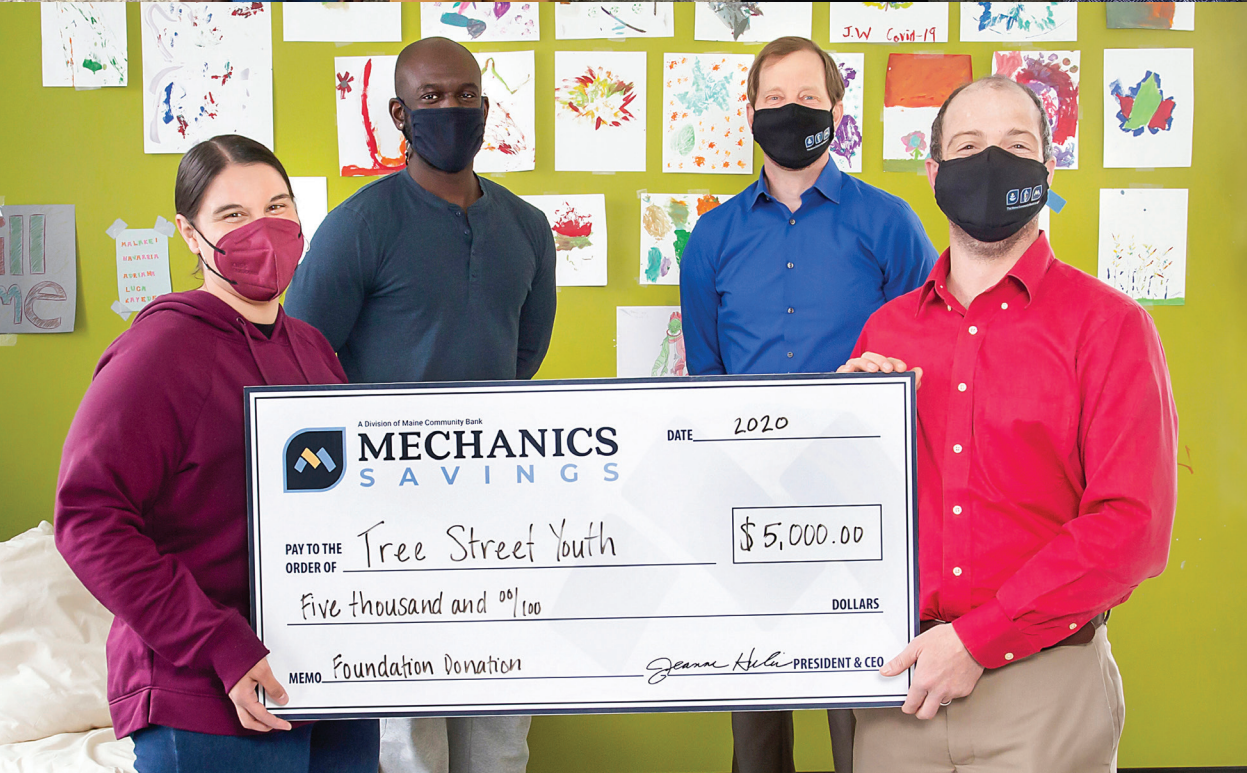
we introduced our

Biddeford Savings

and

Mechanics Savings

**CHARITABLE
FOUNDATION**



We made
\$316,591
in total contributions to
153
COMMUNITY ORGANIZATIONS



MAINE COMMUNITY BANK WILL SOON
JOIN THE GROWING COMMUNITY AROUND
ROCK ROW IN WESTBROOK.



“Since joining Mechanics Savings 15 years ago our company has gone through various changes. Mechanics has been there to guide us through those changes with their professional expertise, hands-on approach, and prompt service. We value our partnership and look forward to continuing it for many years to come.”

- Paul Fillion, owner of Penmor Lithographers in Lewiston

Building a Secure Future

The driving force behind the Maine Community Bank Family has always been the vision of a stronger, more powerful financial institution. A bank that is able to provide more than either bank could individually; more for our customers, our communities, our employees and their families. Built on the clear values of two of Maine's oldest financial institutions, Biddeford Savings and Mechanics Savings truly have become the Maine Community Bank Family.

As a family, we see 2021 as a year of moving forward together. We will continue to introduce Maine Community Bank to new audiences by rolling out the MCB brand through tv and radio ads. We will engage with our communities through our Foundation work. And as our business communities define their "new normal"

activities, we will be there to support their efforts and guide their financial decisions. Our year will end on a high note with the opening of our new operations center in Westbrook plus new branch locations in Brunswick and Westbrook.

We hope the COVID-19 vaccine allows us to resume our pre-pandemic banking experience. We miss seeing our customers' smiling faces. We miss interacting with our customers and each other. However, the most important lesson learned from the events of the past year is that Maine Community Bank can thrive and succeed even under adverse circumstances because our principles and values have remained steadfast for 150 years. No matter what 2021 throws our way, our family is strong enough and resilient enough to persevere.



In **2020** we secured

PPP LOANS

that protected

8500

MAINE JOBS

Corporators

BOARD OF DIRECTORS

Jeffrey S Worthing, CPA, Chair
Edward Snook, Vice Chair
Jeanne Hulit, President & CEO
Jon S Oxman, ESQ
Thomas E Wells
Stephen G Bryant, CPA
Carl A Goodwin
Alan Hahnel
Joyce Haley
Keith Jacques, ESQ
Amy Landry, MHA
Elaine Runyon, CPA
Wayne A Sherman

CORPORATORS

Todd J Abbott
Mark Anthoine
Eric C Aube
Ralph W Austin, ESQ
Christopher Bailey
Paul O Baril
Kevin Beaulieu
Shawn K Bell, ESQ
Marcel Bertrand
Jo Boshold
Elizabeth D Boudreau
Christopher Brann
Carri L Brown, CPA
JoAnne Campbell
Suzanne Carney

Diane M Champoux
Peter B Chapman
Lynn J Chase
Daniel Chasse
Andrew B Choate
Daniel Colby
Terri Cook
Richard Corbin, MD
Daniel P Cote
Walter W Crites III
Michael Cyr
Daniel D'Auteuil
Michael Davis
Brian Devlin
Sandra G Dolby
Shawn Douston
Gervais Dube
Bruce Dunphey
Prudence Duross
Kirk Egge
Michael R Eon
Timothy Evrard
Stephen Fairchild, MD
John H Fiske Jr.
Dennis J Flaherty
Douglas C Foglio Jr.
Douglas C Foglio Sr.
Judith E Fox
Gerard Gelinias
Joyce Gibson
Jeffrey Gosselin
Donald Grant

Dixie A Harris
Earle F Harvey
Timothy Hebert
Tina Hewett-Gordon
Richard A Hull III, ESQ
Dale E Huot
Barbara Jacques
Douglas Jones
Christopher Jordan
Peter A Kowalski
Dana E Lane, CPA
Susan F Lessard
Thomas MacDonald
Marc G Malon, DC
Jerry Mansfield
Raymond Martel
Marianne Mason
Edward McGeachey
Craig Millett
Michael Nadeau
Stephen Ness
Harry Nielson
Renee O'Neil
Curt Pepper
Aaron Perkins
Jim Pittman
William Risbara
Betty Robinson
Leo (Chip) Roche III
Deborah R Roy
Joseph Ryan
Mark Sandler

David Saunders
Harold D Shaw
Donald Spann
Peter C Sylvestre
Paulette R Taschereau
Craig Thorne
Michele Tribou
Zark Van Zandt
John Vigue
Craig R Wallingford, DO
Janet Whelan, OD, PA
Diane Whiting
Richard Whiting
Sarah Wormwood, DVM
Jeffrey Wright
Victor Wright
Karen Youland

HONORARY CORPORATORS

Priscilla Baillargeon
Caroline Bean
Margaret Beavis
Thomas C Boyer
Philip Curry
Reynald Gonneville
John Kannegieser
Connie Laflamme
Jane Norris
Wallace Nutting
Robert Quinn
Rene Roy
Roger Timmons

Statement of Condition at December 31, 2020

ASSETS

Cash and cash equivalents	\$42,515,000
Investment securities	\$75,967,000
Loans	\$831,402,000
Reserve for loan losses	\$(6,693,000)

Net Loans **\$824,709,000**

Premises and equipment	\$18,799,000
Bank Owned Life Insurance	\$2,618,000
Other assets	\$11,431,000

TOTAL ASSETS **\$976,039,000**

LIABILITIES AND CAPITAL

Non-interest bearing deposits	\$148,355,000
Interest bearing deposits	\$680,061,000

Total deposits **\$828,416,000**

Borrowed Funds	\$18,832,000
Other liabilities	\$6,828,000

TOTAL LIABILITIES **\$854,076,000**

Undivided profits	\$122,982,000
Accumulated other comprehensive loss	\$(1,019,000)

TOTAL CAPITAL **\$121,963,000**

\$976,039,000

Income Statement Year Ending December 31, 2020

Interest and dividend income	\$40,264,000
Interest expense	\$6,215,000
Net interest income	\$34,049,000
Provision for loan losses	\$2,654,000

Net interest income after provision for loan losses	\$31,395,000
Net gains on investment securities	\$258,000
Operating income	\$4,477,000
Operating expenses	\$24,238,000

Income before income taxes	\$11,892,000
Income taxes	\$2,714,000

NET INCOME **\$9,178,000**

