



THE SPARK



AS PREDICTED, THE FEDERAL FUNDS RATE WAS LOWERED in September. The .50% cut was more than some analysts targeted, but most agree that rates will continue to fall in 2024 and through 2025. These changes will have, and already have had, a direct impact on what you earn on your deposits. Our certificate rates are now the best interest rates that you can find just about anywhere. Our Board of Directors could have lowered our rates in September and still remained competitive, but they made the decision to keep the CD and regular savings rates well above market. This illustrates the Board's ongoing commitment to offering the most valuable products and services to the member-owners of this cooperative. Although rates may have to be adjusted in the future, our philosophy is to always offer the best options to you and your family. Our hope is that when considering your options - for deposits and loans - that you will compare our rates before making your final decision.

General uncertainties are likely to remain in the economy for the foreseeable future. However, Utah Power Credit Union has a long and consistent track record and remains a solid financial institution focused on delivering financial power to its member-owners. In fact, 2025 will mark the 90th anniversary of UPCU. We plan to celebrate this milestone all year long with various specials, promotions, and most importantly, with you.

In the meantime, if there is anything we can do to enhance your Credit Union experience, please let us know.

Ryan Pollick
President & CEO

Inside Fall 2024

- Giving Back
- Payment Protection
- Service Milestone

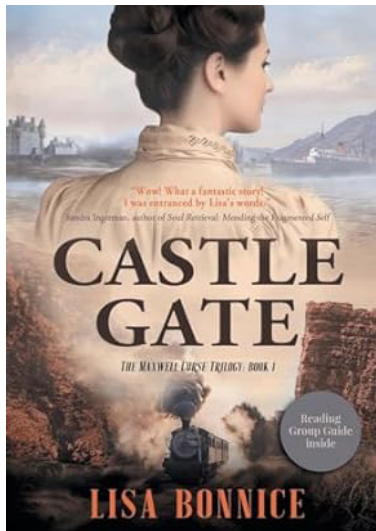
Castle Gate Memorial

In partnership with Helper City, the Credit Union hosted the city's monthly First Friday Gallery Stroll on August 2. The event was a fundraiser for the Castle Gate Memorial project which will revitalize the entrance leading up to the Castle Gate mine and create a memorial to honor those who lost their lives in the mine tragedy.

The Castle Gate mine disaster occurred on March 8, 1924, when a series of three major explosions killed 171 men working in the mine and caused a significant cave-in. This fundraiser event aligned with the centennial anniversary of this great tragedy.

The event featured a variety of activities and attractions including a Castle Gate photo booth, t-shirt art, the documentary titled "Remembering Castle Gate," Jail & Bail fundraiser, and a Castle Gate book signing with author Lisa Bonnice.

Community members and Credit Union employees hosted the activities, and local businesses contributed to the success of the event. The Credit Union is selling Castle Gate books to continue to raise funds. Contact one of our offices for more information.



Empowering Futures

The PacifiCorp Employees Memorial Scholarship Fund (PEMSF) is dedicated to honoring the service of fallen employees by providing scholarships for continuing education to qualified family members. When certain reserves are met, eligibility has been broadened to include family members of all PacifiCorp employees. The Fund has awarded 190 scholarships since being established in 2006.

PEMSF is a non-profit organization registered as a 501(c)(3) and operates with the support of donations from PacifiCorp employees, Rocky Mountain Power and Pacific Power Foundations, Utah Power Credit Union, and various fundraising activities sponsored by the Fund. Managed by a volunteer Board of Trustees, there are no administrative costs paid using donation dollars. All donations go directly toward providing educational assistance to the family members of PacifiCorp employees.

For information on making a donation or applying for a scholarship, contact the Credit Union or visit www.utahpowercu.org/PEMSF.

Payment Protection Program

Life is unpredictable, and unexpected events like job loss, death, or disability can happen to anyone. Payment protection provides peace of mind during challenging times. Disability payment plans protect your loan for 24 months, up to a maximum of \$24,000, regardless of work or non-work related injuries. The Life Plus payment plan covers the loan balance in the case of death, accidental dismemberment, or terminal illness. Additionally, the Life Plus plan can help with payment cancellation involving family medical leave, hospitalization, and loss of life of a non-protected dependent. Payment coverage applies to consumer loans, credit cards, and home equity loans.

Contact our loan department for more information. We're here to help.

Five Years of Service



Nicole Murray serves as a Senior Relationship Officer in the Vernal branch. She began her journey five years ago when her sister, who worked for Moon Lake Electric, told Nicole about an open position at Utah Power Credit Union. Nicole applied the same night, interviewed the next day, and the rest was history.

When asked to share her favorite part about being on the team, she said, "Helping our members. I love getting to know them and their families. My co-workers have also become my best friends." Nicole believes five years have flown by, and she looks forward to many more years at UPCU.

When not in the office, Nicole enjoys swimming, tennis, pickleball, and trail rides on her horse. Nicole's biggest accomplishment is designing and building her home with her husband. The experience was very rewarding as their vision came to life.

Service Milestones Crystal Dorrell, 25 Years | Amy Gonzales, 10 Years



Dividends Declared

The Board of Directors has declared a dividend on earnings for the third quarter of 2024 payable October 1, 2024.

Dividends are calculated using the daily balance method and are credited to your account the first day of the following quarter.

0.55% APY Regular Share Savings & Individual Retirement Accounts

0.275% APY Business Share Savings Accounts

CD Rate

The 12-Month Certificate of Deposit Interest Rate is **5.25% APY**

The 24-Month Certificate of Deposit Interest Rate is **4.50% APY**

Offices Closed

October 14

In observance of Columbus Day

November 28 and 29

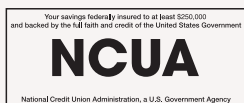
In observance of Thanksgiving

December 25

In observance of Christmas

APY = Annual Percentage Yield

APR = Annual Percentage Rate



Our participation in the CO-OP gives you access to 30,000 surcharge FREE ATMS and over 5,000 credit union locations around the world.

Credit Union Services

- Apple Pay
- ACH Transfers
- ATM Access
- Bill Pay
- CDs
- Cash Advances
- Cashier Checks
- Checking Accounts
- Credit Cards
- Debit Cards
- Direct Deposit
- First-Time Car Buyer Loans
- First-Time Home Buyer Loans
- Home Equity Loans
- IRAs
- Medallion Stamp Service
- Mobile Banking
- Mobile Check Deposit
- Money Orders
- Mortgage Loans
- NADA Blue Book
- Notary Service
- Online Banking
- Safe Deposit Boxes (Main & Price Branches)
- Samsung & Android Pay
- Share Savings
- Shared Branching
- Signature Guarantee
- Telephone Teller

Our Offices

Toll Free – All offices

800-833-8897

Salt Lake (Main)

957 E 6600 S

SLC UT 84121

PH 801-708-8900

North Temple Office

1407 W North Temple, 120 C

SLC UT 84116

PH 801-708-8990

Ogden

1438 W 2550 S

Ogden UT 84401

PH 801-781-6046

Price

370 E 100 N

Price UT 84501

PH 435-637-6159

Huntington

125 S Main St

Huntington UT 84528

PH 435-687-9535

Helper

100 W 200 N

Helper UT 84526

PH 435-472-5531

Vernal

92 N Vernal Ave

Vernal UT 84078

PH 435-789-5449

Moon Lake (Roosevelt)

800 W Highway 40

Roosevelt UT 84066

PH 435-722-0149

PowerTrust Casper

4030 Plaza Dr, #5

Casper WY 82604

PH 307-237-6764

PowerTrust Rock Springs

601 College Dr

Rock Springs WY 82901

PH 307-362-1810

Text

801-708-8900



UTAH POWER
Credit Union

2023 Annual Report

Chairman's Report



Fellow Members of UPCU, 2023 continued to bring financial ups and downs to both the Credit Union and to member-owners. Inflation seemed to significantly impact members as the cost of basic needs such as housing, food, gas, and medicine, among others, continued to rise. And often with no expectation that they will ever return to what we used to consider “normal” levels.

I'm pleased to let you know that despite inflation and other financial influences, the Credit Union is in a very good

place financially. The underwriting processes for loans, the talents of staff, and the quality of borrowers and savers, all have helped us maintain a very low delinquency rate (0.168 %, or 40 of 17,482 loans), an increase in membership base to 29,518, and financial ratios that make UPCU one of the strongest financial institutions in the state.

Every year I am reminded of the advantage that Utah Power Credit Union has regarding the loyalty of member-owners and the talents of the dedicated management team and staff. Without these two advantages, we would just

be another credit union struggling to survive the financial storms that seem to bombard our economy on a continual basis. Thank you, member-owners and staff, for all that you do to keep us focused on managed growth, financial strength, and what is really our main focus, the financial well-being of each and every member.

I challenge you to find another financial institution that matches the dedication and focus of UPCU as it provides members with competitive borrowing and saving rates, innovative services like mobile and online banking, a low fee structure, and the lowest employee to asset ratio in the state. Staff does more with less and they do it happily with a smile on their faces. The Credit Union will always recognize that one of our key responsibilities is the safety of your financial information and works continually to strengthen the ability of the technology team to maintain and improve resources to ensure the safekeeping of your personal data.

We look forward to continued success in 2024 and ask for your support in making Utah Power Credit Union the best place to conduct your financial transactions.

Russ Johnson
Chairman

Membership Means Financial Power

President's Report



Steady, consistent, and deliberate performance results have become a hallmark to the success of Utah Power Credit Union, and 2023 was no exception. In fact, with economic factors like inflation, increasing interest rates, and higher-than-normal loan delinquency prevailing in the US economy, the Board of Directors and management were determined to ensure that the most value be delivered to the member-owners of UPCU.

\$13,855,880 was paid to depositors in 2023 (how 'bout that 6% certificate special?). This was the highest amount of interest paid in our history, and a 78.55% increase from 2022. We approved 97% of the loan dollars requested, resulting in over \$219 million in funded loans. Many benefited from a low-cost, and even discounted, 1st time home buyer loan special in 2023. Fee income remained low — .12% of assets— well below the target not to exceed .50%. Incidentally, most financial institutions look for ways to maximize fee income to the highest extent possible, not to reduce or eliminate it.

The reasons we were able to accomplish this include:

- ③ An exceptionally high net worth ratio, ending at 14.37%, which is far above both regulatory requirements and the average in the credit union industry.
- ③ Continued focus on keeping operating expenses lower than just about any credit union, ending at 1.26% of assets, many times lower than our peers. This could not be achieved without the hard work and dedication of our staff and volunteers.
- ③ The trust you place in the Credit Union, which is evidenced by the very low loan delinquency, and bad-debt write-offs of just .04%, also many times below other financial institutions.

And, your willingness to tell the UPCU story to your eligible friends and family allowing us to continue to grow at reasonable levels, which is necessary to remain relevant and viable. Assets increased 2.81% in 2023, ending at \$923,376,279.

Our aim is to make you proud to be associated with Utah Power Credit Union and I hope that we accomplished this in 2023. If there are ways we can improve your relationship with UPCU, please let us know.

Ryan Pollick
President & CEO

Report of the Supervisory Committee



The Supervisory Committee consists of member-volunteers appointed by the Board of Directors. Our role is to work with the internal auditor to develop the annual audit plan, provide audits of policies and procedures, and ensure that the bylaws and regulations that govern the activities of the Credit Union are followed. We meet regularly with the internal auditor, attend Board meetings and Board committee meetings, and see firsthand the efforts of the Board of Directors and the senior management team.

As part of the audit plan, we engage CPAs and advisors from Doeren Mayhew to conduct the annual opinion audit of the Credit Union's financial statements, and also to provide the annual independent review of our compliance with the Bank Secrecy Act. Both audits were completed with positive results.

In accordance with state and federal regulations, the Credit Union receives regular examinations from the Utah Department of Financial Institutions (UDFI) and the National Credit Union Administration (NCUA).

During 2023, the UDFI examination was performed and included a review of the Credit Union's financial, management, and volunteer performance. The results of the examination were positive.

As Supervisory Committee members we actively look for ways to improve our ability to fulfill this important role through training and utilization of audit programs. We invite you to be diligent and to share any concerns you may have in regard to Credit Union procedures.

Supervisory Committee

Lloyd Ukena - Chairman

Jeanine Thomson - Secretary

Jim Bean

Todd Lindley

Rohit Nair

Minutes of the Annual Meeting | March 21, 2023

Utah Power Credit Union's Annual Meeting of Members was held virtually and in person at the Mountain America Expo Center in Sandy, Utah on Tuesday, March 21, 2023 at 6:00PM.

There were 245 members of the Credit Union in person and 836 attended virtually.

Chairman of the Board of Directors, Russell Johnson, welcomed Credit Union members to the Annual Meeting who joined in-person and virtually. Chairman Johnson shared that the Credit Union would not be a viable entity without the loyalty, trust, and honesty of the members.

Chairman Johnson introduced the Board of Directors, Alternate Directors, and members of the Supervisory Committee.

President & CEO, Ryan Pollick, said he was happy to see members in person again but also enjoyed seeing selfies from those who participated virtually. Mr. Pollick first addressed the recent news of a few bank failures. He shared how banks are structurally different than credit unions. Mr. Pollick said that the Annual Report was available on the Credit Union website. He then gave a presentation of the financial results for 2022 that included industry peer comparisons for key financial ratios. Mr. Pollick reported that total assets decreased 6% in 2022 primarily due to an unrealized loss on the Credit Union's investment portfolio. The loss reflects the amount the Credit Union would lose if the portfolio was liquidated, but the intent is to hold investments to maturity. He shared that 95% of the investment portfolio will mature in less than five years, which is much shorter than most institutions. He reported a 2% increase in members with a total of \$815.9 million in deposits.

He shared that another difference between UPCU and the banking industry is the percentage of federally insured accounts, which is 92% for UPCU. He reported that total loans increased 2.4% and delinquency and charge offs remained low in comparison to peers. He shared that the Credit Union boasts 97.97% loan approval ratio. Mr. Pollick thanked the membership for their continued support of the Credit Union.

Susan Simkins, Nominating Committee Chairperson, explained that the voting for the Board of Directors election took place electronically and by mail-in ballot prior to the meeting. She said that Article Four of the Credit Union Bylaws states that nine members are elected for three-year terms, with an equal number of terms expiring at each Annual Meeting.

Ms. Simkins reported that the nominees for the Board election at this meeting were: Morgan Anderson, Russell Johnson, Steven Knowles, Todd Lindley, Jared Lucero, Jason Moffat, Chris Spencer, Steve Troop, and Brandon Worthington. Ms. Simkins announced that the following nominees were elected to fill the three expiring terms on the Board: Russell Johnson, Jason Moffat, and Chris Spencer. Ms. Simkins thanked the nominees, recognizing their qualifications and desire to direct the Credit Union in its continued success.

Prize drawings were held, and virtual cash envelopes were given to all who participated in the meeting.

Crystal Dorrell, Acting Secretary

Year-End Balance Sheet

ASSETS

	2022	2023
Cash & Cash Equivalents	10,633,742	32,328,926
Investments - Net	454,664,990	425,427,899
Loans - Net	410,826,642	443,447,973
Buildings & Land - Net	6,330,631	6,688,551
Furniture & Equipment - Net	526,624	698,566
NCUSIF Placement	7,168,544	6,704,660
Accrued Loan Interest Receivable	730,390	970,643
Accrued Investment Interest Receivable	2,551,205	2,343,361
Accounts Receivable & Prepayments	520,824	497,435
Shared Branching & PowerTrust CUSO	610,132	610,132
Other	3,617,375	3,658,133
Total Assets	898,181,100	923,376,279

LIABILITIES & EQUITY

	2022	2023
Deposits	812,365,788	816,676,895
Borrowed Funds	—	—
Dividends & Interest Payable	879,007	601,032
Accounts Payable	249,460	304,752
Accrued Expenses	688,738	773,908
Other Liabilities	1,676,142	2,576,342
Retained Earnings	102,419,734	105,972,459
Regular Reserves	25,858,552	26,716,916
Unrealized Gains/(Losses)	(45,956,321)	(30,246,023)
Total Liabilities & Equity	898,181,100	923,376,279

Key Financial Ratios

Loans/Assets	48.02%
Capital/Assets (Net)	14.37%
Income/Assets	3.27%
Expense/Assets	1.26%
Loan Delinquency	0.17%

Year-End Income Statement

INCOME	2022	2023
Interest Income – Loans	14,360,715	18,388,240
Interest Income – Investments	8,305,334	7,168,558
Fees	946,654	1,133,181
Other Income	3,177,425	3,126,510
Total Income	26,790,127	29,816,489
EXPENSE		
Salaries, Benefits	5,566,931	5,763,130
Travel, Meeting & Training	158,520	134,792
Office Occupancy	860,973	1,011,488
Office Operations	610,041	641,280
Data Processing	459,862	507,399
Shared Branching & PowerTrust CUSO	479,049	511,806
Marketing Promotions	70,551	69,000
Loan Servicing	348,416	406,252
Debit/Credit Card	1,776,393	1,995,413
Provision for Loan Loss	187,760	23,410
Regulatory, Audit & Professional Services	248,014	258,579
Other Operating Expense	146,263	196,929
Total Expense	10,912,773	11,519,477
Gains/(Losses)	(170,398)	—
Dividend/Interest Expense	7,855,225	13,885,924
 NET INCOME	 7,851,732	 4,411,088

Statistical Information

Number of Members	29,518
Number of Loans	17,482
New Loans Disbursed	219,474,277
Average Rate on Loans	4.42%
Average Rate on Investments	1.45%

Credit Union Volunteers & Staff

BOARD OF DIRECTORS

Russell Johnson, Chair
Stephen Hastings, Vice-Chair
Esther Giezendanner, Secretary
Jason Beane
Larry Ellertson
Bruce Larsen
Jason Moffat
Cindy Nagasawa-Cruz
Chris Spencer
Joe Juliano, Alternate
Susan Simkins, Alternate

SUPERVISORY COMMITTEE

Lloyd Ukena, Chair
Jeanine Thomson, Secretary
Jim Bean
Todd Lindley
Rohit Nair

MANAGEMENT

Ryan Pollick
Christopher Brems
Crystal Dorrell
Danette Fox
Russell Payne
Pamela Schumacher

MAIN OFFICE

Alisha Abramovitz | Accounting
Aaron Cleverley | Technology
CJ Frampton | Technology
Marilyn Hernandez | Loans
Gale Hickman | Loans
Tyler Kay | Accounting
Merrilee Landon | Financial Support
Kara Lutz | Branch Manager

Emily Miller | Design & Marketing
Nikki Newby | Loans
Tracy Nieves | Accounting
Hailey Olson | Training & HR
Paul Packard | Audit & Compliance
Hunter Richards | Service & Relationships
Cameryn Robinson | Mortgages
Beau Sovinsky | Service & Relationships
Richard Stark | Mortgages
Eva Tafoya | Service & Relationships
Bonnie Taylor | Financial Support
Rachel Teran | People & Culture
Larisabel Vongthongchit | Mortgages
Jonni Wallin | Fraud & Risk
Zac Wilhelmson | Technology
Renae Woodard | Financial Support

NORTH TEMPLE OFFICE

Israel Becerra | Loans
Kat Carrasco | Service & Relationships
Mike Christensen | Branch Manager
Mia Christy | Service & Relationships

OGDEN OFFICE

Amy Gonzales | Service & Relationships
Robyn Skeen | Branch Manager

HUNTINGTON OFFICE

Angela Farrer | Service & Relationships
Faith Grindley | Service & Relationships
Jennifer Hollar | Service & Relationships
Shantelle Kay | Fraud & Risk
Miranda Lofley | Assistant Manager
Noula Lowe | Mortgages
Brandy Martinez | Loans
Alexis Shank | Service & Relationships

HELPER OFFICE

Lizbeth Acosta | Service & Relationships
Emma Allred | Service & Relationships
Ginger Basso | Branch Manager
Amanda Larsen | Mortgages
Teresa Leautaud | Service & Relationships
Jordan Madsen | Loans
Sherrie Vlamakis | Service & Relationships

PRICE OFFICE

Lissa Bradshaw | Service & Relationships
Brandi D'Ambrosio | Loans
Mindy Fausett | Mortgages
Amy Gluesing | Service & Relationships
Denise Hansen | Service & Relationships
Andrea Hofer | Mortgages
Treaa Hurst | Service & Relationships
Ann Milano | Branch Manager
Tanika Reid | Assistant Manager

UINTAH BASIN OFFICES

Kendra Blunt | Service & Relationships
Andrew Ercanbrack | Branch Manager, Roosevelt
Nicole Murray | Service & Relationships
Kacie Richards | Branch Manager, Vernal

POWERTRUST CUSO | CASPER

Janet Green | Loans
Kati Shavalia | Service & Relationships

POWERTRUST CUSO | ROCK SPRINGS

Candice Berry | Branch Manager
Nicole Chatterton | Service & Relationships
Madisen Danzl | Loans
Cherie Howell | Service & Relationships
Krissey Kelsey | Assistant Manager
Jade Pacheco | Service & Relationships
Colton Sheets | Service & Relationships