

## A Message from the President

Good afternoon and welcome to the 2020 Annual Meeting of the Bar Harbor Savings and Loan Association. 2019 was a year of great change for the bank and I am proud to thank the directors, officers and staff for all their hard work and adhering to our long term strategic plan.

The bank has been converted from a long term residential portfolio lender to a more competitive short term and commercial institution. However, we are still very competitive in the long term market, selling those loans to the Federal Home Loan Bank. This change has reduced our earnings temporarily, but enables us to have strong capital and manage interest rates in the future.

In 2020 our major objectives are to build relationships in the following:

1. Continue with our mission of working with families to purchase affordable housing, offering competitive savings rates and specialty loans for energy efficient items such as solar and heating systems.
2. Expanding work with business partners to help in growth of their business and to assist in managing their finances.

3. Working with the community and contributing many volunteer hours and financial support for beneficial non-profit agencies which enrich our area (for example: Island Connections, Island Housing Trust and the Jesup Library).

Our ongoing parking lot project allowed our customers, tenants and employees to have free parking. The paving should be finished in the spring. The building projects have been completed and we are looking long range at utilizing the entire second floor for office space.

Thank you all for the support and advice.

Sincerely,

William R. Weir, Jr., President and CEO

## Staff Changes

2019 saw several changes in staff at Bar Harbor Savings and Loan. Vicky Vendrell retired in August after six years helping move the bank forward to meet changing technology and customer needs.

David Cohen joined the bank in April as Senior Vice President and Treasurer, bringing over thirty years of experience and a solid knowledge of regulatory compliance, strategic long term growth planning, and cumulative bank financial operations. Volunteerism is an important part of who he is and the work that he does, fitting in with bank philosophy.

Ray Chalifour came to the bank in February with over thirty years of management and consulting experience. He has held positions for several volunteer organizations including United Way and Kiwanis Club. He handles Human Resources needs as well as Marketing.



David Cohen  
Senior Vice  
President &  
Treasurer



Ray Chalifour  
Human Resources  
& Marketing  
Specialist



Vicky Vendrell  
Senior Vice  
President &  
Treasurer, retired

## Directors\*

**Charles E. Bucklin**

**Richard V. Collier**

**Kathleen M. Field**

**James E. McFarland, Chairman**

**Kenneth J. Salvatore**

**Robert L. Shaw**

**Michael R. Swanson**

**William R. Weir, Jr., Clerk**

## Officers and Staff\*

**James E. McFarland, Chairman of the Board**

**William R. Weir, Jr., President, CEO**

**David S. Cohen, Senior Vice President & Treasurer**

**Nancy L. Sawyer, Vice President, Assistant Treasurer**

**Jacquie J. Colburn, AVP & Compliance Officer**

**Rhonda L. Sawyer, Mortgage Department Manager**

**Ray Chalifour, Human Resources & Marketing Specialist**

**Jyothsna D. Gollapinni, Mortgage Assistant**

**Carolyn R. Lynch, Internal Auditor**

**Zoran Manev, Internal IT Specialist**

**Dawn B. Nason, Accounting Associate**

**Michael A. Pritchard, Teller**

**Ardette D. Spear, Teller**

\*As of December 31, 2019

## Mission

For more than 100 years, we have helped individuals within the communities we serve by working with them to finance their homes and businesses with affordable mortgage loans and by offering competitive rates of return on deposits. We provide a growing number of both traditional and modern banking products and services and we will always treat our customers like members of our banking family.

We have made the commitment to support the well-being of our communities by contributing our time and talents and by financially supporting non-profit organizations in the area.

## Working together



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# Working together



## Working to support community

The 2019 annual Chowder and Chili Chowdown for Rides benefited Island Connections and served nearly 250 hungry chowder eaters. Sponsored by Bar Harbor Savings and Loan, the event brought people together from throughout the community. The Birch Bay Village team, represented here by Susanne Hopkins and her daughter Harmony, won first place in the professional traditional chili category.

## Working with local artists

Art on the Wall works with local artists to showcase their work. We welcome the public to view our changing shows featuring talented artists from Mount Desert Island, Ellsworth, and the Blue Hill Peninsula. ArtWaves community arts center exhibited work. *Right: Refuge by Bonnie Chase*



## Working with business partners

We support local businesses with commercial loans, online banking, and personal customer service. Tim Adelman, owner of an expanding business on Main Street in Bar Harbor, is a long-time customer. As he said, "I have no reason to go anywhere else."



## Working with families

Starting to save at a young age is a habit we encourage. Miles and Danielle Emmons came to Bar Harbor Savings and Loan to open their daughter Aria's first savings account.



## Working and playing

Eighteen staff and family members from Bar Harbor Savings and Loan participated in the MDI Rotary Mini Golf Tournament. One of the Bank's teams, led by Jyothsna Gollapinni, took the top honor for "Best Overall Team Score".

# Statement of Financial Condition 12/31/2019 and 2018

For a copy of the complete financial statements, please reach out to us at (207) 288-3685 or stop by 103 Main Street, Bar Harbor.

	2019	2018
<b>Assets</b>		
Cash and due from banks	\$ 186,831	\$ 56,010
Interest-bearing deposits in other banks	<u>3,800,056</u>	<u>2,598,625</u>
Total cash and cash equivalents	3,986,887	2,654,635
Certificates of deposit in other banks	15,826,000	4,731,768
Securities available-for-sale	5,620,471	3,266,717
Federal Home Loan Bank stock, at cost	760,600	912,300
Loans receivable, net of allowance for loan losses of \$800,000 in 2019 and \$872,000 in 2018	75,047,460	90,449,697
Premises and equipment, net	1,726,948	1,749,669
Accrued interest receivable	197,240	221,143
Other assets	<u>307,349</u>	<u>254,411</u>
<b>Total Assets</b>	<b><u>\$103,472,955</u></b>	<b><u>\$ 104,240,340</u></b>
<b>Liabilities and Retained Income</b>		
<b>Liabilities</b>		
Savings and demand deposits	\$ 21,997,822	\$ 25,718,091
Time deposits	<u>58,509,869</u>	<u>54,316,548</u>
Total deposits	80,507,691	80,034,639
Borrowed funds	11,124,321	12,919,907
Accrued expenses and other liabilities	<u>37,988</u>	<u>32,499</u>
<b>Total Liabilities</b>	<b><u>91,670,000</u></b>	<b><u>92,987,045</u></b>
<b>Retained Income</b>		
Appropriated to general reserves	3,726,205	3,726,205
Unappropriated	8,040,368	7,503,545
Accumulated other comprehensive income		
Net unrealized appreciation on securities available-for-sale, net of deferred income taxes	<u>36,382</u>	<u>23,545</u>
<b>Total Retained Income</b>	<b><u>11,802,955</u></b>	<b><u>11,253,295</u></b>
<b>Total Liabilities and Retained Income</b>	<b><u>\$103,472,955</u></b>	<b><u>\$104,240,340</u></b>
<b>STATEMENT OF INCOME</b>		
Interest and dividend income	\$ 4,100,956	\$ 4,356,088
Interest expense	<u>1,672,286</u>	<u>1,362,739</u>
Net interest income	2,428,670	2,993,349
Provision for (reduction in) loan losses	(112,000)	72,000
Non-interest income	57,556	50,290
Non-interest expense	<u>1,933,954</u>	<u>1,717,024</u>
Income before income taxes	664,272	1,254,615
Income tax expense	<u>127,449</u>	<u>254,252</u>
<b>Net Income</b>	<b><u>\$ 536,823</u></b>	<b><u>\$ 1,000,363</u></b>