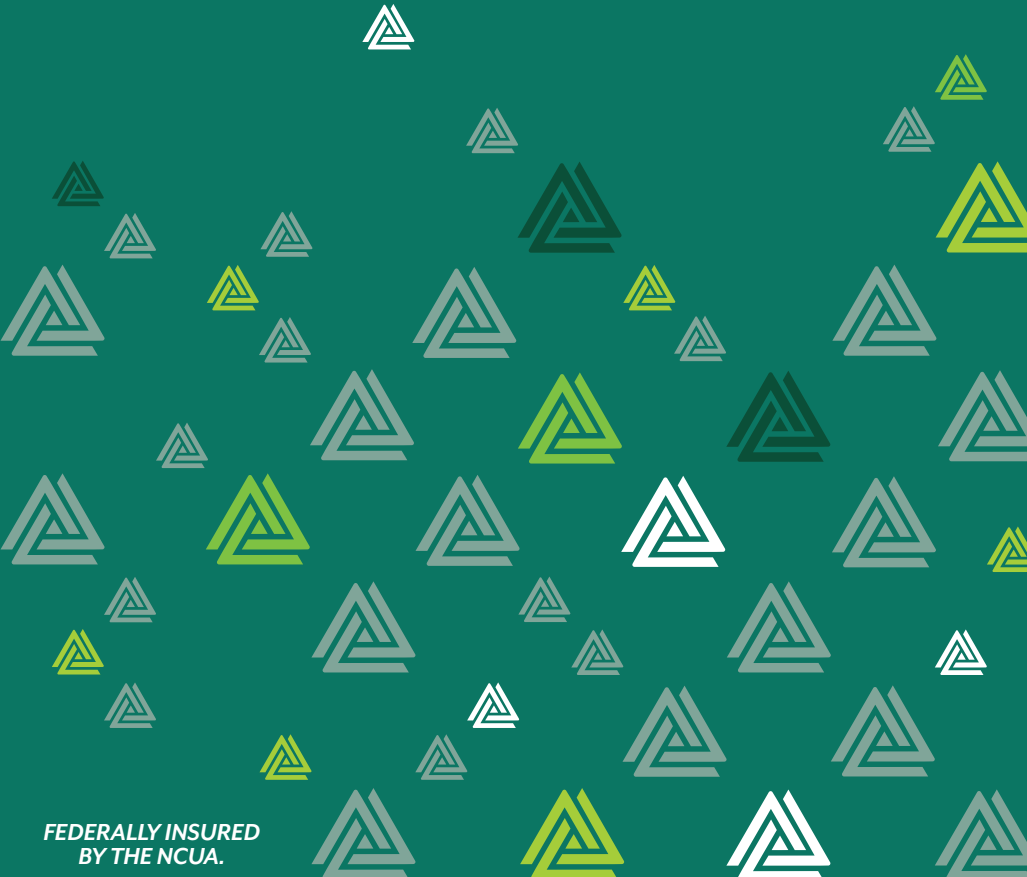


ANNUAL REPORT 2022



Inspired by our community.



FEDERALLY INSURED
BY THE NCUA.

INTERIM CEO & CHAIRMAN'S LETTER

At First Peoples CFCU, we're committed to people first, and 2022 was no exception. From strengthening personal connections with our members and community to expanding partnerships with local organizations, our success starts with the people we serve.

Last year we opened our new Bedford Branch located at Bedford Square Plaza. Bedford is the first of the new generation branch design and has been catching the eye of passersby. While we've had a presence for a few years, the new location demonstrates First Peoples' commitment to the Bedford Community. We also celebrated some milestone anniversaries with 5 years at the ABL (Rocket Center, WV) location, 15 years each at Cresaptown and Frostburg, and 35 years serving the Short Gap community.

At First Peoples, doing what is in your best interest is paramount to us. We want to make our members' lives easier so they can spend more time with the people and pursuits that are important to them. One way to do this was with the implementation of "contactless" debit and credit cards. These newly designed cards make transactions secure, convenient and touch-free. We are continually exploring ways to advance our already stellar products, services and technology, providing you more convenience, all the while focusing on your needs.

Enriching the life of our community has always been a major focus of First Peoples. We are devoted to enhancing the financial and collective prosperity of our members and the communities in which they live and work. Some of the many ways First Peoples participated in our communities in 2022 include volunteering and participating with local organizations and area events, and donating money to various local causes (over 75 schools and organizations). After a 2-year hiatus, First Peoples resumed the Western Maryland Scenic Railroad train ride for all third, fourth and fifth graders in Allegany County. We genuinely believe that contributing to local causes to improve the community is the cornerstone of our Credit Union.

Our employees are essential to the core values of First Peoples and are part of the foundation of our company's success. Over 60 of our employees have been a part of our team for more than five years and are extremely valuable assets. We focus on hiring the right individuals and train them to provide professional, quality service to help each member improve their financial strength.

Your credit union's strength relies on active participation and engagement from all members. Let us be your first choice for your financial solutions, and together we can make our credit union even stronger.

We want to thank all of our loyal members as we enter our 63rd year. The year 2022 generated tremendous determination to further our vision of financial, educational and community impact in all that we do. On behalf of our Board of Directors and amazing team of employees, we thank you for your continued commitment to First Peoples. As always, we remain your safe, sound and secure community credit union.



Mr. Randy Olsen
Interim CEO



Mr. Steve Nelson
Chairman of the Board



CONSOLIDATED STATEMENT OF CONDITION

as of December 31, 2022

Assets

Loans, net	\$ 396,084,523
Cash	11,851,004
Investments	130,144,980
Fixed assets, net	13,907,001
Accrued income	809,059
Other assets	21,620,532
Total assets	\$ 574,417,099

Liabilities

Accounts payable	\$ 4,958,972
Other payables	1,980,418
Borrowings	4,000,000
Member shares	506,410,975
Reserves	57,066,734
Total liabilities & equity	\$ 574,417,099

Interest income

Loan interest	\$ 15,167,883
Investment interest	2,020,205
Total interest income	17,188,088
Interest expense	2,954,602

Net interest income

Net interest income	\$ 14,233,486
Provision for loan losses	1,050,000
Non-interest income	8,102,295
Non-interest expense	18,998,899
Net income	\$ 2,286,882



SUPERVISORY COMMITTEE & AUDITOR'S REPORT

On behalf of the Supervisory Committee, it is with confidence that we report that First Peoples Community Federal Credit Union's operations remain safe and sound. Both external independent annual audits and ongoing internal operational audits demonstrate that the Credit Union has enacted proper controls to achieve the optimal level of performance and efficiency. It is the opinion of the Committee that management has successfully operated the Credit Union using financially prudent methods.

The Supervisory Committee secured DeLeon & Stang, CPAs, to perform a comprehensive independent audit of the Credit Union's financial statements. As of December 31, 2021, they issued an unqualified or clean opinion. The above auditors have been retained for the upcoming year and are expected to finish the 2022 audit in March 2023.

The Supervisory Committee has reviewed and accepted the internal and external audits and will continue to be diligent with the oversight of our members' resources. The Committee is honored to be part of First Peoples Community Federal Credit Union and we look forward to continuing this partnership with our Board, management and members of the Credit Union.

LEADERSHIP

OFFICERS:

Randy Olsen | **Interim CEO**

Kelly A. Brown | **EVP of Operations**

Rose Cullen | **SVP of Credit Administration**

Brandon Butler | **SVP of Strategy and Innovation
& General Counsel**

Bret McHenry | **SVP of Information Technology**

DIRECTORS:

Steve Nelson | **Chairman**

Renee Bone

Stu Czapski

Zach Hattenfield

Jeff McKenzie

Troy Thomas

Ginger Welsh

Nicole Wigfield

Matt Rhoten

SUPERVISORY COMMITTEE:

Renee Bone | **Chairman**

Chris Carpenter

Randy Crane

Jeremy Irons

Amie Armstrong



FIRST PEOPLES

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