

85
YEARS OF SERVICE
1938-2023

2023 Annual Report

BUILDING ON OUR MOMENTUM

Bloomington, 1980s



Apple Valley, Today



Eagan, 2000s



Wings
Credit Union

Insured by NCUA.

Wings Thrived in an Unprecedented Year

2023 was an unprecedented year for the financial services industry due to rapidly rising interest rates and economic uncertainty. Despite the challenges, I'm happy to share that our cooperative business model continued to flourish. We were able to create incredible value for our membership this past year, and I'm proud of how our team was able to adapt and continue to thrive. In fact, as reported by industry research firm Callahan & Associates, Wings performed at the 99th percentile in total value return to the membership in 2023 among all U.S. credit unions.

Many of our efforts focused on growing our cooperative membership while ensuring a premier member experience. We accomplished this by concentrating on three areas:

Self-Service – We continued to expand our self-service capabilities to address many of our members' day-to-day needs. We introduced our virtual assistant, Skye, to our phone lines and rolled out Express Tellers while remodeling three of our older branches, including our headquarters in Apple Valley. These self-service options mean Wings can provide the best of both worlds—technology for those who want it and employees who have time to provide in-depth help to members who need it.

Efficiency – In addition to introducing Skye, we also made significant improvements behind-the-scenes in our call center to improve our member experience. As a result, we've increased the number of calls answered, lowered average member hold time to less than 20 seconds and increased our member satisfaction scores for those who call in to an all-time high.

Digital – We continued to put an emphasis on improving our digital experience. In 2023, we revamped our new member onboarding process, making it easier for members to join via our digital channels. It now takes less than five minutes to apply for membership online and most applications receive an instant decision.

While many in the industry struggled, Wings thrived. We welcomed a record 38,461 new members into the Wings family while paying out our highest amount of dividends ever, nearly \$98 million in total. We also continued to grow, completing the acquisition of Settlers bank in Wisconsin and finishing the year with \$9.7 billion in assets, an increase of \$1.2 billion from the previous year-end. Importantly, our capital reserves remain very strong, ensuring our continued success for years to come. All the while, our employees voted Wings one of the top workplaces in Minnesota for the 11th consecutive year.

These types of results are only possible because of highly engaged members like you! Thank you again for trusting Wings—your engagement is a differentiator for our cooperative, and we look forward to continuing to deliver outstanding value and service in the year ahead.



R. Frank Weidner

R. Frank Weidner
President and CEO

85 Years of Wings

85 years ago, seven Northwest Airlines employees came together with the idea of creating a financial institution that did things a little differently than the standard banks. They wanted to create a cooperative where borrowers and savers could come together and help each other achieve their financial dreams, and on November 11, 1938, Northwest Airlines Employee Credit Union was born. At the end of the first year, they had no full-time employees and just \$345 in assets. Membership was exclusive for NWA employees initially, but they quickly realized that they were onto something bigger.

Wings has expanded quite a bit over the last 85 years—first to include family members of NWA employees, then the entire aviation industry before ultimately transitioning to a community charter where people could join based on where they lived, rather than a connection to the airline industry. And while our scale may have changed over the years—we finished 2023 with \$9.7 billion in assets—our commitment to providing members with outstanding products and services remains the same.

On behalf of your Board of Directors, I'd like to thank you for being a member of Wings Credit Union! Members like you are the reason that our cooperative has been a success over the last 85 years—and with your continued support, I'm confident that Wings will continue to be strong for the next 85 years!

As my tenure on our Board of Directors concludes at the end of the 2023-24 governance year, I want to leave you with a brief message of thanks. I originally began as a member of City-County Federal Credit Union's Supervisory Committee in 1995 and joined Wings following the merger in 2010. It's been a privilege to serve our membership for the last 29 years—thank you for entrusting me with the opportunity!



Jo Ann Harris

Jo Ann Harris
Board Chair

Wings Remains Safe and Secure for our Members

The Supervisory Committee is responsible for overseeing the audit function in its identification, measurement and monitoring of the business risks undertaken by the Credit Union, as well as ensuring the integrity of its financial reporting. We also work to ensure compliance with state and federal regulations, protecting the interest of the membership by making sure that Wings' operations are in line with all applicable regulations. The Committee meets quarterly to review the effectiveness of the Credit Union's risk management processes and related internal controls.

The Committee also works with the National Credit Union Administration (NCUA) and the Minnesota Department of Commerce during annual examinations and hires and retains independent auditors for our annual external audit of Credit Union procedures and financial condition. In 2023, Wings was examined by both the NCUA and the Department of Commerce and was audited by a national accounting firm. The committee believes the examinations and audit for the past year affirm that the Credit Union is fully in compliance with good financial practices and regulatory requirements.



Cheryl Minks

Cheryl Minks
Supervisory
Committee Chair

Wings Financial Credit Union & Subsidiary Consolidated Statements of Financial Condition

As of December 31, 2023 and 2022

(\$ in thousands)

	2023	2022
Assets		
Cash and Cash Equivalents	\$ 395,075	\$ 250,532
Investments	2,238,105	2,317,496
Loans – Held for Sale	700	0
Loans Receivable, Net of Allowance for Loan Losses	6,587,924	5,480,039
Property and Equipment-Net	73,660	71,948
Other Assets	372,930	302,098
Total Assets	\$ 9,668,394	\$ 8,422,113
Liabilities and Members' Equity		
Members' Share Accounts	\$ 6,766,555	\$ 6,527,201
Borrowed Funds	1,969,865	1,130,849
Other Liabilities	118,640	97,670
Total Liabilities	8,855,060	7,755,720
Regulatory Reserve	0	0
Unrealized Gain (Loss) on "Available for Sale" Investments	(249,846)	(327,883)
Undivided Earnings	1,063,180	994,276
Total Members' Equity	813,334	666,393
Total Liabilities and Members' Equity	\$ 9,668,394	\$ 8,422,113

Wings Financial Credit Union & Subsidiary Consolidated Statements of Income

Years Ending December 31, 2023 and 2022

(\$ in thousands)

	2023	2022
Interest Income		
Loans	\$ 284,730	\$ 192,844
Investment Securities	64,272	41,437
Total Interest Income	349,002	234,281
Dividend/Interest Expense		
	158,032	54,077
Net Interest Income	190,970	180,204
Provision for Loan Losses		
	24,464	13,949
Net Interest Income after Provision for Loan Losses	166,506	166,255
Noninterest Income		
Miscellaneous Income	70,513	58,042
Gain (Loss) on Investments	(1,306)	10,006
Total Noninterest Income	69,207	68,048
Noninterest Expense		
Compensation and Benefits	99,218	77,945
Occupancy	9,524	10,084
Office Operations	43,559	38,110
Other	20,547	15,521
Total Noninterest Expense	172,848	141,660
Net Income	\$ 62,865	\$ 92,643

MOMENTUM ► PERFORMANCE



FINISHED WITH
\$9.7 billion in assets



RANKED IN
99th percentile
in value returned to members



INCREASED EFFICIENCY:
80% of calls answered **≤20** seconds

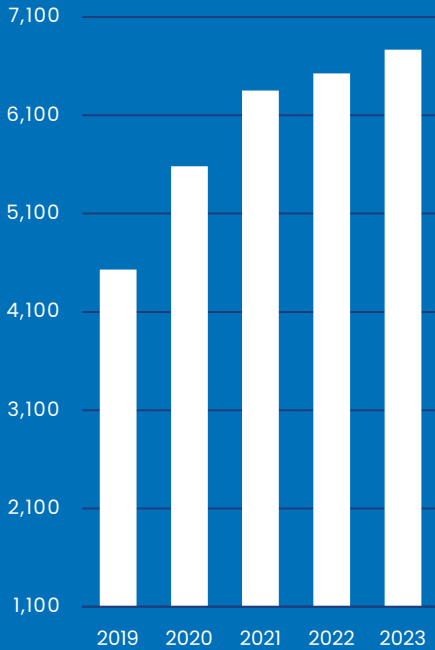
MOMENTUM ► IMAGE

As Wings celebrated our 85th year, we lit a spark for our future with bold new branding. The acquisition of Settlers bank also established our presence in Wisconsin.

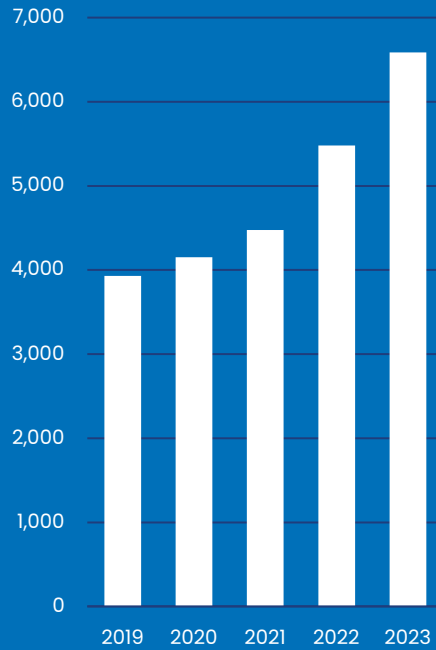
Wings
Credit Union

Growth & Security

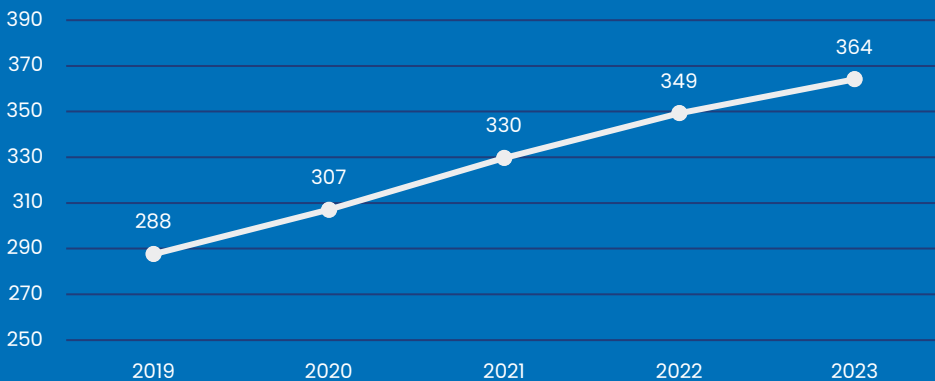
Total Savings (\$ in millions)



Total Loans (\$ in millions)



Total Members (Members in thousands)



Board of Directors

Jo Ann Harris, *Chair*
 Julie Rath, *Vice Chair*
 Greg Miller, *Secretary/Treasurer*
 Geoff Heck
 Cheryl Minks
 Mark Photiades
 Frank Weidner

Associate Directors

Elizabeth Caven
 Ben Humphrey
 Drew Boeke
 Karen Julian
 Chris Samson

NWA Building B, 1960s



MOMENTUM > SERVICE



PAID NEARLY
\$98 million

in account dividends



SAVED MEMBERS
\$6+ million

in potential fraud losses



EDUCATED

28,991 students
 in financial literacy