



ANNUAL REPORT  
**2023**



**95 YEARS**

**SAFE, STRONG, AND  
MEMBER-DRIVEN**

Federally insured by NCUA

# REPORT OF THE CHAIR & PRESIDENT

## **95 years of people helping people**

Our story began in 1928, when 36 power company employees came together to form a credit union. The small group created a true financial cooperative dedicated to fairness, each contributing what they could to help one another. Members could borrow at lower rates, enjoy higher earnings, and pay lower fees than at a for-profit bank. After nearly a century serving its members and communities, Advantis is now 89,000 members strong, making us one of Oregon's largest credit unions. And while we may have grown greatly from our humble beginnings, our core purpose has remained the same: to help our members find financial security and wellness.

In 2023, our members saved more and achieved more, thanks to our enduring cooperative model. Advantis helped 159 members refinance and buy new homes, including 50 first-time homebuyers. We also enabled members to buy new cars, pay down debt, and make home improvements by funding 1,426 auto loans, 1,112 personal loans, and 416 home equity loans. Members also made progress on their savings goals by opening over 9,000 high-yield deposit products.

## **Safe and stronger than ever**

Advantis is in an excellent financial position, built on our 95-year legacy of sound fiscal management. In what was a challenging year for many financial institutions, we produced a net income of \$3.9 million in 2023, a solid return of 0.20% on average assets. We ended the year with a net worth ratio of 11.14%, well above the regulatory standard for well-capitalized credit unions and we continue to operate within the regulatory definition of "safe and sound" practices. Advantis has increased its total capital balance every year over the past 14 years, positioning us to safely weather any future challenges. Our strong liquidity position has continued throughout 2023 and into 2024, as we hold a strong and stable deposit portfolio, and

maintain a balanced loan-to-deposit ratio. This strength enabled Advantis to continue to deliver and return value to its members during turbulent economic times.

Advantis' cooperative, not-for-profit structure makes us inherently different from banks making headlines in early 2023. Unlike commercial banks that maximize profits to enrich shareholders, we don't engage in risky practices to meet profit demands. And instead of serving a niche sector of corporate clients, we proudly serve our 89,000 members, right here in Oregon. Our difference is our strength, and makes us a safe and smart place to save.

## **Dedicated to financial wellness and inclusion**

Staying true to the roots of our founding, 2023 was another year dedicated to the financial wellness of our members. In August we expanded our capacity to help members with in-person financial advice, opening a new branch on North Lombard in Portland. Since opening our doors, we've sat down with hundreds of members (including 200 new members) to talk about their financial goals. And we've established strong partnerships with area community organizations.

In 2023 we also rolled out improvements to digital banking to make it easier for members to manage their finances. These included enhanced mobile deposit with real-time posting, self-serve wire transfers, and the ability to use cards in mobile wallets and online before being received in the mail.

In September we introduced our new Access Checking account, to support underbanked and underserved communities, including those who've faced past financial challenges. Access Checking is also one of the first accounts in Oregon certified as meeting BankOn National Account Standards for a safe, affordable, and accessible account with no overdraft fees.

Advantis remains committed to diversity, equity, and inclusion (DEI). We increased the number of our Advantis Belonging Communities in 2023, providing supportive spaces for employees who share similar personal characteristics, and welcomed many to participate in a new mentorship program to build supportive connections with senior leaders. Our Allies for Good fund provided over \$130,000 to support communities that have faced exclusion, and we continued to build key partnerships with nonprofits serving marginalized populations. Advantis further expanded our community impact by investing over \$300,000 in total to charitable organizations, events, and causes that matter most to our members. While there's still work ahead on our DEI journey, we were honored to receive recognition as a Top Company for DE&I Practices from Top Work Places, one of the nation's leading employer recognition programs.

Advantis was also named a Top Workplace in The Oregonian for the Oregon and SW Washington region, and a Top Workplace nationwide in USA Today. These results are based on employee feedback, and reflect our employees' alignment with our core mission: to improve the financial lives of our members.

### **Our planned merger with Rivermark Community Credit Union**

After a thorough due diligence process that met the satisfaction of both credit unions, in January 2024 we announced that Advantis and Rivermark Community Credit Union have signed a merger agreement, and plan to unite as one credit union in the latter part of 2024. As we celebrate our 95-year history, we're also excited for this opportunity to create even greater impact for our members and community in the years ahead. As a result, this merger has the unanimous support of the boards of both institutions (comprised of Advantis and Rivermark members), as well as their respective CEOs and leadership teams.

This merger will allow us to deliver more benefits to our members, years ahead of schedule. We'll double our number of branches, boost our digital banking tools, offer enhanced products and services, and increase our service hours. Yet some things will not change, including the personal service you expect, the employees you love to work with, and the pride you feel in choosing a local financial cooperative rather than a big bank. The combined credit union will remain committed to offering highly competitive rates and low fees.

Advantis and Rivermark have also established a combined purpose – to transform lives and communities, together – with expanded financial coaching and wellness programs, philanthropic giving, volunteerism, non-profit partnerships, and much more.

The two credit unions have jointly applied for, and expect to receive, state and federal regulatory approval for the merger. We'll then reach out for a required vote by Advantis members. As a member-owned credit union, the final decision is up to you. Following the vote, legal merger of both credit unions is likely to occur in the latter part of 2024.

Given the tremendous benefits this merger will provide our members and community, the Advantis Board of Directors would respectfully ask for our members' vote of support for this merger. Members can expect to receive a notice of the vote and a ballot likely in the second half of 2024. We encourage you to learn more and receive regular updates at [advantiscu.org/merger](http://advantiscu.org/merger).

We thank our Board of Directors and staff, and above all our members, for their ongoing loyalty and support.



**Tarun Gudz**  
CHAIR, BOARD OF DIRECTORS



**Jason Werts**  
PRESIDENT/CEO

# ADVANTIS IN THE COMMUNITY

When you bank with Advantis you make all kinds of good things possible, for you and the community you call home. As a not-for-profit financial co-op, we return financial value to our members with world-class service, great rates, and more free services. But just as important, Advantis donates our time, talent, and resources to help local communities grow stronger. In 2023, we invested \$304,980 in the organizations, events, and causes that matter most to our members.

## 2023 Community Giving



Advantis volunteers pack holiday meal food boxes for local nonprofit, the Sunshine Division.



In 2023, Grow: The Advantis Community Fund returned for the thirteenth year to provide nonprofit organizations with financial resources to address a wide range of needs in our community. Since the program launched in 2011, our grant fund has contributed more than \$700,000 to local organizations and funded over 78 projects.

This past year we were proud to help Guide Dogs for the Blind, Outside In, Portland Rescue Mission, Transition Projects, and Word is Bond.



Outside In used its Grow funds to purchase and install two pairs of commercial-grade, high-efficiency washers and dryers used by drop-in clients. Thanks to the Advantis GROW grant, the new equipment has virtually tripled the capacity for laundry service enabling more homeless or marginalized youth the dignity of freshly cleaned clothes.



Advantis volunteers visit the local nonprofit With Love to sort and clean donated clothing, toys, and books for local foster families.

# STATEMENTS OF FINANCIAL CONDITION

As of December 31, 2023 and 2022

<b>ASSETS</b>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$331,887,812	\$210,461,465
Investments	144,256,200	138,107,261
Loans to members, net of allowance for loan loss	1,335,071,818	1,499,409,447
Property & equipment	53,969,356	57,157,132
National Credit Union Share Insurance Fund Deposit	15,263,710	15,300,846
Other assets	74,522,852	64,322,353
<b>TOTAL ASSETS</b>	<b>\$1,954,971,748</b>	<b>\$1,984,758,504</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Members' shares	\$1,702,288,295	\$1,672,825,269
Accrued expenses and other liabilities	20,494,017	20,580,258
Borrowed funds	15,000,000	80,000,000
Total Liabilities	1,737,782,312	1,773,405,527
<b>EQUITY</b>		
Undivided Earnings	217,849,873	213,930,608
Accumulated other comprehensive income	(660,437)	(2,577,631)
Total Equity	217,189,436	211,352,977
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$1,954,971,748</b>	<b>\$1,984,758,504</b>

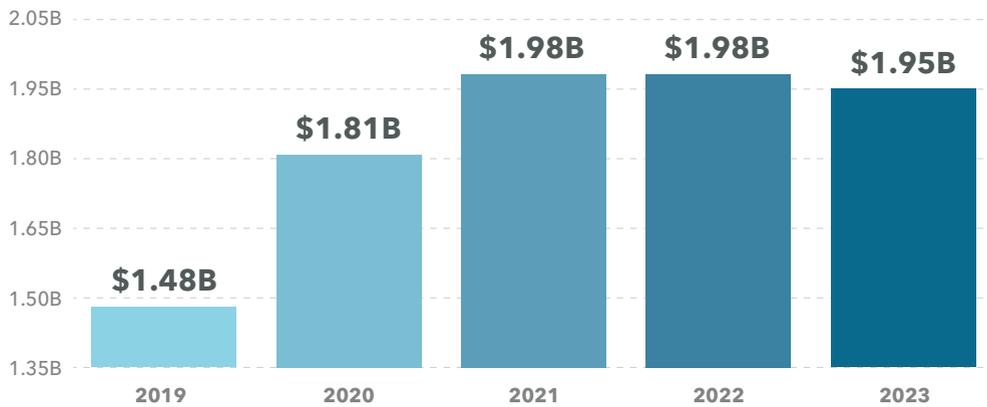
# STATEMENTS OF INCOME

For the years ending December 31, 2023 and 2022

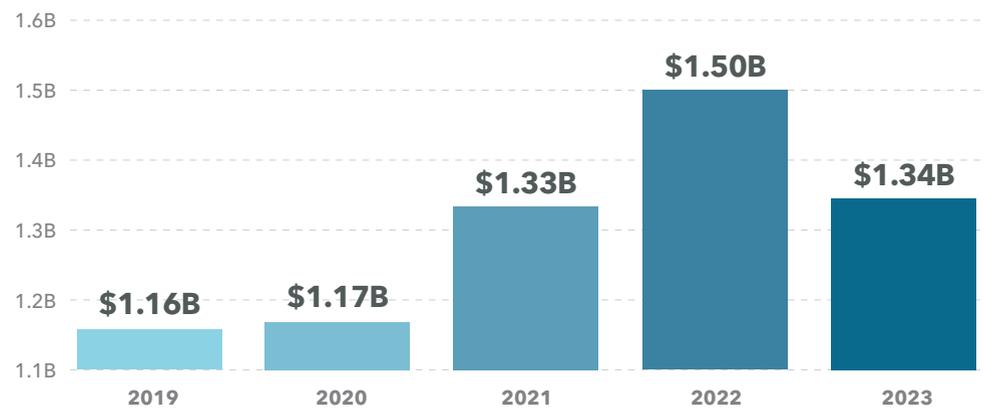
<b>NET INTEREST INCOME</b>	<b>2023</b>	<b>2022</b>
Interest on loans to members	\$66,913,146	\$59,760,678
Interest on investments and cash equivalents	20,895,452	5,537,466
Dividend expense	23,289,463	7,860,345
Interest expense on borrowed funds	2,503,734	1,008,233
Provision expense for loan losses	8,084,790	3,791,469
<b>Net interest income after provision expense</b>	<b>53,930,611</b>	<b>52,638,097</b>
<b>OTHER INCOME</b>	<b>10,999,339</b>	<b>13,120,964</b>
<b>OPERATING EXPENSES</b>		
Salaries & Benefits	33,962,925	28,333,614
Operations and Occupancy	27,047,760	26,350,406
<b>Total operating expenses</b>	<b>61,010,685</b>	<b>54,684,020</b>
<b>NET INCOME</b>	<b>\$3,919,265</b>	<b>\$11,075,041</b>

# PERFORMANCE TRENDS

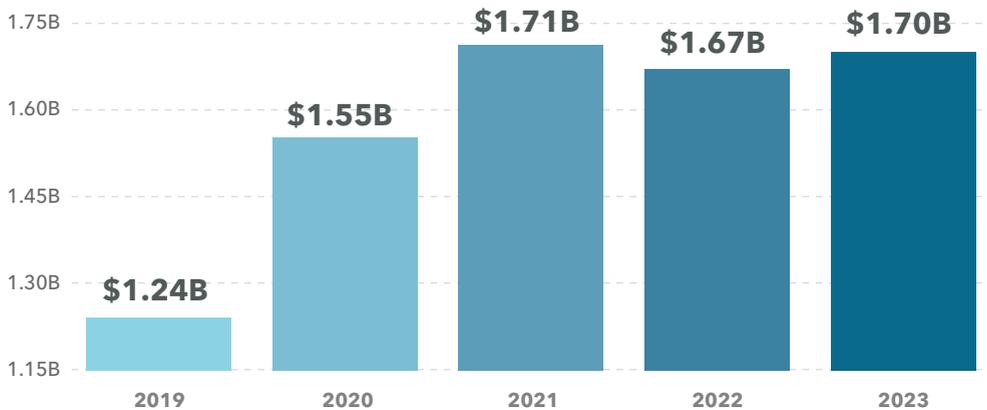
## TOTAL ASSETS



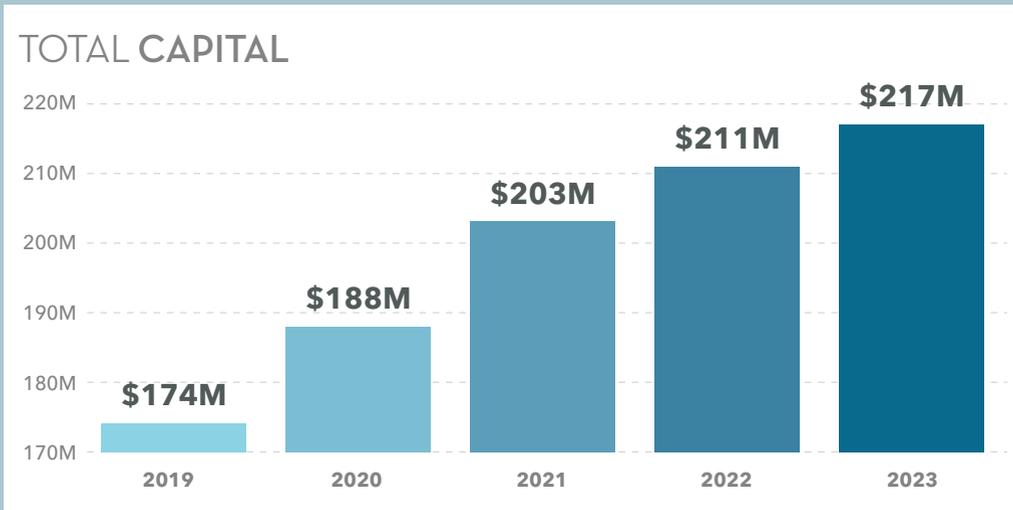
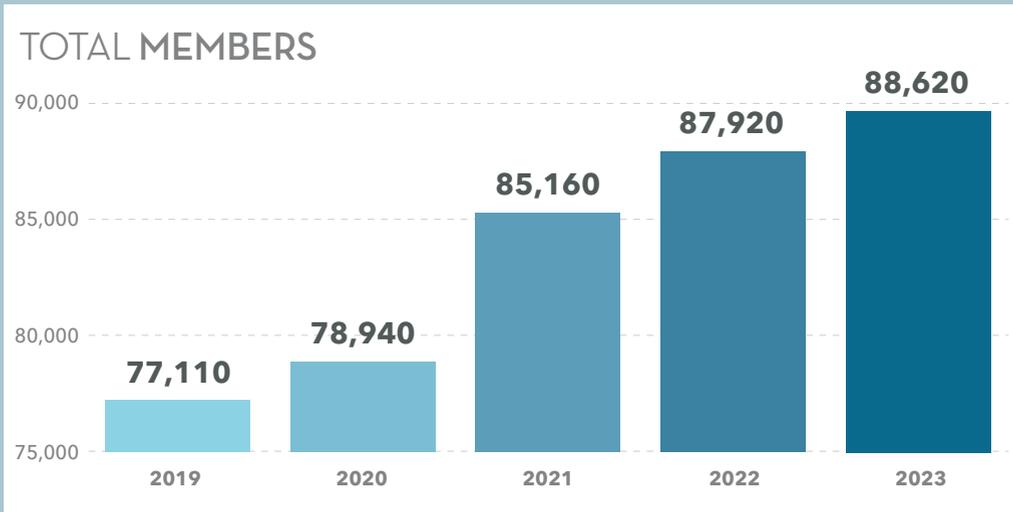
## TOTAL LOANS



## TOTAL DEPOSITS



# PERFORMANCE TRENDS



**88,620**  
Members Strong

As of December 31st **2023**

Assets	\$1,954,971,748
Deposits	\$1,702,288,295
Loans	\$1,335,071,818
Capital	\$ 217,189,436

# Audit Committee Report

The Advantis Credit Union Audit Committee is a five-member team appointed by the Board of Directors and is responsible for ensuring that the credit union safeguards its assets, complies with regulatory requirements, and maintains adequate systems of internal control and financial reporting. In 2023, the Committee held quarterly meetings with Advantis' Senior Audit Officer, participated in all monthly meetings of the Board of Directors, and examined the credit union's monthly financial reports.

In fulfilling statutory duties and obligations to safeguard member assets, the Audit Committee's primary responsibilities includes strategic oversight of (1) the independent external financial audit of the financial statements and records, (2) internal assessments of the control structures for the Credit Union, (3) the verification of members accounts, (4) the ongoing reviews of closed accounts, (5) the internal audit function.

To accomplish these responsibilities, the Audit Committee retained the services of Moss Adams, LLP, an independent external auditor, to perform an audit of the Credit Union's financial statements for the year ended December 31, 2023 and the Credit Union's Internal Audit staff to provide internal audit services.

The Credit Union was also examined by its government regulators during 2023, the Division of Credit Unions of the State of Oregon Department of Consumer and Business Services, Division of Financial Regulation and the National Credit Union Administration (NCUA).

It is the conclusion of the Audit Committee that Advantis Credit Union is operated in a safe and sound financial manner and the assets of the membership are being effectively safeguarded.

We appreciate the opportunity to serve the Advantis family in this capacity.



**Kellan Davis**

Audit Committee Chair  
4/17/2024

## Board of Directors

Tarun Gudz - Chair  
Amanda Owings - Vice Chair  
Bryan Sims - Secretary/Treasurer  
Frederic Dupeyroux  
Patrick Hager  
Renee Halpern  
Jake Jensen  
Traci Rossi  
Tammy Teske

## Associate Directors

Monique Claiborne  
Nathan Morales

## Audit Committee

Kellan Davis - Chair  
William Knuths  
Brandon Lepley  
Liz Speer  
Ross Wescott

## Administration Office

14405 Meyers Road  
Oregon City, OR 97045

## Contact Us

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Portland, OR 97293-0220  
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800-547-5532  
[www.advantiscu.org](http://www.advantiscu.org)

## Executive Leadership Team

Jason Werts  
President/CEO  
Chris Groshko  
SVP/Chief Experience Officer  
Jen McMurray  
VP/Strategy and Advocacy  
Keli Myers  
SVP/Chief Operating Officer  
John Nichols  
SVP/Marketing  
Greg Spear  
SVP/Chief Financial Officer

## Branch Locations

Belmont  
3010 SE Belmont St.  
Portland, OR 97214

Downtown  
120 SW Taylor St.  
Portland, OR 97204

Fremont  
3515 NE 15th Ave.  
Portland, OR 97212

Gresham  
2229 NE Burnside Rd.  
Gresham, OR 97030

Hillsboro  
7387 NE Butler St.  
Hillsboro, OR 97124

Lombard  
4800 N Lombard St.  
Portland, OR 97203

Scholls Ferry  
12262 SW Scholls Ferry Rd.  
Tigard, OR 97223

West Linn  
21900 Willamette Dr., Suite 204  
West Linn, OR 97068

Woodstock  
4235 SE Woodstock Blvd.  
Portland, OR 97206