



2019

Annual Report



iQ
CREDIT UNION®

Delivering extraordinary results founded on a distinct brand promise, iQ continues to have a strong financial foundation, demonstrating stable growth and an enduring, engaging brand.

While much has changed in the past 80 years, we stay true to our pioneering spirit of “people helping people.” This is reflected in the trust our existing and new members place in us to help them guide their financial future. In 2019, the iQ community grew to 85,315 members strong, welcoming close to 4,500 new members and reaching \$1.2 billion in assets.

This was also one of our most robust business lending years to-date, with over \$100 million in loans to help business owners start or expand their business dreams. Our First Mortgage Department funded over \$166 million in home loans, and overall loans grew 12.08% and deposits grew 9.74%.

2019 was not only a big year for growth financially, we opened a new branch in St. Johns, launched a new website and participated in over 150 community events, impacting over 150,000 people. All this while securing the #4 spot for the 2019 Oregonian Top Places to Work. There is no greater sense of pride than when employees tell you they love to come to work – and for all the reasons that make iQ unique, retention is the strongest it’s been in 20 years.

From restoring benches and cleaning up parks, to reading to kids in schools, our plaid-fabric of caring spread throughout the communities we served in 2019. Our team was incredibly active all year, donating more than \$120,000 in support of local children’s programs and organizations, volunteering over 1,900 hours at events like the KGW Great Toy Drive, which distributed over 600 bikes and 42,000 toys in Vancouver, Portland and the surrounding communities.



Our strength is in our collective force to affect positive change in the communities where we live, work and bank. We love showcasing our authentic team members through our social media videos called “Why iQ.” Our employees are collaborative, approachable and exceptional human beings who live out the credit union philosophy of “people helping people” each and every day.

We welcomed a new Board Chair this past year, Doug Lehrman and while not new to iQ, he has led the Board’s successful navigation of this transition. As we continue to manage well-balanced growth, this is a nod to strong leadership and the Board’s healthy partnership with the Executive Team.

Owning our friendly and visionary nature, we continue to break new ground – flexing to meet our communities not only where they’re at, but where they’re headed. Here’s a preview of what’s next for iQ:

- Staying trail ready with the launch of our new online banking called Digital Branch
- Bringing Lemonade Day to the ‘Couve
- Remodeling our Salmon Creek Branch
- Launching an all new Visa Signature Card
- On the lookout for our next Oregon Branch

Offering honest advice and exceptional service for 80 years and counting, our values propel us forward and guide us on the journey ahead. Thank you for your membership, each and every one of you make a difference.


Doug Lehrman, Board Chair


Kelly Schrader, President/CEO



Thank you for sharing in our key milestones from 2019



85,315

members

\$1.2 Billion

assets



1,676

members saved money with
a Visa Balance Transfer



3,780

members protected their
assets through insureQ



Our best year for mortgages!

\$166M in mortgage loans

\$56K in rebates for our members

Business was booming!

**We saw a 10.5% increase in business owners seeking
the uniQue in our business accounts**



“iQ was a no brainer for us as educators wanting to start a business... iQ has been an amazing resource for us, and a champion of our business – and, a big champion for women in business in the community.”

Callie Christensen
Co-Founder, Slumberkins



16 branches to serve you with new roots in St. Johns community

With the help of local residents in the St. Johns community casting their votes, iQ had boots on the ground, distributing cash donations of \$5,000 across three local charities as part of our new St. Johns Branch grand opening celebrations.

The St. Johns community has embraced iQ – thank you!

Real people really like to work here

The energy is palpable – bursting forth in smiles, laughter, and accomplishment.

People are nice here. That might be why, in addition to asset and member growth, 2019 marked our healthiest employee retention numbers in over 20 years.

**Recognized as a Top 100
places to work company by
the Oregonian.**

**Received an award
for our innovative
wellness program.**

**91 employees were
promoted internally.**



“Since working at iQ, I’ve gained an institution that I trust to advise me financially with my best interest in mind. I’ve also gained incredible coworkers who make my workdays something to look forward to instead of something to endure through.”

– Payton, Fishers Landing Branch



Warm and Fuzzy – like a flannel

There's always a lot going on, and our plaid keeps us grounded in all the right ways. Here are a few highlights from another vibrant year of community engagement.

150+

community events

1,900

volunteer hours served

150,000

people impacted

\$50,000

Donation to Doernbecher Children's Hospital for the new Rood Family Pavilion

\$60,000

Donated through iQ for Kids, our non-profit foundation that raises money for charities that improve children's lives



Rooted in Education

Founded by school teachers, our passion for education is demonstrated in our hands-on involvement in schools through our Financial Education Program.

139

Classroom presentations

11,320

Students reached

1,550

Books donated

7th high school campus branch added to our educational program

Our Campus Branch program provides hands-on, real life financial industry experience for high school students within Southwest Washington. Currently over 23 employees at iQ started as interns and have created successful careers as branch managers, department managers, loan officers and front-line staff.



KGW Toy Drive

During the 2019 holiday season, we partnered with KGW to bring joy to local kids, acting as collection centers for toy donations as well as accepting cash donations online. All thanks to our generous members!



42,000

Toys Distributed

600

Bikes Distributed

130 total non-profits impacted

14 Southwest Washington non-profits benefited

79 iQ volunteers engaged

2019 FINANCIALS

ASSETS

	2018	2019
Total Loans	\$ 831,371,126	\$ 931,625,344
Allowance for Loan Loss	\$ (8,323,317)	\$ (9,159,594)
Cash and Cash Equivalents	\$ 183,900,017	\$ 192,659,229
Total Investments	\$ 17,140,167	\$ 16,178,953
Land and Building	\$ 21,906,585	\$ 21,175,777
Fixed Assets	\$ 4,806,241	\$ 4,864,750
Other Assets	\$ 54,930,303	\$ 61,342,127
Total Assets	\$ 1,105,731,122	\$ 1,218,686,586

LIABILITIES & EQUITY

Accounts Payable	\$ 13,809,827	\$ 16,129,686
Share Certificates	\$ 93,410,917	\$ 130,331,918
Checking	\$ 302,622,315	\$ 358,770,983
Money Market	\$ 202,003,832	\$ 188,481,383
Deferred Compensation	\$ 163,229	\$ 134,442
Regular Shares	\$ 349,540,067	\$ 364,852,845
IRAs	\$ 36,596,053	\$ 37,871,797
Regular Reserves	\$ 12,761,288	\$ 12,761,288
Undivided Earnings	\$ 81,130,786	\$ 95,659,436
Equity Acquired in Merger	\$ 13,692,808	\$ 13,692,808
Total Liabilities & Equity	\$ 1,105,731,122	\$ 1,218,686,586

INCOME

Interest on Loans	\$ 40,682,819	\$ 45,723,124
Interest on Investments	\$ 2,043,565	\$ 3,985,642
Other Operating Income	\$ 18,617,998	\$ 18,380,689
Total Gross Income	\$ 61,344,382	\$ 68,089,455

EXPENSES

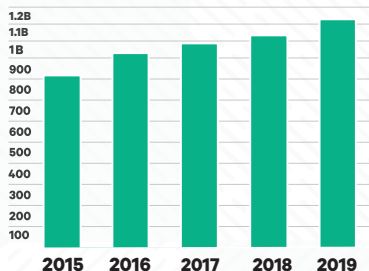
Employee Salary/Benefits	\$ 20,060,214	\$ 23,031,951
General & Administrative	\$ 18,004,560	\$ 19,294,481
Provision for Loan Loss	\$ 4,371,499	\$ 6,698,403
Other Interest Expense	\$ 459	\$ 468
Dividend Expense	\$ 2,248,161	\$ 4,453,372
Reserve Transfers	\$ 16,659,489	\$ 14,610,780
Total Expense	\$ 61,344,382	\$ 68,089,455

Membership

80,878 **85,315**

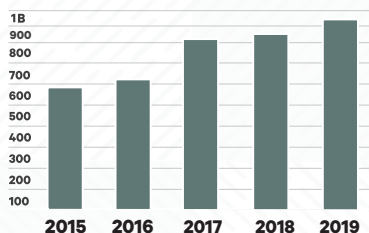
ASSETS

IN MILLIONS



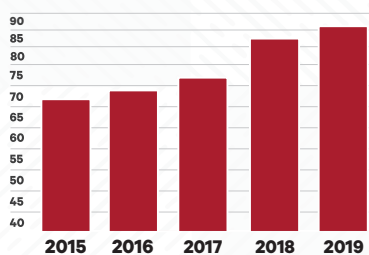
LOANS

IN MILLIONS



MEMBERSHIP GROWTH

IN THOUSANDS



Board of Directors

Doug Lehrman - Chairman	Jil Click - Director
Jim Church - Vice Chair	Joan Durgin - Director
Sharon Eastman - Secretary	Evie Grendahl - Director
Joseph Nutting - Treasurer	Don Kitterman - Director
Jim Askey - Director	Steve Porter - Director

Audit Committee

Ron Odermott - Chair of Audit Committee
Dr. Arlene Hett - Audit Committee
Brian Loos - Audit Committee

Executive Team

Kelly Schrader - President/CEO

Gayle Gustafson - Senior Vice President
Chief Lending Officer

Danette LaChapelle - Senior Vice President
Chief Communications Officer

DeWayne Ledbetter - Senior Vice President
Chief Financial Officer

Ali Migaki - Senior Vice President
Retail Delivery

Eric Petracca - Senior Vice President
Chief Operations Officer

Kari Stansberry - Senior Vice President
Human Resources

