

# Member-centered. Future-focused.



Central Ave. Branch Relocation, November 2024

## 2024 Annual Report

Insured by NCUA.



# Reports of the President & CEO and Board Chair

Thank you for being a member of Wings Credit Union! Thanks to your engagement and support, Wings remains a strong, safe and secure institution for our members.

Our vision at Wings is to build unparalleled total value to the communities we serve through price, experience, digital leadership and people who care. Over the past 12 months, the credit union industry has seen its slowest loan and member growth in over a decade. While Wings is not immune to these industry trends, we were able to post solid growth across the organization. To maintain Wings' value proposition for members during these tougher economic times, we've been focusing our efforts on four industry-wide trends:

## 1. Pressures on Profitability:

Last year was a tough one for much of the financial industry with a challenging economic environment and rapidly accelerating rates squeezing margins. We're proud of what we were able to accomplish this past year to maintain our value proposition for our members. In fact, industry research firm Callahan & Associates ranked Wings in the 98th percentile among all U.S. credit unions in total value creation in 2024.

## 2. Efficiencies through Technology:

Like many organizations, Wings is constantly looking for ways to use technology to deliver faster, better and easier solutions for our members. This past year, we continued to introduce our self-service Express Teller (XT) technology while remodeling some of our older, but busier, locations. This technology allows Wings to provide members with the best of both worlds: technology for those who want it and employees who have the time to provide in-depth help to the members who need it.

## 3. Digital Transformation:

A long-time trend that has become increasingly important in recent years, I'm proud of how Wings members have embraced our digital transformation. We launched our upgraded digital platform this past April and members have raved about its speed and added functionality. Our app is ranked an amazing 4.8 out of 5 stars on the app stores and has been a differentiator for us. Moving forward, we'll continue to add new features that make it even easier to manage your banking needs while on the go.

## 4. Mergers & Acquisitions and the Push for Scale:

Wings' strategy map calls for continued growth, both organically and through mergers & acquisitions when we find a partner with an aligned business model and right-fit culture. We continue to pursue a potential merger partner that will bring significant value to our membership. This past year, we began our operational integration of our Wisconsin division, which will be completed in 2025. Across the industry, credit unions continue to join together as they look for ways to increase value for their members, and we expect this trend to continue in the years ahead.

We have much to look forward to this upcoming year—thanks again for being a member and supporting our cooperative!



R. Frank Weidner, President & CEO

On behalf of your Board of Directors, I'd like to thank you for being a member of Wings Credit Union! Your continued support has enabled us to accomplish some incredible things over the years, and this past year was no different.

While the macroeconomic environment in 2024 introduced some challenges for many in the industry, Wings continued to find success. Nearly 30,000 new members joined our cooperative this past year, gaining access to our superior products and services. With our industry-leading deposit products, we saw deposits grow more than \$250 million, further strengthening our cooperative's financial position.

This past year, we invested heavily in ensuring that members have a great experience with Wings regardless of how they engage with us. In the branches, we continued the rollout of our Express Tellers into several new locations, providing members with self-service options that are quick and seamless. Wings branches saw more than 1.8 million transactions this past year, with our three busiest locations primarily operating with this self-service technology. Meanwhile, we also introduced a new phone system for members who prefer to call in. The result was decreasing the average wait time for members calling in to our contact center to less than two minutes.

However, the biggest experience enhancement this past year was our digital investment. In April, Wings launched a faster, better and easier platform that allows members to complete their banking needs no matter where they are. The improved platform helps ensure that Wings can meet our members' digital expectations, a necessity in attracting new members that are needed as we continue to grow our cooperative.

All in all, Wings is in an extremely strong position for the future. As my tenure on our Board of Directors is ending at the conclusion of the 2024-25 year of governance, I want to leave you with a brief message of thanks. It's amazing to think how far we've come since I first became a Director in 2006. Thank you for entrusting me with the opportunity to serve our membership—I am confident that we have a bright future ahead of us!



Julie Rath, Board Chair

# 2024 Financial Statements and Report of the Supervisory Committee

## Wings Financial Credit Union & Subsidiary Consolidated Statements of Financial Condition

As of December 31, 2024 (\$ in thousands)

### Assets

Cash and Investments	\$	2,119,825
Total Loans Net of ACL		6,779,405
Other Assets		472,180
<b>Total Assets</b>	<b>\$</b>	<b>9,371,410</b>

### Liabilities & Members' Equity

Members' Share Accounts	\$	7,018,624
Borrowed Funds & Other Liabilities		1,485,958
<b>Total Members' Equity</b>		<b>866,828</b>
<b>Total Liabilities &amp; Members' Equity</b>	<b>\$</b>	<b>9,371,410</b>

## Wings Financial Credit Union & Subsidiary Consolidated Statements of Income

Year Ending December 31, 2024 (\$ in thousands)

<b>Total Interest Income</b>	\$	409,956
<b>Dividend/Interest Expense</b>		219,182
<b>Provision for Credit Losses</b>		68,656
<b>Total Noninterest Income</b>		66,480
<b>Total Noninterest Expense</b>		182,549
<b>Net Income</b>	<b>\$</b>	<b>6,049</b>



**1.8M transactions**  
completed at a branch location

**\$145M in dividends**  
paid out to members, a record high

**29,720 new members**  
joined Wings Credit Union

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 2024, 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.

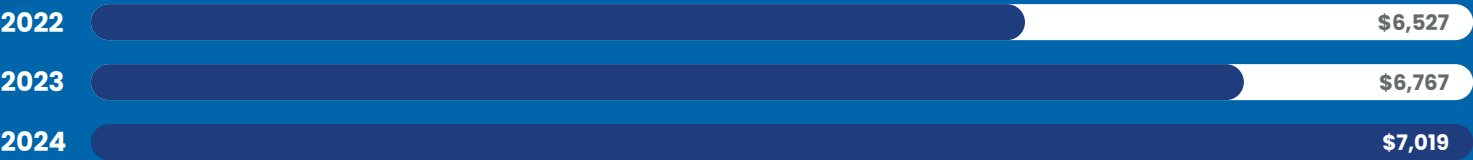


*D. Boeke*

Drew Boeke, Supervisory  
Committee Chair

# Performance Trends

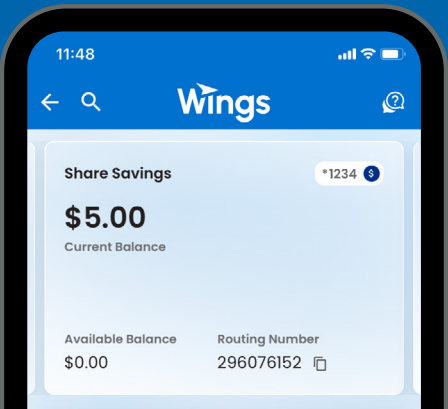
## Total Savings (\$ in millions)



## Total Loans (\$ in millions)



## Net Worth %



## Digital Transformation

After a successful upgrade to digital banking in April, we saw a **63% activation rate** among members through the end of 2024.

### Board of Directors

Julie Rath, *Chair*  
Greg Miller, *Vice Chair*  
Cheryl Minks, *Secretary/Treasurer*  
Geoff Heck  
Elizabeth Caven  
Drew Boeke  
Frank Weidner

### Associate Directors

Ben Humphrey  
Karen Julian  
Chris Samson

This report contains the highlights of the year-end financial reports for 2024. Copies of the 2024 Audited Financial Statements, auditors' opinions and notes to financial statements are available at Wings Credit Union's Headquarters: 14985 Glazier Avenue, Apple Valley, MN 55124.