

2022 Annual Report

Thank you for your loyalty, trust, and for being great advocates for your financial organization. 2022 proved to be a year of the unknown and extremely volatile due to the many macro-environment factors, stock market swings, and lingering pandemic concerns.

That did not prevent your Credit Union from having one of the best financial years to date. We ended the year with a net income of over \$25M, of which \$3.1M was returned to our member/owners in the form of an Interest Refund and Extraordinary Dividend Bonus. The remainder went into increasing our Capital Ratio to further strengthen the Credit Union.

Our service metrics were also rated as one of the best across all institutions as measured by our Net Promoter Score of 82.34, indicating a very high degree of member loyalty.

Today, we are 60,000 members strong and serve over 965 Fire Departments nationwide. In 2022, we added two new regional offices in Dallas, Texas and will soon be opening one in Washington State. Hard to believe, but we now also have over 260 employees, that span across 23 states and 3 time zones.

In 2022, we expanded our virtual branch hours and improved several products and services, including mobile app external loan capabilities, hired a Trust Officer to serve our central and east coast members, launched a new educational tool (Financial Fitness), partnered with Paychex as a product offering to our

business members and we also sold our corporate office (815 Colorado Blvd). And, recently launched Tax Services.

We continued to support our fire family nationwide with sponsorships of over \$100,000. The Fire Family Foundation was also able to support our fire families in need by providing over \$59,000 in financial support and awarded \$50,000 in scholarships to the children of fire families.

Thanks to our members, Board of Directors, and employees, for the success of this amazing organization which was built By Firefighters For Firefighters. We remain safe and sound, look forward to continuing our efforts in improving the financial lives of our fire family and ensuring that we have proud members everywhere.

Respectfully submitted,




John A. Buck
Board Chair




Dixie Abramian
President/ CEO



Consolidated Income Statement - After Refund

| INTEREST INCOME | FY 2022 | FY 2021 | YOY Change | % YOY Change |
|---|-------------------|-------------------|--------------------|---------------------|
| Interest Income on Loans | 49,533,380 | 44,921,055 | 4,612,324 | 10.27% |
| Less Interest Refunds | (1,407,743) | (985,372) | (422,371) | 42.86% |
| Income from Investments | 5,973,252 | 2,546,927 | 3,426,325 | 134.53% |
| Total Interest Income | 54,098,889 | 46,482,610 | 7,616,278 | 16.39% |
| INTEREST EXPENSE | | | | |
| Dividends | 9,048,237 | 7,783,122 | 1,265,116 | 16.25% |
| Extraordinary Dividends | 1,482,018 | 991,023 | 490,995 | 49.54% |
| Total Interest Expense | 10,530,255 | 8,774,145 | 1,756,110 | 20.01% |
| NET INTEREST INC (Before Provisions) | 43,568,633 | 37,708,465 | 5,860,168 | 15.54% |
| Provisions for Loan Loss | 21,371 | 131,800 | (110,429) | -83.79% |
| Provisions for Share Loss | 49,475 | 54,187 | (4,713) | -8.70% |
| NET INTEREST INCOME | 43,497,788 | 37,522,478 | 5,975,310 | 15.92% |
| NON-INTEREST INCOME | | | | |
| Interchange Income | 6,883,223 | 7,346,446 | (463,224) | -6.31% |
| Fee Income | 1,793,128 | 1,266,051 | 527,076 | 41.63% |
| Real Estate Fee Income | 637,575 | 2,749,435 | (2,111,860) | -76.81% |
| Tenant Income | 1,007,457 | 1,108,267 | (100,809) | -9.10% |
| Other Operating Income | 4,069,908 | 4,237,366 | (167,458) | -3.95% |
| Total Non-Interest Income | 14,391,292 | 16,707,566 | (2,316,275) | -13.86% |
| OPERATING EXPENSES | | | | |
| Employee Compensation | 20,491,536 | 18,211,106 | 2,280,430 | 12.52% |
| Employee Benefits | 4,805,759 | 4,064,727 | 741,032 | 18.23% |
| Travel and Conference Expense | 1,026,316 | 409,535 | 616,780 | 150.60% |
| Office Occupancy Expenses | 3,945,055 | 3,988,467 | (43,413) | -1.09% |
| Office Operations Expenses | 4,268,815 | 4,411,274 | (142,459) | -3.23% |
| Marketing Expenses | 689,039 | 648,912 | 40,126 | 6.18% |
| Loan Servicing Expense | 2,088,294 | 1,721,808 | 366,485 | 21.28% |
| Professional Services | 5,942,660 | 5,627,821 | 314,839 | 5.59% |
| Operating Fees | 319,698 | 344,311 | (24,614) | -7.15% |
| Miscellaneous Operating Expenses | 4,223,216 | 2,384,160 | 1,839,056 | 77.14% |
| Total Operating Expenses | 47,800,388 | 41,812,124 | 5,988,263 | 14.32% |
| Non-Operating Gain (Loss) | 212,872 | 806,732 | (593,859) | -73.61% |
| Gain/(Loss) on Investments | 12,626,515 | 11,757 | 12,614,758 | 107296.82% |
| NET INCOME / (LOSS) | 22,928,079 | 13,236,408 | 9,691,671 | 73.22% |



Consolidated Statement of Financial Condition

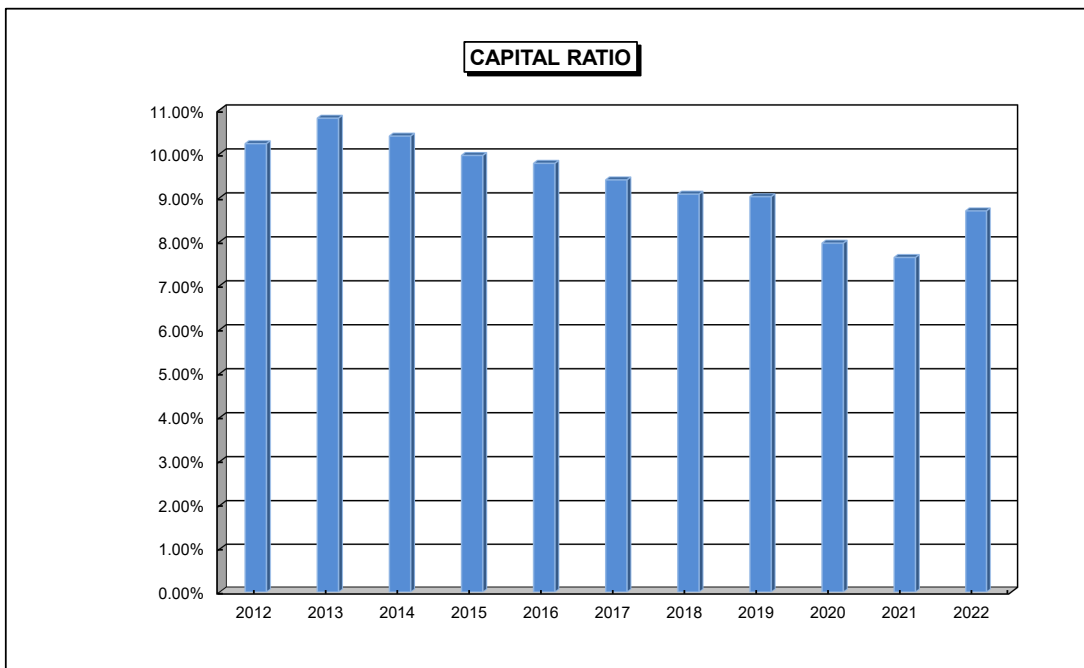
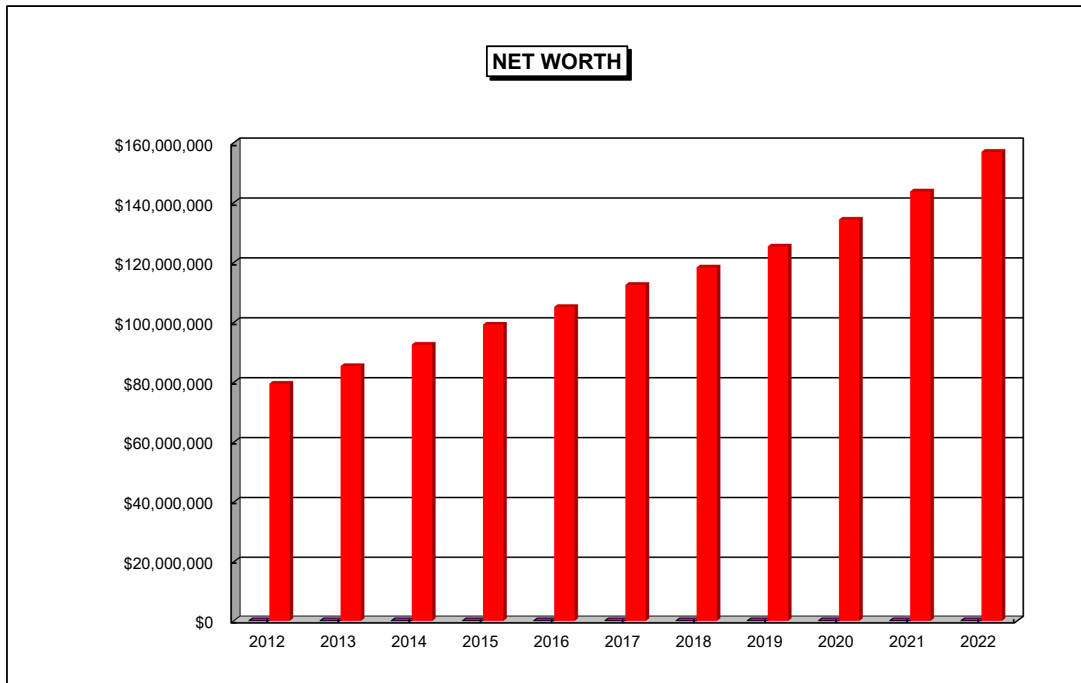
ASSETS

| | YE 2022 | YE 2021 |
|-------------------------|----------------------|----------------------|
| Loans Outstanding | 1,535,013,096 | 1,332,025,953 |
| Allowance for Loan Loss | (5,334,926) | (4,662,327) |
| Loan Origination Fees | (387,273) | (467,454) |
| Loan Prepaid Cost | 2,899,005 | 1,771,890 |
| FASB 91 | 7,142,787 | 6,100,555 |
| Total Loans | 1,539,332,689 | 1,334,768,617 |
| Loans Held for Sale | 0 | 1,282,799 |
| Total Investments | 107,820,614 | 132,065,117 |
| Total Cash | 345,036,763 | 512,338,613 |
| Land and Building | 13,473,221 | 22,595,326 |
| Software | 801,217 | 889,974 |
| Furniture and Fixtures | 746,737 | 1,449,239 |
| Building in Progress | 1,106,007 | 469,351 |
| Total Accrued Income | 4,264,181 | 3,467,954 |
| NCUSIF Insurance | 16,767,571 | 15,504,499 |
| All Other Assets | 38,198,374 | 30,325,577 |
| TOTAL ASSETS | 2,067,547,374 | 2,055,157,066 |

LIABILITIES & EQUITY

| | YE 2022 | YE 2021 |
|---------------------------------------|----------------------|----------------------|
| AP and Other Liabilities | 21,667,712 | 15,951,323 |
| Share Savings | 382,243,933 | 379,764,082 |
| Checking | 354,077,852 | 340,153,311 |
| Money Market | 772,860,416 | 760,284,674 |
| Certificates | 306,284,166 | 341,332,545 |
| IRA Accounts & CDs | 59,617,635 | 61,219,593 |
| Total Shares and Certificates | 1,875,084,003 | 1,882,754,205 |
| Non Controlling Interest | 300,809 | 245,468 |
| Regular Reserves | 0 | 41,734,816 |
| Undivided Earnings | 156,988,366 | 102,017,142 |
| Unrealized Gain (Loss) on Investment | (9,349,086) | (782,295) |
| Net Income | 22,855,571 | 13,236,408 |
| TOTAL LIABILITIES & EQUITY | 2,067,547,374 | 2,055,157,066 |

NET WORTH & CAPITAL RATIO



SHARES & LOANS

