



THE SPARK



IN ADDITION TO THEIR DAY-TO-DAY TASKS AND RESPONSIBILITIES

(which I hope you agree, are carried out tremendously) the staff of UPCU have completed several big projects within the last quarter.

VISA Card Conversion. In February, we converted to a new processing system for all Visa debit and credit cards. The decision to undertake this very big project was made after a detailed analysis proved that we could save money, provide better security to cardholders, and have more control of the processing of these transactions. In the first days of the conversion, some cardholders were impacted. I apologize for the inconvenience, and hope that we resolved any issues promptly.

Member Referral Program. In January, we kicked off a new member referral program which gives a 1% interest rate advantage on a certificate of deposit or a loan (including mortgages!) when an eligible member you refer joins the Credit Union. The program has been a big success, and you can still participate through May 1st.

Annual Meeting of Members. On March 26th, we hosted the Annual Meeting of Members at the Mountain America Expo Center, and online. Besides being a lot of fun, this meeting is a fundamental (and required!) element of our cooperative. Year-end financial information was shared, as well as the results of the Board of Directors election. Thank you to the candidates who ran, and the member-owners who voted, in the election. I am certain we will all be well represented by Cindy Nagasawa-Cruz, Jason Beane, and Larry Ellertson, who were elected to fill three-year terms on the Board.

In-House Developed Mobile App. The biggest thing to happen in the first quarter was the introduction of our new mobile app that was created entirely by our team and exclusively for you. Custom banking apps are very rare in the financial industry, and I couldn't be more proud of what this talented and dedicated group of individuals has created. Having the app in-house will allow for continued enhancements, so please share your feedback.

Along with UPCU's outstanding employees and volunteers, the member-owners play an equally important role in our success. Thank you for your continued loyalty and support of Utah Power Credit Union.

Ryan Pollick
President & CEO

Inside Spring 2024

Custom Built App
Meeting of Members
Service Anniversaries

New App, Same Great Service

Utah Power Credit Union has developed a custom built app to create a better online banking experience and to serve you beyond the transaction. The app was designed with enhanced security features, dark mode, easy to use mobile deposit, a special support section, and much more.

During the launch of the new app, the original app is temporarily still available in the Google Play Store and the Apple App Store with the description "We're saying goodbye to this app soon." Make sure to download the new app by visiting www.utahpowercu.org/app or by scanning the QR code below.

Contact us with any questions. We're here to help.

New app, same great service
Developed for you by UPCU.

Serving you beyond the transaction
Mobile banking any time.

Providing excellent value
Featuring dark mode or light mode.

Lifelong relationships create more value
We're here to help.

Download the new app today!

Annual Meeting of Members

The Annual Meeting was held on March 26 at the Mountain America Expo Center in Sandy and was streamed for virtual attendees. The meeting included a 2023 financial review and results from the Board of Directors election. Congratulations to re-elected Board members Cindy Nagasawa-Cruz, Jason Beane, and Larry Ellertson. A very special thank you to all six candidates who participated in the election.

Each member in attendance received a door prize, a cash envelope, and a ticket for prize drawings. Virtual attendees received a cash envelope and a ticket for prize drawings. Prizes included national parks annual passes, wood fire grills, giant UPCU teddy bears, HD TVs, and video camera bird feeders with AI recognition.

Join us next year for the Annual Meeting, it is an enjoyable event for the whole family.



Five years ago, **Andrea Hofer** joined the Credit Union team as a Relationship Officer and now serves as a Mortgage Loan Processor in the Price Office. While initially nervous about working in the financial field, she quickly discovered it was the best decision she ever made. When asked about her favorite part of being on the team, she said it was definitely the people and that she doesn't know what she would do without her UPCU friends.

In her spare time, Andrea enjoys spending time with her family at their cabin in Scofield. She loves reading, road trips, cooking, and anything related to history. Andrea's biggest accomplishment was earning her bachelor's degree while working full-time. She said it wasn't an easy task, but she is grateful she did it.

Five Years of Service



Denise Hansen serves members as a Relationship Officer in the Price Office. She joined the Credit Union family after she visited UPCU and noticed that the people genuinely loved their jobs. When asked to share her favorite part about working at the Credit Union, she said, "members, co-workers, and the simple, genuine care for our members that makes UPCU stand out."

When not helping members in the office, Denise loves being outside, whether it's home gardening, kayaking, camping, wakeboarding, snowboarding, or paddleboarding. She entered the world of Karate after having a conversation with one of her members and is now involved in various tournaments. She even has a brown belt with stripes! She finds Karate to be an incredibly rewarding, spiritual, and physical sport. One day, she wants to achieve the black belt and beyond.

Years of Service: Renae Woodard, 20 years | Robyn Skeen, 10 years



Dividends Declared

The Board of Directors has declared a dividend on earnings for the first quarter of 2024 payable April 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 **5.50% APY**

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

Mark Your Calendar

May 27
Offices Closed - Memorial Day

June 8
Utah Linemans Rodeo- *Join Us!*

June 19
Offices Closed - Juneteenth

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

Salt Lake (North)
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 Drive, #5
Casper WY 82604
PH 307-237-6764

PowerTrust Rock Springs
601 College Drive
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
Trea 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