

# 2023 ANNUAL REPORT

## LOOKING BACK

2023 was another good year for the credit union and our members. With our superb earnings, we significantly raised our deposit rates across the board. In fact, your credit union was ranked in the 91st percentile, by peer group, for dividends paid to its' membership.

This past December, NW Preferred upgraded its plastic cards to include the popular tap to pay feature. All new debit and credit cards now give members the ability to do contactless payments. Members will be pleasantly surprised how much faster and easier tapping can be. Best of all, it's just as secure as a chip card.

As I said last year, our future is very promising and your Board of Directors and I thank you for giving us the opportunity to serve you.

**Jim Burgett**, Chairman of the Board

## LOOKING FORWARD

I am excited about 2024 and beyond. Since expanding our charter to serve a national insurance model in 2017, we've continuously invested in newer and better technology to serve you. We've refined our services in the hopes of making them more member friendly and easier to use. The results speak for themselves: We've enjoyed multiple years of outstanding - member service and financial results. Most importantly, during our most recent membership survey in Q1 of this year, 98.1% of our membership indicates that they are either satisfied or very satisfied with our service!

None of our success would be possible without the support from you. From the bottom of my heart, thank you for placing your trust with NW Preferred Federal Credit Union.

**Steve Canfield**, President/CEO

## FINANCIAL STATEMENT Period Ending December 31, 2023

The Supervisory Committee's objectives are to ensure that the Credit Union:

- Maintains accurate financial records
- Has implemented a program of internal controls
- Preserves financial assets

Throughout the year, the Committee audits different areas of the Credit Union's operation to ensure these objectives are met. The Committee also investigates and responds to member inquiries.

Annually, we engage an independent CPA firm to conduct a financial audit of the Credit Union. The Credit Union is also examined by the National Credit Union Administration (NCUA), an agency of the federal government. The NCUA makes an assessment of our financial strength, and determines whether or not the Credit Union has been operating in compliance with the law. We are very pleased to report that no material weaknesses were found in our operation!

Based on reports submitted, it is the Committee's belief that the financial statements of December 31, 2023, fairly and accurately reflect the financial condition and results of operations of NW Preferred Federal Credit Union.

**Bo Lindemann**, Chairman



## YEARS @ A GLANCE

YEAR	LOANS	SHARES	ASSETS
2018	113,786,158	110,932,115	128,964,786
2019	119,199,854	121,929,112	140,130,611
2020	118,176,561	150,629,387	170,436,183
2021	120,479,829	165,746,547	185,842,942
2022	133,703,656	159,480,197	182,605,861
2023	134,104,700	144,620,070	169,496,283
1 Yr. Change	0.30%	-9.32%	-7.18%
5 Yr. Change	17.86%	30.37%	31.43%

FINANCIALS	2022	2023
<b>ASSETS</b>		
Loans to Members	133,703,656	134,104,700
Allowance for Loan Loss	(859,326)	(1,161,022)
Net Loans	132,844,330	132,943,678
Cash	1,427,592	1,230,236
Investments	42,868,256	29,814,471
Property & Equipment (Net)	2,465,431	2,463,646
All Other Assets	3,000,252	3,044,252
Total Assets	182,605,861	169,496,283
<b>LIABILITIES &amp; EQUITY</b>		
Notes Payable	0	0
Accounts Payable	1,005,749	698,129
All Other Liabilities	1,010,522	1,409,036
Total Liabilities	2,016,271	2,107,165
Shares	159,480,197	144,620,070
Regular Reserve	1,937,284	1,937,284
Undivided Earnings	19,172,109	20,831,764
Total Liabilities & Equity	182,605,861	169,496,283
<b>INCOME</b>		
Interest on Loans	6,826,367	8,708,439
Income From Investments	925,686	1,526,285
Other Income	1,169,252	997,549
Total Income	8,921,305	11,232,273
<b>EXPENSES</b>		
Salaries & Benefits	2,917,706	3,115,876
Operations	2,338,796	2,528,662
PLL	330,000	984,831
Dividends	826,955	2,822,473
Other	(5,872)	(8,013)
Total Expenses	6,407,585	9,443,829
<b>NET INCOME (LOSS)</b>	<b>2,513,720</b>	<b>1,788,444</b>

## MONEY DISTRIBUTION

