

{ 2005 ANNUAL REPORT }

Moving ahead,  
one step at a time.



**iQ** CREDIT  
UNION

Financial Intelligence Pays Off

PS COME BIG THINGS. }

Measuring growth is a fun  
that once fit in the palm  
wear a size 12 Nike and r  
Over the years, your Cred  
too. What started small, p  
to a select group of mem  
in full-service personal fi  
savings. Online banking a  
college tuition, home mo  
We're growing with you,



## CEO REPORT }

can be viewed as a series of steps. Some small. Some monumental, and some mundane. Whether the steps being taken are seen as large strides or a steady, patient, but sure, gait, the key to reaching your goal is to keep moving forward. For more than 65 years, iQ Credit Union has been doing just that. In our just-ended fiscal year 2005, iQ Credit Union grew in total assets, in loans, in capital and reserves, in the number of ATMs, introduced new programs and services, and added new services. 2005 was also the year in which we merged with Employees of Clark County FCU, adding a new family (giving us a new downtown presence on "F" Streets). To all of you who have made it here!

2005 was a banner year. Total assets grew 17%, to over \$1 billion. During that same time, loans grew to \$230 million, and savings shares grew to over \$301 million. More savings allows us to offer more services that members are using everyday for their homes, cars, and more.

Our return on assets rose from 8.30% to 8.73% — a healthy rise that gives us the means to do things like invest in the newest technologies. As a result, we can offer services that our members have come to rely on.

One of the most remarkable numbers is our 11% growth in deposits, which many credit unions actually struggle to achieve. iQ Credit Union continued to grow. Careful,

## { PRESIDENT/

managed growth that will keep us in a position to continue to grow. When all of these positive elements are in place, we know we are doing things right — continuing to provide the best service for our existing members, while providing a solid cost structure that makes us attractive to new members.

As always, we're doing whatever it takes to provide the best service to our members. If you've been to the beautiful downtown Vancouver, hopefully you've seen our new Co-Op ATM. This allows members to enjoy the convenience of an ATM in the area or catching an event at Estimote. We have over 18,000 Co-Op ATMs providing the convenience of an ATM on the go. New technology allows us to ask questions and get answers right away. In our Information Desk section, the more information we have, the more information base builds. And if your question will be answered by a staff member, thank you to all the other members down the road. And thank you to our Member Business Services. As members start their own businesses, we want to help them. iQ Credit Union prides itself in building strong relationships with our members, and offering Member Business Services. Thank you for this personal approach to doing business.

Big steps, all. And all with the simple goal of providing the most of their money. On behalf of the Board of Directors, thank you for your membership. It's a privilege to be a part of this step of the way.

## N'S REPORT }

ven if they are good ones.

e changed our name to iQ and opened  
ter in our Credit Union's history.  
e invited members of City Employees  
on to merge their successful organization  
At the time, we explained our reasons  
anges and expressed confidence that  
have a positive impact on our Credit  
ll, it's 2006. More than a year has gone  
a member/owner you might be  
know how things have worked out.  
mine the facts.

yees Credit Union's growth was at a  
d slowed. Profitability and market  
e, in our history, overall membership  
d of Directors recognized that in order  
itive financial marketplace, we needed  
a name change and a merger with City  
ppportunity we were looking for—the

ly reflected in our financial numbers  
tal assets increased to more than \$336  
37,850 members. Net earnings in  
return-on-assets ratio of 1.0%. This  
rating expenses, making sound  
ng member loan volume. In addition  
dividends paid on member accounts  
dividends paid in 2004. These numbers

ress in 2005. Our audits, conducted  
WaterhouseCoopers, confirm iQ's  
mber, iQ was selected by Washington  
op 100 companies to work for in 2005.  
mployee evaluations of their work  
at our employees value iQ as much

ourse, tell the entire story. iQ's success  
or total number of accounts. Members  
the service they receive each time  
electronically. The facts for 2005 do,  
pare our Credit Union today to what  
isions we made to change and to  
nvinced they were good ones.

*Dr. James Sork*  
*directors@iQcu.com*

## { SUPERVISORY COM



The Super  
of three v  
members  
Washingt  
bylaws, th  
check and  
The funct  
overall op  
ensure me  
This is acc

records are maintained and member  
appropriately used.

During 2005, the committee retained  
a certified public accounting firm, to  
completed in July. PWC in their full  
was well managed and in sound fina  
The State of Washington's, Departm  
of Credit Unions also performed an  
conducted with protection of memb  
as to ensure that the Credit Union is  
and executive management staff.

Also during 2005, iQ Credit Union's  
the Supervisory Committee, focused  
Credit Union, auditing select functio  
accounts to ensure the Credit Union  
laws and regulations.

I am proud to say that iQ Credit Un  
Unions in the region and is a sound  
continue to expect the same high lev  
assets are safe as we move into 2006.

The committee, which meets and re  
Directors, will continue to ensure th  
and to protect iQ members' assets.

## COMMITTEES }

### **Asset/Liability Mgmt.**

*Doug Lehrman*  
Bob Goodale  
Scott Bieber  
Jim Sork  
Roger Michaelis  
Christa Schmitt  
Danette LaChapelle  
Linda Barber  
Jim Morrell  
Shirlee Saum  
Donna Thomas  
Brenda Anderson  
Ed Turk

### **Clark Financial Services**

*Bill Lothspeich*  
Jon Wagner  
Terry Nelson

### **Policy**

*Bob Goodale*  
Bill Hogan  
Evie Grendahl  
John Feliz  
Linda Barber  
Jim Morrell  
Ed Turk  
Keri Walker  
Lesley Wiese

### **Legal Affairs**

*er*  
*n*  
*m*  
*ber*  
*LaChapelle*

## { STATEMENT OF

### **ASSETS**

Total Loans  
Loan Loss  
Cash and Cash Equivalents  
Total Investments  
Land and Building  
Fixed Assets  
Other Assets

---

Total Assets

### **LIABILITIES**

Accounts Payable/Borrowing  
Share Certificates  
Checking Accounts  
Money Market  
Deferred Compensation  
Regular Shares  
IRAs  
Regular Reserves  
Undivided Earnings

---

Total Liabilities

### **INCOME**

Interest on Loans  
Interest on Investments  
Other Operating Income

---

Total Gross Income

### **EXPENSES**

Employee Salary/Benefits  
General & Administrative  
Provision for Loan Loss  
Other Interest Expense  
Dividend Expense  
Reserve Transfers

---

Total Expenses

Members

## People

All people—employees, volunteers and members—play an important role in achieving our goals.

## Relationships

We work to build relationships that benefit our members and the Credit Union.

## Integrity

We demonstrate integrity by being ethical, honest and mutually respectful.

## Mutual Interests

We distribute profits to serve the mutual interests of both the member and the Credit Union.

## Excellence

We strive for excellence in the service we deliver and the products we provide.

### Branches

Battle Ground Office  
109 S.W. First Street  
close to Schuck's Auto Supply

City Office  
601 E. 16th Street  
corner of 16th and F Street

Clark College Office  
Gaiser Hall  
1800 E. McLoughlin Blvd.

Fisher's Landing Office  
2620 S.E. 165th Avenue  
near 164th and McGillivray

Hazel Dell Office  
305 N.E. 81st Street  
in the JM Plaza

Salmon Creek Office  
13505 N.E. 10th Avenue  
west of I-5 and 205, 134th Street Exit

Vancouver Mall Office  
7017 N.E. Vancouver Mall Drive  
corner of Andresen and Vancouver  
Mall Drive

### Campus Branches

Battle Ground High School  
Camas High School  
Clark County Skills Center  
Evergreen High School  
Ridgefield High School  
Skyview High School

### Phone Branch

360.695.3441  
1.800.247.4364

### On the Web

[www.iQcu.com](http://www.iQcu.com)

[www.iQcu.com](http://www.iQcu.com)

360.695.3441

1.800.247.4364



**iQ** CREDIT  
UNION

*Financial Intelligence Pays Off*